

INDEPENDENT AUDITOR'S REPORT



Government of South Australia

Audit Office of South Australia

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To the Presiding Member Murraylands and Riverland Landscape Board

Opinion

I have audited the financial report of the Murraylands and Riverland Landscape Board (the Board) for the financial year ended 30 June 2024.

In my opinion, the accompanying financial report gives a true and fair view of the financial position of the Board as at 30 June 2024, its financial performance and its cash flows for the year then ended in accordance with relevant Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards – Simplified Disclosures.

The consolidated financial report comprises:

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

Basis for opinion

I conducted the audit in accordance with the *Public Finance and Audit Act 1987* and Australian Auditing Standards. My responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial report' section of my report. I am independent of the Board. The *Public Finance and Audit Act 1987* establishes the independence of the Auditor-General. In conducting the audit, the relevant ethical requirements of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* have been met.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of the General Manager and the Board for the financial report

The General Manager is responsible for the preparation of the financial report that gives a true and fair view in accordance with relevant Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and the Australian Accounting Standards – Simplified Disclosures, and for such internal control as management determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the General Manager is responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the assessment indicates that it is not appropriate.

The Board is responsible for overseeing the entity's financial reporting process.

Auditor's responsibilities for the audit of the financial report

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987* and section 38(2) of the *Landscape South Australia Act 2019*, I have audited the financial report of the Board for the financial year ended 30 June 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 Board's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the General Manager
- conclude on the appropriateness of the General Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify the opinion. My conclusion is based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

My report refers only to the financial report described above and does not provide assurance over the integrity of electronic publication by the entity on any website nor does it provide an opinion on other information which may have been hyperlinked to/from the report.

I communicate with the Presiding Member and General Manager about, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during the audit.



Daniel O'Donohue
Assistant Auditor-General (Financial Audit)

29 November 2024

Murraylands and Riverland Landscape Board

Financial Statements

For the year ended 30 June 2024

Murraylands and Riverland Landscape Board
Certification of the Financial Statements
For the year ended 30 June 2024

We certify that the:

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



Dianne Davidson
Presiding Member
27 November 2024



Andrew Meddle
General Manager
Murraylands and Riverland Landscape Board
27 November 2024

Murraylands and Riverland Landscape Board
Statement of Comprehensive Income
For the year ended 30 June 2024

	Note	2024 \$'000	2023 \$'000
Income			
Landscape and water levies	2.1	12 744	11 780
Commonwealth-sourced grants and funding	2.2	1 904	3 381
Grant revenues	2.3	2 696	877
Intra-government transfers	2.4	-	231
Interest revenues		521	410
Other income	2.5	949	804
Total income		18 814	17 483
Expenses			
Employee related expenses	3.3	8 471	7 850
Supplies and services	4.1	7 133	6 700
Grants and subsidies	4.2	4 614	2 822
Depreciation	5.1	252	279
Borrowing Costs	7.2	12	8
Other expenses	4.3	83	52
Total expenses		20 565	17 711
Net result		(1 751)	(228)
Total comprehensive result		(1 751)	(228)

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

Murraylands and Riverland Landscape Board
Statement of Financial Position
As at 30 June 2024

	Note	2024 \$'000	2023 \$'000
Current assets			
Cash and cash equivalents	6.1	10 651	11 231
Receivables	6.2	1 158	1 547
Total current assets		11 809	12 778
Non-current assets			
Property plant and equipment	5.1	918	1 048
Total non-current assets		918	1 048
Total assets		12 727	13 826
Current liabilities			
Payables	7.1	1 307	818
Contract liabilities	2.3	35	-
Financial liabilities	7.2	127	132
Employee related liabilities	3.4	844	836
Provisions		23	34
Total current liabilities		2 336	1 820
Non-current liabilities			
Financial liabilities	7.2	212	283
Employee related liabilities	3.4	1 594	1 362
Provisions		89	114
Total non-current liabilities		1 895	1 759
Total liabilities		4 231	3 579
Net assets		8 496	10 247
Equity			
Retained earnings		8 496	10 247
Total equity		8 496	10 247

Murraylands and Riverland Landscape Board
Statement of Changes in Equity
For the year ended 30 June 2024

	Retained earnings \$'000	Total equity \$'000
Balance at 1 July 2022	10 475	10 475
Net loss for 2022-23	(228)	(228)
Total comprehensive result for 2022-23	(228)	(228)
Balance at 30 June 2023	10 247	10 247
Net result for 2023-24	(1 751)	(1 751)
Total comprehensive result for 2023-24	(1 751)	(1 751)
Balance at 30 June 2024	8 496	8 496

Murraylands and Riverland Landscape Board
Statement of Cash Flows
For the year ended 30 June 2024

	Note	2024 \$'000	2023 \$'000
Cash flows from operating activities			
<i>Cash inflows</i>			
Landscape and water levies received		12 684	11 650
Commonwealth funding received		2 717	3 798
Grants		2 572	808
Intra-government transfers		-	231
Interest received		522	371
GST recovered from DEW		548	192
Other receipts		1 045	884
Cash generated from operations		20 088	17 934
<i>Cash outflows</i>			
Employee related payments		(8 247)	(7 619)
Payments for supplies and services		(7 047)	(7 000)
Payments of grants and subsidies		(5 075)	(3 104)
Interest paid		(12)	(8)
Other payments		(91)	(57)
Cash used in operations		(20 472)	(17 788)
Net cash (used in) / provided by operating activities		(384)	146
Cash flows from investing activities			
Cash inflows			
<i>Cash outflows</i>			
Purchase of property, plant and equipment		(35)	(190)
Cash used in investing activities		(35)	(190)
Net cash used in investing activities		(35)	(190)
Cash flows from financing activities			
Repayment of leases		(161)	(212)
Cash used in financing activities		(161)	(212)
Net cash used in financing activities		(161)	(212)
Net decrease in cash and cash equivalents		(580)	(256)
Cash at the beginning of the period		11 231	11 487
Cash at the end of the period	6.1	10 651	11 231

Murraylands and Riverland Landscape Board

Notes to and forming part of the financial statements

For the year ended 30 June 2024

1. About the Murraylands and Riverland Landscape Board

The Murraylands and Riverland Landscape Board (the Board) is a body corporate of the state of South Australia, established pursuant to the *Landscape South Australia Act 2019* (the Landscape Act). The Board is a not for profit entity.

The Murraylands and Riverland Landscape Plan 2021-2026 was approved by the Minister for Climate, Environment and Water in July 2021. The Board operates under an annual Business Plan which aligns to the Landscape Plan. The Murraylands and Riverland Business Plan 2023-24 identifies the Board's revenue and investment in priorities for management of landscapes in the region as detailed in note 1.2.

In 2023, the Board entered into a three-year Service Level Agreement (SLA) with the Department for Environment and Water (DEW) from 1 July 2023 to 30 June 2026. This facilitated the delivery of agreed corporate support services to the Board during 2023-24 to enable it to meet its governance and financial management statutory requirements in delivering its business.

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

1.1. Basis of preparation

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

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

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

Assets and liabilities that are to be sold, consumed or realised as part of the normal 12 month operating cycle have been classified as current assets or current liabilities. All other assets and liabilities are classified as non-current.

Income, expenses and assets are recognised net of the amount of GST except:

- when the GST incurred on a purchase of goods or services is not recoverable from the Australian Taxation Office (ATO), in which case GST is recognised as part of the cost of acquisition of the asset or as part of the expense item applicable
- receivables and payables, which are stated with the amount of GST included.

The Board is grouped with the Department for Environment and Water (DEW) for GST purposes, and accordingly DEW prepares the Business Activity Statement on behalf of the Board via the grouping provisions of the GST legislation. Notwithstanding the use of these grouping provisions, intercompany cash alignment occurs to ensure the Board either recovers the net amount of GST recoverable from or disburses the amount payable to the ATO from DEW.

Cash flows are included in the Statement of Cash Flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the ATO is classified as part of operating cash flows.

Murraylands and Riverland Landscape Board

Notes to and forming part of the financial statements

For the year ended 30 June 2024

1.2. Objectives and priorities

Board objectives

The functions of the Board under Section 25(1) of the Landscape Act include:

- undertake and promote the management of natural resources within its region;
- prepare a regional landscape plan and water allocation plans, landscapes affecting activities control policies and water affecting activities control policies; and
- promote public awareness and understanding of the importance of integrated and sustainable natural resources management in its region.

Board priorities

In discharging its functions under the Landscape Act, the Board delivers on the following priorities as set out in the Murraylands and Riverland Business Plan for 2023-24:

Sustainable Agricultural and Pastoral Landscapes

- Work with industry and farming groups to identify and address soil management issues to improve soil health and build resilience.
- Encourage integrated management of prioritised pest plants and animals and early detection of alert species for improved biosecurity.
- Promote and support the protection and enhancement of on-farm biodiversity and native vegetation as part of a productive system.
- Promote and demonstrate best management practices to retain ground-cover and reduce erosion risk.
- Support land managers to build resilience in farming systems through monitoring and managing climate risks and extreme events.

Sustainable Water Use

- Work with the irrigation industry to optimise water use for productive, environmental and cultural outcomes.
- Ensure sustainable water use by all water users in a changing climate.
- Improve water literacy to develop the community's understanding of water management for productive, environmental and cultural outcomes.
- Support water users to build resilience through monitoring and managing climate risks and extreme events.
- Encourage integrated management of prioritised pest plants and animals and early detection of alert species for improved biosecurity.

Murraylands and Riverland Landscape Board
Notes to and forming part of the financial statements
For the year ended 30 June 2024

1.2. Objectives and priorities (continued)

Healthy Rivers, Lakes and Wetlands

- Manage and deliver environmental water to build the resilience of targeted wetland and floodplain ecosystems.
- Actively manage watercourses for improved ecological outcomes in a changing climate.
- Deliver initiatives that improve conditions for threatened species and culturally significant species.
- Improve water literacy to develop the community's understanding of water management for productive, environmental and cultural outcomes.
- Encourage integrated management of prioritised pest plants and animals and early detection of alert species.

Healthy Natural Landscapes

- Work in partnership to manage total grazing pressure, including from over-abundant native species.
- Work in partnership to proactively manage fire in the landscape to improve or maintain condition of key ecological and cultural assets.
- Encourage targeted revegetation and restoration.
- Ensure future seed availability of native species for revegetation in a changing climate.
- Improve the level of protection for threatened and culturally significant species and ecological communities.
- Encourage integrated management of prioritised pest plants and animals and early detection of alert species.

People at the Heart of Landscape Management

- Build and maintain strategic partnerships with, and between, key stakeholders for mutually beneficial outcomes.
- Work in partnership with First Nations to manage the region's landscapes, protect and restore cultural values and assets, and build capacity.
- Partner with young people, foster their understanding, participation and leadership.
- Strengthen capacity through increased knowledge, skills and participation.
- Support community-led landscape management, providing resources to support community projects and practical action.
- Recognise and encourage volunteers and volunteer community groups and support them to work safely and effectively.

Foundational Support

- Develop the regional landscape plan and associated business plans.
- Implement an effective monitoring, evaluation and reporting framework.
- Ensure contractual obligations that come with external funding are delivered.
- Continuously improve the information management systems that support evidence-based decision making.
- Regular communication of Board business.

The table on the following page presents income and expenses attributable to each priority. Revenues and expenses are allocated to programs where these amounts can be tied directly to that program area. Where this is not the case, the amounts are allocated based on a budget allocation per the Board's 2023-24 business plan.

Murraylands and Riverland Landscape Board
Notes to and forming part of the financial statements
For the year ended 30 June 2024

1.2. Objectives and priorities (continued)

Income and expenses by priority

	Sustainable Agricultural and Pastoral Landscapes		Sustainable Water Use		Healthy Rivers, Lakes and Wetlands		Healthy Natural Landscapes		People at the Heart of Landscape Management		Foundational Support		Total	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Income														
Landscape and water levies	1 708	1 579	4 639	4 288	1 045	966	969	895	2 065	1 908	2 318	2 144	12 744	11 780
Commonwealth-sourced grants and funding	182	614	149	554	242	704	506	737	727	717	98	55	1 904	3 381
Grant revenues	1	3	2 190	315	290	404	-	-	215	155	-	-	2 696	877
Intra-government transfers	-	231	-	-	-	-	-	-	-	-	-	-	-	231
Interest revenues	72	55	189	149	42	34	40	31	84	66	94	75	521	410
Other income	264	154	41	75	490	492	92	23	20	24	42	36	949	804
Total income	2 227	2 636	7 208	5 381	2 109	2 600	1 607	1 686	3 111	2 870	2 552	2 310	18 814	17 483
Expenses														
Employee related expense	1 275	1 390	1 776	1 609	1 497	1 394	1 016	933	1 215	1 052	1 692	1 472	8 471	7 850
Supplies and services	943	717	3 329	2 997	1 019	827	611	1 071	555	543	676	545	7 133	6 700
Grants and subsidies	11	282	2 666	838	187	130	139	304	1 590	1 167	21	101	4 614	2 822
Depreciation	34	37	92	104	21	22	19	21	41	45	45	50	252	279
Borrowing costs	2	1	4	3	1	1	1	1	2	1	2	1	12	8
Other expenses	50	7	14	19	3	4	3	4	6	9	7	9	83	52
Total expenses	2 315	2 434	7 881	5 570	2 728	2 378	1 789	2 334	3 409	2 817	2 443	2 178	20 565	17 711
Net result	(88)	202	(673)	(189)	(619)	222	(182)	(648)	(298)	53	109	132	(1 751)	(228)

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

Murraylands and Riverland Landscape Board
Notes to and forming part of the financial statements
For the year ended 30 June 2024

2. Income

2.1. Landscape and water levies

	2024	2023
	\$'000	\$'000
Water levy collected through DEW	9 494	8 782
Landscape levy collected within council areas	3 250	2 998
Total Landscape and water levies	12 744	11 780

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

Landscape levy collected within council areas

The Board declares contributions by councils under section 66 of the Landscape Act for the relevant financial year by notice in the Board Annual Business Plan. Revenue is recognised when the invoice is raised at the beginning of the levy period to which they relate. Councils may seek to recover costs in accordance with the Landscape Act, incurred in the collection of the levy.

Water levies collected through DEW

The Minister declares the water levy rates by notice of gazette under section 76 of the Landscape Act for water licence holders within a prescribed area. Invoices are raised at the start of each financial year with the levies collected by DEW and passed onto the Board. Revenue is recognised when the funds are received by DEW.

2.2. Commonwealth-sourced grants and funding

	2024	2023
	\$'000	\$'000
Regional Delivery Partnerships Program *	800	-
Riverland Indigenous Rangers	679	669
Regional Land Partnership **	290	2 210
Commonwealth Environmental Water	93	5
Water Efficiency Program	42	446
Commonwealth On-farm Further Irrigation Efficiency Program	-	1
Other Commonwealth funding	-	50
Total Commonwealth-sourced grants and funding	1 904	3 381

	2024	2023
	\$'000	\$'000

*** Regional Delivery Partnerships Program funding consists of the following components**

Regional Capacity Services	293	-
Emergency Preparedness Response	250	-
Call of the Mallee	115	-
Sustainable Agriculture Facilitator	97	-
Sustaining the RAMSAR	45	-
Total Regional Delivery Partnerships funding	800	-

Murraylands and Riverland Landscape Board
Notes to and forming part of the financial statements
For the year ended 30 June 2024

2.2 Commonwealth-sourced grants and funding (continued)

From 1 July 2023, the Department of Climate Change, Energy, Environment and Water under a panel agreement, appointed regional delivery partners to deliver on-ground environmental protection, sustainable agriculture and natural resource management activities across Australia. Funding for these services is provided from the Natural Heritage Trust. The Murraylands and Riverland Landscape Board was appointed as a delivery partner administering approved programs and projects under the agreement within the Murraylands and Riverland region.

	2024	2023
	\$'000	\$'000
** Regional Land Partnerships Program funding consists of the following components		
Threatened Mallee Birds	300	224
Restoring Ramsar Wetlands	-	675
Farm Soils and Vegetation Management	-	420
Core services	-	296
Regional Agriculture Landcare Facilitator	-	155
Restoring the Iron-grass Natural Temperate Grasslands	(10)	440
Total Regional Land Partnership funding	290	2 210

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

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

Murraylands and Riverland Landscape Board
Notes to and forming part of the financial statements
For the year ended 30 June 2024

2.3 Grant revenues

	2024	2023
	\$'000	\$'000
State Government grants	2 642	806
Sundry grants	54	71
Total income recognised under AASB 1058	2 696	877
Total grant revenues	2 696	877

Grants recognised under AASB 1058

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

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

Grants recognised under AASB 15

Income from grants that are enforceable and with sufficiently specific performance obligations are accounted for as revenue from contracts with customers under AASB 15. The existence of a sufficiently specific performance obligation, when it is satisfied and the amount of revenue to be allocated to each performance involves significant judgement. Revenue is recognised when the Board satisfies the performance obligation by providing the relevant services. The payments are normally received in advance or shortly after the relevant obligation is satisfied. Where payments are received in advance and performance obligations are still outstanding, a contract liability is recognised.

	2024	2023
	\$'000	\$'000
Contract liabilities	35	-
Total contract balances	35	-

2.4 Intra-government transfers

Commonwealth funding \$nil (2023: \$231 000) relates to funding transferred from the Limestone Coast Board for a joint soil extension project.

2.5 Other income

	2024	2023
	\$'000	\$'000
Support services income	673	575
Sale of goods and services	245	216
Other revenue	31	13
Total other income	949	804

Murraylands and Riverland Landscape Board
Notes to and forming part of the financial statements
For the year ended 30 June 2024

3. Board, committees and employees

3.1. Key management personnel

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

Total compensation for key management personnel was \$676 000 (2023: \$682 000).

The compensation disclosed in this note excludes salaries and other benefits the Minister receives. The Minister's remuneration and allowances are set by the *Parliamentary Remuneration Act 1990* and the Remuneration Tribunal of SA respectively and are payable from the Consolidated Account (via the Department of Treasury and Finance) under section 6 of the *Parliamentary Remuneration Act 1990*.

Transactions with key management personnel and other related parties

No transactions with key management personnel or related parties have occurred throughout the 2023-24 financial year.

3.2. Board and committee members

Members of the Murraylands and Riverland Landscape Board during the 2023-24 financial year were:

D M Davidson (Presiding Member)
J C Size**
A J Biele
G Cock
S N Iosefellis
C A Phillips
F M Simes
B K Lund
T L O'Malley

Murraylands and Riverland Landscape Board
Notes to and forming part of the financial statements
For the year ended 30 June 2024

3.2. Board and committee members (continued)

Members of groups and committees during the 2023-24 financial year were:

Finance, Risk and Audit Committee

J R Godden (Chair)
 S N Iosefellis
 D M Davidson
 J C Size**
 C A Phillips
 B K Lund
 R Denton-Brown

Water Advisory Committee

F M Simes (Chair)
 G McCarron
 J Pauer
 R Auricht
 S Blight
 A Jensen
 J Pfeiffer
 D Zadow
 C Mason

Box Flat Wild Dog Coordinating Committee

R Halliday (Chair)
 H Miller
 A Scanlon
 P Schulz (proxy)
 M Hannemann
 J Arthur
 N Pfeiffer
 G Clothier
 P Gillen*
 A Biele
 J C Size** (proxy)
 T O'Malley
 G Cock (proxy)
 T Strugnell

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

**Employed as a government employee from 1 May 2024.

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

	2024	2023
\$0 - \$19 999	28	33
\$20 000 - \$39 999	1	1
Total number of members	29	34

The total remuneration received or receivable by members was \$59 000 (2023: \$71 000). Remuneration of members includes sitting fees, superannuation contributions, salary sacrifice benefits and fringe benefits, and any related fringe benefits tax paid or payable in respect to those benefits.

For the purposes of this table, travel allowances and other out-of-pocket expenses paid to members have not been included as remuneration as it is considered to be reimbursement of direct out-of-pocket expenses incurred by relevant members. These expenses, in addition to payroll tax amount to \$37 000 (2023: \$32 000).

Murraylands and Riverland Landscape Board
Notes to and forming part of the financial statements
For the year ended 30 June 2024

3.3. Employee related expense

	2024	2023
	\$'000	\$'000
Salaries and wages	6 194	5 860
Employment on-costs - superannuation	773	702
Annual leave	659	583
Employment on-costs - other	391	357
Workers compensation	26	161
Board and committee fees	54	54
Long service leave	328	90
Skills and experience retention leave	39	34
Other employee related expenses	6	9
Total employee related expenses	8 471	7 850

Employment expenses

The Board's employees are employed under Part 2 of the Landscape Act.

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

Employee remuneration

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

	2024	2023
	No.	No.
\$186 001 – \$206 000	1	1
Total	1	1

The total remuneration received by those employees for the year was \$205 000 (2023: \$197 000).

The table includes all employees who received remuneration equal to or greater than the base executive remuneration level during the year. Remuneration of employees reflects all costs of employment including salaries and wages, payments in lieu of leave, superannuation contributions, termination payments, salary sacrifice benefits and fringe benefits and any related fringe benefits tax.

Murraylands and Riverland Landscape Board
Notes to and forming part of the financial statements
For the year ended 30 June 2024

3.4. Employee related liabilities

	2024	2023
	\$'000	\$'000
<u>Current</u>		
Accrued salaries and wages	8	5
Annual leave	576	559
Long service leave	74	73
Skills and experience retention leave	41	49
Employment on-costs	145	150
Total current employee related liabilities	844	836
<u>Non-current</u>		
Long service leave	1 418	1 198
Employment on-costs-non-current	176	164
Total non-current employee related liabilities	1 594	1 362
Total employee related liabilities	2 438	2 198

Non-current employee related liabilities are measured at present value and current employee related liabilities are measured at nominal amounts.

Long service leave

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

The expected timing and amount of long service leave 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 is reflective of long-term Commonwealth Government bonds. The yield on long-term Commonwealth Government bonds has increased from 2023 (4%) to 2024 (4.25%).

This increase in the bond yield results in a decrease in the reported long service leave liability.

Following the actuarial assessment performed by DTF the salary inflation rate has increased from 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.

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 are discharged. These on-costs primarily relate to the balance of leave owing to employees. Estimates as to the proportion of long service leave estimated to be taken as leave, rather than paid on termination, affects whether certain on-costs are recognised as a consequence of long service leave liabilities.

Murraylands and Riverland Landscape Board
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For the year ended 30 June 2024

3.4. Employee related liabilities (continued)

The Board makes contributions to several State Government and externally managed superannuation schemes. These contributions are treated as an expense when they occur. There is no liability for payments to beneficiaries as they have been assumed by the respective superannuation schemes. The only liability outstanding at reporting date relates to any contributions due but not yet paid to the 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-cost calculation. The net financial effect of the changes in the current financial year are immaterial.

4. Expenses

4.1. Supplies and services

	2024	2023
	\$'000	\$'000
Fee for service - Water planning management	2 061	2 010
Fee for service	1 220	1 245
Fee for service - Corporate fee (DEW)	882	801
Minor works, maintenance and equipment	672	619
Accommodation and property management	405	470
Fee for service - Shared Services SA fee	324	316
Motor vehicles	321	274
Contracted staff training and development	250	106
General administration	228	172
Information technology and communication charges	212	155
Monitoring	172	30
Travel and accommodation	69	84
Temporary staff	55	79
Consultants	24	16
Other supplies and services	238	323
Total supplies and services	7 133	6 700

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4.2. Grants and subsidies

	2024	2023
	\$'000	\$'000
Grants and subsidies provided to entities within SA Government		
Grants and subsidies paid to entities within the SA Government	55	46
Total grants and subsidies - SA Government	55	46
Grants and subsidies paid to entities external to the SA Government		
Local Government and community groups	527	838
Landholders	2 661	734
Other	1 371	1 204
Total grants and subsidies - non SA Government	4 559	2 776
Total grants and subsidies	4 614	2 822

The Board provided funding to local government, state government agencies, community groups and private bodies during the year. Funds are paid by way of grants and all recipients are required to comply with conditions relevant to each grant.

4.3. Other expenses

	2024	2023
	\$'000	\$'000
Unexpended grants returned	45	-
Audit fees	53	51
Impairment loss on receivables	(15)	1
Total other expenses	83	52

Audit fees paid/payable to the Audit Office of South Australia relating to work performed under *the Public Finance and Audit Act 1987* were \$52 600 (2023: \$51 200). No other services were provided by the Audit Office of South Australia.

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5. Non-financial assets

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

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

5.1. Property, plant and equipment

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

Reconciliation of non-current assets 2023-24

	Land and Buildings \$'000	Plant and equipment \$'000	Vehicles \$'000	ROU Buildings \$'000	ROU Vehicles \$'000	Capital work in progress \$'000	Total \$'000
Carrying amount at the beginning of the period	219	321	95	85	325	3	1 048
Acquisitions	-	-	-	-	110	35	145
Depreciation	(7)	(69)	(12)	(11)	(153)	-	(252)
Disposals	-	-	-	(74)	-	-	(74)
Transfers to/(from) capital works in progress	-	-	35	-	-	(35)	-
Other changes	-	-	-	-	51	-	51
Carrying amount at the end of the period	212	252	118	-	333	3	918
Gross carrying amount							
Gross carrying amount	301	584	255	-	652	3	1 795
Accumulated depreciation	(89)	(332)	(137)	-	(319)	-	(877)
Carrying amount at the end of the period	212	252	118	-	333	3	918

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5.1. Property, plant and equipment (continued)

Review of accounting estimates

Assets' residual values, useful lives and depreciation methods are reviewed and adjusted if appropriate, on an annual basis. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for prospectively by changing the time period or method, as appropriate.

Useful life

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

Class of asset	Useful life (years)
Buildings	21 - 55
Plant and equipment	4 - 20
Vehicles	5 - 15
Right-of-use vehicles	Lease term

Impairment

There were no indications of impairment for property, plant and equipment owned by the Board at 30 June 2024.

5.2. Property, plant and equipment leased by the Board

Right-of-use assets for property, plant and equipment leased by the Board as lessee are measured at cost. Additions to leased property, plant and equipment were \$110 000 (2023: \$186 000).

Short-term leases of 12 months or less and low value leases, where the underlying asset value is less than \$15 000 are not recognised as right-of-use assets. The associated lease payments are recognised as an expense and are disclosed in note 4.1.

The Board has the following of leases:

- 29 motor vehicle leases with the South Australian Government Financing Authority (SAFA). Motor vehicle leases are non-cancellable, with rental payments monthly in arrears. Motor vehicle lease terms can range from 1 year (20,000km) up to 5 years (100,000km). No variable lease payments are provided for in the lease agreements and no options exist to renew leases at the end of their term.

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

Murraylands and Riverland Landscape Board
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6. Financial assets

6.1. Cash and cash equivalents

	2024	2023
	\$'000	\$'000
Deposits with the Treasurer	10 651	11 231
Total cash and cash equivalents	10 651	11 231

Deposits with the Treasurer

The Murraylands and Riverland Landscape fund was established in accordance with section 96 of the Landscape Act. The account is an interest bearing deposit account with the Department of Treasury and Finance (DTF) pursuant to section 21 of the *Public Finance and Audit Act 1987*.

Deposits at call and with the Treasurer earn a floating interest rate, based on daily bank deposit rates.

6.2. Receivables

	2024	2023
	\$'000	\$'000
<u>Current</u>		
Contractual receivables		
Debtors	382	254
Accrued revenues	696	1 085
Less impairment loss on receivables	(2)	(17)
Total contractual receivables	1 076	1 322
<u>Statutory receivables</u>		
Accrued landscape levies	-	190
GST input tax recoverable from DEW	82	35
Total statutory receivables	82	225
Total current receivables	1 158	1 547

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

Statutory receivables do not arise from contracts with customers. They are related to taxes and equivalents as well as statutory fees and charges. Statutory receivables are recognised and measured similarly to contractual receivables but are not classified as financial instruments for disclosure purposes.

Receivables 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 (via DEW) is included as part of receivables.

Murraylands and Riverland Landscape Board
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7. Liabilities

7.1. Payables

	2024	2023
<u>Current</u>	\$'000	\$'000
Contractual payables	1 142	666
Accrued expenses	130	137
Statutory payables		
Paid Parental Leave Scheme payable	35	15
Total statutory payables	35	15
Total current payables	1 307	818
Total payables	1 307	818

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

Statutory payables do not arise from contracts. 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 relate to lease liabilities.

Lease liabilities are measured via discounting the lease payments using either the interest rate implicit in the lease or Treasury's incremental borrowing rate.

The current portion of lease liabilities is \$127 000 (2023: \$132 000) and the non-current portion is \$212 000 (2023: \$283 000). The borrowing costs associated with the lease liabilities was \$12 000 (2023: \$8 000).

Total cash outflows for leases is \$173 000 (2023: \$220 000).

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

	2024	2023
Lease liabilities	\$'000	\$'000
No later than one year	137	349
Later than one year but not later than five years	223	73
Total lease liabilities (undiscounted)	360	434

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8. Outlook

8.1. Unrecognised contractual commitments

Commitments arising from contractual sources and are disclosed at their nominal value.

Other contractual commitments

	2024	2023
	\$'000	\$'000
No later than one year	3 279	5 122
Later than one year but no later than five years	3 361	2 058
Total expenditure commitments	6 640	7 180

The Board's commitments relate to non-cancellable contracts at the reporting date which have not been recognised in the Statement of Comprehensive Income and Statement of Financial Position.

The Board's significant other contractual commitments are for:

- Connections Pathways - Improving Water Delivery and accessibility in the Lower Murray Reclaimed Irrigation Area totalling \$282 586
- Water Efficiency Projects is now rescheduled to be completed in 2024-25 totalling \$125 119
- Commonwealth on Farm Irrigation Efficiency Projects totalling \$218 551
- Memoranda of Administrative Arrangements with Department for Infrastructure and Transport for accommodation totalling \$977 247
- Various other grant commitments totalling \$1 802 603

8.2. Contingent assets and contingent liabilities

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

The board has recognised a contingent liability related to an injured ex-employee who is seeking a claim for impairment who was injured while working for the board. The total liability, which could be up to \$105k is contingent on the outcome of reviews by the South Australian Employment Tribunal and the Department of Treasury and Finance's Work Injury Services Unit.

8.3. Events after the reporting period

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