



**Government
of South Australia**

WEST BEACH TRUST

2022-2023 Annual Report

WEST BEACH TRUST

Military Road, West Beach, South Australia, 5024

www.westbeachparks.com.au

Contact phone number: 08 8355 7300

Contact email: reception@westbeachparks.com.au

Date approved by Board: 28 August 2023

Date presented to Minister: 30 September 2023

To:

Hon Nick Champion MP

Minister for Trade and Investment
Minister for Housing and Urban Development
Minister for Planning

This annual report will be presented to Parliament to meet the statutory reporting requirements of *the West Beach Trust Recreation Reserve Act 1987* and the requirements of Premier and Cabinet Circular *PC013 Annual Reporting*.

This report is verified to be accurate for the purposes of annual reporting to the Parliament of South Australia.

This report was endorsed by the West Beach Trust Board at its meeting on 28 August 2023.

Submitted on behalf of the WEST BEACH TRUST by:

Kate Anderson

Chief Executive Officer
West Beach Trust

Date: 21 September 2023

Signature:



From the Chair

Jane Jeffreys AM



Dear Minister,

I am pleased to report that West Beach Parks has achieved a record-breaking year, both in terms of revenue and investment.

Revenue

Trading revenue increased by \$2.96M (17%) this year, with consolidated Accommodation revenue up 20% on the previous year to \$2.664 million - the highest income on record. Golf income was also up 10%, by \$339K, on last year.

While these exciting results reflect the pent-up demand that is still in the market for holidaying in Australia, we also acknowledge Adelaide's improving destination offer to interstate tourists. The Adelaide Fringe Festival and WOMAD showed a welcome return to pre COVID attendance levels, and visitation was also boosted by State Government initiatives such as the AFL Gather Round and LIV Golf tournaments held during April.

Strategic Investment

As a Board and Management Team we are aware we need to be diligent about maintaining a contemporary, world class offering to our visitors to sustain such revenue growth.

This year we have undertaken the largest Capital Works Programme in the history of West Beach Parks. We invested a record \$7.5M including extensive upgrades to accommodation products across the Precinct, removing 38 aged cabins and replacing them with 21 new larger family cabins at the Holiday Park and The Retreat. In May, we also invested in the Trackman Range to provide a new attraction at our golf facility, which has boosted bookings and brought a new generation of golfers to our golf park.

Community

We take our responsibility to our local community seriously and continue to find ways to improve their amenity. This year we undertook the demolition of the former Woolshed building and will be exploring opportunities for a new community use for this site before the end of the year.

We also upgraded the Diamond Sports entrance including a new car park and the planting of 50 trees.

Our expanded partnership with the Office for Recreation, Sport and Racing attracted new sporting groups to the Precinct this year including the Junior Women's SANFL and Football Premier League Academy, and we have successfully negotiated several major sporting events to be held at West Beach Parks over the next 12 months. These include the XIX Australian Masters Games Golf Tournament and the International Laser Class Association World Championships.

Marketing and Customer Experience

This year our main investment in marketing was an upgrade of the West Beach Parks website, which is our main “shop window” to the travel world. We expect the new website’s focus on improving the overall user experience will increase sales conversion rates and customer satisfaction.

We also launched a brand enhancement project at the Holiday Park called ‘Sonny & Friends’. This character-led activation targets our younger visitors, adding to the family customer experience while also reinforcing our point of difference from other Adelaide parks.

A new Property Management System for both accommodation properties was also introduced, resulting in the delivery of a better customer experience, and improved operating and user efficiencies. All Front-Line Staff and Operational Managers also completed our Customer Service Training program this year.

Environmental

We are passionate about caring for our unique natural environment, and this year saw the implementation of further initiatives from our Environmental Sustainability Action Plan 2022-2025. This included the development of a Landscaping Master Plan, creation of a Sustainable Building Framework, and delivery of our Climate Adaptation actions.

We also commenced implementation of the Cultural Heritage Management Plan recommendations which was developed with Integrated Heritage Services consultants. The Plan will help raise awareness amongst our Team and patrons and will also include Cultural Awareness training for Team Members and Contractors.

The implementation of the Biodiversity Index Report recommendations from Greening Australia included key environmental works along the Patawalonga Creek Line and the West Beach Sand Dunes.

We are pleased with our achievements and look forward to implementing the exciting initiatives of the Master Plan and new Strategic Plan.

On behalf of the West Beach Trust Board, I am pleased to present this Annual Report and extend my thanks for the ongoing support of the Board.

Finally, I wish to thank our exceptional management team and staff, who continue to provide a world class experience to our customers.



**Jane Jeffreys AM
Chair
West Beach Trust**

Contents

Overview: About the Agency.....	6
Strategic Focus	7
Legislation	8
Changes to the Agency.....	9
Minister.....	10
Board and Sub-committee Functions & Structure.....	11
Board Membership & Terms	12
Executive Team	13
Organisational Structure	14
The Agency's Performance.....	15
Agency specific Objectives and Performance.....	17
Employment Opportunity Programs.....	20
Agency Performance Management and Development Systems	20
Work Health, Safety (WHA) and Return to Work Programs	20
Executive Employment in the Agency.....	21
Financial Performance	22
Financial performance at a glance.....	22
Consultants Disclosure	23
Contractors Disclosure.....	23
Risk Management	24
Risk and Audit at a Glance.....	25
Fraud detected in the Agency	25
Strategies implemented to control and prevent fraud	25
Public Interest Disclosure.....	26
Public Complaints	27
Appendix: Audited Financial Statements 2022-23.....	29

Overview: About the Agency

The West Beach Trust (**the Trust**) is a Statutory Authority of the Government of South Australia, created to manage the West Beach Recreation Reserve. The Trust trades and is marketed as West Beach Parks.

Facilities include:

- BIG4 West Beach Parks
- The Retreat at West Beach Parks
- West Beach Parks Boat Haven
- West Beach Parks Football Centre
- West Beach Parks Diamond Sports
- West Beach Parks Golf
- West Beach Parks Sporting Reserves
- West Beach Parks Skate and BMX Park
- West Beach Coastal Park

This Annual Report describes the functions and operations of the Trust, trading as West Beach Parks. It presents Audited Financial Statements for the year ended 30 June 2023, and includes information about West Beach Parks, and the management of resources under its control. It is submitted in accordance with the:

- *Public Sector Act 2009*
- *Public Finance and Audit Act 1987*
- *West Beach Recreation Reserve Act 1987*

Strategic Focus

West Beach Parks is guided by its Performance Agreement, Charter and Strategic Plan.

It's purpose, vision, values, functions, objectives and deliverables are as follows:

Our Purpose	To develop, enhance and promote West Beach Parks for the benefit and enjoyment of the community and visitors
Our Vision	West Beach Parks is a world class tourism, sport and recreation precinct, providing exceptional leisure experiences
Our Values	<p>Ethics - we do the right thing</p> <p>Accountability - we own our actions and behave responsibly</p> <p>Respect - for our visitors and each other</p> <p>Teamwork - we work together to create and deliver great visitor experiences</p>
Our functions, objectives and deliverables	<p>One Destination – develop West Beach Parks as an integrated sport, recreation, tourism and leisure destination to all</p> <p>Memorable Visitor Experience – an exceptional visitor experience is at the heart of everything we do</p> <p>People & Culture – create an engaged, high performing and committed team demonstrating behaviours that reflect our values and culture</p> <p>Sustainable Business – maintain and enhance West Beach Parks for current and future generations</p>

Legislation

The Trust is the statutory authority responsible for the management and development of the West Beach Recreation Reserve lands and environment. The Trust trades and is marketed as West Beach Parks.

The Trust is managed by a Board. The Board is under the control and direction of the Minister for Planning.

The *West Beach Recreation Reserve Act 1987* requires the Trust to perform the functions of the Trust as set out in section 13(1) of the Act, which are:

- (a) to administer and develop the Reserve in accordance with its strategic and business plans—
 - (i) as a sporting, cultural and recreational complex of State-wide significance; and*
 - (ii) as a tourist attraction and resort; and*
 - (iii) within a designated area—as a place where boats may be launched, moored or stored (and where ancillary or associated services may be provided); and**
- (b) to promote and encourage the use and enjoyment of the Reserve by the public; and*
- (c) to perform any other function assigned to the Trust by this Act or the Minister.*

In fulfilling its statutory functions as set out in the Act, the Government requires the Trust, by its Charter, to be a business enterprise with the principal responsibility to administer and develop the Reserve to the benefit of the public and economy of the State and pursue the following strategic commercial directions:

- To create economic, environmental and social benefits to the State;
- To be accountable and operate commercially in accordance with:
 - Sound business and financial management;
 - Government policy objectives; and
 - Prudent risk management practices.
- To manage the provision of accommodation and recreation facilities suitable for attracting tourism and recreation and sporting events to South Australia and/or enabling existing sporting organisations to expand;
- To perform such ancillary acts and matters as are necessary to achieve the purposes above;

Changes to the Agency

Nil.

Minister



Hon Nick Champion MP

Minister for Trade and Investment
Minister for Housing and Urban Development
Minister for Planning

The Honourable Nick Champion MP is the Minister for Trade and Investment, Minister for Housing and Urban Development and Minister for Planning. For the trade and investment portfolio, Minister Champion oversees activities that enable economic growth in South Australia by attracting investment, increasing exports and building global reputation.

Board and Sub-committee Functions & Structure

The West Beach Trust Board (the Board) is accountable to the Minister for Planning for sound management and stewardship of the Trust and its assets, for and on behalf of its owners in accordance with the law.

The Board is responsible for ensuring that the West Beach Trust Governance Framework and its key governance principles are managed according to the *West Beach Recreation Reserve Act 1987* which outlines its responsibility in relation to:

- Functions and powers of the Trust
- Performance and Scope
- Staff of the Trust
- Financial Provisions

Sub-committees

The Sub-committees provide a support service to the Board and are responsible for:

Finance, Audit & Risk Sub-committee:

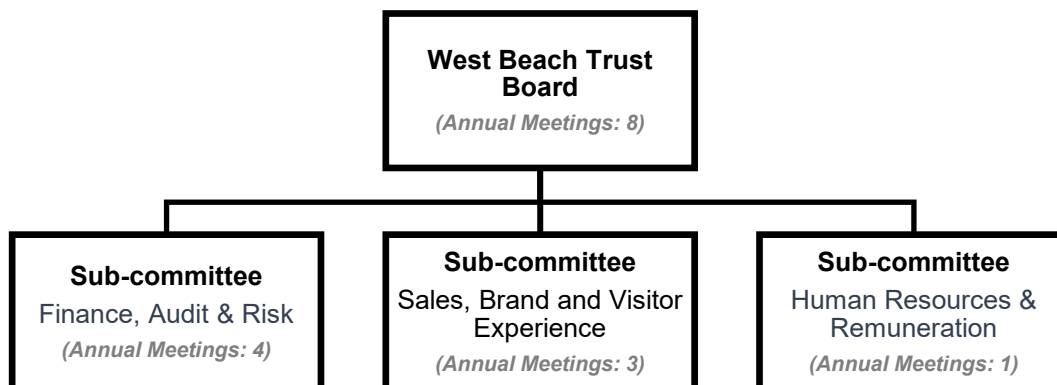
- Make recommendations to the Board on the overall priorities, strategies and policies that support effective and accountable governance for the Trust
- Protect the long-term viability of the Trust and the State's financial interest in the Trust
- Fulfil financial and business risk reporting requirements as outlined in applicable legislation including Australian Accounting Standards, Treasurer's Instructions and Commissioners Circulars and Determinations
- Develop, review and monitor corporate governance policies and procedures in accordance with legislation and best practice.

Sales, Brand & Visitor Experience Sub-committee:

- Monitor, review and provide feedback to Administration on Revenue, Brand and Visitor Experience functions and performance
- Ensure Key Performance Indicator targets are met in relation to Revenue and Brand and reported
- Ensure key metrics in relation to Visitor & Guest Experience are met and reported

Human Resources & Remuneration Sub-committee:

- The recruitment, performance, development and remuneration of the Chief Executive Officer
- Ensure appropriate direction and process for the West Beach Trust Enterprise Agreement negotiations to effectively achieve a successful outcome for both employees and the Trust
- Ensure policies are compliant with relevant employment legislation and best practice



Board Membership & Terms

The Board composition is made in accordance with section 7 of the Act:

The Trust consists of seven members appointed by the Minister, of whom—

- one must be a person from a panel of three persons nominated by the City of Charles Sturt; and
- one must be a person from a panel of three persons nominated by the City of Holdfast Bay; and
- one must be a person from a panel of three persons nominated by the City of West Torrens; and
- the remainder will be selected by the Minister.

The Board Membership composition for the 2022-2023 year included:

Name	Membership Role Term
Jane Jeffreys	West Beach Trust Board (Presiding Officer) Human Resources and Remuneration Sub-committee (Chair) Term: 1 March 2022 – 28 February 2024 (current)
Bruce Djite	West Beach Trust Board (Deputy Presiding Officer) Human Resources and Remuneration Sub-committee (Member) Sales, Brand & Visitor Experience Sub-committee (Member) Term: 1 March 2022 – 28 February 2025 (current)
Emily Perry	West Beach Trust Board (Member) Finance, Audit and Risk Sub-committee (Member) Term: 1 March 2022 – 28 February 2025 (current)
Kym Masters	West Beach Trust Board (Member) Finance, Audit and Risk Sub-committee (Member) Term: 1 March 2022 – 28 February 2025 (current)
Adrian Ralph	West Beach Trust Board (Member) Finance, Audit and Risk Sub-committee (Chair) Term: 1 March 2022 – 28 February 2025 (current)
Rebecca Abley	West Beach Trust Board (Member) Sales, Brand & Visitor Experience Sub-committee (Chair) Term: 1 March 2022 – 28 February 2025 (current)
George Vlahos	West Beach Trust Board (Member) Sales, Brand & Visitor Experience Sub-committee (Member) Term: 1 March 2023 – 28 February 2024 (current)
John Woodward	West Beach Trust Board (Member) Finance, Audit and Risk Sub-committee (Chair) Term: 29 February 2020 – 28 February 2023 (expired)

Executive Team

The Executive Team are responsible for the overall strategic priorities and objectives, operational arrangements and financial requirements for the Trust.



From Left:

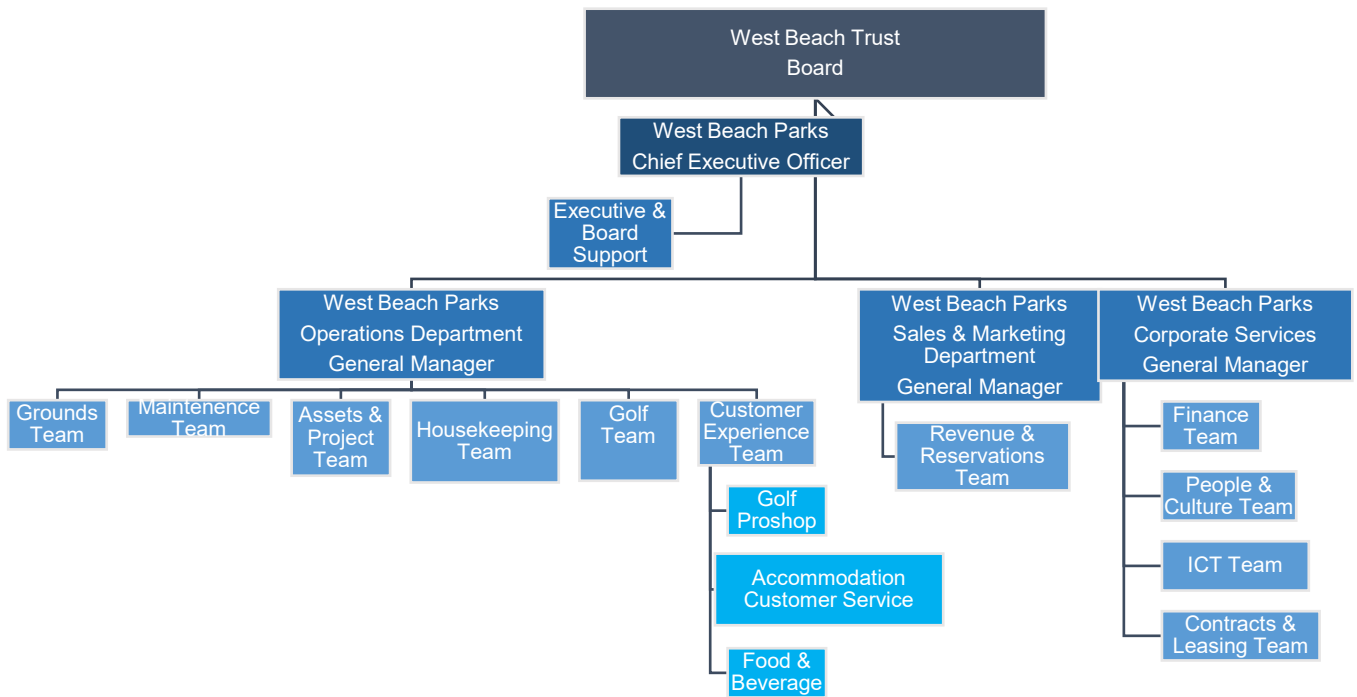
Ms Abby Howard, General Manager, Sales & Marketing
Mr Vincent Mifsud, General Manager, Corporate Services
Ms Kate Anderson, Chief Executive Officer
Mr Dean Wetherill, General Manager, Operations

Organisational Structure

The Organisation consists of three key departments (and sub-divisions):

- Corporate Services
- Operations
- Sales & Marketing

Across the Organisation, 166 staff members are employed (as at 30 June 2023)



The Agency’s Performance

Performance at a Glance

Overall the performance of the Precinct was extremely strong with the current year result up in comparison to the last financial year. Trading revenue in accommodation and golf were significantly up on the previous year.

Trading Revenue increased by \$2.96million (17%), overall, with Accommodation tariffs up 20% and Golf income up 10% on last year.

Consolidated Accommodation revenue was the highest income achieved on record, totalling \$15.86million which was up \$2.6million on the previous year. This reflected the pent-up demand that is still in the market for holidays at home.

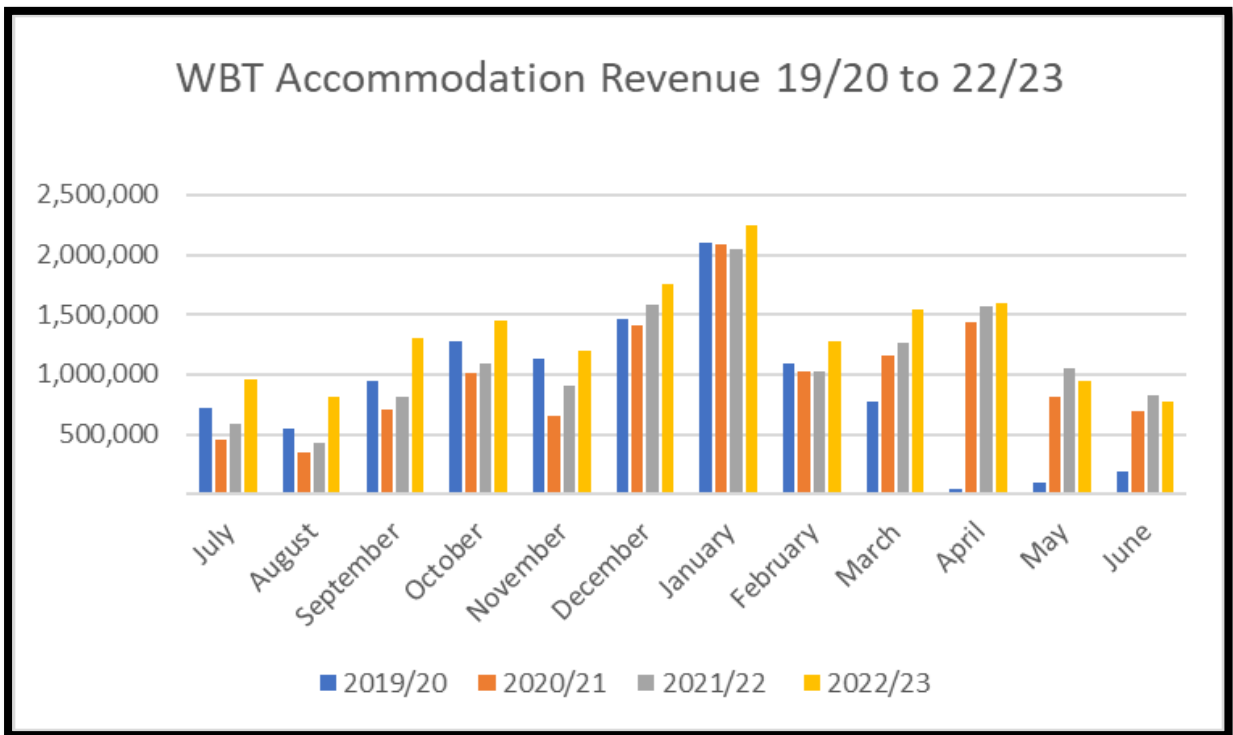
In addition, the figures benefitted from the Adelaide Fringe Festival and WOMAD returning to pre-COVID attendance levels, and the introduction of the Australian Football Leagues’ Gather Round and LIV Golf tournament together with favourable weather conditions.

During the year, continued investment into the Precinct occurred with capital spend and overall continual upgrades.

Accommodation

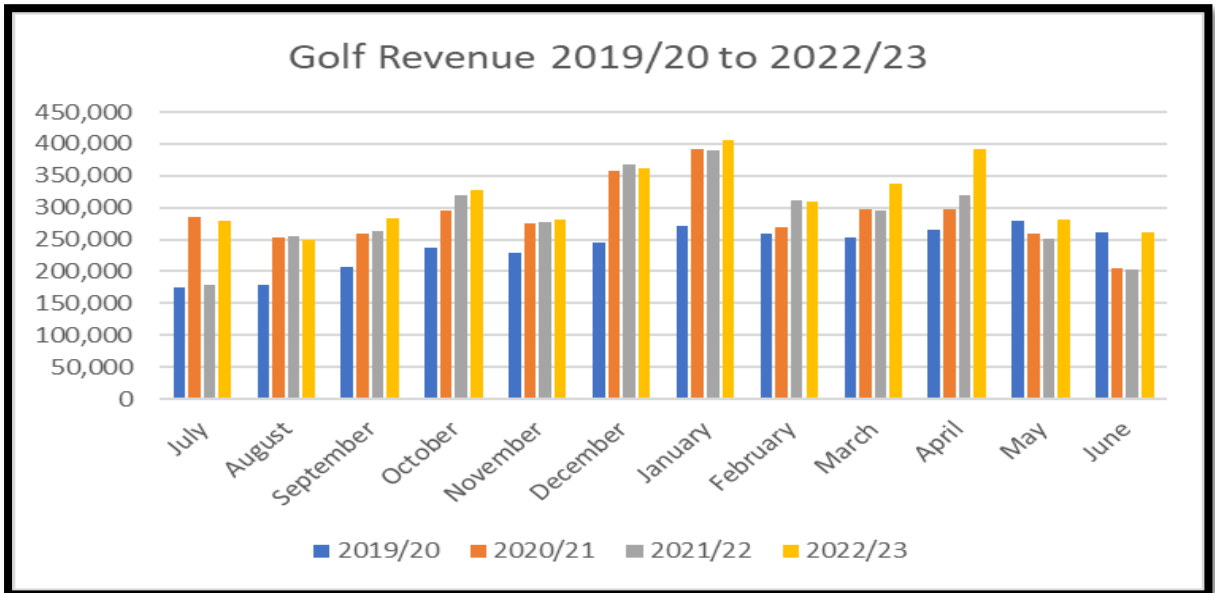
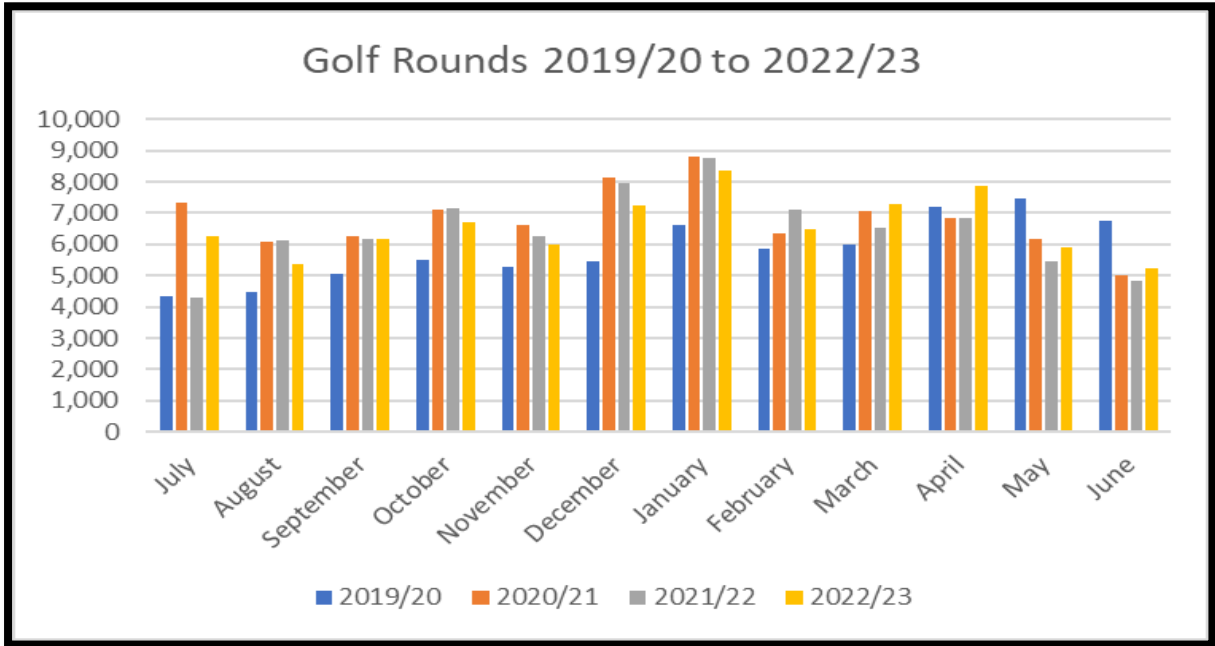
Accommodation revenue for the year increased from the previous year by 20%, with excellent results occurring throughout the financial year.

Sports events were strong resulting in robust participation numbers, which in turn positively impacted accommodation. In addition, the implementation of strategic marketing campaigns focused on the generation of mid-week sales and accommodation bookings outside of peak season, together with the new ‘Sonny and Friends’ brand concept launch at the Holiday Park.



Golf

The Golf business has continued to thrive post the pandemic. The round numbers (up 2%) and revenue generated (up \$339k) remain strong and are both above last year's figures. The results were favourably impacted by the launch of TrackMan Range in early May, as well as the AFL Gather Round, LIV Golf Tournament and other golfing events held during the year, together with mild weather conditions throughout the year.



Agency specific Objectives and Performance

At West Beach Parks our intent is to be a world class tourism, sport and recreation destination, providing exceptional leisure experiences. Over the past year we have seized opportunities to upgrade, develop and expand our facilities, continued to have the customer experience at the heart of everything that we do, and focussed on minimising our environmental impact to ensure that West Beach Parks is the best it can be for future generations.

STRATEGIC PRIORITY - ONE DESTINATION

Strategic Intent: To develop West Beach Parks as an integrated sport, tourism, leisure destination for all

- Developed the West Beach Parks Precinct Master Plan to enhance the connectivity of the Precinct and strengthen the relationship between West Beach Parks and its natural environment and the Community
- Developed the West Beach Parks Strategic Plan 2024-2026 to drive the evolution of West Beach Parks and ensure long-term sustainability
- Undertook the largest Capital Works Programme of \$7.5million in 2023 including extensive upgrades to accommodation products across the Precinct, and the replacement of dated and aged Cabins with new and modern Cabins
- Undertook the demolition of the former Woolshed building with the site to be developed for Community use in the future
- Expanded our partnership with the Office for Recreation, Sport and Racing attracted new sporting groups to West Beach Parks including the Junior Women's SANFL and Football Premier League Academy
- Secured several major sporting events to be held at West Beach Parks including the XIX Australian Masters Games Golf Tournament and the International Laser Class Association World Championships. Mass participation events continue to be of critical importance to our accommodation properties, as demonstrated in the 2022-23 financial year
- Upgraded the Diamond Sports entrance including a new car park and the planting of 50 trees as part of the Landscaping Master Plan to beautify streetscapes within the Precinct
- Upgraded the pontoons at the West Beach Parks Boat Harbour which saw over 5000 launches in the 2022-2023 year
- Installed the Trackman Range - a state of the art golf technology at the West Beach Parks Driving Range. As the first in South Australia to launch this innovative product, West Beach Parks Golf has experienced record sales on the Driving Range.

STRATEGIC PRIORITY - MEMORABLE VISITOR EXPERIENCE

Strategic Intent: An exceptional visitor experience is at the heart of everything we do

- Upgraded the West Beach Parks website with the focus to improve the overall user experience and increase sale conversion rates
- Launched and implemented the brand enhancement project at the Holiday Park called 'Sonny & Friends' to enhance the family customer experience and provide a unique selling point. This project has been well received by our customers
- Implemented a new Property Management System for both accommodation properties resulting in the delivery of a better customer experience, and improved operating and user efficiencies for staff
- Completion of tailored Customer Service Training by all Front-Line Staff and Operational Managers to drive customer experience as a critical point of difference for our offering.

STRATEGIC PRIORITY - PEOPLE AND CULTURE

Strategic Intent: An engaged, high performing and committed team demonstrating behaviours that reflect our values and culture

- Completion of the Leading Teams 'High Performance Leadership Program' by all Operational Managers, with all Emerging Leaders undertaking the Program in 2023
- Successful negotiation of a new two-year Enterprise Agreement which commenced 28 April 2023
- Successful implementation of the Learning and Development Framework to support all Team Members in their ongoing training and development
- The Team demonstrated a commitment to community through their volunteering to participate in the Kick Start for Kids Program, Clean Up Australia Day and together recognised and celebrated World Environment Day.

STRATEGIC PRIORITY - SUSTAINABLE BUSINESS

Strategic Intent: Maintain and enhance West Beach Parks for current and future generations

- Continued focus on Stakeholder Management with Lessees, Local and State Government bodies, local residents and the Community through regular communication and networking events
- Launched the Environmental Sustainability Action Plan 2022-2025, with the successful implementation of the key initiatives for the 2022-23 year including the development of a Landscaping Master Plan, development of a Sustainable Building Framework, and delivery of our Climate Adaptation actions
- Refreshed the West Beach Parks Risk Management Framework, with the inclusion of new Risk Categories and an enhanced Risk Appetite Statement
- Completed the Cabin Replacement Strategy for the 2022-23 year including the removal and replacement of the Reef and Beacon Cabins

- Commenced implementation of the Cultural Heritage Management Plan recommendations which was developed with Integrated Heritage Services Consultant. The Plan will help raise awareness amongst our Team and will also include Cultural Awareness training for Team Members and Contractors
- Commenced implementation of the Biodiversity Index Report recommendations from Greening Australia, with key environmental works taking place along the Patawalonga Creek Line and the West Beach Sand Dunes
- Donated 47 prizes for charities, local schools and sporting clubs a demonstration of our commitment to the local community.

Employment Opportunity Programs

Program Name	Performance
Apprenticeships in Horticulture	Three full-time Apprentices are at various stages of completing a 3-year Apprenticeship in Certificate III in Horticulture

Agency Performance Management and Development Systems

Performance Management and Development System	Performance
West Beach Parks conducts a biannual Performance Development Review for all of its permanent staff	<p>100% of active West Beach Parks permanent staff had their performance reviewed and forward-looking key performance indicators and development plans set during July 2022 and January 2023.</p> <p>88% of Development Plans from 2022-23 were completed.</p>

Work Health, Safety (WHA) and Return to Work Programs

Program Name	Performance
WHS Strategic Plan 2021-2024	<p>The WHS Strategic Plan continued to be implemented during 2022-2023. The WHS Strategic Plan documents a significant number of action plan initiatives, measurements and due dates, as well as final outcomes and completion dates. Delivery of the WHS Strategic Plan continues to be a permanent agenda item for the West Beach Parks WHS Committee Meetings. The WHS Strategic Plan contains three overarching objectives:</p> <ol style="list-style-type: none"> 1) Create Safer Workplaces 2) Safety System Improvement, and 3) Injury Management
Health and Wellbeing Program	<p>The West Beach Parks Health and Wellbeing Program continued to be implemented during 2022-2023. Feedback is obtained from employees after each initiative within the Program to ensure initiatives meet the needs of employees, and to ascertain whether employees desire the initiative to be delivered again in the future. The Health and Wellbeing Committee reviews this feedback. Total spend on Health and Wellbeing initiatives in the 2022-23 financial year was \$14,980.</p>

Workplace Injury Claims	Current year 2022-23	Past year 2021-22	% Change (+ / -)
Total new workplace injury claims*	15	4	+275%
Fatalities	0	0	0%
Seriously injured workers**	0	0	0%
Significant injuries (where lost time exceeds a working week, expressed as frequency rate per 1,000 FTE)	38.40	5.86	+555%

* The increase in injuries year on year pertain to the Housekeeping Department. Several remedial actions have been put in place to mitigate the issue, together with resourcing of agency staff and engagement of CHG to undertake assessments of manual work practices.

***number of claimants assessed during the reporting period as having a whole person impairment of 30% or more under the Return to Work Act 2014 (Part 2 Division 5)*

Work Health and Safety Regulations	Current year 2022-23	Past year 2021-22	% Change (+ / -)
Number of notifiable incidents (<i>Work Health and Safety Act 2012, Part 3</i>)	1	1	0%
Number of provisional improvement, improvement and prohibition notices (<i>Work Health and Safety Act 2012 Sections 90, 191 and 195</i>)	0	0	0%

Return to Work Costs**	Current year 2022-23	Past year 2021-22	% Change (+ / -)
Total gross workers compensation expenditure (\$)	\$106,708	\$72,408	+47%
Income support payments – gross (\$)	\$19,788	\$2,025	+877%

***before third party recovery*

Data for Previous Years

Return to work costs**	2021-22	2020-21	% Change (+ / -)	2019-20	% Change (+ / -)
Total gross workers compensation expenditure (\$)	\$72,408	\$134,000	-46%	\$110,000	+22%
Income support payments – gross (\$)	\$12,025	\$22,544	-91%	\$56,500	-60%

***before third party recovery*

Executive Employment in the Agency

Executive Classification	Number of Executives
Chief Executive Officer	1
General Manager	3

The [Office of the Commissioner for Public Sector Employment](#) has a [workforce information](#) page that provides further information on the breakdown of executive gender, salary and tenure by agency.

Financial Performance

Financial performance at a glance

The following is a brief summary of the overall financial position of the agency. The full audited financial statements for 2022-2023 are attached to this report.

The budget for the Statement of Comprehensive Income in the table below is consistent with the Original Budget 2022-23, as endorsed by the West Beach Trust Board on 30 May 2022, which was used as the Trust's initial baseline position for management and Board reporting purposes in 2022-23.

Statement of Comprehensive Income	2022-23 Budget \$000s	2022-23 Actual \$000s	Variation \$000s	Past year 2021-22 Actual \$000s
Total Income	18,844	22,179	3,335	18,937
Total Expenses	18,940	21,570	(2,630)	18,511
Net Result	(96)	609	705	426
Total Comprehensive Result	(96)	426	522	303

The budget variations for the Statement of Financial Position in the table below has been determined by applying the movements associated with the Original Budget 2022-23 against the finalised actual position as at 30 June 2023.

Statement of Financial Position	2022-23 Budget \$000s	2022-23 Actual \$000s	Variation \$000s	Past year 2021-22 Actual \$000s
Current assets	2,372	2,636	264	4,950
Non-current assets	97,389	95,940	(1,449)	93,621
Total assets	99,761	98,576	(1,185)	98,571
Current liabilities	4,071	5,295	1,224	4,680
Non-current liabilities	11,548	8,127	(3,421)	9,163
Total liabilities	15,619	13,422	(2,197)	13,843
Net assets	84,142	85,154	1,012	84,728
Equity	84,142	85,154	1,012	84,728

Consultants Disclosure

The following is a summary of external consultants that have been engaged by the agency, the nature of work undertaken, and the actual payments made for the work undertaken during the financial year.

Consultancies with a contract value below \$10,000 each

Consultancies	Purpose	\$ Actual payment
All consultancies below \$10,000 each - combined	Various	\$ 33,093

Consultancies with a contract value above \$10,000 each

Consultancies	Purpose	\$ Actual payment
Alexander & Symonds	Surveying	\$53,670
Integrated Heritage Services	Heritage Surveys	\$52,047
Studio 9	Architects	\$21,510
Fuller	Creative Marketing Services	\$18,451
Calder Harris	Surveying	\$13,260
Ball PR	Public Relations	\$10,400
	Total	\$169,338

Contractors Disclosure

The following is a summary of external contractors that have been engaged by the agency, the nature of work undertaken, and the actual payments made for work undertaken during the financial year. The Trust has only listed contractual services where the predominant component is labour supply to carry out routine/core business tasks as directed by the Trust.

Contractors with a contract value below \$10,000

There are no Contractors under \$10,000.

Contractors with a contract value above \$10,000 each

Contractors	Purpose	\$ Actual payment
AMA - Security	Security	\$359,550
Maxima	Labour hire	\$255,695
Pinnacle People	Labour hire	\$69,980
Bedford Industries	Labour hire	\$19,250
	Total	\$704,475

The details of South Australian Government-awarded contracts for goods, services, and works are displayed on the SA Tenders and Contracts website. [View the agency list of contracts.](#)

The website also provides details of [across government contracts.](#)

Risk Management

The Board and Management of the Trust recognise that the management of risk is a key element of sound governance and an important strategy in achieving the objectives of the Trust's Charter, Performance Agreement and supporting objectives.

The Risk Management Framework is a holistic management process that is applied to all levels of operation across the West Beach Recreation Reserve.

The Chief Executive Officer, Executive and Management Teams of the Trust recognise that they are responsible for the implementation of the Risk Management Framework and that they are to effectively integrate the Risk Management Framework into their designated management activities and responsibilities.

The Risk Management Framework has been developed to:

- Allow the Trust to proactively manage its risks in a systematic and structured way
- Continually refine processes to reduce the Trust's residual risk profile
- Ensure appropriate strategies are in place to mitigate or manage risks and maximise opportunities
- Embed the Risk Management process and ensure it is an integral part of the Trust's planning processes at strategic, management and operational levels.

The Framework forms part of the Trust's Risk Management Portfolio which includes:

- Risk Management – Policy
- Risk Management – Framework
- Risk Management – Appetite Statement (*the Statement provides parameters for the Board to make calculated decisions*)
- Risk Management – Categories.

The Risk Management Portfolio is reviewed and updated annually and is provided to the Board for subsequent approval.

Risk and Audit at a Glance

The Finance, Audit & Risk Sub-committee (**FARS**) was established to make recommendations to the Board on the overall priorities, strategies and policies that support effective and accountable governance for the Trust. It ensures the consequences of management's actions are properly recorded and disclosed to:

- Protect the long-term viability of the Trust and the State's financial interest in the Trust
- Fulfil financial and business risk reporting requirements as outlined in applicable legislation including Australian Accounting Standards, Treasurer's Instructions and Commissioners Circulars and Determinations
- Develop, review and monitor corporate governance policies and procedures in accordance with legislation and best practice

The FARS Committee met four times during the 2022-23 financial year.

Fraud detected in the Agency

There has been no fraud detected during the 2022-23 year.

Strategies implemented to control and prevent fraud

The Chief Executive Officer and Executive Team are responsible for ensuring appropriate measures for fraud and corruption control, including prevention, detection, raising awareness, reporting, training and investigation are in place, and apply to all areas of the business.

The Trust has implemented a Fraud, Corruption, Misconduct and Maladministration Policy which is reviewed annually. This is administered by the Chief Executive Officer, with advice from FARS, Executive Team and the People and Culture Manager. The Policy is approved by the Board annually. Responsibility and application of the policy rests with the Chief Executive Officer, Executive Team, Operational Management Team and employees.

A Financial Management Compliance Checklist is also produced annually and presented to FARS and is approved by the Board.

The Auditor General conducts an interim and annual audit of the Trust each year. The results of the Audit, together with an associated Action Plan are presented to the Board as required.

Public Interest Disclosure

Number of occasions on which public interest information has been disclosed to a responsible officer of the agency under the Public Interest Disclosure Act 2018: Nil.

Note: Disclosure of public interest information was previously reported under the *Whistleblowers Protection Act 1993* and repealed by the *Public Interest Disclosure Act 2018* on 1/7/2019.

Public Complaints

West Beach Parks actively seeks customer feedback through a variety of mechanisms, including:

- Online surveys facilitated through West Beach Parks for accommodation and golf
- Written and verbal interactions with customers
- BIG4 Franchise Agreement
- Review Pro

In 2022-23, four written complaints were received from a total of 84,328 bed nights during the year. All feedback was addressed and responded to in a timely and effective manner.

Service Improvements

In 2022-23, at West Beach Parks we undertook a series of initiatives to ensure that what we have on offer is in line with the brand and visitors’ expectations of a contemporary world-class holiday, sport and adventure destination.

Based on feedback from our visitors and team, the following was undertaken:

- Cabin accommodation at both the Holiday Park and The Retreat was upgrade with 38 aged Cabins replaced with 21 new, modern and spacious Cabins
- Renovation and upgrade works were completed on 63 Cabins across both accommodation properties
- A new Property Management System was introduced for our accommodation businesses
- The Food and Beverage offering in the Holiday Park and The Retreat was improved through the introduction of pop-up food stalls
- Dedicated customer experience training was provided to all frontline Team Members and Operational Managers by an external facilitator
- Trackman Range – a new golf driving range technology system was installed at the Golf Park
- Public tennis court facilities were upgraded
- A new role of Entertainment Team Leader was appointed, and is responsible for the delivery of guest activities and management of guest feedback
- Pontoons at the West Beach Parks Boat Harbour were upgraded.

In the 2022-23 year, West Beach Parks received the following Global Reporting Index (GRI*) ratings for it’s accommodation facilities:

Accommodation Property	Global Reporting Index
BIG4 Holiday Park	88.4
The Retreat	86.0

**The Global Review Index (GRI) is a general online reputation score for accommodation providers based on data taken from all major online travel agencies and review sites.*

Appendix: Audited Financial Statements 2022-23

INDEPENDENT AUDITOR'S REPORT



Government of South Australia

Auditor-General's Department

Level 9
State Administration Centre
200 Victoria Square
Adelaide SA 5000
Tel +618 8226 9640
Fax +618 8226 9688
ABN 53 327 061 410
audgensa@audit.sa.gov.au
www.audit.sa.gov.au

To the Chair of the Board West Beach Trust

Opinion

I have audited the financial report of the West Beach Trust for the financial year ended 30 June 2023.

In my opinion, the accompanying financial report gives a true and fair view of the financial position of the West Beach Trust as at 30 June 2023, its financial performance and its cash flows for the year then ended in accordance with relevant Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards.

The financial report comprises:

- a Statement of Comprehensive Income for the year ended 30 June 2023
- a Statement of Financial Position as at 30 June 2023
- a Statement of Changes in Equity for the year ended 30 June 2023
- a Statement of Cash Flows for the year ended 30 June 2023
- notes, comprising material accounting policies and other explanatory information
- a Certificate from the Chief Executive Officer, the Chair of the Board and the General Manager Corporate Services.

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 West Beach Trust. The *Public Finance and Audit Act 1987* establishes the independence of the Auditor-General. In conducting the audit, the relevant ethical requirements of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* have been met.

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

Responsibilities of the Chief Executive Officer and members of the Trust for the financial report

The Chief Executive Officer 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, 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 Chief Executive Officer 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 Officer is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the assessment indicates that it is not appropriate.

The members of the Trust are 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 17(2) of the *West Beach Recreation Reserve Act 1987*, I have audited the financial report of the West Beach Trust for the financial year ended 30 June 2023.

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the West Beach Trust's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Chief Executive Officer
- conclude on the appropriateness of the Chief Executive Officer'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 Officer and members of the Trust 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

19 September 2023

West Beach Trust

Certification of the Financial Statements

We certify that the:

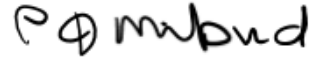
- financial statements of the West Beach Trust:
 - are in accordance with the accounts and records of the Trust;
 - comply with relevant Treasurer's Instructions;
 - comply with relevant accounting standards; and
 - present a true and fair view of the financial position of the Trust at the end of the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



K L Anderson
Chief Executive Officer



M J Jeffreys AM
Chair of Board



V J Mifsud
General Manager
Corporate Services

Dated: 18 September 2023

West Beach Trust

Statement of Comprehensive Income

For the year ended 30 June 2023

	Note	2023 \$'000	2022 \$'000
Income			
Revenues from fees and charges	2.1	20,816	17,773
SA Government grants, subsidies and transfers	2.2	1,059	922
Interest revenues	2.3	136	4
Net gain from the disposal of non-current assets	2.4	37	39
Other income	2.5	131	199
Total income		22,179	18,937
Expenses			
Employee benefits expenses	3.3	9,158	8,110
Supplies and services	4.1	8,100	6,475
Depreciation and amortisation	4.2	3,198	3,124
Borrowing costs	4.3	296	272
Other expenses	4.4	818	530
Total expenses		21,570	18,511
Profit (loss) before income tax equivalents		609	426
Income tax equivalent expense	1.3	183	124
Profit (loss) after income tax equivalents		426	302
Total comprehensive result		426	302

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

West Beach Trust

Statement of Financial Position As at 30 June 2023

	Note	2023 \$'000	2022 \$'000
<u>Current assets</u>			
Cash and cash equivalents	6.1	1,886	4,507
Receivables	6.2	653	364
Inventories	5.5	97	79
Total current assets		2,636	4,950
<u>Non-current assets</u>			
Property, plant and equipment	5.1	95,808	93,542
Intangible assets	5.4	132	79
Total non-current assets		95,940	93,621
Total assets		98,576	98,571
<u>Current liabilities</u>			
Payables	7.1	2,220	1,581
Fees received in advance	7.2	2,004	1,883
Financial liabilities	7.3	445	663
Employee benefits	3.4	626	553
Total current liabilities		5,295	4,680
<u>Non-current liabilities</u>			
Payables	7.1	66	66
Financial liabilities	7.3	7,478	8,494
Employee benefits	3.4	583	603
Total non-current liabilities		8,127	9,163
Total liabilities		13,422	13,843
Net assets		85,154	84,728
<u>Equity</u>			
Retained earnings		23,533	23,107
Asset revaluation Surplus	8.1	61,621	61,621
Total equity		85,154	84,728

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

West Beach Trust

Statement of Changes in Equity

For the year ended 30 June 2023

	Note	Asset revaluation surplus \$'000	Retained earnings \$'000	Total Equity \$'000
Balance at 1 July 2021		61,621	23,284	84,905
Change in accounting policy	1.5	-	(479)	(479)
Restated Balance at 1 July 2021		61,621	22,805	84,426
Net result for 2021-2022		-	302	302
Total comprehensive result for 2021-2022		-	302	302
Balance at 30 June 2022		61,621	23,107	84,728
Net result for 2022-2023		-	426	426
Total comprehensive result for 2022-2023		-	426	426
Balance at 30 June 2023		61,621	23,533	85,154

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

West Beach Trust

Statement of Cash Flows

For the year ended 30 June 2023

	Note	2023 \$'000	2022 \$'000
<u>Cash flows from operating activities</u>			
<i>Cash inflows</i>			
Fees and charges		22,989	19,922
SA Government grants, subsidies and transfers		1,000	1,601
Interest received		136	4
Other receipts		131	1,981
Cash generated from operations		24,256	23,508
<i>Cash outflows</i>			
Employee benefit payments		(9,105)	(8,231)
Payments for supplies and services		(9,504)	(7,094)
Interest paid		(292)	(271)
GST paid to the ATO		(746)	(924)
Income tax equivalent payments		(124)	(734)
Other payments		(561)	(524)
Cash used in operations		(20,332)	(17,778)
Net cash provided by/(used in) operating activities	8.2	3,924	5,730
<u>Cash flows from investing activities</u>			
<i>Cash inflows</i>			
Proceeds from sale of property, plant and equipment		111	85
Cash generated from investing activities		111	85
<i>Cash outflows</i>			
Purchase of property, plant and equipment		(5,167)	(2,824)
Purchase of intangibles		(78)	-
Cash used in investing activities		(5,245)	(2,824)
Net cash provided by/(used in) investing activities		(5,134)	(2,739)
<u>Cash flows from financing activities</u>			
<i>Cash inflows</i>			
Proceeds from borrowings		-	-
Proceeds from other financial liabilities		25	-
Cash generated from financing activities		25	-
<i>Cash outflows</i>			
Repayment of borrowings		(1,160)	(428)
Repayment of principal portion of lease liabilities		(276)	(134)
Cash used in financing activities		(1,436)	(562)
Net cash provided by/(used in) financing activities		(1,411)	(562)
Net increase/(decrease) in cash and cash equivalents		(2,621)	2,429
Cash and cash equivalents at the beginning of the period		4,507	2,078
Cash and cash equivalents at the end of the period	6.1, 8.2	1,886	4,507

The accompanying notes form part of these financial statements.

West Beach Trust

NOTES TO THE FINANCIAL STATEMENTS

1. About the West Beach Trust	7
1.1 Basis of preparation.....	7
1.2 Functions and objectives.....	7
1.3 Taxation.....	8
1.4 Significant transactions with government related entities.....	8
1.5 Change in Accounting Policy - Low value asset items.....	8
2. Income	10
2.1 Fees and charges.....	10
2.2 SA Government grants, subsidies and transfers.....	10
2.3 Interest.....	10
2.4 Net gain/loss from the disposal of non-current assets.....	11
2.5 Other income.....	11
3. Board, committees and employees	12
3.1 Key Management Personnel.....	12
3.2 Board and committee members.....	12
3.3 Employee benefit expenses.....	13
3.4 Employee benefits liability.....	13
4. Expenses	15
4.1 Supplies and services.....	15
4.2 Depreciation and amortisation.....	16
4.3 Borrowing costs.....	17
4.4 Other expenses.....	17
5. Non-financial assets	18
5.1 Property, plant and equipment.....	18
5.2 Property, plant and equipment owned by the Trust.....	18
5.3 Property, plant and equipment leased by the Trust.....	20
5.4 Intangible assets.....	20
5.5 Inventories.....	21
6. Financial assets	22
6.1 Cash and cash equivalents.....	22
6.2 Receivables.....	22
7. Liabilities	24
7.1 Payables.....	24
7.2 Fees received in advance.....	24
7.3 Financial liabilities.....	25
8. Other disclosures	26
8.1 Equity.....	26
8.2 Cash flow.....	26
9. Outlook	27
9.1 Unrecognised contractual commitments.....	27
9.2 Contingent assets and liabilities.....	27
9.3 Impacts of standards and statements not yet effective.....	28
9.4 Events after the reporting period.....	28
10. Measurement and risk	29
10.1 Long service leave liability – measurement.....	29
10.2 Fair value.....	29
10.3 Financial Instruments.....	31

West Beach Trust

1. About the West Beach Trust

The West Beach Trust (Trust) is a statutory authority of the State of South Australia, established pursuant to the *West Beach Recreation Reserve Act 1987*. The Trust is a body corporate subject to the control and direction of the Minister for Planning, Trade and Investment, Housing and Urban Development.

The financial statements and accompanying notes cover the West Beach Trust as an individual reporting entity.

The Trust does not control any other entity and has no interests in unconsolidated structured entities.

1.1 Basis of preparation

The financial statements are general purpose financial statements prepared in compliance 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 Trust 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.

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.

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.

Where asset and liability line items combine amounts expected to be realised within 12 months and more than 12 months, the Trust has separately disclosed the amounts expected to be recovered or settled after more than 12 months.

1.2 Functions and objectives

The functions and objectives of the Trust are:

- a) to administer and develop the West Beach Recreation Reserve in accordance with its strategic and business plans -
 - 1) as a sporting, cultural and recreational complex of State-wide significance; and
 - 2) as a tourist attraction and resort; and
- b) to promote and encourage the use and enjoyment of the Reserve by the public; and
- c) to perform any other function assigned to the Trust by the *West Beach Recreation Reserve Act 1987* or the Minister.

West Beach Trust

1.3 Taxation

In accordance with *Treasurer's Instruction 22 Tax Equivalent Payments*, the Trust is required to pay to the SA Government an income tax equivalent. The income tax liability has been determined in accordance with the accounting profit method by multiplying the corporate income tax rate (presently 30%) by the profit before income tax equivalents. An income tax equivalent of \$182,941 (2021-22 \$124,430) is payable for the reporting period.

The Trust is also liable for payroll tax, fringe benefits tax, stamp duty, goods and services tax (GST), emergency services levy and land tax equivalents. It is exempt from paying local government council rates.

The Trust is reimbursed under the State's Tax Equivalent Regime for payments made for income tax, payroll tax, land tax and stamp duty to support its continued commitment to its community service obligations. The Trust is reimbursed by the Department for Trade and Investment. The Trust was previously reimbursed by the Attorney-General's Department. Reimbursements under the State Taxation Equivalent Regime are recognised as revenue in the Trust's financial statements.

1.4 Significant transactions with government related entities

There were no significant transactions with government related entities, other than:

- payments to SA Water of \$655,000 for utilities.
- payments to Department for Infrastructure and Transport of \$108,000, primarily for project administration support in relation to capital works.
- payments to Attorney-General's Department of \$51,000 for Crown Solicitor's Office legal advice
- total loan repayments of \$1,160,000 to SAFA, all of which was on long term borrowings.
- transactions as directed by legislation or under the State's Taxation Equivalent Regime.

Similar transactions occurred during 2021-22.

1.5 Change in Accounting Policy - Low value asset items

During 2022-23 a review was undertaken of the Trust's fixed asset accounting practices with the view to reducing on-going record keeping costs associated with low value items of Property, Plant & Equipment.

The key outcomes of this review were the retention of a \$1,000 capitalisation threshold, but a change in approach to the recognition of individual items under \$1,000 where they were purchased in bulk from a capital budget allocation. Previously these items would have been capitalised individually or as combined value, and given the nature of the Trust's operations, this had led to the Trust's Asset Register holding a substantial number of items. Moving forward the majority of these items will now be purchased and directly expensed through operating budget lines and not capitalised. There will be some exceptions and these will be listed in a revised Accounting for Property, Plant and Equipment Policy.

In conjunction with the finalisation of the Annual Financial Statements for the year ended 30 June 2023, a substantial number of assets were removed from the Trust's Asset Register, consistent with the change in accounting approach referred to above. The impacts from the removal of these assets has been accounted for as a retrospective adjustment as required by AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors. The adjustments to the 2022 comparatives are as follows:

West Beach Trust

Statement of Comprehensive Income

	Note	2021-22 Previously reported \$'000	Adjustment \$'000	2021-22 Restated \$'000
Supplies and services	4.1	6,330	145	6,475
Depreciation and amortisation	4.2	3,277	(153)	3,124
Net gain from the disposal of non-current assets	2.4	(38)	(1)	(39)
Other income	2.5	(196)	(3)	(199)
Net impact on Total Comprehensive Result		290	12	302

Statement of Financial Position

	Note	2022 Previously reported \$'000	Adjustment \$'000	2022 Restated \$'000
Property, plant and equipment	5.1	94,009	(467)	93,542
Retained earnings		(23,574)	467	(23,107)

The change in accounting policy resulted in an initial decrease of \$479,000 in Retained Earnings as at 1 July 2021. This was due to the derecognition of some plant and equipment assets, which had a written down value of \$479,000 as at this date.

The change in accounting policy also contributed to a net increase of \$12,000 in the Total Comprehensive Result in the 2021-22 financial year. The total impact of these adjustments was a decrease in Retained Earnings of \$467,000 as at 30 June 2022.

West Beach Trust

2. Income

2.1 Fees and charges

	2023	2022
	\$'000	\$'000
Accommodation tariffs	15,864	13,200
Discounts allowed	(345)	(308)
Facilities and services	283	236
Golf income	3,772	3,433
Boat launching fees	67	50
Rental revenue	842	786
Sale of goods	333	376
Total fees and charges	20,816	17,773

Revenue is recognised upon the provision of services and goods to customers.

2.2 SA Government grants, subsidies and transfers

	2023	2022
	\$'000	\$'000
Community and Jobs Support Fund	-	5
Skilling South Australia	21	24
Reimbursement of tax equivalents paid	1,038	893
Total revenues from SA Government	1,059	922

The Skilling South Australia funding which is administered by the Department of Innovation and Skills supported the delivery of the West Beach Parks Developing Potential Program.

The allocation from the Community and Jobs Support Fund in 2021-22 was provided to the Trust to support the provision of backdated rent and on-cost relief as a result of COVID-19 restrictions.

Tax equivalents represent income tax, payroll tax, land tax and stamp duty. The Trust is reimbursed these amounts under the State's Tax Equivalent Regime to support its continued commitment to its community service obligations. The Trust is reimbursed by the Department for Trade and Investment. The Trust was previously reimbursed by the Attorney-General's Department.

2.3 Interest

	2023	2022
	\$'000	\$'000
Investments with SAFA	135	4
Cash and cash equivalents	1	-
Total interest revenues	136	4

West Beach Trust

2.4 Net gain/loss from the disposal of non-current assets

	2023 \$'000	2022 \$'000
<u>Buildings and improvements</u>		
Proceeds from disposal	76	10
Less net book value of assets disposed	20	20
Net gain/(loss) from disposal of buildings and improvements	56	(10)
<u>Plant and equipment</u>		
Proceeds from disposal	35	75
Less net book value of assets disposed	54	26
Net gain/(loss) from disposal of plant and equipment	(19)	49
<u>Total assets</u>		
Total proceeds from disposal	111	85
Less total value of assets disposed	74	46
Total net gain/(loss) from the disposal of non-current assets	37	39

Gains/losses on disposal are recognised at the date at which control of the asset is passed to the buyer and are determined after deducting the cost of the asset from the proceeds at that time. When revalued assets are sold, the revaluation surplus is not transferred to retained earnings.

2.5 Other income

	2023 \$'000	2022 \$'000
Lessee on-charges	40	31
Low value asset sales proceeds	-	3
Other	91	165
Total other income	131	199

West Beach Trust

3. Board, committees and employees

3.1 Key management personnel

Key management personnel of the Trust are the Minister for Planning, Trade and Investment, Housing and Urban Development, Members of the Board, the Chief Executive Officer and the three (2021-22 three) members of the Executive Team who have responsibility for the strategic direction and management of the Trust.

Total compensation for key management personnel was \$897,000 in 2022-23 and \$869,000 in 2021-22.

The compensation disclosed in this note excludes salaries and other benefits the Minister for Planning, Trade and Investment, Housing and Urban Development 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*.

	2023	2022
	\$'000	\$'000
Compensation		
Salaries and other short term employee benefits	805	770
Post-employment benefits	84	77
Other long-term employment benefits	8	6
Termination benefits	-	16
Total compensation	897	869

Transactions with key management personnel and other related parties

No transactions have been identified.

3.2 Board and committee members

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

WBT Board

Ms Jane Jeffreys (Chair)
Mr Bruce Djite (Deputy Chair)
Ms Rebecca Abley
Mr Kym Masters
Ms Emily Perry
Mr Adrian Ralph
Mr George Vlahos (appointed 1 March 2023)
Ms John Woodward (term expired 28 February 2023)

Board Remuneration

The number of Board members whose remuneration received or receivable from the Trust fell within the following bands was:

	2023	2022
\$0 - \$19,999	7	9
\$20,000 - \$39,999	1	1
Total number of members	8	10

The total remuneration received or receivable by members was \$104,000 (2021-22 \$104,000). Remuneration of members consists of sitting fees and superannuation contributions.

West Beach Trust

3.3 Employee benefits expenses

	2023	2022
	\$'000	\$'000
Salaries and wages	7,156	6,432
Long service leave	126	(35)
Annual leave	445	413
Skills and experience retention leave	6	6
Employment on-costs - superannuation *	787	695
Employment on-costs - other	-	-
Board and committee fees	94	95
Payroll tax	388	343
Workers compensation	132	137
Other employee related expenses	24	24
Total employee benefits expenses	9,158	8,110

Employment on-costs - superannuation

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

Executive Remuneration

	2023	2022
	No	No
The number of employees whose remuneration received falls within the following bands:		
\$160 001 to \$180 000	-	1
\$180 001 to \$200 000	2	-
\$260 001 to \$280 000	1	1
Total number of employees	3	2

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, salary sacrifice benefits and fringe benefits and any fringe benefits tax paid or payable in respect of those benefits. The total remuneration received by these employees for the year was \$642,000 (\$446,000).

3.4 Employee benefits liability

	2023	2022
	\$'000	\$'000
Current		
Accrued salaries and wages	187	159
Annual leave	318	286
Long service leave	103	92
Skills and experience retention leave	18	16
Total current employee benefits	626	553
Non-current		
Long service leave	583	603
Total non-current employee benefits	583	603
Total employee benefits	1,209	1,156

Employee benefits accrue as a result of services provided up to the reporting date that remain unpaid. Long-term employee benefits are measured at present value and short-term employee benefits are measured at nominal amounts.

West Beach Trust

Salaries and Wages. Annual Leave, Skills and Experience Retention Leave (SERL) and Sick Leave

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

The annual leave liability and the Skills and Experience Retention Leave liability in full is expected to be payable within 12 months and is measured at the undiscounted amount expected to be paid.

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 for 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. Details about the measurement of long service leave liability are provided in note 10.1.

The assumed proportion of long service leave taken as leave for current liability reporting is based on historical leave records of the Trust.

West Beach Trust

4. Expenses

Employee benefits expenses are disclosed in note 3.3.

4.1 Supplies and services

	2023 \$'000	2022 \$'000
Bank fees and charges	169	131
Commissions payable	211	217
Consultants	202	121
Contractors	518	416
Cost of sales	464	487
Furnishings (low value)	128	104
Human resources and recruitment	166	150
Information technology expenses	347	304
Insurance	267	230
Legal costs	55	60
Marketing and public relations	739	485
Motor vehicle expenses	85	66
Short term leases	6	4
Leases (low value)	1	7
Plant and electrical appliances (low value)	32	41
Postage and telephone	85	84
Repairs and maintenance	1,969	1,182
Security	311	257
Staff training and development	88	68
Utilities	1,464	1,376
Waste and recycling	203	166
Other supplies and services	590	519
Total supplies and services	8,100	6,475

Insurance

The Trust has arranged, through SAFA Insurance to insure all of its major risks. The excess payable under this arrangement varies depending on each class of insurance held.

Low Value asset items

As referenced in note 1.5 - Change in Accounting Policy - Low value asset items, there has been a change in approach to the recognition of individual asset items under \$1,000. The Furnishings (low value) and Plant and electrical appliances (low value) line items above reflect the value of assets that would have previously been capitalised but are now being directly expensed in accordance with the Change in Policy.

Consultants

The number of consultancies and the dollar amount paid/payable (included in supplies and services expense) to consultants that fell within the following bands:

	No	2023 \$'000	No	2022 \$'000
Below \$10,000	7	33	4	12
Above \$10,000	6	169	4	109
Total paid /payable to the consultants engaged	13	202	8	121

West Beach Trust

4.2 Depreciation and amortisation

	2023	2022
	\$'000	\$'000
Buildings and improvements	2,227	2,193
Plant and equipment	785	714
Right-of-use land	65	65
Right-of-use plant and equipment	90	83
Intangible assets	31	69
Total depreciation and amortisation	3,198	3,124

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. Amortisation is used in relation to intangible assets such as software, while depreciation is applied to tangible assets such as property, plant and equipment.

The value of leasehold improvements is depreciated over the estimated useful life of each improvement, or the unexpired period of the relevant lease, whichever is shorter.

The Trust last revalued its buildings and improvements at 30 June 2019. Further information on the revaluation is disclosed in note 10.2.

Land is not depreciated.

Review of accounting estimates

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

Useful Life

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

Class of asset	Useful life (years)
Buildings and improvements	1 to 100
Plant and equipment	1 to 30
Right-of-use land	15
Right-of-use plant and equipment	5
Intangibles	3 to 10

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

West Beach Trust

4.3 Borrowing costs

	2023	2022
	\$'000	\$'000
Interest expense on borrowings measured at amortised cost	179	142
Guarantee fees expense on borrowings measured at amortised cost	88	99
Interest expense on lease liabilities	29	31
Total borrowing costs	296	272

The Trust does not capitalise borrowing costs.

4.4 Other expenses

	2023	2022
	\$'000	\$'000
Audit fees	57	56
Bad debts and allowances for doubtful debts	1	5
Expensing of items previously classified as work in progress	195	-
Federal land tax equivalent	37	43
Intangibles write-offs	9	-
Property, plant and equipment write-offs	50	-
Stamp duty	32	27
State land tax	437	399
Total other expenses	818	530

Audit fees

The audit fees were paid / payable to the Auditor-General's Department in relation to the work performed under the *Public Finance and Audit Act 1987*. No other services were provided by the Auditor-General's Department.

West Beach Trust

5. Non-financial assets

5.1 Property, plant and equipment

	2023 \$'000	2022 \$'000
Land		
Land at fair value	54,909	54,909
Total land	54,909	54,909
Buildings and improvements		
Buildings and improvements at fair value	35,216	35,216
Buildings and improvements at cost (deemed fair value)	7,142	5,359
Less: Accumulated depreciation	(8,188)	(6,371)
Total buildings and improvements	34,170	34,204
Plant and equipment		
Plant and equipment at cost (deemed fair value)	8,650	8,387
Less: Accumulated depreciation	(5,538)	(5,376)
Total plant and equipment	3,112	3,011
Work in progress		
Buildings and improvements	2,708	327
Plant and equipment	25	83
Total work in progress	2,733	410
Right-of-use land		
Right-of-use land at fair value	970	970
Less: Accumulated depreciation	(260)	(195)
Total right-of-use land	710	775
Right-of-use plant and equipment		
Right-of-use plant and equipment at fair value	178	413
Less: Accumulated depreciation	(4)	(180)
Total right-of-use plant and equipment	174	233
Total property, plant and equipment	95,808	93,542

5.2 Property, plant and equipment owned by the Trust

Property, plant and equipment owned by the Trust with a value equal to or in excess of \$1,000 is capitalised. Certain assets below this amount are capitalised initially to assist with asset management and planning.

Non-current assets are initially recorded at cost or at the value of any liabilities assumed, plus any incidental cost involved with the acquisition. Non-current assets are subsequently measured at fair value after allowing for accumulated depreciation.

Where assets are acquired at no value, or minimal value, they are recorded at fair value in the Statement of Financial Position.

Plant and equipment includes operating machinery and vehicles that are fully depreciated but still in use. These have an estimated gross carrying value of approximately \$901,000. Examples of these include turf maintenance machinery, maintenance vans and housekeeping buggies.

Impairment

The Trust holds its property, plant and equipment for their service potential (value in use). There were no indications of impairment of property, plant and equipment assets as at 30 June 2023.

West Beach Trust

Reconciliation 2022 -2023

	Land \$'000	Buildings and improvements \$'000	Plant and equipment \$'000	Work In Progress \$'000	Right-of-use assets \$'000	Total \$'000
Carrying amount at 1 July 2022	54,909	34,204	3,011	410	1,008	93,542
Acquisitions	-	2,105	785	2,699	178	5,767
Transfers from Work in progress	-	158	8	(181)	-	(15)
Transfers between asset classes	-	-	147	-	(147)	-
Disposals eg sales, write offs	-	(70)	(54)	(195)	-	(319)
Depreciation	-	(2,227)	(785)	-	(155)	(3,167)
Carrying amount at 30 June 2023	54,909	34,170	3,112	2,733	884	95,808

The opening work in progress balance included \$15,000 of capital expenditure that related to intangible assets. This amount was capitalised in 2022-23 with the transfer from work in progress recognised in the intangible assets reconciliation for 2022-23 (refer Note 5.4).

Reconciliation 2021 -2022

	Land \$'000	Buildings and improvements \$'000	Plant and equipment \$'000	Work In Progress \$'000	Right-of-use assets \$'000	Total \$'000
Carrying amount at 1 July 2021	54,909	34,621	3,272	341	1,156	94,299
Change in accounting policy	-	(5)	(474)	-	-	(479)
Restated Carrying amount at 1 July 2021	54,909	34,616	2,798	341	1,156	93,820
Acquisitions	-	1,484	953	386	-	2,823
Transfers from Work in progress	-	317	-	(317)	-	-
Disposals eg sales, write offs	-	(20)	(26)	-	-	(46)
Depreciation	-	(2,193)	(714)	-	(148)	(3,055)
Carrying amount at 30 June 2022	54,909	34,204	3,011	410	1,008	93,542

West Beach Trust

5.3 Property, plant and equipment leased by the Trust

Property, plant and equipment leased by the Trust is recorded at cost.

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

The Trust has a limited number of leases:

- a parcel of land, in accordance with a lease that commenced on 9 July 2014 and expires on 30 June 2034. The right-of-use asset is being depreciated over a useful life of 15 years which is consistent with the remaining term of this lease from the initial recognition in accordance with *AASB 16 Leases* on 1 July 2019.
- trackman golf driving range equipment and hardware, in accordance with an agreement that requires 60 monthly rental payments commencing 1 June 2023 and expiring 30 May 2028. At the end of the lease term the Trust will take ownership of the trackman golf driving range equipment and hardware. The right-of-use asset has been assessed as having a 5 year useful life for depreciation expense purposes.

In May 2023, the Trust took ownership of 30 golf carts that had previously been classified as right-of-use assets. This followed the payment of a \$147,000 guaranteed residual payment. The 30 golf carts have been transferred from right-of-use assets to plant and equipment. In conjunction with this, the useful life of the carts was re-assessed for depreciation expense purposes.

The lease liabilities related to the right-of-use assets are disclosed in note 7.3. The Trust's maturity analysis of its lease liabilities is disclosed in note 10.3. Expenses related to leases, including depreciation and interest expenses, are disclosed in note 4.2 and 4.3. Cash outflows related to leases are disclosed in note 8.2.

Impairment

Property, plant and equipment leased by the Trust have been assessed for impairment. There was no indication of impairment. No impairment loss or reversal of impairment loss was recognised.

5.4 Intangible assets

	2023	2022
	\$'000	\$'000
Purchased computer software	808	834
Less: Accumulated amortisation	(676)	(755)
Total intangible assets	132	79

An intangible asset is an identifiable non-monetary asset without physical substance. Intangible assets are 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 computer software is capitalised only when the expenditure meets the definition and recognition criteria and when the amount of the expenditure is equal to or in excess of \$1,000.

West Beach Trust

Reconciliation 2022 -2023

	Purchased computer software \$'000
Carrying amount at the beginning of the period	79
Acquisitions	78
Transfers from Work in progress	15
Disposals eg sales, write offs	(9)
Amortisation	(31)
Carrying amount at the end of the period	132

Reconciliation 2021 -2022

	Purchased computer software \$'000
Carrying amount at the beginning of the period	148
Acquisitions	-
Amortisation	(69)
Carrying amount at the end of the period	79

5.5 Inventories

	2023 \$'000	2022 \$'000
<u>Current - held for distribution at no or nominal amount</u>		
Materials at cost	8	10
Total current inventories held for distribution at no or nominal amount	8	10
<u>Current - held for sale</u>		
Goods at cost	89	69
Total current other inventories - held for sale	89	69
Total inventories	97	79

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.

Cost for 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.

Cost of inventories

The cost recognised as an expense for materials and goods for resale is \$464,000. There was a net increase in inventories for the period of \$18,000.

West Beach Trust

6. Financial assets

6.1 Cash and cash equivalents

	2023	2022
	\$'000	\$'000
Cash at bank or on hand	272	278
Short-term deposits with SAFA	1,614	4,229
Total cash and cash equivalents	1,886	4,507

Cash is measured at nominal amounts. There are no restrictions over any of the Trust's cash balances.

Cash at bank or on hand

Cash on hand is non-interest bearing. Cash at bank earns a floating interest rate, based on daily bank deposit rates.

Short-term deposits

Short term deposits are lodged on an at call basis through the SAFA Cash Management Facility. These funds, which are guaranteed by the Treasurer, earn an interest rate which is aligned to the RBA official cash rate plus a margin determined by SAFA.

6.2 Receivables

	2023	2022
	\$'000	\$'000
<u>Current</u>		
<u>Receivables</u>		
From government entities	90	14
From non-government entities	8	25
Less allowance for doubtful debts	-	-
GST receivable	158	-
Total receivables	256	39
Prepayments	133	126
Accrued revenues	264	199
Total current receivables	653	364

No amounts within receivables are expected to be recovered more than 12 months after reporting date.

Receivables are raised for all goods and services provided for which payment has not been received. Receivables are normally settled within 30 days. Receivables, prepayments and accrued revenues are non-interest bearing.

Other than as recognised in the allowance for doubtful debts, 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.

Refer to note 10.3 for further information on risk management.

The net amount of GST recoverable from the ATO is included as part of receivables. As at 30 June 2022, there was a net amount payable to the ATO included in note 7.1.

West Beach Trust

Impairment of receivables

	2023	2022
	\$'000	\$'000
Carrying amount at the beginning of the period	-	-
Increase in allowance recognised in the profit or loss	1	5
Amounts written off	(1)	(5)
Carrying amount at the end of the period	-	-

Refer to note 10.3 for details regarding credit risk and the methodology for determining impairment.

West Beach Trust

7. Liabilities

Employee benefits liabilities are disclosed in note 3.4.

7.1 Payables

	2023	2022
	\$'000	\$'000
<u>Current</u>		
Creditors	1,586	950
Accrued expenses	528	322
GST payable	-	218
Employment on costs	106	91
Total Current payables	2,220	1,581
<u>Non-current</u>		
Employment on costs	66	66
Total Non-current payables	66	66
Total payables	2,286	1,647

Payables are measured at nominal amounts. Creditors and accruals are raised for all amounts billed but unpaid. Creditors are normally settled within 30 days. Employment on-costs are settled when respective employee benefits that they relate to are discharged. All payables are non-interest bearing. The carrying amount of payables approximates the net fair value due to the amounts being payable on demand.

As at 30 June 2023, there was a net amount of GST recoverable from the ATO included in note 6.2.

Employment on-costs

Employment on-costs include payroll tax, Return to Work SA levies and superannuation contributions. The Trust makes contributions to 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.

As a result of an actuarial assessment performed by the Department of Treasury and Finance, the average factor for the calculation of employer superannuation cost on-costs has changed from the 2022 rate of 10.6% to 11.1%. These rates are used in the employment on-cost calculation. The net financial effect of the change in employer superannuation on-cost rates is an increase in the employment on-costs of \$4,000.

There is a net increase in the employment on-costs payable of \$15,000. This is primarily due to the increases in employee benefits liabilities disclosed in note 3.4 and the increase in the average factor for the calculation of employer superannuation on-costs.

7.2 Fees received in advance

	2023	2022
	\$'000	\$'000
<u>Current</u>		
Fees received in advance	2,004	1,883
Total Fees received in advance	2,004	1,883

This amount represents accommodation tariff deposits and booking payments, annual golf membership playing rights and annual boat launch permit fees collected in advance. The advance portion of any payment of lease and licence fees for use of parcels of land and buildings across the precinct is also included.

West Beach Trust

7.3 Financial liabilities

	2023 \$'000	2022 \$'000
<u>Current</u>		
Borrowings from SA Government	354	389
Lease liabilities	91	274
Total current borrowings	445	663
<u>Non-current</u>		
Borrowings from SA Government	6,575	7,700
Lease liabilities	878	794
Lessee security deposits	25	-
Total non-current borrowings	7,478	8,494
Total borrowings	7,923	9,157

The Trust measures financial liabilities including borrowings/debt at historical cost. All interest bearing liabilities have been sourced from the SA Government Financing Authority.

All material cash outflows are reflected in the lease liabilities disclosed above.

Borrowings from SA Government

These are unsecured loans which do bear interest. The terms of the loan were approved by Treasurer at the time the loan were provided.

The Trust has a \$6,929,000 (2021-22 \$8,089,000) loan facility with the South Australian Government Financing Authority. At the time of preparing the Financial Statements, the Trust still has \$1.1m in loan funding to drawdown on the \$1.75m Treasurer approved loan funding to construct new Cabins at the West Beach Parks Retreat. Construction of these Cabins was completed in November 2020. In addition to this, a \$2m loan was approved by the Treasurer in February 2022 to part fund the replacement of the Saltbush Shacks at the West Beach Parks Retreat. Construction of the replacement Cabins is well advanced and they are anticipated to be operational no later than December 2023.

The Trust has a \$2,500,000 (2021-22 \$2,500,000) working capital facility with the South Australian Government Financing Authority. As at 30 June 2023 there were no drawings on this facility (2021-22 \$Nil).

West Beach Trust

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 not transferred to retained earnings when an asset is derecognised.

8.2 Cash flow

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.

Total cash outflows for leases was \$305,000 (2022: \$165,000).

Reconciliation of net result to cash flows from operating activities

	2023 \$'000	2022 \$'000
<u>Reconciliation of cash and cash equivalents at the end of the reporting period:</u>		
Cash and cash equivalents disclosed in the Statement of Financial Position	1,886	4,507
Balance as per the statement of Cash Flows	1,886	4,507

Reconciliation of net cost of providing services to net cash provided by operating activities:

Net result from providing services	426	302
<u>Add/less non cash items</u>		
Depreciation and amortisation expense of non-current assets	3,198	3,124
Gain/loss on sale or disposal of non-current assets	(37)	(39)
Expensing of items previously classified as work in progress	195	-
Intangibles write-offs	9	-
Property, plant and equipment write-offs	50	-
<u>Movement in assets and liabilities</u>		
(Increase)/decrease in receivables	(289)	2,462
(Increase)/decrease in inventories	(18)	(10)
Increase/(decrease) in payables	216	(277)
Increase/(decrease) in fees received in advance	121	290
Increase/(decrease) in employee benefits	53	(122)
Net cash provided by operating activities	3,924	5,730

West Beach Trust

9. Outlook

9.1 Unrecognised contractual commitments

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

Capital commitments

	2023 \$'000	2022 \$'000
Within one year	3,075	493
Total capital commitments	3,075	493

The Trust has three major capital commitments as at the reporting date. These relate to the construction of new Cabins at West Beach Parks Retreat, infrastructure and landscaping works at the entrance to Barratt Reserve and the new adventure play space at BIG 4 West Beach Parks.

The prior year capital commitments related to the replacement of Reef Cabins at the BIG 4 West Beach Parks. This work was completed during 2022-23.

Operating leases receivable

	2023 \$'000	2022 \$'000
<u>Commitments in relation to operating lease income contracted for at the reporting date but not recognised as assets are receivable as follows:</u>		
Within one year	805	826
Later than one year but not longer than five years	2,466	2,700
Later than five years	6,344	7,692
Total operating leases receivable	9,615	11,218

All operating leases receivable of \$9,615,000 (\$11,218,000) are from entities external to the SA government, and are for parcels of land and buildings leased to various sporting organisations and commercial operators.

9.2 Contingent assets and liabilities

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

At the time of preparing the Financial Statements there are two unsettled insurance claims relating to storm damage that occurred across the precinct in November 2022. Whilst the Trust considers these will be settled in full (\$59,848 after deduction of insurance excess), no asset and insurance claim income has been recognised in relation to this.

The Trust is not aware of any contingent liabilities.

West Beach Trust

9.3 Impacts of standards and statements not yet effective

The Trust has assessed the impact of new and changed Australian Accounting Standards Board Standards and Interpretations not yet effective, and there is no expected impact on the Trust's general purpose financial statements.

9.4 Events after the reporting period

The Trust is not aware of any events after the end of the reporting period that will have a material financial impact.

West Beach Trust

10. Measurement and risk

10.1 Long service leave liability – measurement

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

The actuarial assessment performed by the Department of Treasury and Finance has provided a basis for the measurement of long service leave and is 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.

AASB 119 Employee Benefits requires the use of the yield on long-term Commonwealth Government bonds as the discount rate in the measurement of the long service leave liability. The yield on long-term Commonwealth Government bonds has increased from 2022 (3.5%) to 2023 (4.0%).

This increase in the bond yield, which is used as the rate to discount future long service leave cash flows, results in a decrease in the reported long service leave liability.

The actuarial assessment performed by the Department of Treasury and Finance increased the salary inflation rate from 2022 (2.5%) to 2023 (3.5%). As a result, there is an increase in the reported long service leave liability resulting from changes in the salary inflation rate.

The net financial effect of the changes to actuarial assumptions in the current financial year is a decrease in the long service leave liability of \$23,000. 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.

The portion of estimated long service leave that is classified as current is based on an assessment of the pattern of leave taken or paid out over the last 10 years.

10.2 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. Non-current assets are subsequently measured at fair value after allowing for accumulated depreciation.

Where assets are acquired at no value, or minimal value, they are recorded at fair value in the Statement of Financial Position.

Revaluation

Property, plant and equipment are subsequently measured at fair value after allowing for accumulated depreciation.

The policy of the Trust is that land, buildings and improvements will be revalued by an external professionally qualified valuer every 5 years. A valuation was undertaken as at 30 June 2019 in line with this policy. 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.

Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amounts of the assets and the net amounts are restated to the revalued amounts of the asset.

West Beach Trust

Fair value hierarchy

The Trust 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 Trust's policy is to recognise transfers into and out of fair value hierarchy levels as at the end of the reporting period.

All property, plant and equipment of the Trust are categorised in Level 3.

Land and buildings and improvements

An independent valuation of land and buildings and improvements was performed in February 2019 by a Certified Practising Valuer from Jones Lang Lasalle SA Pty Ltd, as at 30 June 2019.

The valuer used adjusted market value for land and depreciated replacement cost for buildings and improvements, due to there not being an active market for such land and buildings. The depreciated replacement cost considered the need for ongoing provision of government services; specialised nature of the assets, including the restricted use of the assets; the size, condition, location and current use of the assets. The valuation was based on a combination of internal records, specialised knowledge and the acquisition/transfer costs.

Plant and equipment

Plant and equipment acquisitions have been recognised at cost. The carrying value of plant and equipment is deemed to approximate fair value. These assets are classified in level 3 as there has been no subsequent adjustments to their value, except for management assumptions about the assets condition and remaining useful life.

West Beach Trust

10.3 Financial Instruments

Financial risk management

Risk is managed by the application of the West Beach Trust Risk Management Framework.

The Trust'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

Liquidity risk arises where the Trust is unable to meet its financial obligations as they are due to be settled. The Board, Executive and Senior Management are responsible for monitoring and ensuring its operations are prudently maintained. Liquidity is managed on a daily basis and monthly reports are submitted to the Board, Executive and Senior Management and the Department of Treasury and Finance. The Trust generally settles undisputed accounts within 30 days from the date of invoice or the date the invoice is first received. In the event of a dispute, payment is generally made 30 days from resolution.

An assessment of liquidity risk has been undertaken by the Chief Executive Officer and General Manager Corporate Services and based on past experience and knowledge of seasonal trends, management is confident that the Trust will be able to meet its financial obligations as and when they fall due. Cash flow updates are included in the Trust's Board papers provided to Board members monthly.

Refer to notes 7.1 and 7.3 for further information.

Credit risk

Credit risk arises when there is the possibility of the Trust's debtors defaulting on their contractual obligations resulting in financial loss to the Trust. The Trust measures credit risk on a fair value basis and monitors risk on a regular basis.

The Trust has minimal concentration of credit risk. The Trust has policies and procedures in place to ensure that transactions occur with customers with appropriate credit history. The Trust does not engage in high risk hedging for its financial assets.

Impairment of financial assets

Loss allowances for receivables are measured at an amount equal to lifetime expected credit loss using the simplified approach in AASB 9. The Trust uses an allowance matrix to measure the expected credit loss of receivables from non-government debtors which comprise a large number of small balances.

To measure the expected credit losses, receivables are grouped based on shared risks characteristics and the days past due. When estimating expected credit loss, the Trust 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 the Trust'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 the Trust 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.

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.

West Beach Trust

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 the Trust and a failure to make contractual payments within a reasonable time frame.

There were no receivables written off during the year that are still subject to enforcement activity.

The Trust 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.

Market risk

The Trust does not trade in foreign currency, nor enter into transactions for speculative purposes, nor for hedging. The Trust 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 *TI 23 Management of Foreign Currency Exposures*.

Exposure to interest rate risk may arise through its interest bearing liabilities, including borrowings. The Trust's interest bearing liabilities are managed through the South Australian Government Financing Authority (SAFA) and any movement in interest rates are monitored on a regular basis. There is no exposure to foreign currency or other price risks.

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

Categorisation of financial instruments

Details of the significant 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.

West Beach Trust

Classification of financial instruments

The Trust measures all financial instruments at amortised cost.

	2023 Carrying amount/Fair value \$'000	2023 Contractual maturities		
		Within 1 year \$'000	1-5 years \$'000	More than 5 years \$'000
Financial assets				
Cash and equivalent				
Cash and cash equivalent	1,886	1,886	-	-
Financial assets at amortised cost				
Receivables	39	39	-	-
Total financial assets	1,925	1,925	-	-
Financial liabilities				
Financial liabilities at amortised cost				
Payables	1,730	1,730	-	-
Fees received in advance	2,004	2,004	-	-
Borrowings	6,929	355	1,540	5,034
Lease liabilities	969	91	465	413
Other financial liabilities	25	-	-	25
Total financial liabilities	11,657	4,180	2,005	5,472

	2022 Carrying amount/Fair value \$'000	2022 Contractual maturities		
		Within 1 year \$'000	1-5 years \$'000	More than 5 years \$'000
Financial assets				
Cash and equivalent				
Cash and cash equivalent	4,507	4,507	-	-
Financial assets at amortised cost				
Receivables	50	50	-	-
Total financial assets	4,557	4,557	-	-
Financial liabilities				
Financial liabilities at amortised cost				
Payables	896	896	-	-
Fees received in advance	1,883	1,883	-	-
Borrowings	8,089	390	1,629	6,070
Lease liabilities	1,068	274	287	507
Total financial liabilities	11,936	3,443	1,916	6,577

Receivables and payables

The receivable and payable amounts disclosed here exclude amounts relating to statutory receivables and payables (e.g. Commonwealth and State taxes, fees and charges). In government, certain rights to receive or pay cash may not be contractual and therefore in these situations, the requirements will not apply. Where rights or obligations have their source in legislation such as levy receivables/payables, tax equivalents, commonwealth tax etc they would be excluded from the disclosure. The standard defines contract as enforceable by law. All amounts are carried at cost.

The receivables amount disclosed here excludes prepayments. Prepayments are not financial assets as defined in AASB 132 as the future economic benefit of these assets is the receipt of goods and services rather than the right to receive cash or another financial asset.