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To the Chief Executive Department for Environment and Water

Qualified opinion

I have audited the financial report of the Department for Environment and Water (the Department) for the financial year ended 30 June 2024.

In my opinion, except for the possible effects of the matter described in the 'Basis for qualified opinion' section of my report, the accompanying financial report gives a true and fair view of the financial position of the Department for Environment and Water 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.

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 Statement of Administered Comprehensive Income for the year ended 30 June 2024
- a Statement of Administered Financial Position as at 30 June 2024
- a Statement of Administered Cash Flows for the year ended 30 June 2024
- a Statement of Income and Expenses attributable to Administered Activities for the year ended 30 June 2024
- notes, comprising material accounting policy information and other explanatory information for administered items
- a Certificate from the Chief Executive and the Chief Financial Officer.

Basis for qualified opinion

Procurement reporting disclosure

The Department was required by the Treasurer's Instructions (Accounting Policy Statements) to include a disclosure reporting the value of procurement with South Australian businesses and non-South Australian businesses for 2023-24.

This requirement uses a framework established by the Treasurer's Instructions (Accounting Policy Statements) and definitions within Treasurer's Instruction 18 *Procurement*.

The Department included that disclosure in note 4.2 to the financial report.

My review of the processes used by the Department identified that it had not established an effective process to meet the requirements of the framework which has been established for procurement reporting under the Treasurer's Instructions.

As such, I am not able to obtain sufficient appropriate audit evidence for the amounts disclosed in note 4.2.

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 Department. 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 qualified opinion.

Responsibilities of the Chief Executive 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, 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.

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*, I have audited the financial report of the Department for Environment and Water 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 Department's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Chief Executive
- 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 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.

A handwritten signature in blue ink, appearing to read 'Andrew Blaskett', with a stylized flourish at the end.

Andrew Blaskett
Auditor-General

22 September 2024

**Department for Environment and Water
(DEW)**

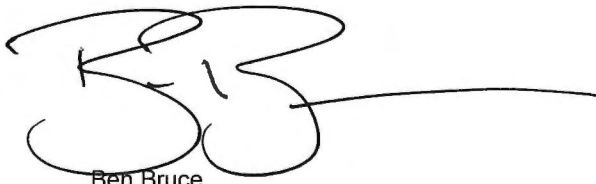
Financial Statements

For the year ended 30 June 2024

Department for Environment and Water
Certification of the Financial Statements
for the year ended 30 June 2024

We certify that the:

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



Ben Bruce
Chief Executive
16 September 2024



Shaun O'Brien
Chief Financial Officer
16 September 2024

Department for Environment and Water
Statement of Comprehensive Income
for the year ended 30 June 2024

	Note	2024 \$'000	2023 \$'000
Income			
Appropriation	2.1	164 625	181 317
Fees and charges	2.2	39 198	37 482
Commonwealth-sourced grants and funding	2.3	24 378	22 541
SA Government grants, subsidies and transfers	2.4	38 860	37 366
Sales of goods and services	2.5	55 212	51 789
Interest	2.6	1 329	1 102
Net gain from disposal of property, plant and equipment	2.7	64	19
Resources received free of charge	2.8	6 955	6 594
Other income	2.9	16 110	16 418
Total income		346 731	354 628
Expenses			
Employee related expenses	3.3	146 504	143 960
Supplies and services	4.1	110 221	102 492
Grants and subsidies	4.3	45 406	55 573
Depreciation and amortisation		33 202	33 416
Borrowing costs		109	74
Impairment loss on receivables	6.2	(310)	402
Assets transferred for nil consideration	4.4	8 232	7 241
Other expenses	4.5	5 001	1 595
Total expenses		348 365	344 753
Net result		(1 634)	9 875
Other comprehensive income			
Changes in property, plant and equipment asset revaluation surplus	5.1	95 054	53 713
Impairment loss of property, plant and equipment	5.1	(811)	(2 585)
Total other comprehensive income		94 243	51 128
Total comprehensive result		92 609	61 003

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

Department for Environment and Water
Statement of Financial Position
as at 30 June 2024

	Note	2024 \$'000	2023 \$'000
Current assets			
Cash and cash equivalents	6.1	233 936	239 387
Receivables	6.2	11 018	9 296
Inventories	5.4	2 564	2 143
Total current assets		247 518	250 826
Non-current assets			
Receivables	6.2	46	81
Property, plant and equipment	5.1, 5.2	961 494	869 439
Intangible assets	5.3	25 215	21 188
Total non-current assets		986 755	890 708
Total assets		1 234 273	1 141 534
Current liabilities			
Payables	7.1	22 690	22 725
Financial liabilities	7.2	1 373	1 313
Contract liabilities	2.3, 2.5, 2.9	11 660	10 420
Employee related	3.4	16 928	16 951
Provisions	7.3	747	1 156
Other liabilities	7.4	4 421	4 177
Total current liabilities		57 819	56 742
Non-current liabilities			
Financial liabilities	7.2	2 926	2 260
Employee related	3.4	27 973	25 808
Provisions	7.3	2 435	4 910
Other liabilities	7.4	8 578	10 718
Total non-current liabilities		41 912	43 696
Total liabilities		99 731	100 438
Net assets		1 134 542	1 041 096
Equity			
Contributed capital		22 612	22 612
Retained earnings		503 749	504 546
Asset revaluation surplus		608 181	513 938
Total equity		1 134 542	1 041 096

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

Department for Environment and Water
Statement of Changes in Equity
for the year ended 30 June 2024

		Asset		
	Contributed	revaluation	Retained	Total
	capital	surplus	earnings	equity
Note	\$'000	\$'000	\$'000	\$'000
Balance at 1 July 2022	22 612	457 632	544 334	1 024 578
Prior period correction	-	5 178	(52 210)	(47 032)
Restated balance at 1 July 2022	22 612	462 810	492 124	977 546
Net result for 2022-23	-	-	9 875	9 875
Gain on revaluation of property, plant and equipment	-	53 713	-	53 713
Impairment loss of property, plant and equipment	-	(2 585)	-	(2 585)
Total comprehensive result for 2022-23	-	51 128	9 875	61 003
Transactions with SA Government as owner				
Crown land transferred from Administered for proclamation to National Parks	-	-	1 672	1 672
Net assets received from an administrative restructure	-	-	875	875
Balance at 30 June 2023	22 612	513 938	504 546	1 041 096
Net loss for 2023-24	-	-	(1 634)	(1 634)
Gain on revaluation of property, plant and equipment	-	95 054	-	95 054
Impairment loss of property, plant and equipment	-	(811)	-	(811)
Total comprehensive result for 2023-24	-	94 243	(1 634)	92 609
Transactions with SA Government as owner				
Crown land transferred from Administered for proclamation to National Parks	-	-	837	837
Balance at 30 June 2024	22 612	608 181	503 749	1 134 542

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

Department for Environment and Water
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>			
Appropriation		164 625	181 317
Fees and charges		36 723	45 163
Receipts from Commonwealth-sourced grants		26 161	19 779
SA Government grants, subsidies and transfers		38 860	37 366
Sales of goods and services		55 363	56 973
Interest received		1 340	985
GST recovered from the Australian Taxation Office		18 586	13 233
Other receipts		14 882	44 852
Cash generated from operating activities		356 540	399 668
<i>Cash outflows</i>			
Employee related payments		(147 265)	(144 887)
Payments for supplies and services		(122 283)	(116 363)
Payments of grants and subsidies		(45 917)	(68 468)
Interest paid		(109)	(74)
Other payments		(878)	(441)
Cash used in operating activities		(316 452)	(330 233)
Net increase by operating activities	8.2	40 088	69 435
Cash flows from investing activities			
<i>Cash inflows</i>			
Proceeds from the sale of property, plant and equipment	2.7	115	20
Cash generated from investing activities		115	20
<i>Cash outflows</i>			
Purchase of property, plant and equipment		(44 052)	(49 701)
Cash used in investing activities		(44 052)	(49 701)
Net cash decrease in investing activities		(43 937)	(49 681)
Cash flows from financing activities			
<i>Cash outflows</i>			
Repayment of principal portion of lease liabilities		(1 602)	(1 672)
Cash used in financing activities		(1 602)	(1 672)
Net cash decrease in financing activities		(1 602)	(1 672)
Net (decreases)/increase in cash and cash equivalents		(5 451)	18 082
Cash and cash equivalents at the beginning of the reporting period		239 387	221 305
Cash and cash equivalents at the end of the reporting period	6.1	233 936	239 387

The accompanying notes form part of these financial statements.

Department for Environment and Water

Notes to and forming part of the financial statements

for the year ended 30 June 2024

1. About the Department for Environment and Water

The Department for Environment and Water (DEW) is a government department of the State of South Australia established pursuant to the *Public Sector Act 2009* as an administrative unit acting on behalf of the Crown.

DEW does not control any other entity and has no interests in unconsolidated structured entities. The financial statements and accompanying notes include all the controlled activities of DEW.

DEW has administered activities and resources. Administered financial statements relating to administered resources are presented separately as part of this report starting after note 10.3. Except as otherwise disclosed administered items are accounted for on the same basis and using the same accounting policies as for DEW transactions.

1.1. Basis of preparation

The 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.

For the purposes of preparing the financial statements, the department is a not-for-profit entity. The financial statements are prepared based on a 12-month reporting period and presented in Australian currency. The historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item measured.

Assets and liabilities that are to be sold, consumed or realised as part of the normal operating cycle have been classified as current assets or current liabilities. All other assets and liabilities are classified as non-current.

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, in which case the 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.

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 ATO are classified as operating cash flows.

DEW prepares a Business Activity Statement on behalf of its administered items and other clients to which it provides business services under the grouping provisions of the GST legislation. Under the grouping provisions, DEW is liable for the GST payments and entitled to the GST receipts associated with these entities and items.

Department for Environment and Water
Notes to and forming part of the financial statements
for the year ended 30 June 2024

1.2. Objectives and programs

Objectives

DEW works to help South Australians conserve, sustain and prosper. DEW's management of natural resources and places, water and heritage assets is vital for the future of all South Australians, to underpin their social, environmental and economic prosperity and well-being. In partnership with a diverse cohort of boards, councils, stakeholders and volunteers, DEW delivers and implements policies and programs through three complementary goals:

- A healthy, resilient environment – South Australia's biodiversity, ecosystems and wildlife are conserved, restored and resilient to climate change. A world-class system of national parks and botanic gardens protect our iconic places and recognise the intrinsic value of nature.
- Improved liveability and wellbeing – Natural resources and cultural heritage provide for the needs of our communities and are used to deliver enhanced lifestyle and cultural values for all peoples.
- A prosperous South Australia for current and future generations – Sustainably managed natural resources underpin the growth of a climate-resilient economy through increased productivity, competitiveness, innovation and private investment.

Programs

In achieving its objectives, DEW provides a range of services classified into the following programs:

National Parks and Wildlife

The sustainable, proactive conservation and management of South Australia's natural places, parks and wildlife ensures the environmental, social and economic prosperity of the state.

Water and the River Murray

Water is managed sustainably for the benefit of the community, environment and economy.

Environment, Heritage and Sustainability

Develop and deliver strategies, policies and projects that protect and conserve the state's environment and heritage, and support sustainable development, in partnership with key bodies in the face of a changing climate.

The table on the following page presents income and expenses information attributable to each program. DEW cannot currently reliably attribute assets and liabilities across activities. Hence only income and expenses are disclosed.

Department for Environment and Water
Notes to and forming part of the financial statements
For the year ended 30 June 2024

1.2. Objectives and programs (continued)

Income and expenses by program

	National Parks and Wildlife		Water and the River Murray		Environment, Heritage and Sustainability		Total	
	2024	2023	2024	2023	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Income								
Appropriation	83 527	80 527	39 963	63 410	41 135	37 380	164 625	181 317
Fees and charges	3 142	2 292	35 580	34 515	476	675	39 198	37 482
Commonwealth-sourced grants and funding	1 787	777	22 106	21 435	485	329	24 378	22 541
SA Government grants, subsidies and transfers	16 970	15 875	5 719	4 012	16 171	17 479	38 860	37 366
Sales of goods and services	28 861	22 760	14 389	13 528	11 962	15 501	55 212	51 789
Interest	107	49	1 221	1 052	1	1	1 329	1 102
Net gain from disposal of property, plant and equipment	32	19	-	-	32	-	64	19
Resources received free of charge	3 541	3 421	1 670	1 600	1 744	1 573	6 955	6 594
Other income	10 510	8 842	1 292	964	4 308	6 612	16 110	16 418
Total income	148 477	134 562	121 940	140 516	76 314	79 550	346 731	354 628
Expenses								
Employee related expenses	73 740	73 489	37 289	37 501	35 475	32 970	146 504	143 960
Supplies and services	46 837	41 028	30 913	29 002	32 471	32 462	110 221	102 492
Grants and subsidies	5 669	6 123	35 833	46 342	3 904	3 108	45 406	55 573
Depreciation and amortisation	17 686	17 778	12 529	12 151	2 987	3 487	33 202	33 416
Borrowing costs	56	38	26	18	27	18	109	74
Impairment loss on receivables	(13)	402	(297)	-	-	-	(310)	402
Assets transferred for nil consideration	1 923	-	959	1 361	5 350	5 880	8 232	7 241
Other expenses	3 364	767	1 193	627	444	201	5 001	1 595
Total expenses	149 262	139 625	118 445	127 002	80 658	78 126	348 365	344 753
Net result	(785)	(5 063)	3 495	13 514	(4 344)	1 424	(1 634)	9 875

Department for Environment and Water
Notes to and forming part of the financial statements
For the year ended 30 June 2024

1.3. Budget performance

The budget performance table compares DEW's outcomes against budget information presented to Parliament (2023-24 Budget Paper 4). Appropriation reflects appropriation issued to special deposit accounts controlled by DEW. The budget amounts have not been adjusted to reflect revised budgets or administrative restructures. The budget process is not subject to audit.

Statement of Comprehensive Income	Note	Original	Actual	Variance
		budget	2024	\$'000
		2024	\$'000	\$'000
		\$'000	\$'000	\$'000
Income				
Appropriation		152 073	164 625	12 552
Fees and charges		36 405	39 198	2 793
Commonwealth-sourced grants and funding	a	40 892	24 378	(16 514)
SA Government grants, subsidies and transfers		36 043	38 860	2 817
Sales of goods and services		47 711	55 212	7 501
Interest		51	1 329	1 278
Net gain from disposal of property, plant and equipment		-	64	64
Resources received free of charge		-	6 955	6 955
Other income		6 322	16 110	9 788
Total income		319 497	346 731	27 234
Expenses				
Employee related expenses		146 440	146 504	64
Supplies and services	b	94 302	110 221	15 919
Grants and subsidies		39 959	45 406	5 447
Depreciation and amortisation		36 765	33 202	(3 563)
Borrowing costs		70	109	39
Impairment loss on receivables		-	(310)	(310)
Assets transferred for nil consideration		-	8 232	8 232
Other expenses	c	26 952	5 001	(21 951)
Total expenses		344 488	348 365	3 877
Net loss		(24 991)	(1 634)	23 357

Explanations are provided for variances where the variance exceeds the greater of 10 per cent of the original budgeted amount and 5 per cent of original budgeted total expenses.

- Lower actuals due to revenue from Commonwealth funded projects budgeted for in 2023-24, primarily for the SA Riverland Floodplains Integrated Infrastructure Program (SARFIIP) being moved into future years with the extension of the program funding deed to 30 June 2026.
- Higher actuals primarily due to increased expenditure for time-limited and Commonwealth funded projects that were approved during 2023-24, including Lower Murray Reclaimed Irrigation Area (LMRIA) levee recovery and River Murray flood related projects.
- Lower actuals primarily due to project delays impacting donation of assets to landholders under the Sustaining Riverland Environments and Flows for the Future programs.

Department for Environment and Water
Notes to and forming part of the financial statements
For the year ended 30 June 2024

1.4. Budget performance (continued)

	Note	Original budget 2024 \$'000	Actual 2024 \$'000	Variance \$'000
Investing expenditure summary				
Total new projects	d	7 012	1 617	(5 395)
Total existing projects	e	78 525	25 050	(53 475)
Total annual program		13 296	17 468	4 172
Total investing expenditure		98 833	44 135	(54 698)

d. Lower actuals relating to project delays with BioData SA and SteamRanger Bridge Remediation.

e. Lower actuals relating to project delays with the Sustaining Riverland Environments Program, Patawalonga — Replacement of South Gates, Flows for the Future, Ayers House and Parks 2025.

1.4. Significant transactions with government related entities

Significant transactions with the SA Government are identifiable throughout this financial report. In addition:

- A substantial portion of accommodation expenses relate to accommodation supplied by the Department for Infrastructure and Transport (DIT) (Refer to note 4.1)
- Lease payments for vehicles supplied by Fleet SA (Refer to note 5.2)
- Revenue from the provision of corporate services and salary recoveries relating to DEW employees providing services to various Boards and Green Adelaide (Refer to note 2.5)
- Funding received from Green Industries SA (GISA) Fund for Climate Change Initiatives (Refer to note 2.4)
- Community Emergency Services Funding from the South Australian Fire and Emergency Services Commission for the funding of emergency services and related activities (Refer to note 2.4)
- Revenue from SA Water for water planning management (Refer to note 2.2)

Department for Environment and Water
Notes to and forming part of the financial statements
For the year ended 30 June 2024

2. Income

2.1. Appropriation

Appropriations are recognised on receipt.

Total appropriations recognised were \$164.625 million (2023: \$181.317 million) which consists of \$148.157 million (2023: \$154.790 million) for operational funding and \$16.468 million (2023: \$26.527 million) for capital projects.

2.2. Fees and charges

	2024	2023
	\$'000	\$'000
Fees and charges revenue recognised under AASB 15		
Fees and licences	5 181	4 294
Total revenues from fees and charges recognised under AASB 15	5 181	4 294
	2024	2023
	\$'000	\$'000
Fees and charges revenue recognised under AASB 1058		
Water planning management	33 983	33 154
Fines and penalties	34	34
Total revenues from fees and charges recognised under AASB 1058	34 017	33 188
Total revenue from fees and charges	39 198	37 482

Fees and charges revenue recognised under AASB 15 is recognised from contracts with customers.

This revenue is recognised when the rights under the Acts are transferred to the customer as this is when the sole performance obligation is met.

Fees and charges revenue recognised under AASB 1058 is recognised as income on receipt.

Pursuant to the Section 6 of the *Public Corporations Act 1993*, SA Water are directed to pay DEW an amount in order to support water planning and management activities.

Department for Environment and Water
Notes to and forming part of the financial statements
For the year ended 30 June 2024

2.3. Commonwealth-sourced grants and funding

	2024	2023
	\$'000	\$'000
Grant revenues from the Commonwealth		
SA Riverland Floodplain Integrated Infrastructure Program	6 216	2 762
mywater Platform	4 438	82
Improving Great Artesian Basin Drought Resilience	4 000	2 178
Implementing Water Reform in the Murray-Darling Basin	2 156	1 609
The Living Murray - Chowilla	1 282	1 238
The Living Murray - Lower Lakes, Coorong and Murray Mouth	1 224	1 254
Coorong, Lower Lakes and Murray Mouth - Long Term Plan	874	4 450
Murray Darling Basin Authority River Management	870	903
National Water Grid Fund	655	-
Regional Pilot Plan Program	403	-
Koonalda Cave	340	-
BioData SA-Digital Environmental Assessments Program	300	-
Adelaide City Deal - Mitcham Hills Trail and Glenthorne Loop	270	125
Investing Nations Culture and Heritage	175	-
Supply and Constraints Measures in the Murray Darling	125	3 965
Glenthorne Restoration	-	420
State-Led Off Farm Project	-	2 703
Other	1 050	852
Total Commonwealth-sourced grants and funding	24 378	22 541

Commonwealth-sourced (National Partnership Programs) grants and funding are recognised as income on receipt. Commonwealth funding by an agreement with DEW is recognised as income on receipt, except for those involving asset construction or acquisition. In that case the capital component is recognised on construction of the asset and the operating component is recognised on receipt.

SA Riverland Floodplain Integrated Infrastructure Program (SARFIIP) is Commonwealth funding by agreement with DEW and includes both capital and operating components.

Contract balances relate to SARFIIP funding.

Contract balances

	2024	2023
	\$'000	\$'000
Contract liabilities	10 792	9 009
Total contract liabilities	10 792	9 009

Department for Environment and Water
Notes to and forming part of the financial statements
For the year ended 30 June 2024

2.4. SA Government grants, subsidies, and transfers

	2024	2023
	\$'000	\$'000
Community Emergency Services Funding	12 974	12 818
Climate Change Initiatives	9 404	12 246
Contingency funding provided by DTF	4 107	6 006
Adelaide Living Beaches strategy	3 366	3 021
Port Pirie Greening Program	2 800	810
Gawler River Flood Mitigation	2 183	100
Cape Willoughby	1 000	-
State Water Demand and Supply	599	582
Department for Energy and Mining	563	549
Other	1 864	1 234
Total SA Government grants subsidies and transfers	38 860	37 366

SA Government grants, subsidies and transfers revenue is recognised as income on receipt.

2.5. Sales of goods and services

	2024	2023
	\$'000	\$'000
Admissions and guided tours	14 106	11 607
Salary recoveries	11 771	11 270
Water Planning and Management Fees	8 043	7 849
Sale of goods (includes sale of spatial information and water sales)	7 622	7 730
Corporate Services Fee	7 370	6 455
Sale of services (includes professional services, provision of services)	6 138	6 451
Sale of freehold titles	162	427
Total sales of goods and services	55 212	51 789

The sales of goods and services included in the table above are transactions that DEW has determined to be classified as revenue from contracts with customers in accordance with AASB 15.

Revenue is measured based on the consideration specified in the contract with the customer. DEW recognises revenue when it transfers control of a good or service to the customer, i.e., when, or as, the performance obligations for the sale of goods and services to the customer are satisfied.

Corporate service fees, water planning and management fees, salary recoveries and sale of services are recognised in the period in which the services are rendered.

Corporate service fees and salary recoveries relate to the provision of corporate services to other SA Government entities and the recovery of salaries that DEW has paid on behalf of SA Government entities. Revenue is recognised based on the actual service provided to the end of the reporting period. The customer receives and uses the benefits of the services provided simultaneously.

Admissions and guided tours revenue is recognised as revenue when the services are provided to the customer.

Sales of goods and services and sale of freehold titles are recognised on transfer of the goods or services to the customer, which is the sole performance obligation.

Department for Environment and Water
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For the year ended 30 June 2024

2.5. Sale of goods and services (continued)

Contract balances

	2024	2023
	\$'000	\$'000
Contract liabilities	868	717
Total contract liabilities	868	717

Contract liabilities relate to admissions and guided tours. Bookings made and paid in advance are recognised as contract liabilities until the service has been provided.

2.6. Interest

Interest income is recognised on receipt. Total of the interest income recognised was \$1.329 million (2023: \$1.102 million).

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

	2024	2023
	\$'000	\$'000
Plant and equipment		
Net proceeds from disposal	115	20
Less carrying amount of assets disposed	(51)	-
Net gain from disposal of plant and equipment	64	20
Other assets		
Proceeds from disposal	-	-
Less net book value of assets disposed	-	(1)
Net gain from disposal of other assets	-	(1)
Total assets		
Net proceeds from disposal	115	20
Less carrying amount of assets disposed	(51)	(1)
Total net gain from disposal of property, plant and equipment	64	19

2.8. Resources received free of charge

	2024	2023
	\$'000	\$'000
Services received free of charge - Shared Services SA	5 330	5 136
Services received free of charge - DPC ICT	1 571	53
Services received free of charge - DPC media monitoring services	54	1 372
Assets received free of charge	-	33
Total resources received free of charge	6 955	6 594

Contributions of services are recognised only when a fair value can be determined reliably and the services would be purchased if they had not been donated.

DEW receives Financial Accounting, Taxation, Payroll and Accounts Payable from Shared Services SA free of charge. ICT services and media monitoring services are received from the Department of the Premier and Cabinet.

Department for Environment and Water
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2.9. Other income

	2024	2023
	\$'000	\$'000
Reimbursement of expenses	5 893	4 198
Property rental and related income	4 441	4 786
Grants from private industry and local government	4 344	5 511
Other sundry revenue	795	287
Asset related adjustments	514	344
Sponsorships, donations, commissions and bequests	99	70
Leased Vehicle Recovery from Landscape Boards	24	22
Insurance recoveries	-	1 200
Total other income	16 110	16 418

Other income is recognised on receipt, except for a local government grant for the construction of a City Wide Attraction Playground at Glenthorne National Park, where the capital component is recognised during the construction of the asset.

Rental Income is recognised under AASB 16.

Contract balances

	2024	2023
	\$'000	\$'000
Contract liabilities	-	694
Total contract liabilities	-	694

3. Board, committees and employees

3.1. Key management personnel

Key management personnel of DEW include the Minister for Climate, Environment and Water, the Chief Executive and the eight members of the Executive Team who have responsibility for the strategic direction and management of DEW.

The compensation detailed below excludes salaries and other benefits received by the Minister. 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 DTF) under section 6 of the *Parliamentary Remuneration Act 1990*. See administered items for disclosures of the Minister's remuneration paid and recovered from the Consolidated Account.

	2024	2023
	\$'000	\$'000
Compensation		
Salaries and other short term employee benefits	2 021	1 917
Post-employment benefits	474	209
Total compensation	2 495	2 126

Outside of normal commercial terms, DEW did not enter into any transactions with key management personnel or their close family members during the reporting period.

Department for Environment and Water
Notes to and forming part of the financial statements
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3.2. Board and committee members

Members during 2023-24 financial year were:

Animal Welfare Advisory Committee

M R Carr* (Chair)
R F Eyers
M Greenslade
S J Hazel
A M Piggott
P J Ainsley
C B Brown

Arabana Parks Advisory Committee

F J Gill* (Chair)
S Stuart
T B Gotch* (Deputy Member)
A Gee*
D Amos (Deputy Member)
M Keppel
A Warren (Deputy Member)
M Martin* (Deputy Member)
A C Stuart
J Warren (Deputy Chair)

Witjira National Park Board of Management

R Anderson* (Chair)
B Shields
F Peckham
L Stuart
R Aitken
K Hillyard*
A S Mcinerney*

Ikara Flinders Ranges National Park Co-Management Board

M J Williams* (Chair)
P J McKenzie (Deputy Chair)
L M Loan*
E Fielding
C R Jackson
A B Magor*
R J Spencer
H S Bromley
L Richards-Briscoe (Deputy Member)
K Coulthard (Deputy Member)
V Wilton (Deputy Member)
J Irving* (Deputy Member)
P Gillen* (Deputy Member)
A McLean (Deputy Member)

Premier's Climate Change Council

M K Haese (Presiding Member)
C N Wilkins
D J Bennett
P J Schulz
D J Conley
S B Jeanes
D J Spencer
A J Evans
J M Van Deventer

South Australian Heritage Council

S M J Verschoor (Chair)
J D Ferguson (Deputy Chair)
E Walters (Deputy Chair)
K McDougall
M J Rolfe
D M Lindsay
D Brooks*
G J Leydon
S G Schrapel
M Toft
J Botten
T Lloyd
V Lee
S Weidenhofer (Deputy Member)
R Donaldson (Deputy Member)

Department for Environment and Water
Notes to and forming part of the financial statements
For the year ended 30 June 2024

3.2. Board and committee members (continued)

Kangaroo Management Reference Group

L Loan* (Chair)
C Cowin
R Borda
B Nosworthy
C Greenfield
S Williams (Dr)
R Evers (Dr)
K Tschirner
A Gyss
C Jackson
E Dahl (Deputy Member)

Cooperative Management Committee

Vulkathunha-Gammon Ranges National Park

J Irving* (Chair)
C Waye (Deputy Chair)
A Breeding*
T L Naismith*
D Coulthard*
I D Johnson
J Pitman*
RJ Wilton
S Coulthard (Deputy Member)

**Nullarbor Wilderness Protection Area Co-Management
Advisory Committee**

C L Lawrie (Chair)
M J Ward* (Deputy Chair)
M J Anderson*
K D Wombat*
K Pobke*
M Clements
B Willis
Y Wolf
P Burgoyne (Deputy Member)
T Hall (Deputy Member)
J Kerdel (Deputy Member)
A Mundy (Deputy Member)
A Lawrie (Deputy Member)
R Sleep (Deputy Member)
L Halliday (Deputy Member)

Ngaut Ngaut Conservation Park Co-Management Board

I L Campbell (Chair)
P G Gillen* (Deputy Chair)
J Tesoriero*
M Barker*
J Pearson
S Stewart (Deputy Member)
I M Campbell

DEW Risk and Performance Committee

J Riedstra (Chair)
S Carruthers*
M Martin*
S Paul*
S Spadavecchia
R Ambler
D Jordan*
D Mutton
L Loan*

YYP A Committee Coongie Lakes National Park

R Singleton* (Chair)
J L Gregg-Smith*
A M Paterson
J A Gates*
A C Singleton
A Allen*
L Harris Jnr
T Gallo (Deputy Member)
J Tiley* (Deputy Member)

Department for Environment and Water
Notes to and forming part of the financial statements
For the year ended 30 June 2024

3.2. Board and committee members (continued)

Yumbarra Conservation Park Co-Management Board

K Ware (Chair)
M J Ward* (Deputy Chair)
M J Anderson*
M Smart
J Coleman
K Pobke*
E McTaggart*
L Ackland (Deputy Member)
T Hall* (Deputy Member)
R Sambo (Deputy Member)
E Gray (Deputy Member)
R Sleep (Deputy Member)
L Halliday* (Deputy Member)
Y Wolf* (Deputy Member)

Gawler Ranges Parks Co-Management Board

J L Clark* (Chair)
Z Saunders (Deputy Chair)
T R Cox*
M Barker*
E Poole
T A Reid
G Peacey*
T Hall*
D McNamara
T Reid (Deputy Member)
A Taylor (Deputy Member)
M A Healy* (Deputy Member)
C Fulton (Deputy Member)
P Wilkins* (Deputy Member)

Dhilba Guuranda-Innes National Park Co-management Board

D Milera (Chair)
G Pelton* (Deputy Chair)
L Newchurch
C Nixon*
C Kartinyeri
K Nicolai*
C Sansbury
S Goldworthy

Parks and Wilderness Council

M J Williams* (Ex Officio)
V Russell (Presiding Member)
N Davis
S J De Bruyn
W D Mackenzie
W R Mcintosh
A Nedosyko
M I Bossley
P J McKenzie

Pastoral Board

R B Wickes (Presiding Member)
A Collins
L Edwards
E C Jenke
J L Read
A H Smart
V Linton* (Deputy Member)
K Tuft (Deputy Member)
J Booth (Deputy Member)
F Warwick (Deputy Member)
I Morris (Deputy Member)
P Copley (Deputy Member)

Kanku-Breakways Conservation Park Co-Management Board

J O'Toole (Chair)
R D Anderson
I C Crombie
S Lorente
J N Fatt-Clifton (Deputy Member)
S Hayes (Deputy Member)
J Walton (Deputy Member)

* In accordance with the Premier and Cabinet's Circular Number 16, government employees did not receive any remuneration for board/committee duties during the financial year.

Department for Environment and Water
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3.2. Board and committee members (continued)

Board and committee remuneration

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

	2024	2023
\$0 - \$19 999	166	133
\$20 000 - \$39 999	2	-
Total number of members	168	133

The total remuneration received or receivable by members was \$333 000 (2023: \$213 000). Remuneration of members reflects all costs of performing board/committee member duties including sitting fees, superannuation contributions, salary sacrifice benefits and fringe benefits and any related fringe benefits tax paid.

3.3. Employee related expenses

	2024	2023
	\$'000	\$'000
Salaries and wages	111 700	105 799
Employment on-costs - superannuation	13 884	12 446
Annual leave	10 267	9 914
Employment on-costs - other	6 706	6 273
Long service leave (LSL)	4 542	2 231
Skills and experience retention leave (SERL)	736	738
Board and committee fees	363	381
Targeted Voluntary Separation Packages (refer below)	375	4 205
Other employee related expenses	56	132
Workers compensation	(2 125)	1 841
Total employee related expenses	146 504	143 960

Employment expenses

DEW employees are employed under Part 7 of the *Public Sector Act*.

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

Employee remuneration

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

	2024	2023
	Number	Number
\$160 001 – \$166 000^	n/a	-
\$166 001 – \$186 000	3	3
\$186 001 – \$206 000	2	8
\$206 001 – \$226 000	7	6
\$226 001 – \$246 000	8	2
\$246 001 – \$266 000	3	1
\$286 001 – \$306 000	-	4
\$306 001 – \$326 000*	3	4
\$346 001 – \$366 000	1	1
\$386 001 – \$406 000	2	-
\$406 001 – \$426 000	-	1
Total	29	30

Department for Environment and Water
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3.3. Employee related expenses (continued)

^ This band has been included for the purpose of reporting comparative figures based on the executive base level remuneration for 2022-23.

* This bandwidth includes payment of long service leave, annual leave and termination benefits for officers who have left DEW.

The table includes all employees who received remuneration equal to or greater than the base executive remuneration level during the year. The total remuneration received by those employees for the year was \$7.157 million (2023: \$7.362 million).

Remuneration of employees reflects all costs of employment including salaries and wages, payments in lieu of leave, superannuation contributions, salary sacrifice benefits, and any related fringe benefits paid or payable in respect of those benefits as well as any termination benefits for employees who have left the department.

Targeted Voluntary Separation Packages (TVSPs)

The number of employees who accepted a TVSP during the reporting period was 3 (2023: 43).

	2024	2023
	\$'000	\$'000
Amount paid/payable to separated employees:		
TVSPs	375	4 205
Leave paid/payable to separated employees	159	1 940
Recovery from the Department of Treasury and Finance	-	(3 893)
Net cost to DEW	534	2 252

3.4. Employee related liability

	2024	2023
	\$'000	\$'000
Current		
Annual leave	10 435	10 029
Long service leave	2 028	2 376
Accrued salaries and wages	138	89
Skills and experience retention leave	910	887
Employment on-costs	3 417	3 570
Total current employee benefits	16 928	16 951
Non-current		
Long service leave	25 370	23 471
Employment on-costs	2 603	2 337
Total non-current employee benefits	27 973	25 808
Total employee related	44 901	42 759

Employee related liabilities are accrued as a result of services provided up to the reporting date that remain unpaid. Non-current employee related liabilities are measured at present value and current employee related liabilities are measured at nominal amounts.

Department for Environment and Water
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For the year ended 30 June 2024

3.4. Employee related liabilities (continued)

Salaries and wages, annual leave, skills and experience retention leave (SERL) and sick leave

The liability for salaries and wages is measured as the amount unpaid at the reporting date at remuneration rates current at reporting date.

The annual leave liability and the SERL liability in full is expected to be payable within 12 months and is measured at the undiscounted amount expected to be paid. The salary inflation rate for annual leave and skills, experience and retention leave liability has increased from 2023 (2%) to 2024 (2.4%).

No provision has been made for sick leave as all sick leave is non-vesting and the average sick leave taken in future years by employees is estimated to be less than the annual entitlement of sick leave.

Long service leave

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

AASB 119 *Employee Benefits* contains the calculation methodology for long service leave liability.

The expected timing and amount of long service leave payment is 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 service. These assumptions are based on employee data over SA Government entities.

The discount rate used in measuring the liability is reflective of the yield on long term Commonwealth Government bonds. The yield on long term Commonwealth Government bonds has increased from 2023 (4%) to 2024 (4.25%).

Following the actuarial assessment performed by DTF the salary inflation rate has increased from 2023 (2.5%) to 2024 (3.5%) for long service leave liability. This increase to the percentage has led to an overall increase in the reported long service leave for 2024.

The net financial effect of the changes to actuarial assumptions in the current financial year is an increase in the long service leave liability of \$1.182 million. The impact on future periods is impracticable to estimate as the long service leave liability is calculated using a number of demographical and financial assumptions - including the long-term discount rate.

Current long service leave reflects the portion of leave expected to be settled within the next 12 months, based on the average proportion of long service leave taken or paid over the last year.

Employment on-costs

Employment on-costs include payroll tax, ReturnToWorkSA levies and superannuation contributions and are settled when the respective employee benefits that they relate to is discharged. These on-costs primarily relate to the balance of leave owing to employees. Estimates as to the proportion of long service leave estimated to be taken as leave, rather than paid on termination, affects whether certain on-costs are recognised as a consequence of long service leave liabilities.

DEW 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 South Australian Superannuation Board and externally managed superannuation schemes.

As a result of an actuarial assessment performed by DTF, the proportion of long service leave taken as leave has increased from the 2023 rate (43%) to 2024 (44%). The average factor for the calculation of employer superannuation cost on-costs has increased from the 2023 rate (11.1%) to 2024 (11.5%). These rates are used in the employment on-costs calculation. The net financial effect of the changes in the current financial year are immaterial.

Department for Environment and Water
Notes to and forming part of the financial statements
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4. Expenses

4.1. Supplies and services

	2024	2023
	\$'000	\$'000
Accommodation	15 775	13 701
Adelaide Beach Management	12 362	14 990
General administration	10 607	9 692
Information technology and communication	10 205	11 149
Fee for service - Water and River Murray	8 472	9 022
Minor works, maintenance and equipment	8 454	7 259
Fee for service - National Parks and Wildlife Services	7 818	5 029
Contractors	4 981	3 512
Vehicle and aircraft	4 726	4 612
Professional, scientific and technical services	4 614	3 747
Legal costs	4 145	2 098
Cost of goods sold	2 280	2 209
Fee for service - Strategy, Science and Corporate Services	1 886	1 014
Fee for service - Environment, Heritage and Sustainability	1 721	1 052
Staff development	1 679	1 379
Fee for service - Climate Change, Coast and Marine	1 616	2 417
Travel and accommodation	1 598	1 493
Consultants	747	288
Water acquisition	680	516
Fee for service - Tourism and Economic Development	456	410
Transportation	229	217
Monitoring fees	198	402
Bore drilling services	55	197
Other	4 917	6 087
Total supplies and services	110 221	102 492

Accommodation

Most of DEW's accommodation is provided by DIT under Memoranda of Administrative Arrangements issued in accordance with Government-wide accommodation policies. These arrangements do not meet the definition of a lease and are accordingly expensed. Information about accommodation incentives relating to these arrangements are shown at note 7.4.

Department for Environment and Water
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4.2. Expenditure - SA Business and Non-SA Business

The following table includes all expenditure in relation to contracts above \$55 000 (GST inclusive) resulting from a procurement as defined in *Treasurer's Instructions 18 – Procurement (TI 18)*.

Arrangements between public authorities and arrangements with other governments are not included.

Expenditure is inclusive of non-recoverable GST.

	2024 \$'000	Proportion SA and non-SA businesses
Total expenditure on South Australian businesses	64 243	89%
Total expenditure on non-South Australian businesses	7 858	11%
Total expenditure on SA Business and Non SA Business	72 101	100%

Classification of SA business or non-SA business is based on circumstances as at the time of entering into a contract. For contracts entered into prior to 20 February 2023, where sufficient assessment made under previous procurement requirements is known to the Department, this was used to determine classification. For contracts where such evidence of prior assessment is not available and for all other contracts, classification is based on the definition of an SA business provided in TI 18.

TI 18 defines a business as being South Australian where it operates in South Australia and more than 50% of the workforce delivering the contract resulting from the procurement on behalf of the business are South Australian residents.

The disclosure for expenditure with SA business reflects the total spent on contracts within the TI 18 definition and in some instances includes the cost of goods sourced from outside South Australia.

In many cases, the determination has been made on the basis of representations made by suppliers at a point in time which has not been subject to independent verification.

4.3. Grants and subsidies

	2024 \$'000	2023 \$'000
Murray Darling Basin Authority	24 817	24 373
Port Pirie Greening Program	2 839	-
Improving Great Artesian Basin Drought Resilience	2 094	2 729
Grants to private landholders	1 812	-
Administration of the Animal Welfare Act 1985	1 602	1 529
Parks 2025	1 581	1 675
Constraints Early Works Program	1 318	-
Heritage Grants	1 228	1 805
Healthy Coorong Healthy Basin	1 043	616
South Australian Riverland Floodplains Integrated Infrastructure Program	614	4
Ecohydrological Conceptual Models	600	300
Friends of the Park	567	656
Citizen Science Fund	559	160
Conservation Science	531	250
Climate Change Resilience	473	779
River Murray Floods	-	17 463
Other	3 728	3 234
Total grants and subsidies	45 406	55 573

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4.4. Assets transferred for nil consideration

	2024	2023
	\$'000	\$'000
Building and improvement	3 894	3 724
Land	1 923	-
Roads, tracks and trails	1 043	87
Plant and equipment	870	2 672
Park infrastructure	398	664
Surface water monitoring network	93	94
Regulators and embankments	11	-
Total assets transferred for nil consideration	8 232	7 241

Assets to the value of \$5.351 million (2023: \$5.786 million) were transferred to the Board of the Botanic Gardens and State Herbarium, land to the value of \$1.923 million were transferred to Administered Crown Land, plant and equipment to the value of \$0.637 million (2023: \$1.361 million) were donated to landholders under Flows for the Future Program and assets to the value of \$0.229 million were transferred to the drainage board.

4.5. Other expenses

	2024	2023
	\$'000	\$'000
Capital project costs not capitalised	3 893	1 072
Audit fees	638	615
Impairment loss on non-financial assets	512	-
Other	60	6
Movement in Inventory	(102)	(98)
Total other expenses	5 001	1 595

Audit fees

Audit fees paid/payable to the Audit Office of South Australia relating to work performed under the *Public Finance and Audit Act 1987* were \$0.419 million (2023: \$0.515 million). No other services were provided by the Audit Office of South Australia.

Department for Environment and Water
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5. Non-financial assets

Property, plant and equipment by asset class

Property, plant and equipment comprises owned and right-of-use (leased) tangible assets.

All non-current assets, having a limited useful life, are systematically depreciated/amortised over their useful lives in a manner that reflects the consumption of their service potential.

Useful life

Depreciation and amortisation are calculated on a straight-line basis. Property, plant and equipment and intangible assets depreciation and amortisation are calculated over the estimated useful life as follows:

Class of asset	Useful life (years)
<i>Property, plant and equipment</i>	
Buildings and improvements	3-138
Groundwater monitoring wells	48-50
Regulators and embankments	10-200
Park infrastructure	2-80
Patawalonga seawater circulation and Barcoo Outlet	9-100
Plant and equipment	1-50
Right-of-use buildings	8-12
Right-of-use plant and equipment	4
Right-of-use vehicles	3-5
Roads, tracks and trails	5-35
Salinity disposal schemes	20-100
Surface water monitoring network	5-83
Waste disposal stations	50
Sand pumping infrastructure	10-50
Leasehold improvements	12
Other	45-99
<i>Intangible assets</i>	
Externally acquired	3-10
Internally acquired	3-14
War services leases	45

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.

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5.1. Property, plant and equipment

	Land \$'000	Buildings & improvements \$'000	Park infrastructure \$'000	Roads, tracks & trails \$'000	Groundwater monitoring wells \$'000	Salinity disposal schemes \$'000
Carrying amount at 1 July 2023	330 333	58 016	24 947	22 466	104 078	35 555
Acquisitions	2 401	1 035	11	-	-	-
Initial recognition	-	-	-	244	-	-
Transfer between classes	-	-	-	-	-	-
Transferred in – NPWA 1972*	837	-	-	-	-	-
Assets transferred for nil consideration	(1 923)	(3 894)	(398)	(1 043)	-	-
Disposals	-	-	-	-	-	-
Transfers to/(from) capital works in progress	-	12 820	10 210	12 278	3 146	366
Impairment loss	-	-	-	-	-	-
Capital WIP - expensed in current period	-	-	-	-	-	-
Other changes	-	-	-	-	-	-
Subtotal:	1 315	9 961	9 823	11 479	3 146	366
Gains/(losses) for the period recognised in net result:						
Depreciation	-	(5 416)	(3 767)	(5 548)	(4 295)	(966)
Subtotal:	-	(5 416)	(3 767)	(5 548)	(4 295)	(966)
Gains/(losses) for the period recognised in other comprehensive income:						
Net revaluation increment/(decrement)**	6 949	14 477	7 311	5 539	-	11 415
Impairment loss	-	-	(5)	-	-	-
Carrying amount at 30 June 2024	338 597	77 038	38 309	33 936	102 929	46 370
Gross carrying amount						
Gross carrying amount	338 597	360 791	337 955	373 990	331 125	76 531
Accumulated depreciation	-	(283 753)	(299 646)	(340 054)	(228 196)	(30 161)
Carrying amount at the end of the period	338 597	77 038	38 309	33 936	102 929	46 370

Department for Environment and Water
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5.1. Property, plant and equipment (continued)

	Patawalonga seawater circulation	Sand pumping infrastructure	Surface water monitoring network	Waste disposal stations	Regulators and embankments	Plant & equipment
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying amount at 1 July 2023	37 071	13 490	8 769	10 326	112 722	16 034
Acquisitions	-	-	-	-	-	965
Initial recognition	-	-	-	-	-	189
Transfer between classes	-	-	554	-	-	(554)
Transferred in – NPWA 1972*	-	-	-	-	-	-
Assets transferred for nil consideration	-	-	(93)	-	(11)	(870)
Disposals	-	-	-	-	-	(51)
Transfers to/(from) capital works in progress	276	-	632	-	11	4 957
Impairment loss	-	-	-	-	-	(512)
Capital WIP - expensed in current period	-	-	-	-	-	-
Other changes	-	-	-	-	-	-
Subtotal:	276	-	1 093	-	-	4 124
Gains/(losses) for the period recognised in net result:						
Depreciation	(614)	(648)	(427)	(278)	(3 219)	(3 325)
Subtotal:	(614)	(648)	(427)	(278)	(3 219)	(3 325)
Gains/(losses) for the period recognised in other comprehensive income:						
Net revaluation increment/(decrement)**	-	8 647	-	3 520	37 196	-
Impairment loss	-	-	-	-	(806)	-
Carrying amount at 30 June 2024	36 733	21 489	9 435	13 568	145 893	16 833
Gross carrying amount						
Gross carrying amount	61 312	33 580	19 423	18 715	214 628	50 434
Accumulated depreciation	(24 579)	(12 091)	(9 988)	(5 147)	(68 735)	(33 601)
Carrying amount at the end of the period	36 733	21 489	9 435	13 568	145 893	16 833

Department for Environment and Water
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5.1. Property, plant and equipment (continued)

	Leasehold improvements \$'000	Other \$'000	Right-of-use plant and equipment \$'000	Right-of-use buildings \$'000	Right-of-use vehicles \$'000	Capital work in progress \$'000	Total \$'000
Carrying amount at 1 July 2023	8 822	1 116	28	1 035	2 410	82 221	869 439
Acquisitions	-	-	-	-	2 206	34 448	41 066
Initial recognition	-	-	-	-	-	-	433
Transfer between classes	-	-	-	-	-	-	-
Transferred in – NPWA 1972*	-	-	-	-	-	-	837
Assets transferred for nil consideration	-	-	-	-	-	-	(8 232)
Disposals	-	-	-	-	-	-	(51)
Transfers to/(from) capital works in progress	-	-	-	-	-	(44 696)	-
Impairment loss	-	-	-	-	-	-	(512)
Capital WIP - expensed in current period	-	-	-	-	-	(3 893)	(3 893)
Other changes	-	-	-	-	117	-	117
Subtotal:	-	-	-	-	2 323	(14 141)	29 765
Gains/(losses) for the period recognised in net result:							
Depreciation	(1 825)	(4)	(28)	(183)	(1 410)	-	(31 953)
Subtotal:	(1 825)	(4)	(28)	(183)	(1 410)	-	(31 953)
Gains/(losses) for the period recognised in other comprehensive income:							
Net revaluation increment/(decrement)**	-	-	-	-	-	-	95 054
Impairment loss	-	-	-	-	-	-	(811)
Carrying amount at 30 June 2024	6 997	1 112	-	852	3 323	68 080	961 494
Gross carrying amount							
Gross carrying amount	21 836	1 867	-	1 571	6 236	68 080	2 316 671
Accumulated depreciation	(14 839)	(755)	-	(719)	(2 913)	-	(1 355 177)
Carrying amount at the end of the period	6 997	1 112	-	852	3 323	68 080	961 494

Department for Environment and Water
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5.1. Property, plant and equipment (continued)

	Land \$'000	Buildings & improvements \$'000	Park infrastructure \$'000	Roads, tracks & trails \$'000	Groundwater monitoring wells \$'000	Salinity disposal schemes \$'000
Carrying amount at 1 July 2022	375 694	62 513	28 008	28 028	55 968	36 521
Error correction***	(47 032)	-	-	-	-	-
Restated carrying amount at 1 July 2022	328 662	62 513	28 008	28 028	55 968	36 521
Acquisitions	(1)	(1)	6	3	-	-
Initial recognition	-	-	-	2	-	-
Transferred in – NPWA 1972*	1 672	-	-	-	-	-
Assets received free of charge	-	-	33	-	-	-
Assets transferred for nil consideration	-	(3 724)	(664)	(87)	-	-
Disposals	-	-	-	-	-	-
Transfers to/(from) capital works in progress	-	5 055	1 266	195	163	-
Capital WIP - expensed in current period	-	-	-	-	-	-
Subtotal:	1 671	1 330	641	113	163	-
Gains/(losses) for the period recognised in net result:						
Depreciation	-	(5 827)	(3 702)	(5 675)	(4 319)	(966)
Subtotal:	-	(5 827)	(3 702)	(5 675)	(4 319)	(966)
Gains/(losses) for the period recognised in other comprehensive income:						
Net revaluation increment/(decrement)	-	-	-	-	52 266	-
Impairment loss	-	-	-	-	-	-
Carrying amount at 30 June 2023	330 333	58 016	24 947	22 466	104 078	35 555
Gross carrying amount						
Gross carrying amount	330 333	279 643	241 780	273 612	327 979	57 306
Accumulated depreciation	-	(221 627)	(216 833)	(251 146)	(223 901)	(21 751)
Carrying amount at the end of the period	330 333	58 016	24 947	22 466	104 078	35 555

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5.1. Property, plant and equipment (continued)

	Patawalonga seawater circulation \$'000	Sand pumping infrastructure \$'000	Surface water monitoring network \$'000	Waste disposal stations \$'000	Regulators and embankments \$'000	Plant & equipment \$'000
Carrying amount at 1 July 2022	37 839	14 306	6 687	10 605	118 837	15 644
Error correction***	-	-	-	-	-	-
Restated carrying amount at 1 July 2022	37 839	14 306	6 687	10 605	118 837	15 644
Acquisitions	-	2	13	(1)	2	691
Initial recognition	-	-	342	-	-	-
Transferred in – NPWA 1972*	-	-	-	-	-	-
Assets received free of charge	-	-	-	-	-	-
Assets transferred for nil consideration	-	-	(94)	-	-	(2 672)
Disposals	-	-	(1)	-	-	-
Transfers to/(from) capital works in progress	-	-	595	-	-	5 346
Capital WIP - expensed in current period	-	-	-	-	-	-
Subtotal:	-	2	855	(1)	2	3 365
Gains/(losses) for the period recognised in net result:						
Depreciation	(768)	(818)	(220)	(278)	(3 532)	(2 975)
Subtotal:	(768)	(818)	(220)	(278)	(3 532)	(2 975)
Gains/(losses) for the period recognised in other comprehensive income:						
Net revaluation increment/(decrement)	-	-	1 447	-	-	-
Impairment loss	-	-	-	-	(2 585)	-
Carrying amount at 30 June 2023	37 071	13 490	8 769	10 326	112 722	16 034
Gross carrying amount						
Gross carrying amount	61 036	23 117	17 082	13 838	160 431	49 933
Accumulated depreciation	(23 965)	(9 627)	(8 313)	(3 512)	(47 709)	(33 899)
Carrying amount at the end of the period	37 071	13 490	8 769	10 326	112 722	16 034

Department for Environment and Water
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5.1. Property, plant and equipment (continued)

	Leasehold improvements \$'000	Other \$'000	Right-of-use plant and equipment \$'000	Right-of-use buildings \$'000	Right-of-use vehicles \$'000	Capital work in progress \$'000	Total \$'000
Carrying amount at 1 July 2022	10 647	1 122	160	1 218	2 797	51 195	857 789
Error correction***	-	-	-	-	-	-	(47 032)
Restated carrying amount at 1 July 2022	10 647	1 122	160	1 218	2 797	51 195	810 757
Acquisitions	-	(2)	(1)	-	997	44 703	46 411
Initial recognition	-	-	-	-	-	-	344
Transferred in – NPWA 1972*	-	-	-	-	-	-	1 672
Assets received free of charge	-	-	-	-	-	-	33
Assets transferred for nil consideration	-	-	-	-	-	-	(7 241)
Disposals	-	-	-	-	-	-	(1)
Transfers to/(from) capital works in progress	-	-	-	-	-	(12 650)	(30)
Capital WIP - expensed in current period	-	-	-	-	-	(1 027)	(1 027)
Subtotal:	-	(2)	(1)	-	997	31 026	40 161
Gains/(losses) for the period recognised in net result:							
Depreciation	(1 825)	(4)	(131)	(183)	(1 384)	-	(32 607)
Subtotal:	(1 825)	(4)	(131)	(183)	(1 384)	-	(32 607)
Gains/(losses) for the period recognised in other comprehensive income:							
Net revaluation increment/(decrement)	-	-	-	-	-	-	53 713
Impairment loss	-	-	-	-	-	-	(2 585)
Carrying amount at 30 June 2023	8 822	1 116	28	1 035	2 410	82 221	869 439
Gross carrying amount							
Gross carrying amount	21 836	1 867	111	1 571	5 729	82 221	1 949 425
Accumulated depreciation	(13 014)	(751)	(83)	(536)	(3 319)	-	(1 079 986)
Carrying amount at the end of the period	8 822	1 116	28	1 035	2 410	82 221	869 439

Department for Environment and Water
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5.1. Property, plant and equipment (continued)

Property, plant and equipment with a value equal to or in excess of \$10 000 is capitalised, otherwise it is expensed.

Property, plant and equipment is recorded at fair value. Detail about DEW's approach to fair value is set out in note 10.1.

* Assets to the value of \$0.837million (2023: \$1.672 million) were transferred from the Department for Environment and Water (Administered) following the proclamation of land parcel additions to existing National parks and reserves under the *National Parks and Wildlife Act 1972* and recognised as a transfer from the SA government as owner in the Statement of Changes in Equity.

** Independent valuations were performed for the DEW's Land assets and Sand pumping infrastructure assets. Management revaluations were performed for the DEW's Building and improvements assets, Park infrastructure assets, Roads, tracks and trails assets, Salinity disposal schemes assets, Waste disposal stations assets and Regulators and embankments assets. As a result, total asset revaluation increments of \$95.054 million were recognised in 2023-24 and represented in Other Comprehensive Income. Please refer to Note 10.1 for detailed information regarding the independent and management revaluations.

*** An error correction of \$52.210 million was adjusted against retained earnings at 1 July 2022. The net effect of \$47.032 million 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 \$52.210 million is a result of parcels of land only part controlled by DEW being recognised as fully controlled. The increase of \$5.178 million 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. Please refer to Note 8.1 for further detail regarding this error correction.

Impairment

DEW holds its property, plant and equipment and intangible assets for their service potential (value in use).

All non-current tangible assets are valued at fair value. Specialised assets would rarely be sold and typically any costs of disposal would be negligible.

During the River Murray Floods Event in 2022-2023 Levee Embankment assets along the river owned by the department were adversely affected and assessed as impaired. In 2023-24, the Levee Embankment assets remain at the same level of impairment.

The Embankments are specialised assets held for continuing use of their service capacity. The value of the impairment adjustment was assessed taking account of the operating capacity before and after the floods.

The levee embankments are a revalued asset, and as per AASB 136 the impairment adjustment is treated as a revaluation decrease.

DEW expects that any costs of disposal of all other non-current tangible assets would be negligible and the recoverable amount will be close to or greater than fair value.

Department for Environment and Water
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5.2. Property, plant and equipment leased by DEW

Right of use assets for property, plant and equipment leased by DEW 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.

DEW has a limited number of leases:

- 248 motor vehicle leases with the South Australian Government Financing Authority (SAFA). Motor vehicle leases are non-cancellable, with rental payments monthly in arrears. The standard lease term for passenger and light commercial vehicles can range from 3 years (60,000km) up to 5 years (100,000km). No contingent rental provisions exist within the lease agreements and no options exist to renew the leases at the end of their term.
- One car park lease with Young St Auto Park. The lease term of 12 years began on 1 May 2016, with the possibility for a further 5 year extension.
- One building lease with Forestry SA for a site in Mt Gambier. The lease term of 5 years began on 1 March 2022 for 5 years, with the possibility for a further 3 year extension.

The lease liabilities related to the right-of-use assets and maturity analysis are disclosed in note 7.2. Cash outflows related to leases are disclosed in note 8.2.

5.3. Intangible assets

Intangible assets are initially measured at cost and are tested for indications of impairment at each reporting date. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

The acquisition of or internal development of software is capitalised only when the expenditure meets the definition criteria (identifiability, control and the existence of future economic benefits) and recognition criteria (probability of future economic benefits and cost can be reliably measured) and when the amount of expenditure is greater than or equal to \$10 000.

All research and development costs that do not meet the capitalisation criteria outlined in AASB 138 Intangible Assets are expensed.

The useful lives of intangible assets are assessed to be either finite or indefinite. The amortisation period and the amortisation method for intangible assets are reviewed on an annual basis.

For the War Services Leases the rate of amortisation has been determined based on both the unexpired period of the leases and the rate of extinguishment of the leases.

No amortisation is applied to water licenses included in acquired intangible assets as these have been assessed as having an indefinite term of future economic benefits.

Computer software

DEW has capitalised the internal development of software for mywater systems at a value of \$14.4 million, with a useful life of 5 years. The mywater system is a new portal that allows South Australian water users and water businesses to undertake their water related business with government, online. The mywater system will be amortised over a 5 year useful life using the straight line method. In addition, certain costs have been capitalised in respect of the Water Connect Portal (Natural Resources Management Information System) and other software specific to DEW's core activities. Some intangibles are currently included in work in progress. Externally acquired computer software relates to the Aquarius water monitoring software.

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5.3. Intangible assets (continued)

Revenue stream

The revenue stream relates to various property leases that were offered by the Commonwealth Government to ex-service personnel with Australian War Service history. DEW negotiated a contract to purchase the right to this revenue stream from the Commonwealth Government in 2005-06. The revenue stream is being amortised in accordance with the expected life of the revenue stream.

Water licences

An intangible asset for water licences has been recognised. These licences relate to environmental water holdings and are held at cost.

The acquisition and/or transfer of water licences for environmental purposes linked to the provisions of Intergovernmental Agreements to which South Australia is party to, is generally expensed when such expenditure is incurred.

Intangible asset movement reconciliation schedule

	Internally developed \$'000	Externally acquired \$'000	Revenue stream \$'000	Capital work in progress \$'000	Total \$'000
Carrying amount at 1 July 2023	1 744	4 551	617	14 276	21 188
Acquisitions	-	-	-	5 276	5 276
Transfers from capital works in progress	14 364	-	-	(14 364)	-
Subtotal:	16 108	4 551	617	5 188	26 464
Gains/(losses) for the period recognised in net result:					
Amortisation	(748)	(479)	(22)	-	(1 249)
Subtotal:	(748)	(479)	(22)	-	(1 249)
Carrying amount at 30 June 2024	15 360	4 072	595	5 188	25 215

Gross carrying amount

Gross carrying amount	30 472	6 415	1 000	5 188	43 075
Accumulated amortisation	(15 112)	(2 343)	(405)	-	(17 860)
Carrying amount at the end of the period	15 360	4 072	595	5 188	25 215

	Internally developed \$'000	Externally acquired \$'000	Revenue stream \$'000	Capital work in progress \$'000	Total \$'000
Carrying amount at 1 July 2022	474	4 961	639	11 640	17 714
Acquisitions	-	-	-	4 283	4 283
Transfers from capital works in progress	1 584	63	-	(1 647)	-
Subtotal:	2 058	5 024	639	14 276	21 997
Gains/(losses) for the period recognised in net result:					
Amortisation	(314)	(473)	(22)	-	(809)
Subtotal:	(314)	(473)	(22)	-	(809)
Carrying amount at 30 June 2023	1 744	4 551	617	14 276	21 188

Gross carrying amount

Gross carrying amount	16 109	6 674	1 000	14 276	38 059
Accumulated amortisation	(14 365)	(2 123)	(383)	-	(16 871)
Carrying amount at the end of the period	1 744	4 551	617	14 276	21 188

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5.4. Inventories

	2024	2023
	\$'000	\$'000
Inventories held for resale - at cost		
Inventories held for resale - at cost	1 717	1 379
Total inventories held for resale - at cost	1 717	1 379
Inventories held for distribution at no or nominal amount		
Inventories held for distribution at no or nominal amount	847	764
Total inventories held for distribution at no or nominal amount	847	764
Total inventories	2 564	2 143

Inventories held for distribution at no or nominal consideration are measured at cost and adjusted when applicable for any loss of service potential. Inventories held for sale are measured at the lower of cost or their net realisable value.

Bases used in assessing loss of service potential for inventory held for distribution at no or minimal cost include current replacement cost and technological or functional obsolescence.

Cost for all other inventory is measured on the basis of the first-in, first-out method. Net realisable value is determined using the estimated sales proceeds less costs incurred in marketing, selling and distribution to customers.

The amount of any inventory write-down to net realisable value/replacement cost or inventory losses is recognised in the Statement of Comprehensive Income as an expense in the period the write-down or loss occurred.

6. Financial assets

6.1. Cash and cash equivalents

	2024	2023
	\$'000	\$'000
Accrual Appropriation Excess Fund account	148 301	148 301
Deposits with the Treasurer	85 476	90 927
Cash on hand/imprest account	159	159
Total cash and cash equivalents in the Statement of Financial Position	233 936	239 387
Total cash and cash equivalents in the Statement of Cash Flows	233 936	239 387

Deposits with the Treasurer

Special deposit accounts are established under section 8 of the *Public Finance and Audit Act 1987*. Special deposit accounts must be used in accordance with their approved purpose.

Some of DEW's appropriation is deposited into the Accrual Appropriation Excess Funds account (AAEFA). Cash is measured at nominal amounts. Although DEW controls the money reported above in the Accrual Appropriation Excess Funds account, its use must be approved by the Treasurer.

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6.2. Receivables

	2024 \$'000	2023 \$'000
<u>Current</u>		
<u>Contractual receivables</u>		
From government entities	2 720	1 520
From non-government entities	4 725	2 514
Less impairment loss on receivables	(1 932)	(2 255)
Total contractual receivables	5 513	1 779
<u>Statutory receivables</u>		
Accrued revenues	895	1 475
GST input tax recoverable	2 839	4 887
Workers compensation recoveries	11	10
Total statutory receivables	3 745	6 372
<u>Other receivables</u>		
Prepayments	1 760	1 145
Total other receivables	1 760	1 145
Total current receivables	11 018	9 296
<u>Non-current</u>		
Workers compensation recoveries	46	81
Total non-current receivables	46	81
Total receivables	11 064	9 377

Receivables arise in the normal course of selling goods and services to other government agencies and to the public. Receivables are normally settled within 30 days after the issue of an invoice or when the goods/services have been provided under a contractual arrangement. Receivables and accrued revenues are non-interest bearing. Receivables are held with the objective of collecting the contractual cash flows and they are measured at amortised cost.

The net amount of GST recoverable from the ATO is included as part of receivables.

Other than as recognised in the allowance for impairment loss on receivables, it is not anticipated that counterparties will fail to discharge their obligations. The carrying amount of receivables approximates net fair value due to being receivable on demand. There is no concentration of credit risk.

DEW uses a combined approach to impairing receivables. DEW considers receivables that are impaired individually and then applies an allowance matrix to measure the expected credit loss of remaining receivables arising from contracts with customers that are external to SA Government.

Allowance for impairment loss on receivables

	2024 \$'000	2023 \$'000
Carrying amount at the beginning of the period	2 255	1 899
Amounts written off	(13)	(46)
Increase/(decrease) in the allowance recognised in profit or loss	(310)	402
Carrying amount at the end of the period	1 932	2 255

Impairment losses relate to receivables arising from contracts with customers that are external to SA Government. Refer to note 10.2 for details regarding credit risk and the methodology for determining impairment.

Department for Environment and Water
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7. Liabilities

7.1. Payables

	2024	2023
	\$'000	\$'000
<u>Current</u>		
Trade payables	21 775	21 546
Accrued expenses	878	1 153
Paid Parental Leave Scheme payable	37	26
Total current payables	22 690	22 725
Total payables	22 690	22 725

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

Statutory payables do not arise from contracts. Statutory payables include government taxes and equivalents, statutory fees and charges and Audit Office of South Australia audit fees. This is in addition to employee related payables, such as payroll tax, Fringe Benefits Tax, Pay as You Go Withholding and ReturnToWorkSA levies. Statutory payables are carried at cost.

7.2. Financial liabilities

All financial liabilities are lease liabilities, which have been measured via discounting lease payments using either the interest rate implicit in the lease (where it is readily determined) or Treasury's incremental borrowing rate. There were no defaults or breaches on any of the above liabilities throughout the year.

A maturity analysis of lease liabilities based on undiscounted gross cash flows is reported in the table below:

	2024	2023
	\$'000	\$'000
Lease liabilities		
Up to 1 year	1 491	1 379
1 to 5 years	3 060	2 093
More than 5 years	63	269
	4 614	3 741

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7.3. Provisions

	2024	2023
	\$'000	\$'000
<u>Current</u>		
Provision for workers compensation	740	1 149
Additional compensation provisions	7	7
Total current provisions	747	1 156
<u>Non-current</u>		
Provision for workers compensation	2 297	4 655
Additional compensation provisions	138	255
Total non-current provisions	2 435	4 910
Total provisions	3 182	6 066
	2024	2023
	\$'000	\$'000
Reconciliation of workers compensation (statutory)		
Carrying amount at the beginning of the period	5 804	5 100
Reductions arising from payments	(339)	(679)
Additional provisions recognised	828	1 087
(Decreases)/increases resulting from remeasurement	(3 256)	296
Carrying amount at the end of the period	3 037	5 804
Movement in additional compensation provision		
Carrying amount at the beginning of the period	262	177
Additional provisions recognised	9	47
(Decreases)/increases resulting from remeasurement	(126)	38
Carrying amount at the end of the period	145	262

DEW is an exempt employer under the *Return to Work Act 2014*. Under a scheme arrangement, DEW is responsible for the management of workers rehabilitation and compensation and is directly responsible for meeting the cost of workers' compensation claims and the implementation and funding of preventative programs.

Accordingly, a liability has been reported to reflect unsettled workers compensation claims (statutory and additional compensation schemes).

The workers compensation provision is based on an actuarial assessment of the outstanding liability as at 30 June 2024 provided by a consulting actuary engaged through the Office of the Commissioner of Public Sector Employment.

The additional compensation scheme provides continuing benefits to workers who have suffered eligible work-related injuries and whose entitlements have ceased under the statutory workers compensation scheme. Eligible injuries are non-serious injuries sustained in circumstances which involved, or appeared to involve, the commission of a criminal offence, or which arose from a dangerous situation.

There is a significant degree of uncertainty associated with estimating future claim and expense payments and also around the timing of future payments due to the variety of factors involved. The liability is impacted by agency claim experience relative to other agencies, average claim sizes and other economic and actuarial assumptions.

In addition to these uncertainties, the additional compensation scheme is impacted by the limited claims history and the evolving nature of the interpretation of, and evidence required to meeting eligibility criteria. Given these uncertainties, the actual cost of additional compensation claims may differ materially from the estimate.

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7.4. Other liabilities

	2024	2023
	\$'000	\$'000
<u>Current</u>		
Accommodation incentive	2 112	2 112
Unearned revenue	969	622
Deposits held for the disposal of Crown Land	231	306
Other	1 109	1 137
Total current other liabilities	4 421	4 177
<u>Non-current</u>		
Accommodation incentive	5 983	8 094
Funds held for the Confined Well Rehabilitation Scheme	465	465
Unearned revenue	2 130	2 159
Total non-current other liabilities	8 578	10 718
Total other liabilities	12 999	14 895

Accommodation incentives are effectively amortised over the lease term in accordance with AASB 16.

Accommodation incentive liabilities relate to arrangements with DIT for office accommodation. These arrangements do not comprise leases and the accommodation incentives do not comprise financial liabilities. DIT has provided a range of incentives including a fit-out free of charge and cash back. The benefit of this incentive is spread over the accommodation term so that each year reported accommodation expenses reflect the economic substance of the office accommodation arrangements and related benefits provided.

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8. Other disclosures

8.1. Equity

The asset revaluation surplus is used to record increments and decrements in the fair value of property and plant and equipment to the extent that they offset one another. Relevant amounts are transferred to retained earnings when an asset is derecognised.

Error Correction – Land

In accordance with the provisions of AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors*, an error correction of \$47.032 million has been disclosed in the Statement of Changes in Equity as at 1 July 2022. This has resulted in an increase of the asset revaluation surplus of \$5.781 million and a reduction in retained earnings of \$52.210 million. This was an error that was discovered as part of the independent revaluation performed every 6-years.

8.2. Cash flow

Cash flows are included in the Statement of Cash Flows on a gross basis and the GST components 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.

Total cash outflow for leases was \$1.740 million (2023: \$1.723 million).

Cash flow reconciliation

Reconciliation of net result to cash flows from operating activities

	2024	2023
	\$'000	\$'000
Reconciliation of net cash provided by / (used in) operating activities to net result		
Net cash provided by operating activities	40 088	69 435
Add / (less) non-cash items		
Depreciation and amortisation	(33 202)	(33 416)
Capital work-in-progress write-offs and asset write-offs	(3 893)	(1 072)
Impairment of non-current assets	(512)	-
Gain on disposal of non-current assets	64	19
Assets transferred for nil consideration	(8 232)	(7 241)
Other asset related adjustments	514	344
Supplies and services not requiring cash	(6 955)	(6 561)
Asset received free of charge	-	33
Resources received free of charge	6 955	6 561
Movement in assets and liabilities		
Increase/(decrease) in receivables	1 687	(30 307)
Increase/(decrease) in inventories	421	166
(Increase)/decrease in payables	(80)	5 398
(Increase)/decrease in employee benefits	(2 029)	1 652
(Increase)/decrease in provisions	2 884	(789)
(Increase)/decrease in contract liabilities	(1 240)	3 793
(Increase)/decrease in other liabilities	1 896	1 860
Net result	(1 634)	9 875

Department for Environment and Water
Notes to and forming part of the financial statements
For the year ended 30 June 2024

8.3. South Australian Heritage Fund

The South Australian Heritage Fund was established under the *Heritage Places Act 1993* (the Act) to conserve places of heritage value. The Act requires proper accounts to be kept of the receipts and payments from the Fund. The revenues, expenses, assets, liabilities, changes in equity and cash flows of the Fund are disclosed below. It is noted that these amounts also form part of and are incorporated within DEW's financial statements. When incorporating these amounts into DEW's financial statements all transactions between the Fund and DEW have been eliminated. No activity occurred during 2023-24 and 2022-23.

Statement of Financial Position

as at 30 June 2024

	2024	2023
	\$'000	\$'000
Assets		
Cash and cash equivalents	348	348
Total assets	348	348
Equity		
Retained earnings	348	348
Total equity	348	348

Statement of Changes in Equity

for the year ended 30 June 2024

	Retained earnings	Total equity
	\$'000	\$'000
Balance at 1 July 2022	348	348
Net result for 2022-23	-	-
Balance at 30 June 2023	348	348
Net result for 2023-24	-	-
Balance at 30 June 2024	348	348

Department for Environment and Water
Notes to and forming part of the financial statements
For the year ended 30 June 2024

8.4. General Reserves Fund

The General Reserves Fund (the Fund) was established under section 45 of the *National Parks and Wildlife Act 1972* (the Act) to perform duties in relation to the development and management of reserves. Reserves include any national park, conservation park, game reserve, recreation park or regional reserve constituted under the Act. The functions of the Fund are to undertake programs that are directed to achieving the objectives prescribed in section 37 of the Act, through the operation of a Fund account. The Fund provisions are used as the mechanism to provide expanded visitor facilities and services to the park. The Act requires proper accounts to be kept of the receipts and payments from the fund. The revenues, expenses, assets, liabilities, changes in equity and cash flows of the Fund are disclosed below. It is noted that these amounts also form part of and are incorporated within DEW's financial statements. When incorporating these amounts into DEW's financial statements all transactions between the Fund and DEW have been eliminated.

Statement of Comprehensive Income

for the year ended 30 June 2024

	2024	2023
	\$'000	\$'000
Income		
Fees and charges	172	149
Sale of goods and services	17 830	15 067
Interest	96	42
Other income	1 679	1 428
Total income	19 777	16 686
Expenses		
Grants and subsidies	19 777	16 686
Total expenses	19 777	16 686
Net result	-	-

Statement of Financial Position

as at 30 June 2024

	2024	2023
	\$'000	\$'000
Assets		
Cash and cash equivalents	2 286	2 024
Receivables	1 161	1 275
Total assets	3 447	3 299
Liabilities		
Contract liabilities	864	716
Unearned revenue	318	318
Total liabilities	1 182	1 034
Net assets	2 265	2 265
Equity		
Retained earnings	2 265	2 265
Total equity	2 265	2 265

Department for Environment and Water
Notes to and forming part of the financial statements
For the year ended 30 June 2024

8.4. General Reserves Fund (continued)

Statement of Changes in Equity for the year ended 30 June 2024	Retained earnings \$'000	Total equity \$'000
Balance at 1 July 2022	2 265	2 265
Net result for 2022-23	-	-
Balance at 30 June 2023	<u>2 265</u>	<u>2 265</u>
Net result for 2023-24	-	-
Balance at 30 June 2024	<u>2 265</u>	<u>2 265</u>

Total administered expenses

Statement of Cash Flows for the year ended 30 June 2024	2024 \$'000	2023 \$'000
Cash flows from operating activities		
<i>Cash inflows</i>		
Fees, charges, sales and other income	19 795	16 948
Interest received	96	37
Cash generated from operations	<u>19 891</u>	<u>16 985</u>
<i>Cash outflows</i>		
Payments of grants and subsidies	(19 629)	(16 686)
Cash used in operations	<u>(19 629)</u>	<u>(16 686)</u>
Net cash provided by operating activities	<u>262</u>	<u>299</u>
Net increase in cash and cash equivalents	<u>262</u>	<u>299</u>
Cash and cash equivalents at the beginning of the reporting period	2 024	1 725
Cash and cash equivalents at the end of the reporting period	<u>2 286</u>	<u>2 024</u>

Department for Environment and Water
Notes to and forming part of the financial statements
For the year ended 30 June 2024

9. Outlook

9.1. Unrecognised commitments

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

Contractual commitments to acquire property, plant and equipment

Capital expenditure contracted for at the reporting date but not recognised as liabilities is payable as follows:

	2024	2023
	\$'000	\$'000
Within one year	18 143	8 056
Later than one year but not longer than five years	477	550
Total contractual commitments to acquire property, plant and equipment	18 620	8 606

DEW's property, plant and equipment commitments includes works for Water Infrastructure, notably the Patawalonga South Gates and Healthy Basin projects. National Parks & Wildlife significant capital works include projects for Cleland Wildlife Park, Arkaroo Rock, KI Fire Recovery and Mt Lofty. In addition, there are commitments for Heritage projects for the Adelaide Botanic Gardens.

Other contractual commitments to acquire intangible assets

Capital expenditure contracted for at the reporting date but not recognised as liabilities is payable as follows:

	2024	2023
	\$'000	\$'000
Within one year	-	691
Total contractual commitments	-	691

DEW's commitments for intangible assets relate to the Water Management Solutions program and the Instrument Asset Database.

Other contractual commitments

Expenditure contracted for at the reporting date but not recognised as liabilities are payable as follows:

	2024	2023
	\$'000	\$'000
Within one year	33 350	32 276
Later than one year but not longer than five years	20 832	27 297
Total other contractual commitments	54 182	59 573

DEW's other contractual commitments are for:

- memoranda of administrative arrangements with DIT for accommodation
- contribution to the Murray Darling Basin Authority.

Department for Environment and Water
Notes to and forming part of the financial statements
For the year ended 30 June 2024

9.2. Contingent assets and liabilities

Floods in 2022-23 caused damage to assets owned by DEW along the River Murray and an insurance claim is pending full settlement through SAFA. The final value of the claims is not quantifiable as at 30 June 2024 and is contingent on final assessment of all damaged assets.

9.3. Impact of standards not yet effective

The department has assessed the impact of new and changed Australian Accounting Standards and Interpretations not yet effective.

No Australian Accounting Standards have been early adopted.

9.4. Events after the reporting period

There were no events that occurred after the reporting period for the year ended 30 June 2024.

Department for Environment and Water
Notes to and forming part of the financial statements
For the year ended 30 June 2024

10. Measurement and risk

10.1. 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 restructure of administrative arrangements, then the assets are recognised at book value (that is the amount recorded by the transferor public authority immediately prior to the restructure).

Minor assets with an individual value of less than \$10 000 are expensed in the Statement of Comprehensive Income at the time of acquisition, with the exception of network assets which includes Roads, Tracks and Trails, Fences and Groundwater Monitoring Wells assets due to the significant number and long useful lives of these assets. These assets have been recognised in the Statement of Financial Position regardless of their initial cost of acquisition.

Revaluation

Property, plant and equipment, other than right-of-use assets, is subsequently measured at fair value after allowing for accumulated depreciation.

The revaluation process is reviewed by the Chief Financial Officer each year.

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.

DEW undertakes revaluation of its land, buildings and improvements, and other infrastructure assets via a Certified Practising Valuer or internal estimates based on indices or recent transactions. A valuation appraisal by a Certified Practising Valuer is performed at least every 6 years.

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.

For sand pumping assets that have been subject to an independent revaluation, both the replacement cost and the associated accumulated depreciation have been presented on a gross basis. Where possible new prices for assets from suppliers in Australia and overseas were sourced. Consideration for installation costs, inclusive of transport, engineering, procurement, construction management and local trades, were also taken into account.

For land assets that have been subject to an independent revaluation, consideration was given to the impact to Fair Market Value as result of restrictions on the sale or use of assets. Importantly, Governments mandate that specified services be provided to the public that imposes restrictions on the sale or use of numerous government assets because the entity is not able to sell or change the use of the asset, unless approved by government.

Independent valuations were performed for the Land and Sand Pumping Infrastructure asset classes during the reporting period. Revaluation is undertaken on a regular cycle as detailed below. During the financial year, DEW procured the 6 year revaluation for both Waste disposal stations, and Regulators and embankments. Due to unforeseen circumstances, the valuer was unable to complete the revaluation report. This resulted in DEW seeking and receiving an exemption for APS 116.E from the Treasurer. To ensure that Waste disposal stations, and Regulators and embankments were carried at a reasonable fair value, a management revaluation was performed. Management revaluations were prepared for Buildings and improvements, Park infrastructure, Roads, tracks and trails, Salinity disposal schemes, Waste disposal stations, and Regulators and embankments. The Office of the Valuer General provided DEW with construction industry indices used for revaluations. These indices were then applied to the period between independent valuations and 30 June 2024.

Department for Environment and Water
Notes to and forming part of the financial statements
For the year ended 30 June 2024

10.1. Fair value (continued)

The following table lists details of asset classes subject to independent revaluations:

Class of asset	Date of last independent revaluation	Name of Valuer	Fair Value Input level	Fair Value Approach
Land	30 June 2024	Office of the Valuer General	3	Market
Buildings and improvements (data dictionary & unique assets)	1 July 2021	Valcorp Aust. Pty Ltd	3	Cost
Park infrastructure (data dictionary & unique assets)	1 July 2021	Valcorp Aust. Pty Ltd	3	Cost
Roads, tracks and trails	1 July 2020	Valcorp Aust. Pty Ltd	3	Cost
Groundwater monitoring wells	30 June 2023	Public Private Property Pty Ltd	3	Cost
Salinity disposal schemes	30 June 2020	Jones Lang LaSalle Inc.	3	Cost
Patawalonga seawater circulation and Barcoo outlet	30 June 2020	Public Private Property Pty Ltd	3	Cost
Sand pumping infrastructure	30 June 2024	CBRE Valuation and Advisory Services.	3	Cost
Surface water monitoring network	30 June 2023	Valcorp Aust. Pty Ltd	3	Cost
Waste disposal stations	30 June 2018	Valcorp Aust. Pty Ltd	3	Cost
Regulators and embankments	30 June 2018	Valcorp Aust. Pty Ltd	3	Cost

Fair value hierarchy

DEW classifies fair value measurement using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements, based on the data and assumptions used in the most recent revaluation:

- Level 1 – traded in active markets and is based on unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at measurement date.
- Level 2 – not traded in an active market and are derived from inputs (inputs other than quoted prices included within level 1) that are observable for the asset, either directly or indirectly.
- Level 3 – not traded in an active market and are derived from unobservable inputs.

The fair value of non-financial assets must be estimated for recognition and measurement or for disclosure purposes. DEW categorises non-financial assets measured at fair value at level 3 which are all recurring. There are no non-recurring fair value measurements.

DEW's policy is to recognise transfers into and out of fair value hierarchy levels as at the end of the reporting period. During 2023-24, DEW had no valuations categorised into level 1 or level 2.

Heritage assets

In accordance with APS 101.H, heritage assets are recognised in the Statement of Financial Position as part of the aggregate value of relevant asset classes. Certain heritage assets and works of art that are unique due to their historical or cultural interest are not depreciated due to their long and indeterminate useful lives. Heritage assets that provide a functional service are recorded at depreciable fair value.

Department for Environment and Water
Notes to and forming part of the financial statements
For the year ended 30 June 2024

10.1. Fair value (continued)

Land

Land primarily comprising National, Conservation and Recreation Parks and Wilderness Protection Areas and Reserves, generally has restrictions on use imposed by statute or regulation. These restrictions have been taken into account by the independent valuers.

DEW is also custodian of unallotted (unalienated) Crown Land, by virtue of its responsibilities under the *Crown Land Management Act 2009*. This land is considered to be administered on behalf of the Crown and is recognised in the Statement of Administered Financial Position. Land dedicated to the Minister and land held by the Minister, either as freehold or reverted land is also recognised as administered land. Administered lands may be subject to third party perpetual leases and other leases and annual licenses.

10.2. Financial instruments

Financial risk management

Risk management is managed by DEW's corporate services section. Departmental risk management policies are in accordance with the *SA Government Risk Management Guide* and the principles established in the Australian Standard *Risk Management Principles and Guidelines*.

DEW's exposure to financial risk (liquidity risk, credit risk and market risk) is low due to the nature of the financial instruments held.

Liquidity risk

DEW is funded principally from appropriations by the SA Government. DEW works with DTF to determine the cash flows associated with its government-approved program of work and to ensure funding is provided through SA Government budgetary processes to meet the expected cash flows.

Refer to note 7.1 and 7.2 for further information.

Credit risk

DEW has policies and procedures in place to ensure that transactions occur with customers with appropriate credit history.

No collateral is held as security and no credit enhancements relate to financial assets held by DEW.

Impairment of financial assets

DEW uses a combined approach to impairing receivables. DEW considers receivables that are impaired individually and then applies an allowance matrix to measure the expected credit loss of receivables from the remaining non- government debtors. These comprise of a large number of small balances. Invoices worth \$1.599 million have not been included in the expected credit loss (ECL) model calculation. These invoices have unique circumstances and have been impaired separately. This amount, together with the ECL calculation below is included in impairment of receivables in note 6.2.

To measure the expected credit losses, receivables are grouped based on shared risks characteristics and the days past due. When estimating expected credit loss, DEW considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on DEW's historical experience and informed credit assessment, including forward-looking information.

The maximum period considered when estimating expected credit losses is the maximum contractual period over which DEW is exposed to credit risk.

The expected credit loss of government debtors is considered to be nil based on the external credit ratings and nature of the counterparties.

Department for Environment and Water
Notes to and forming part of the financial statements
For the year ended 30 June 2024

10.2. Financial instruments (continued)

Impairment of financial assets (continued)

Loss rates are calculated based on the probability of a receivable progressing through stages to write off based on the common risk characteristics of the transaction and debtor.

The following table provides information about the exposure to credit risk and ECL for non-government debtors.

	Debtor gross carrying amount \$'000	Loss %	Lifetime expected losses \$'000
Current (not past due)	1 623	-	3
1 - 30 days past due	27	2	-
31 - 60 days past due	(5)	-	-
61 - 90 days past due	3 523	6	211
More than 90 days past due	20	100	20
Loss allowance	5 188	-	234

Loss rates are based on actual history of credit loss, these rates have been adjusted to reflect differences between previous economic conditions, current conditions and DEW's view of the forecast economic conditions over the expected life of the receivables.

Impairment losses are presented as net impairment losses within net result, subsequent recoveries of amounts previously written off are credited against the same line item.

Receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include the failure of a debtor to enter into a payment plan with DEW and a failure to make contractual payments for a period of greater than 90 days past due.

Cash and debt investments

DEW considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties and therefore the expected credit loss is nil.

All of DEW's debt investments at amortised cost are considered to have low credit risk and the consideration of expected credit loss was limited to 12 months expected losses. The expected credit loss is nil.

Market risk

DEW does not trade in foreign currency, nor enter into transactions for speculative purposes, nor for hedging. DEW does not undertake any hedging in relation to interest or foreign currency risk and manages its risk as per the government's risk management strategy articulated in T1 23 *Management of Foreign Currency Exposures*.

There have been no changes in risk exposure since the last reporting period.

Department for Environment and Water
Notes to and forming part of the financial statements
For the year ended 30 June 2024

10.2. Financial instruments (continued)

Categorisation of financial instruments

Details of the material accounting policies and methods adopted including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised with respect to each class of financial asset, financial liability and equity instrument are disclosed in the respective financial asset / financial liability note.

Classification of Financial Instruments

DEW measures all financial instruments at amortised cost.

Maturity analysis of financial instruments

All financial assets and liabilities are measured at amortised cost with the exception of lease liabilities for right of use assets. Lease liabilities for right of use assets are measured at present value of future cash flows using either the interest rate implicit in the lease (where it is readily determined) or Treasurer's incremental borrowing rate.

Statutory receivables and payables

Amounts relating to statutory receivables and payables (e.g. Commonwealth taxes, Audit Office of South Australia audit fees etc) and prepayments are not considered as financial assets or liabilities. Receivables and payables at amortised cost are \$6.217 million (2023: \$3.254 million) and \$22.213 million (2023: \$22.128 million) respectively.

**Department for Environment and Water Administered
(DEW)**

Administered Financial Statements

For the year ended 30 June 2024

**Department for Environment and Water Administered
Certification of the Administered Financial Statements
for the year ended 30 June 2024**

We certify that the:

- Administered financial statements for the Department for Environment and Water Administered:
 - are in accordance with the accounts and records of the department;
 - comply with relevant Treasurer's Instructions;
 - comply with relevant accounting standards; and
 - present a true and fair view of the financial position of the department at the end of the financial year and the result of its operations and cash flows for the financial year.
- internal controls employed by the Department for Environment and Water Administered for the financial year over its financial reporting and its preparation of administered financial statements have been effective.



Ben Bruce
Chief Executive
16 September 2024



Shaun O'Brien
Chief Financial Officer
16 September 2024

**Department for Environment and Water Administered
Statement of Administered Comprehensive Income
for the year ended 30 June 2024**

	Note	2024 \$'000	2023 \$'000
Administered income			
Appropriation	A2.1	21 632	20 992
Fees and charges	A2.2	78 023	73 331
Grants	A2.3	343	306
Income associated with joint operation	A5.2	5 050	4 239
Interest	A2.5	702	473
Assets received free of charge	A2.4	5 232	5 678
Intra-government transfers	A2.6	4 855	5 533
Other income		25	20
Total administered income		115 862	110 572
Administered expenses			
Employee benefits		418	403
Supplies and services		1 282	653
Grants and subsidies	A3.1	11 808	12 803
Intra-government transfers	A3.2	88 923	83 750
Expenses associated with joint operation	A5.2	12 171	12 575
Payments to the Consolidated account		2 790	5 701
Impairment loss on receivables		536	2 510
Net loss from the disposal of non-current assets	A3.3	103	243
Total administered expenses		118 031	118 638
Net result		(2 169)	(8 066)
Other comprehensive income			
<i>Items that will not be reclassified to net result:</i>			
Changes in property, plant and equipment asset revaluation surplus	A4.1	156 760	41 922
Total other comprehensive income		156 760	41 922
Total comprehensive result		154 591	33 856

The accompanying notes form part of these financial statements.

**Department for Environment and Water Administered
Statement of Administered Financial Position
as at 30 June 2024**

	Note	2024 \$'000	2023 \$'000
Administered current assets			
Cash and cash equivalents	A7.1	26 132	26 094
Receivables	A5.1	3 173	1 269
Total current assets		29 305	27 363
Administered non-current assets			
Property, plant and equipment	A4.1	1 567 711	1 378 766
Intangibles	A5.2	183 712	183 389
Total non-current assets		1 751 423	1 562 155
Total assets		1 780 728	1 589 518
Administered current liabilities			
Payables	A6.1	4 221	5 711
Total liabilities		4 221	5 711
Net assets		1 776 507	1 583 807
Administered equity			
Asset revaluation surplus		619 059	423 353
Retained earnings		1 157 448	1 160 454
Total equity		1 776 507	1 583 807

The accompanying notes form part of these financial statements.

**Department for Environment and Water Administered
Statement of Administered Cash Flows
for the year ended 30 June 2024**

	Note	2024 \$'000	2023 \$'000
Cash flows from operating activities			
<i>Cash inflows</i>			
Appropriations		21 632	20 992
Fees and charges		75 993	73 272
Receipts from grants		343	306
Intra-government transfers		4 855	5 533
Interest received		693	449
Other receipts		25	20
Cash generated from operations		103 541	100 572
<i>Cash outflows</i>			
Employee benefits payments		(418)	(403)
Payments for supplies and services		(1 287)	(646)
Payments of grants and subsidies		(10 793)	(13 944)
Intra-government transfers		(88 923)	(83 750)
Payments to the Consolidated account		(5 691)	(4 169)
Cash used in operations		(107 112)	(102 912)
Net cash decrease in operations	A7.1	(3 571)	(2 340)
Cash flows from investing activities			
<i>Cash inflows</i>			
Proceeds from the sale of property, plant and equipment	A3.3	3 609	5 841
Cash generated from investing activities		3 609	5 841
Net cash increase in investing activities		3 609	5 841
Cash flows from financing activities			
<i>Cash inflows</i>			
Cash received from restructuring activities		-	170
Cash generated from financing activities		-	170
Net cash increase in financing activities		-	170
Net increase/ (decrease) in cash and cash equivalents		38	3 671
Cash and cash equivalents at the beginning of the period		26 094	22 423
Cash and cash equivalents at the end of the period	A7.1	26 132	26 094

The accompanying notes form part of these financial statements.

Department for Environment and Water Administered
Statement of Income and Expenses attributable to Administered Activities
for the year ended 30 June 2024

Activities - refer note A1	Crown Lands		Minister's Other Payments		Special Acts Allocation	
	2024	2023	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Administered income						
Appropriations	-	-	18 173	17 646	433	399
Fees and charges	9	3	-	-	-	-
Assets received free of charge	5 232	5 678	-	-	-	-
Intra-government transfers	-	-	-	-	-	-
Other income	-	-	-	-	-	-
Total administered income	5 241	5 681	18 173	17 646	433	399
Administered expenses						
Employee benefits	-	-	-	-	418	403
Supplies and services	543	324	-	-	-	-
Grants and subsidies	-	-	8 718	8 510	-	-
Intra-government transfers	-	-	9 420	9 191	-	-
Net loss from disposal of non-current assets	103	243	-	-	-	-
Payments to the Consolidated account	2 770	5 671	-	-	-	-
Impairment loss on receivables	(7)	(6)	-	-	-	-
Total administered expenses	3 409	6 232	18 138	17 701	418	403
Net Result	1 832	(551)	35	(55)	15	(4)

Department for Environment and Water Administered
Statement of Income and Expenses attributable to Administered Activities
for the year ended 30 June 2024

Activities - refer note A1

	Landscape Admin Fund		Landscape Priorities Fund	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Administered income				
Appropriations	2 986	2 913	-	-
Fees and charges	78 014	73 331	-	-
Interest	353	225	151	116
Intra-government transfers	-	1 012	4 855	4 521
Total administered income	81 353	77 481	5 006	4 637
Administered expenses				
Supplies and services	470	250	-	-
Grants and subsidies	-	-	3 022	3 945
Intra-government transfers	79 503	74 559	-	-
Impairment loss on receivables	543	2 516	-	-
Total administered expenses	80 516	77 325	3 022	3 945
Net Result	837	156	1 984	692

Department for Environment and Water Administered
Statement of Income and Expenses attributable to Administered Activities
for the year ended 30 June 2024

Activities - refer note A1	SA Drought Resilience					
	Qualco Sunlands		Fund		Pastoral Board	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Administered income						
Appropriations	20	20	-	-	14	14
Fees and charges	-	-	-	-	-	1
Interest	-	-	173	117	8	4
Other income	25	20	-	-	-	-
Total administered income	45	40	173	117	22	19
Administered expenses						
Grants and subsidies	20	20	-	-	-	-
Payments to the Consolidated account	20	30	-	-	-	-
Total administered expenses	40	50	-	-	-	-
Net Result	5	(10)	173	117	22	19

Department for Environment and Water Administered
Statement of Income and Expenses attributable to Administered Activities
for the year ended 30 June 2024

Activities - refer note A1	National Action Plan for Salinity and Water Quality		National Landcare Program		Consumer Advocacy Research Fund		DEW Corporate Admin Items		Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Administered income										
Appropriations	-	-	-	-	6	-	-	-	21 632	20 992
Fees and charges	-	-	-	-	-	-	-	(4)	78 023	73 331
Grants	-	-	-	-	343	306	-	-	343	306
Income associated with joint operation	-	-	-	-	-	-	5 050	4 239	5 050	4 239
Interest	2	1	15	10	-	-	-	-	702	473
Assets received free of charge	-	-	-	-	-	-	-	-	5 232	5 678
Intra-government transfers	-	-	-	-	-	-	-	-	4 855	5 533
Other income	-	-	-	-	-	-	-	-	25	20
Total administered income	2	1	15	10	349	306	5 050	4 235	115 862	110 572
Administered expenses										
Employee benefits	-	-	-	-	-	-	-	-	418	403
Supplies and services	-	-	-	-	274	71	(5)	8	1 282	653
Grants and subsidies	-	-	-	-	48	328	-	-	11 808	12 803
Intra-government transfers	-	-	-	-	-	-	-	-	88 923	83 750
Net loss from disposal of non-current assets	-	-	-	-	-	-	-	-	103	243
Expenses associated with joint operation	-	-	-	-	-	-	12 171	12 575	12 171	12 575
Payments to the Consolidated account	-	-	-	-	-	-	-	-	2 790	5 701
Impairment loss on receivables	-	-	-	-	-	-	-	-	536	2 510
Total administered expenses	-	-	-	-	322	399	12 166	12 583	118 031	638 118
Net Result	2	1	15	10	27	(93)	(7 116)	(8 348)	(2 169)	(8 066)

The above statement should be read in conjunction with the accompanying notes

Department for Environment and Water Administered
Notes to and forming part of the Administered financial statements
for the year ended 30 June 2024

A1. About the Department for Environment and Water Administered

The activities of the administered items are:

Crown Lands

Crown Lands is comprised of an account established by the Treasurer of South Australia to record receipts and payments associated with the sale of Crown land and other surplus South Australian government land and property. The net revenues from these sales are returned to the DTF Consolidated Account.

Minister's Other Payments

DEW receives appropriation and funding provisions for administered items that it transfers out as grants and subsidies and intra-government transfers.

Grants and subsidies payments of \$8.718 million (2023: \$8.510 million) approved by the Minister were made to community organisations, associations and local government in 2023-24. This includes grants made to Zoos SA \$6.819 million (2023: \$6.699 million) and Adelaide City Council \$1.899 million (2023: \$1.811 million).

Intra-government transfers of \$9.420 million (2023: \$9.191 million) approved by the Minister were made to SA government entities in 2023-24. This includes transfers to South Eastern Water Conservation and Drainage Board \$2.726 million (2023: \$2.660 million); Coast Protection Fund \$0.609 million (2023: \$0.594 million); and Stormwater Management Authority \$6.085 million (2023: \$5.937 million).

Special Acts Allocation

This item comprises salary and allowance payments for the Minister for Climate, Environment and Water.

Landscape Administration Fund

The Landscape Administration Fund (LAF) was established pursuant to section 90 of the *Landscape South Australia Act 2019* (Landscape SA Act) to receive and disburse fees, levies and other monies authorised by the Landscape SA Act.

Department for Environment and Water Administered
Notes to and forming part of the Administered financial statements
for the year ended 30 June 2024

A1. About the Department for Environment and Water Administered (continued)

Regional Landscape Boards and Green Adelaide

The regional landscape boards were established pursuant to subsection 13(1) of the Landscape SA Act. The Green Adelaide board was established pursuant to subsection 12(1) of the Landscape SA Act.

DEW administers various revenues and expenses on account of the regional landscape boards and Green Adelaide through the LAF.

Specific provisions of the Landscape SA Act require that the following revenues be paid into the LAF prior to being applied for the purposes of the Landscape SA Act:

- government appropriations (controlled and administered funding allocated in respect of the regional landscape boards and Green Adelaide)
- land levies
- water levies
- penalties relating to water levies
- expiation fees and other penalties.

(i) Government appropriations

DEW receives recurrent funding, which is administered through the LAF and provided to regional landscape boards to support business operations and the administration of the Landscape SA Act. The funding is subsequently paid to regional landscape boards pursuant to subsection 90(4) of the Landscape SA Act.

	2024	2023
	\$'000	\$'000
Regional Landscape Board		
Alinytjara Wilurara Landscape Board	1 293	1 261
Kangaroo Island Landscape Board	1 293	1 261
South Australian Arid Lands Landscape Board	400	391
	2 986	2 913

Department for Environment and Water Administered
Notes to and forming part of the Administered financial statements
for the year ended 30 June 2024

A1. About the Department for Environment and Water Administered (continued)

(ii) Land levies

Inside Council Areas

Land Levies are collected from constituent councils under section 66 of the Landscape SA Act. The levies are subsequently paid to regional landscape boards and Green Adelaide pursuant to subsection 90(4) of the Landscape SA Act.

Outside Council Areas

Land levies are collected from persons who occupy land outside of council areas under section 71 of the Landscape SA Act. The levies are subsequently paid to regional landscape boards pursuant to subsection 90(4) of the Landscape SA Act.

(iii) Water levies

Water levies are collected for prescribed water resources under section 76 of the Landscape SA Act. The levies are subsequently paid to the regional landscape boards and Green Adelaide pursuant to subsection 90(4) of the Landscape SA Act.

(iv) Penalties

Penalties declared in relation to the unauthorised or unlawful taking or use of water were raised pursuant to section 88 of the Landscape SA Act.

(v) Expiation fees and other penalties

Expiation fees and penalties are recovered in respect of offences against the Landscape SA Act (that is for unlawful possession of animals or plants).

Landscape Priorities Fund

The Landscape Priorities Fund was established under section 93 of the Landscape SA Act and receives annual revenue from the Green Adelaide Board. The contribution from Green Adelaide Board is determined under subsection 89(1) of the Landscape SA Act and is a gazetted percentage of the total land and water levies received by the Board in a financial year. The 15% rate remained unchanged in 2023-24. Payments from the fund are made in accordance with section 93(5) of the Landscape SA Act.

National Action Plan for Salinity and Water Quality

The National Action Plan (NAP) was a bilateral agreement between the Commonwealth and SA Governments signed in 2001 providing funds to address issues associated with salinity and water quality in priority regions in South Australia. Funding for NAP ceased on 30 June 2008 with the majority of projects completed by 31 December 2009. The remaining funds relate to interest earned on the original South Australian Government contribution and DEW is currently seeking appropriate approvals to return the remaining funds to the DTF in accordance with clause 13.2c and 20.4 of the 'Transitional Arrangement and Financial Agreement between the Australian Government and state of South Australia for implementation of Caring for our Country'.

**Department for Environment and Water Administered
Notes to and forming part of the Administered financial statements
for the year ended 30 June 2024**

A1. About the Department for Environment and Water Administered (continued)

Qualco Sunlands

The *Ground Water (Qualco-Sunlands) Control Act 2000* established a scheme managed by a Trust to prevent, and reverse, the salinisation and water logging of horticultural land due to irrigation induced factors. Upon request from the Trust, DEW provides a temporary grant, sourced from the DTF, to carry out the specified works. The Trust facilitates the required work, and recharges irrigators for the work undertaken. Once fully collected, the Trust returns the temporary funds to DEW for on-passing back to the DTF.

SA Drought Resilience Fund

The South Australian Drought Resilience Fund (The Fund) was established pursuant to the Commonwealth's Water for Fodder program. The Fund received revenue from Southern Murray-Darling Basin irrigators in exchange for the transfer of South Australian water allocations in accordance with the Water for Fodder program. The Fund will be applied by the Minister towards programs and measures to build the resilience of River Murray water users and environment to withstand drought and longer term climate change, or improve the adequacy, security and quality of the State's water supply from the River Murray.

Pastoral Board

The Pastoral Board is responsible for the administration of the *Pastoral Land Management and Conservation Act 1989*. The Board provides advice to the Minister for Climate, Environment and Water on the policies that should govern the administration of pastoral land.

Adelaide Dolphin Sanctuary Fund

The Adelaide Dolphin Sanctuary Fund was established under the *Adelaide Dolphin Sanctuary Act 2005* to:

- protect the dolphin population of the Port Adelaide River Estuary and Barker Inlet
- protect the natural habitat of the Dolphin population.

The Adelaide Dolphin Sanctuary Fund did not incur any material income or expenditure transactions for the current or prior periods and has therefore not been disclosed as part of the Statement of Income and Expenses.

Consumer Advocacy Research Fund

The Consumer Advocacy Research Fund (CARF) was established under section 87 of the *Water Industry Act 2012* (the Act). The purpose of the CARF is to support research or advocacy projects that promote the interests of water consumers with a disability, consumers on a low income, consumers who are located within a regional area of the state; or to support projects that advance the interests of consumers from an advocacy perspective.

The Minister's powers and functions under the Act, specifically associated with CARF, are set out in section 87 of the Act. The CARF consists of \$0.343 million in 2023-24 (indexed annually), paid on an annual basis from licence fees payable by water entities under section 24 of the Act.

Department for Environment and Water Administered

Notes to and forming part of the Administered financial statements

for the year ended 30 June 2024

A1.1. Administered item's financial arrangements

The financial activities of the administered items are conducted through a number of deposit accounts with DTF pursuant to the *Public Finance and Audit Act 1987*.

DEW conducts a large number of activities directed towards meeting the administered items objectives and responsibilities as specified in the legislation and/or other authoritative documentation that establishes the administered items. Many of the administered items, in accordance with the Acts, have delegated certain functions to officers within DEW, who provide technical and administrative support including the use of plant and equipment, office accommodation and various administrative services. The cost of the services provided that can be identified with the activities of the administered items and can be measured reliably are met by the administered items. Other support services that are not identifiable and/or cannot be measured reliably are provided free of charge and have not been recognised in the Administered financial statements.

A1.2. Basis of preparation and accounting policies

The basis of preparation for the administered financial statements is the same as the basis outlined in note 1.1. DEW applies the same accounting policies to the administered financial statements as set out in the notes to DEW's financial statements. Deviations from these policies are as follows:

Property, plant and equipment

Property, plant and equipment includes land. DEW is the custodian of unallotted (unalienated) Crown Land, by virtue of its responsibilities under the *Crown Land Management Act 2009*. This land is recognised in the administered Statement of Financial Position as Crown Land. Land dedicated to the Minister and held by the Minister, either as freehold or reverted land, is also recognised as part of Crown Land. Crown Lands may be subject to third party perpetual leases and other leases and annual licenses.

Employee benefits

In general, administered items utilise the services of contractors or DEW employees rather than recruiting and appointing employees in their own right. In the majority of cases, the services provided by DEW employees are provided free of charge. If, however, the services provided by DEW employees are directly attributable to the activities of an administered item and can be reliably measured, the services are charged to the administered item on a fee for service (cost recovery) basis. The liability for employee benefits arising from services rendered by DEW employees is not recognised in the administered financial statements as DEW is obligated to pay employees for services provided. Accordingly, employee benefits are recognised in DEW's financial statements. Employee benefits disclosed in the schedule of expenses and income relate to the Minister's salary.

Department for Environment and Water Administered
Notes to and forming part of the Administered financial statements
for the year ended 30 June 2024

A1.3. Budget performance

The budget performance table compares DEW's outcomes against budget information presented to Parliament (2023-24 Budget Paper 4). The budget amounts have not been adjusted to reflect revised budgets or administrative restructures. The budget process is not subject to audit.

		Original budget 2024 \$'000	Actual 2024 \$'000	Variance \$'000
Statement of Administered Comprehensive Income	Note			
Appropriation	a	30 772	21 632	(9 140)
Fees and charges	b	69 605	78 023	8 418
Grants		-	343	343
Intra-government transfers		5 019	4 855	(164)
Income associated with joint operation		-	5 050	5 050
Interest		420	702	282
Assets received free of charge	c	-	5 232	5 232
Other income		250	25	(225)
Total administered income		106 066	115 862	9 796
Expenses				
Employee benefits		409	418	9
Supplies and services		565	1 282	717
Grants and subsidies	d	17 533	11 808	(5 725)
Intra-government transfers	d	79 897	88 923	9 026
Expenses associated with joint operation	e	-	12 171	12 171
Payments to the Consolidated account		-	2 790	2 790
Impairment loss on receivables		-	536	536
Net loss from the disposal of non-current assets		-	103	103
Other expenses	a	11 587	-	(11 587)
Total administered expenses		109 991	118 031	8 040
Net result		(3 925)	(2 169)	1 756

The following are brief explanations of variances between original budget and actual amounts. Explanations are required to be provided for variances where the variance exceeds the greater of 10 per cent of the original budgeted amount and 5 per cent of original budgeted total expenses.

- a. The full working capital provision in the original budget held for the eight regional landscape boards and Green Adelaide was not required therefore the cash was not received from DTF and was not transferred to the landscape boards.
- b. Higher actuals primarily relate to the land and water levies received in 2023-24 which were not included in the original budget (see note A2.2).
- c. Actuals primarily relate to the recognition of Crown lands reverted to the Minister for Climate, Environment and Water that were not included in the original budget (see note A2.4).
- d. These movements reflect the reclassification of expenses between grants and intra-government transfers.
- e. South Australia's share of the expenses associated with the joint operation was not included in the original budget (see note A5.2).

Department for Environment and Water Administered
Notes to and forming part of the Administered financial statements
for the year ended 30 June 2024

A2. Income

A2.1. Appropriation

	2024	2023
	\$'000	\$'000
Appropriation from Consolidated Account pursuant to Appropriation Act	21 199	20 593
Appropriations under other Acts	433	399
Total appropriations	21 632	20 992

Appropriations

Appropriations are recognised on receipt.

A2.2. Fees and charges

	2024	2023
	\$'000	\$'000
Fees and charges revenue recognised under AASB 15		
Water Levies received from licence holders	19 552	17 965
Total revenues from fees and charges recognised under AASB 15	19 552	17 965

Fees and charges revenue recognised under AASB 1058

Land Levies received from Councils	56 785	52 391
Land Levies received from out of Council areas	311	256
Fines and penalties	1 366	2 719
Reimbursement of Crown Lands costs	9	3
DEW Corporate Administered Items	-	(3)
Total revenues from fees and charges recognised under AASB 1058	58 471	55 366

Total revenues from fees and charges

78 023	73 331
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Revenue received from water levies and licence fees is recognised from contracts with customers. The department recognises revenue when it transfers control of a good or service to the customer. In order to pay a water levy a customer is required to hold a valid water licence, allowing for the drawing of the water allocation.

Fees and charges revenue recognised under AASB 1058 is recognised as income on receipt. Land levies received from Councils are paid into the LAF prior to disbursement to the respective landscape boards. Refer to note A1.

A2.3. Grant Revenues

Grant revenue relates to Consumer Advocacy Research Fund is recognised under AASB1058 as income on receipt. Total of grant revenues recognised were \$0.343 million (2023: \$0.306 million).

Department for Environment and Water Administered
Notes to and forming part of the Administered financial statements
for the year ended 30 June 2024

A2.4. Assets received free of charge

	2024	2023
	\$'000	\$'000
Land	5 232	5 678
Total assets received free of charge	5 232	5 678

During 2023-24 the Minister revoked the dedication for a specific purpose of land parcels valued at \$3.309 million (2023: \$5.678 million) pursuant to legislative powers vested to the Minister under the *Crown Lands Management Act 2009*, from entities external to the DEW Administered Items. Land valued at \$1.923 million (2023: \$0) donated by the Department for Environment and Water (Controlled) reporting entity. Upon the revocation of dedication, the land has reverted to the Minister, and accounted for in the DEW Administered Items reporting entity.

A2.5. Interest revenues

DEW earns a floating interest rate, based on daily bank deposit rates. Interest income is recognised on receipt. Total of the interest income recognised were \$702 000 (2023: \$473 000).

A2.6. Intra-government transfers

	2024	2023
	\$'000	\$'000
Contribution to Landscape Priorities Fund*	4 855	4 521
Funding provided by DTF	-	1 012
Total intra-government transfers	4 855	5 533

Intra-government transfers are recognised under AASB 1058 as income on receipt.

* Refer to note A1

Department for Environment and Water Administered
Notes to and forming part of the Administered financial statements
for the year ended 30 June 2024

A3. Expenses

A3.1. Grants and subsidies

	2024	2023
	\$'000	\$'000
Minister's other payments *	8 718	8 510
Grants paid from Landscape Priorities Fund **	3 022	3 945
Consumer Advocacy Research Fund	48	328
Qualco Sunlands	20	20
Total grants and subsidies	11 808	12 803

* Refer to note A1.

** Refer to note A2.6.

A3.2. Intra-government transfers

	2024	2023
	\$'000	\$'000
Land levy payments to landscape boards*	56 785	52 391
Water levy payments to landscape boards*	19 465	18 007
Minister's other payments**	9 420	9 191
Appropriation payments to landscape boards	2 986	2 913
Contingency payments to landscape boards	-	1 012
Out of Council land levy payments to landscape boards*	267	236
Total intra-government transfers	88 923	83 750

* Refer note A2.2.

** Refer note A1.

A3.3. Net loss from the disposal of non-current assets

	2024	2023
	\$'000	\$'000
Crown land		
Proceeds from disposal	(3 609)	(5 841)
Less net book value of assets disposed	3 712	6 084
Net loss from disposal of Crown land	103	243

**Department for Environment and Water Administered
Notes to and forming part of the Administered financial statements
for the year ended 30 June 2024**

A3.4. Expenditure – SA Business and Non-SA Business

The following table includes all expenditure in relation to contracts above \$55 000 (GST inclusive) resulting from a procurement as defined in *Treasurer’s Instructions 18 – Procurement (TI 18)*.

Arrangements between public authorities and arrangements with other governments are not included.

Expenditure is inclusive of non-recoverable GST.

	2024 \$'000	Proportion SA and non-SA businesses
Total expenditure on South Australian businesses	275	100%
Total expenditure on non-South Australian businesses	-	-
Total expenditure on SA Business and non SA Business	275	100%

Classification of SA business or non-SA business is based on circumstances as at the time of entering into a contract. For contracts entered into prior to 20 February 2023, where sufficient assessment made under previous procurement requirements is known to the Department, this was used to determine classification. For contracts where such evidence of prior assessment is not available and for all other contracts, classification is based on the definition of an SA business provided in TI 18.

TI 18 defines a business as being South Australian where it operates in South Australia and more than 50% of the workforce delivering the contract resulting from the procurement on behalf of the business are South Australian residents.

The disclosure for expenditure with SA business reflects the total spent on contracts within the TI 18 definition and in some instances includes the cost of goods sourced from outside South Australia.

In many cases, the determination has been made on the basis of representations made by suppliers at a point in time which has not been subject to independent verification.

Department for Environment and Water Administered
Notes to and forming part of the Administered financial statements
for the year ended 30 June 2024

A4. Non-financial assets

A4.1. Property, plant and equipment

Movement reconciliation of property, plant and equipment

2024	Crown land	Pastoral land	Joint operation	
			PP&E	Total
	\$'000	\$'000	\$'000	\$'000
Carrying amount at 1 July 2023	452 885	69 177	856 704	1 378 766
Assets received for nil consideration	5 232	-	-	5 232
Transfers out - CLMA 2009*	(837)	-	-	(837)
Disposals	(3 712)	-	-	(3 712)
Joint operations net additions, disposal, other movements	-	-	31 502	31 502
Subtotal	683	-	31 502	32 185
Gains/(losses) for the period recognised in other comprehensive income:				
Revaluation increments/(decrements)	156 760	-	-	156 760
Subtotal	156 760	-	-	156 760
Carrying amount at 30 June 2024	610 328	69 177	888 206	1 567 711
Gross carrying amount				
Gross carrying amount	610 328	69 177	888 206	1 567 711
Carrying amount at the end of the period	610 328	69 177	888 206	1 567 711

2023	Crown land	Pastoral land	Joint operation	
			PP&E	Total
	\$'000	\$'000	\$'000	\$'000
Carrying amount at 1 July 2022	538 332	-	841 684	1 380 016
Error correction**	(83 379)	-	-	(83 379)
Restated carrying amount at 1 July 2022	454 953	-	841 684	1 296 637
Assets received for nil consideration	5 678	69 177	-	74 855
Transfers in - CLMA 2009	12	-	-	12
Transfers out - CLMA 2009	(1 672)	-	-	(1 672)
Disposals	(6 084)	-	-	(6 084)
Other changes	(2)	-	-	(2)
Joint operations net additions, disposal, other movements	-	-	(26 902)	(26 902)
Subtotal	(2 068)	69 177	(26 902)	40 207
Gains/(losses) for the period recognised in other comprehensive income:				
Revaluation increments/(decrements)	-	-	41 922	41 922
Subtotal	-	-	41 922	41 922
Carrying amount at 30 June 2023	452 885	69 177	856 704	1 378 766
Gross carrying amount				
Gross carrying amount	452 885	69 177	856 704	1 378 766
Carrying amount at the end of the period	452 885	69 177	856 704	1 378 766

Department for Environment and Water Administered
Notes to and forming part of the Administered financial statements
for the year ended 30 June 2024

A4.1. Property, plant and equipment (continued)

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.

* Assets to the value of \$0.837 million (2023: \$1.672 million) were transferred to the Department for Environment and Water (Controlled) reporting entity following proclamation of land parcel additions to existing national parks and reserves under the *National Parks and Wildlife Act 1972* and accounted for through equity.

** An error correction of \$83.379 million has been adjusted against land assets due to an error that was discovered as part of the independent revaluation performed every 6 years. 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.

A5. Financial assets

A5.1. Receivables

	2024	2023
	\$'000	\$'000
Current		
Water levies	438	235
Penalties	13 863	13 236
Accrued interest	61	46
Other	1 736	542
Less impairment loss on receivables	(12 926)	(12 791)
GST input tax recoverable	1	1
Total current receivables	3 173	1 269
Total receivables	3 173	1 269

A5.2. Interest in joint operation

The Minister, on behalf of the state of South Australia, has an interest in a joint operation, the Murray Darling Basin Authority (MDBA) represented by the River Murray Operations and the Living Murray Initiative.

On 3 July 2008, the Commonwealth Government and the Government of New South Wales, Victoria, Queensland, South Australia and the Australian Capital Territory (the participants) entered into the Intergovernmental agreement for the *Murray-Darling Basin Reform* (the Reform IGA). The Reform involved the government participants entering into a new *Murray-Darling Basin Agreement* (MDB Agreement) and the Intergovernmental Agreement on *Murray-Darling Basin Reform* - referral (the Referral IGA).

The MDB Agreement essentially dissolved the Murray-Darling Basin Commission (MDBC) and established the Murray-Darling Basin Authority (MDBA), Ministerial Council, Basin Officials Committee and the Basin Community Committee. Under the revised arrangement, the participants have a joint interest in the infrastructure assets and water rights. The state of South Australia's interest in the arrangement is 26.67 percent.

The MDBA was established under the Commonwealth *Water Act 2007* as an independent, expertise based statutory agency and are responsible for developing, implementing and monitoring the Basin Plans. The MDBA undertakes activities that support the sustainable and integrated management of the water resources of the Murray-Darling Basin in a way that meets the social, economic and environmental needs of the Basin and its communities.

Department for Environment and Water Administered
Notes to and forming part of the Administered financial statements
for the year ended 30 June 2024

A5.2. Interest in joint operation (continued)

Two unincorporated joint arrangements were established under the MDBA to hold assets on behalf of the participants through separate agreements called the "Asset Agreement for River Murray Operations Assets" (RMO) and the "Further Agreement on Addressing Over Allocation and Achieving Environmental Objectives in the Murray-Darling Basin - Control and Management of Living Murray Assets" (LMI). The principal place of the operation is in Australia. The participants are obliged to provide funding to the MDBA for the management of the RMO and LMI assets and operations.

The agreements in relation to the Murray Darling Basin Agreement joint arrangement require unanimous consent from all parties for all relevant activities. The participants own the infrastructure assets and water rights of the joint arrangements, which are being managed through the RMO and LMI and there are no liabilities held for either RMO or LMI. The arrangement is therefore classified as a joint operation and DEW recognises, on behalf of the state, its direct right to the jointly held assets, revenues and expenses based on the percentage interest as described in the table below.

Name of entity	Principal activity	Country of incorporation	Ownership interest	
			2024	2023
Murray-Darling Basin Authority	To undertake activities that support the sustainable and integrated management of water resources of the Murray-Darling Basin	Australia	26.67%	26.67%

Joint operation assets, income and expenses accounted for using the proportionate consolidation method are detailed below:

Murray-Darling Basin Authority	2024	2023
	\$'000	\$'000
Non-current assets		
<i>Property, plant and equipment</i>		
Infrastructure Assets	874 264	846 108
Work in Progress	9 155	6 074
Other property, plant and equipment assets	4 787	4 522
<i>Intangibles - Water entitlements</i>	183 712	183 389
Total non-current assets	1 071 918	1 040 093
Total assets	1 071 918	1 040 093
Income	5 050	4 239
Expenses	12 171	12 575

Refer note 4.3 of the DEW Controlled financial statements for details of the State's grant payment made to the MDBA.

The 2023 and 2024 figures were based on the audited RMO and LMI financial statements.

Contingencies and commitments

There are no contingencies or commitments arising from DEW's interest in the joint operation.

Department for Environment and Water Administered
Notes to and forming part of the Administered financial statements
for the year ended 30 June 2024

A6. Liabilities

A6.1. Payables

	2024	2023
	\$'000	\$'000
Current		
Creditors	2 989	5 125
Other	1 232	586
Total current payables	<u>4 221</u>	<u>5 711</u>
Total payables	<u>4 221</u>	<u>5 711</u>

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

Department for Environment and Water Administered
Notes to and forming part of the Administered financial statements
for the year ended 30 June 2024

A7. Other disclosures

A7.1. Administered cash flow reconciliation

	2024	2023
	\$'000	\$'000
Reconciliation of cash and cash equivalents at the end of the reporting period		
National Landcare Program	383	368
Crown Lands	4 776	7 020
SA Drought Resilience Fund	4 276	4 105
Pastoral Board	211	189
Landscape Administration Fund	6 900	6 837
Landscape Priorities Fund	5 751	3 773
Consumer Advocacy Research Fund	171	145
Qualco Sunlands	20	18
National Action Plan for Salinity and Water Quality	40	38
Adelaide Dolphin Sanctuary	2	1
The Department's Corporate Administrative Items	3 602	3 600
	<hr/>	<hr/>
Cash and cash equivalents disclosed in the Statement of Financial Position	26 132	26 094
Balance as per the Statement of Cash Flows	<hr/>	<hr/>
	<hr/>	<hr/>
Reconciliation of net cash provided by / (used in) operating activities to net result		
Net cash used in operating activities	(3 571)	(2 340)
Add / (less) non-cash items		
Expenses associated with joint operation	(12 171)	(12 575)
Income associated with joint operation	5 050	4 239
Assets received free of charge	5 232	5 678
Net gain on disposal of non-current assets	(103)	(243)
Movement in assets and liabilities		
(Decrease)/increase in receivables	1 904	(2 429)
(Increase)/decrease in payables	1 490	(396)
Net result	<hr/> (2 169) <hr/>	<hr/> (8 066) <hr/>

A8. Outlook

A8.1. Contingent assets and liabilities

A contingent asset is acknowledged whereby the Minister for Climate, Environment and Water has an exclusive right to access 40ML per day from the Langhorne and Currency Creek pipeline. The Minister has not exercised this right.

A8.2. Events after the reporting period

There were no events that occurred after the reporting period for the year ended 30 June 2024.