

History Trust of South Australia

Financial report
for the year ended
30 June 2020



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To the Chair History Trust of South Australia

Opinion

I have audited the financial report of the History Trust of South Australia for the financial year ended 30 June 2020.

In my opinion, the accompanying financial report gives a true and fair view of the financial position of the History Trust of South Australia as at 30 June 2020, 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 2020
- a Statement of Financial Position as at 30 June 2020
- a Statement of Changes in Equity for the year ended 30 June 2020
- a Statement of Cash Flows for the year ended 30 June 2020
- notes, comprising significant accounting policies and other explanatory information
- a Certificate from the Chair, the Chief Executive Officer and the 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 History Trust of South Australia. 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 the Board of Trustees 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.

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

Auditor's responsibilities for the audit of the financial report

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987* and section 17(3) of the *History Trust of South Australia Act 1981*, I have audited the financial report of the History Trust of South Australia for the financial year ended 30 June 2020.

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 History Trust of South Australia'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
- 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 communicated with the Chief Executive Officer 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 identified during the audit.

A handwritten signature in black ink, appearing to read 'Andrew Richardson', with a long horizontal stroke extending to the right.

Andrew Richardson

Auditor-General

30 September 2020

History Trust of South Australia

Financial Statements

For the year ended 30 June 2020

History Trust of South Australia
Statement of Certification
for the year ended 30 June 2020

We certify that the attached general purpose financial statements for the History Trust of South Australia:

- comply with relevant Treasurer's Instructions issued under section 41 of the *Public Finance and Audit Act 1987*, and relevant Australian Accounting Standards;
- are in accordance with the accounts and records of the History Trust of South Australia; and
- present a true and fair view of the financial position of the History Trust of South Australia as at 30 June 2020 and the results of its operation and cash flows for the financial year.

We certify that the internal controls employed by the History Trust of South Australia for the financial year over its financial reporting and its preparation of the general purpose financial statements have been effective throughout the reporting period.



D Tims
Manager, Corporate Services
3- September 2020



E Ho OAM
Chair
30 September 2020



G Mackie OAM
Chief Executive Officer
30 September 2020

History Trust of South Australia
Statement of Comprehensive Income
for the year ended 30 June 2020

		2020	2019	2020	2019
	Note	Consolidated \$'000	Consolidated \$'000	HTSA \$'000	HTSA \$'000
Income					
Operating and capital grant funding	2.1	6 551	6 550	6 551	6 550
Fees and charges	2.2	1 176	1 406	1 176	1 406
Grants and contributions	2.3	322	559	322	559
Interest and investment income	2.4	41	94	35	76
Resources received free of charge	2.5	466	549	466	549
Donations	2.6	1 356	140	1 322	95
Other income	2.7	277	241	277	241
Total income		10 189	9 539	10 149	9 476
Expenses					
Employee benefits expenses	3.3	4 833	2 954	4 833	2 912
Supplies and services	4.1	3 351	3 745	3 337	3 707
Depreciation and amortisation	4.2	651	679	651	679
Grants and subsidies	4.3	371	206	371	206
Borrowing costs	4.4	1	-	1	-
Total expenses		9 207	7 584	9 193	7 504
Net result		982	1 955	956	1 972
Other comprehensive income					
<i>Items that will not be reclassified to net result:</i>					
Changes in revaluation surplus	6.2	4 491	-	4 491	-
Total other comprehensive income		4 491	-	4 491	-
Total comprehensive result		5 473	1 955	5 447	1 972

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

History Trust of South Australia
Statement of Financial Position
as at 30 June 2020

		2020	2019	2020	2019
	Note	Consolidated \$'000	Consolidated \$'000	HTSA \$'000	HTSA \$'000
Current assets					
Cash and cash equivalents	5.1	4 425	4 997	3 054	3 655
Receivables	5.2	195	251	195	250
Inventories	6.4	109	104	109	104
Total current assets		4 729	5 352	3 358	4 009
Non-current assets					
Receivables	5.2	1	-	1	-
Property, plant and equipment	6.1	20 474	15 529	20 474	15 529
Heritage collections	6.1	20 618	19 411	20 618	19 411
Total non-current assets		41 093	34 940	41 093	34 940
Total assets		45 822	40 292	44 451	38 949
Current liabilities					
Payables	7.1	653	506	651	505
Financial liabilities	7.3	20	-	20	-
Employee benefits	3.4	798	727	797	727
Provisions	7.2	29	25	29	25
Other liabilities	7.4	146	60	146	60
Total current liabilities		1 646	1 318	1 643	1 317
Non-current liabilities					
Payables	7.1	65	90	65	90
Financial liabilities	7.3	15	-	15	-
Employee benefits	3.4	706	979	706	979
Provisions	7.2	39	27	39	27
Total non-current liabilities		825	1 096	825	1 096
Total liabilities		2 471	2 414	2 468	2 413
Net assets		43 351	37 878	41 983	36 536
Equity					
Retained earnings		22 327	21 345	20 959	20 003
Revaluation surplus		21 024	16 533	21 024	16 533
Total equity		43 351	37 878	41 983	36 536

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

History Trust of South Australia
Statement of Changes in Equity
for the year ended 30 June 2020

Consolidated

		Revaluation surplus	Retained earnings	Total
	Note	\$'000	\$'000	\$'000
Balance at 1 July 2018		16 533	19 390	35 923
Net result for 2018-19		-	1 955	1 955
Total comprehensive result for 2018-19		-	1 955	1 955
Balance at 30 June 2019		16 533	21 345	37 878
Net result for 2019-20		-	982	982
Gain on revaluation of land and buildings during 2019-20	6.2	4 491	-	4 491
Total comprehensive result for 2019-20		4 491	982	5 473
Balance at 30 June 2020		21 024	22 327	43 351

HTSA

		Revaluation surplus	Retained earnings	Total
	Note	\$'000	\$'000	\$'000
Balance at 1 July 2018		16 533	18 031	34 564
Net result for 2018-19		-	1 972	1 972
Total comprehensive result for 2018-19		-	1 972	1 972
Balance at 30 June 2019		16 533	20 003	36 536
Net result for 2019-20		-	956	956
Gain on revaluation of land and buildings during 2019-20	6.2	4 491	-	4 491
Total comprehensive result for 2019-20		4 491	956	5 447
Balance at 30 June 2020		21 024	20 959	41 983

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

History Trust of South Australia
Statement of Cash Flows
for the year ended 30 June 2020

	2020	2019	2020	2019
	Consolidated	Consolidated	HTSA	HTSA
	\$'000	\$'000	\$'000	\$'000
Note	(Outflows) Inflows	(Outflows) Inflows	(Outflows) Inflows	(Outflows) Inflows
Cash flows from operating activities				
Cash inflows				
Operating and capital grant funding	6 551	6 550	6 551	6 550
Fees and charges	1 574	1 432	1 574	1 433
Other grants and contributions received	331	449	331	449
Interest received	41	94	35	76
GST recovered from the ATO	315	-	315	-
Donations and bequests	149	95	115	50
Other receipts	239	241	239	241
Cash generated from operations	9 200	8 861	9 160	8 799
Cash outflows				
Employee benefit payments	(5 006)	(5 274)	(5 006)	(5 233)
Payments for supplies and services	(3 139)	(3 058)	(3 128)	(3 019)
Payments of grants and subsidies	(444)	(206)	(444)	(206)
Interest paid	(1)	-	(1)	-
Cash used in operations	(8 590)	(8 538)	(8 579)	(8 458)
Net cash provided by / (used in) operating activities	610	323	581	341
Cash flows from investing activities				
Cash outflows				
Purchase of property, plant and equipment	(1 160)	(153)	(1 160)	(153)
Cash used in investing activities	(1 160)	(153)	(1 160)	(153)
Net cash provided by / (used in) investing activities	(1 160)	(153)	(1 160)	(153)
Cash flows from financing activities				
Cash outflows				
Repayment of leases	(22)	-	(22)	-
Cash used in financing activities	(22)	-	(22)	-
Net cash provided by / (used in) financing activities	(22)	-	(22)	-
Net increase / (decrease) in cash and cash equivalents	(572)	170	(601)	188
Cash and cash equivalents at the beginning of the reporting period	4 997	4 827	3 655	3 467
Cash and cash equivalents at the end of the reporting period	4 425	4 997	3 054	3 655

5.1

The accompanying notes form part of these financial statements.

History Trust of South Australia
Notes to and forming part of the Financial Statements
for the year ended 30 June 2020

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History Trust of South Australia

Notes to and forming part of the Financial Statements

for the year ended 30 June 2020

1. About the History Trust of South Australia

The History Trust of South Australia (the Trust) is a statutory authority established pursuant to the History Trust of South Australia Act 1981.

The Migration Museum Foundation Incorporated was registered in 1999-2000 and the History Trust of South Australia Foundation Incorporated was registered during 2013-2014.

The financial statements have been prepared by combining the financial statements of all entities that comprise the consolidated entity being the Trust and the Migration Museum Foundation Incorporated and History Trust of South Australia Foundation Incorporated, in accordance with AASB 10 Consolidated Financial Statements. The controlled entities are:

Name of controlled entities	Place of incorporation
The Migration Museum Foundation Incorporated	Australia
The History Trust of South Australia Foundation Incorporated	Australia

In forming the view that both Foundations are controlled, the Trust considered its involvement with the entities and determined that its substantive rights give the Trust the current ability to direct the major relevant activities of the entities and the Trust is exposed or has rights to variable returns from its involvement as the entities contribute to the furtherance of the Trust's objective.

Consistent accounting policies have been applied and all inter-entity balances and transactions arising within the consolidated entity have been eliminated in full.

History Trust of South Australia
Notes to and forming part of the Financial Statements
for the year ended 30 June 2020

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 with reduced disclosure requirements.

For the 2019-20 financial statements the Trust *adopted AASB 15 – Revenue from Contracts with Customers, AASB 16 – Leases and AASB 1058 – Income of Not-for-Profit Entities*. Further information is provided in note 9.1 and note 9.2.

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.

The Trust is not subject to Income Tax. The Trust is liable for Payroll Tax, Fringe Benefits Tax (FBT), Goods and Services Tax (GST) and Emergency Services Levy (ESL). In 2018-19 no GST recoverable from or payable to the Australian Tax Office was included in the Trust's accounts, as Arts SA was responsible for the remittance and collection of the Trust's GST.

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.

Unrecognised contractual commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to the Australian Taxation Office. If GST is not payable to, or recoverable from the Australian Taxation Office, the commitments and contingencies are disclosed on a gross basis.

History Trust of South Australia
Notes to and forming part of the Financial Statements
for the year ended 30 June 2020

1.2. Objectives

The objectives of the Trust are to:

- raise the level of community and schools-based participation in the study and enjoyment of South Australian history and the preservation of its evidence;
- mount popular exhibitions, events and other public programs on South Australian history and actively involve the community in their research and preparation;
- preserve the state's collection of movable items;
- provide advice and assistance to museums, historical societies and authors.

The Trust's principal source of funds consists of grants from the State Government.

1.3. Impact of COVID-19 pandemic on the Trust

The COVID-19 pandemic has impacted on the operations of the Trust and the impacts are included under the relevant disclosure notes. The key impacts in 2019-20 were:

- The Trust's museums closed in March 2020 and reopened with restrictions in June 2020 with contracted staff working from home during this period.
- The Trust has a business continuity claim in progress with SAICORP due to the loss of income and additional cost impact associated with the COVID-19 pandemic. Additional costs associated with the pandemic include additional staffing, cleaning, signage and consumables.

History Trust of South Australia
Notes to and forming part of the Financial Statements
for the year ended 30 June 2020

2. Income

2.1. Operating and capital grant funding

	2020	2019	2020	2019
	Consolidated	Consolidated	HTSA	HTSA
	\$'000	\$'000	\$'000	\$'000
Recurrent operating grant	6 456	6 474	6 456	6 474
Capital grant	95	76	95	76
Total operating and capital grant funding	6 551	6 550	6 551	6 550

The Trust receives an annual operating grant and capital grant from the Department for Education. This is recognised on receipt.

2.2. Fees and charges

	2020	2019	2020	2019
	Consolidated	Consolidated	HTSA	HTSA
	\$'000	\$'000	\$'000	\$'000
Admissions and tours	838	1 034	838	1 034
Sales of goods	182	265	182	265
Facilities and rent	76	77	76	77
Fees for service	41	45	41	45
Workers compensation recoup recoverable	-	(92)	-	(92)
Other	39	77	39	77
Total fees and charges	1 176	1 406	1 176	1 406

Admissions and tours revenue is recognised upon receipt.

2.3. Grants and contributions

	2020	2019	2020	2019
	Consolidated	Consolidated	HTSA	HTSA
	\$'000	\$'000	\$'000	\$'000
State government grants	294	461	294	461
Commonwealth grants	23	2	23	2
Other grants	5	96	5	96
Total other grants and contributions	322	559	322	559

Grant revenue is either recognised upon receipt or when enforceable stipulations specified in the agreement are satisfied.

History Trust of South Australia
Notes to and forming part of the Financial Statements
for the year ended 30 June 2020

2.4. Interest and investment income

	2020	2019	2020	2019
	Consolidated	Consolidated	HTSA	HTSA
	\$'000	\$'000	\$'000	\$'000
Interest	41	94	35	76
Total interest and investment income	41	94	35	76

2.5. Resources received free of charge

	2020	2019	2020	2019
	Consolidated	Consolidated	HTSA	HTSA
	\$'000	\$'000	\$'000	\$'000
Artlab conservation services	345	451	345	451
Services received free of charge – Shared Services SA	121	98	121	98
Total resources received free of charge	466	549	466	549

Services provided by Artlab relate to conservation services for heritage collection items.

2.6. Donations

	2020	2019	2020	2019
	Consolidated	Consolidated	HTSA	HTSA
	\$'000	\$'000	\$'000	\$'000
Donations of heritage assets	1 207	45	1 207	45
Donations	149	95	115	50
Total donations	1 356	140	1 322	95

Donations of heritage assets include vehicles and a model ship. Refer to note 11.2 for the valuation of these donations.

2.7. Other income

	2020	2019	2020	2019
	Consolidated	Consolidated	HTSA	HTSA
	\$'000	\$'000	\$'000	\$'000
Sponsorship	119	195	119	195
Bequests	1	-	1	-
Other revenue	82	46	82	46
Forgiveness of liability	60	-	60	-
Insurance recoveries	15	-	15	-
Total other income	277	241	277	241

The forgiveness of liability relates to the derecognition of the loan recognised in note 7.4 from the Bay to Birdwood Association. The Association dissolved in August 2019 and all funds were transferred to the Trust.

History Trust of South Australia

Notes to and forming part of the Financial Statements

for the year ended 30 June 2020

3. Board, committees and employees

3.1. Key management personnel

Key management personnel of the Trust include the Minister for Education, Board members and the Chief Executive Officer who have responsibility for the strategic direction and management of the Trust. The compensation disclosed in this note excludes salaries and other benefits the Minister for Education receives.

Total compensation for the Trust's key management personnel was \$206 000 (\$199 000).

Transactions with key management personnel and other related parties

The Trust is a statutory authority established pursuant to the History Trust of South Australia Act 1981 and is a wholly owned and controlled entity of the Crown.

Related parties of the Trust include all key management personnel and their close family members; all Cabinet Ministers and their close family members; and all other public authorities that are controlled and consolidated into the whole of government statements and other interests of the Government.

The Trust received business services and conservation service from public authorities free of charge as outlined in note 2.5. The Trust also has accommodation agreements in place with DPTI for the rental of office accommodation and storage facility. Rental expenses are outlined in note 4.1.

3.2. Board and committee members

Members during the 2019-20 financial year were:

Board of Trustees

Ms E Ho, OAM (Chair)

Dr E Balan-Vnuk*

Mr J Den Hartog

Dr V Drapac (appointed 17 October 2019)

Mr P Goers (retired 24 November 2019)

Mr M Lennon

Dr P Monteath (retired 21 September 2019)

Mr M Neale (appointed 25 November 2019)

Ms J Roache

Mr J Voumard (appointed 19 April 2020)

Ms C Zollo (retired 18 April 2020)

Migration Museum Foundation

Ms E Ho, OAM (Chair)

Mrs C Cream, OAM (retired 30 June 2020)

Mr S Smith

Ms J Bengner*

Ms A Paul*

Ms G Theseira-Haese

History Trust of South Australia Foundation

Ms E Ho, OAM (Chair)

Mr G Mackie*, OAM

Ms D Tims*

Mr J Den Hartog

Ms R Rudzinski* (retired 29 November 2019)

History Trust of South Australia
Notes to and forming part of the Financial Statements
for the year ended 30 June 2020

3.2. Board and committee members (continued)

Board and committee remuneration

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

	2020	2019
	Number of Members	Number of Members
The number of members whose remuneration received/receivable falls within the following bands:		
\$0 - \$9 999	19	14
Total number of members	19	14

The total remuneration received or receivable by members was \$6 000 (\$5 000). Remuneration of members includes sitting fees.

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

3.3. Employee benefits expenses

	2020	2019	2020	2019
	Consolidated	Consolidated	HTSA	HTSA
	\$'000	\$'000	\$'000	\$'000
Salaries and wages	3 484	3 660	3 484	3 623
Staff on-costs - superannuation	404	450	404	447
Annual leave	327	381	327	381
Payroll Tax	181	210	181	208
Workers compensation	273	(2 361)	273	(2 361)
Skills and experience retention leave	20	29	20	29
Board fees	6	5	6	5
TVSPs	-	200	-	200
Long service leave	(4)	261	(4)	261
Other staff related expenses	142	119	142	119
Total employee benefits expenses	4 833	2 954	4 833	2 912

History Trust of South Australia
Notes to and forming part of the Financial Statements
for the year ended 30 June 2020

3.3. Employee benefits expenses (continued)

Executive Remuneration

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

	2020	2019
	Consolidated	Consolidated
	Number of	Number of
	Employees	Employees
The number of employees whose remuneration received or receivable falls within the following bands:		
\$174 001 to \$194 000	1	-
\$194 001 to \$214 000	1	1
\$234 001 to \$254 000	1	-
Total number of employees	3	1

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.

Remuneration received or due and receivable by the above employees was \$646 000 (2019: \$195 000), which is included in employee benefits expenses.

Targeted voluntary separation packages (TVSP)

The number of employees who received a TVSP during the reporting period was 0 (2).

	2020	2019
	Consolidated	Consolidated
	\$'000	\$'000
Targeted voluntary separation packages	-	200
Leave paid to separated employees	-	98
Recovery from the Department of Treasury and Finance	-	(200)
Net cost to the trust	-	98

History Trust of South Australia
Notes to and forming part of the Financial Statements
for the year ended 30 June 2020

3.4. Employee benefits liability

	2020	2019	2020	2019
	Consolidated	Consolidated	HTSA	HTSA
	\$'000	\$'000	\$'000	\$'000
Current				
Annual leave	395	453	395	453
Long service leave	257	173	257	173
Accrued salaries and wages	132	79	131	79
Skills and experience retention leave	14	22	14	22
Total current employee benefits	798	727	797	727
Non-current				
Long service leave	706	979	706	979
Total non-current employee benefits	706	979	706	979
Total employee benefits liability	1 504	1 706	1 503	1 706

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.

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 SERL 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 is provided as note 11.1.

History Trust of South Australia
Notes to and forming part of the Financial Statements
for the year ended 30 June 2020

4. Expenses

Employee benefits expenses are disclosed in note 3.3.

4.1. Supplies and services

	2020	2019	2020	2019
	Consolidated	Consolidated	HTSA	HTSA
	\$'000	\$'000	\$'000	\$'000
Building Maintenance	531	498	525	495
Accommodation	670	478	670	478
Conservation	345	451	345	451
Marketing and promotion	334	409	334	408
Information technology	305	327	305	327
Operating lease payments	-	266	-	266
Projects	198	89	198	89
Exhibitions and collections	170	311	166	284
Communication and stationery	134	267	133	266
Cost of goods sold	124	152	124	152
Shared Services SA charges	121	98	121	98
Minor equipment	120	78	120	76
Insurance and risk management	90	90	90	90
Travel	72	63	72	63
Professional fees	66	96	63	94
Other expenses	71	72	71	70
Total supplies and services	3 351	3 745	3 337	3 707

Accommodation

Most of the Trust's accommodation is provided by the Department of Planning, Transport and Infrastructure under Memoranda of Administrative Arrangement (MoAA) issued in accordance with Government-wide accommodation policies. MoAA do not meet the definition of lease set out in AASB 16.

In prior years expenses associated with MoAA have been classified as operating lease payments. Expenses associated with MoAA have been re-classified as accommodation expenses for both the current year and the comparative. Further details about this re-classification is set out in note 9.1.

Operating Leases payments

Operating lease payments (less any lease incentives) are recognised on a straight-line basis over the lease term. Operating lease payments do not include payments associated with accommodation MoAA. This information is provided for 2018-19 only, as AASB 16 Leases does not distinguish between operating and finance leases for lessees.

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4.1. Supplies and services (continued)

Consultant

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

	2020 Consolidated Number	2020 Consolidated \$'000	2019 Consolidated Number	2019 Consolidated \$'000
Below \$10 000	1	3	-	-
\$10 000 or above	-	-	1	12
Total paid / payable to the consultants engaged	1	3	1	12

All consultants relate to the Trust.

4.2. Depreciation and amortisation

	2020 Consolidated \$'000	2019 Consolidated \$'000	2020 HTSA \$'000	2019 HTSA \$'000
Depreciation				
Buildings and improvements	532	583	532	583
Plant and equipment	89	96	89	96
Right-of-use vehicles	22	-	22	-
Total depreciation	643	679	643	679
Amortisation				
Leasehold Improvements	8	-	8	-
Total amortisation	8	-	8	-
Total depreciation and amortisation	651	679	651	679

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.

Lease incentives in the form of leasehold improvements are capitalised as an asset and depreciated over the remaining term of the lease or estimated useful life of the improvement, whichever is shorter.

Land and heritage collections are not depreciated.

Review of accounting estimates

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

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4.2. Depreciation and amortisation (continued)

Useful life

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

Class of asset	Useful life (years)
Buildings and improvements	20 to 100
Leasehold improvements	Lease term
Plant and equipment	3 to 15
Right of use vehicles	Lease term

4.3. Grants and subsidies

	2020	2019	2020	2019
	Consolidated	Consolidated	HTSA	HTSA
	\$'000	\$'000	\$'000	\$'000
Community Museums Program	296	133	296	133
South Australian History Fund	75	73	75	73
Total grants and subsidies	371	206	371	206

4.4. Borrowing costs

	2020	2019	2020	2019
	Consolidated	Consolidated	HTSA	HTSA
	\$'000	\$'000	\$'000	\$'000
Finance lease costs	1	-	1	-
Total borrowing costs	1	-	1	-

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5. Financial assets

5.1. Cash and cash equivalents

	2020	2019	2020	2019
	Consolidated	Consolidated	HTSA	HTSA
	\$'000	\$'000	\$'000	\$'000
Deposits with the Treasurer	4 415	4 988	3 046	3 646
Cash on hand	10	9	8	9
Total cash and cash equivalents	4 425	4 997	3 054	3 655

Deposits with the Treasurer

Deposits with the Treasurer are funds held in the "History Trust of South Australia Account", an account held with the Treasurer of South Australia pursuant to section 21 of the *Public Finance and Audit Act 1987*.

Cash on hand

Cash on hand includes petty cash, floats, advance accounts and cash in transit.

5.2. Receivables

	2020	2019	2020	2019
	Consolidated	Consolidated	HTSA	HTSA
	\$'000	\$'000	\$'000	\$'000
Current				
Receivables - current	175	227	175	226
Prepayments - current	20	18	20	18
Accrued income	-	6	-	6
Total current receivables	195	251	195	250
Non-current				
Workers Compensation recoveries	1	-	1	-
Total non-current receivables	1	-	1	-
Total receivables	196	251	196	250

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

Receivables, prepayments and accrued revenues are non-interest bearing. Receivables are held with the objective of collecting the contractual cash flows and they are measured at amortised cost.

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6. Non-financial assets

6.1. Property, plant and equipment by asset class

Property, plant and equipment

	2020	2019	2020	2019
	Consolidated	Consolidated	HTSA	HTSA
	\$'000	\$'000	\$'000	\$'000
Land				
Land at fair value	6 395	3 350	6 395	3 350
Total land	6 395	3 350	6 395	3 350
Buildings and improvements				
Buildings and improvements at fair value	44 117	39 608	44 117	39 608
Accumulated depreciation	(31 333)	(27 838)	(31 333)	(27 838)
Total buildings and improvements	12 784	11 770	12 784	11 770
Plant and equipment				
Plant and equipment at cost (deemed fair value)	1 029	743	1 029	743
Accumulated depreciation	(451)	(354)	(451)	(354)
Total Plant and equipment	578	389	578	389
Work in progress				
Work in progress at cost	512	20	512	20
Total Work in progress	512	20	512	20
Leasehold improvements				
Leasehold improvements at cost (deemed fair value)	178	-	178	-
Accumulated amortisation	(8)	-	(8)	-
Total leasehold improvements	170	-	170	-
Right-of-use vehicles				
Right-of-use vehicles at cost	51	-	51	-
Accumulated depreciation	(16)	-	(16)	-
Total right-of-use vehicles	35	-	35	-
Total property, plant and equipment	20 474	15 529	20 474	15 529

Property, plant and equipment excluding right-of-use assets with a value equal to or in excess of \$5 000 is capitalised, otherwise it is expensed.

Property, plant and equipment excluding right-of-use assets and work in progress is recorded at fair value. Details about the Trust's approach to fair value is set out in note 11.2.

History Trust of South Australia
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6.1. Property, plant and equipment by asset class (continued)

Heritage collections

	2020	2019	2020	2019
	Consolidated	Consolidated	HTSA	HTSA
	\$'000	\$'000	\$'000	\$'000
Heritage collections at fair value	20 618	19 411	20 618	19 411
Total heritage collections	20 618	19 411	20 618	19 411

Impairment

All non-current assets have been tested for indication of impairment at reporting date. Where there is indication of impairment, the recoverable amount is estimated. The recoverable amount is determined as the higher of the asset's fair value less costs of disposal and depreciated replacement cost. An amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.

For revalued assets, an impairment loss is offset against the respective revaluation surplus.

There were no indications of impairment as at 30 June 2020.

6.2. Property, plant and equipment owned by the Trust

Reconciliation of property, plant and equipment owned by the Trust

	Buildings and Land improvements	Work in progress	Leasehold improvements	Plant and equipment	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying amount at 1 July 2019	3 350	11 770	20	389	15 529
Additions	-	191	492	178	1 048
Transfers between asset classes	-	(91)	-	91	-
Revaluation increment/(decrement)	3 045	1 446	-	-	4 491
Depreciation and amortisation	-	(532)	-	(89)	(629)
Carrying amount at 30 June 2020	6 395	12 784	512	170	20 439

Reconciliation of heritage collections

	Consolidated	HTSA
	\$'000	\$'000
Carrying amount at 1 July 2019	19 411	19 411
Donated heritage assets	1 207	1 207
Carrying amount at 30 June 2020	20 618	20 618

The Migration Museum heritage assets are a collection of documents, objects and costumes which record the settlement and migration history of South Australia. The collection provides an important social record of the clothing, stories and lives of many South Australians including Colonel William Light's Plan of Adelaide.

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6.2. Property, plant and equipment owned by the Trust (continued)

The Directorate Collection includes objects significant to South Australian history, including industrial, health, working and domestic life. It includes objects from the former Glenside Hospital and items documenting South Australian manufacturer Simpsons.

The South Australian Maritime Museum assets document maritime and waterway history. The collection includes figure heads, vessels and historical objects relating to ports, seafaring and maritime industries.

The National Motor Museum assets comprise a large collection of cars, motorcycles and commercial vehicles, many of which are vintage, veteran and classic vehicles. It also features a number of historically significant cars made in South Australia, including the first self-propelled vehicle built in the state known as the Shearer steam carriage.

6.3. Property, plant and equipment leased by the Trust

Property, plant and equipment leased by the Trust is recorded at cost. Additions to leased property, plant and equipment during 2019-20 was \$29 000.

The Trust has a limited number of leases:

- 5 motor vehicle leases with the South Australian Government Financing Authority (SAFA). Motor vehicle leases are non-cancellable, with rental payments monthly in arrears. Motor vehicle lease terms can range from 3 years (60,000km) up to 5 years (100,000km). No contingent rental provisions exist within the lease agreements and no options exist to renew the leases at the end of their term.

6.4. Inventories

	2020	2019	2020	2019
	Consolidated	Consolidated	HTSA	HTSA
	\$'000	\$'000	\$'000	\$'000
Current				
Inventories	109	104	109	104
Total current inventories	109	104	109	104
Total inventories	109	104	109	104

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7. Liabilities

Employee benefits liabilities are disclosed in note 3.4.

7.1. Payables

	2020 Consolidated \$'000	2019 Consolidated \$'000	2020 HTSA \$'000	2019 HTSA \$'000
Current				
Creditors	-	232	-	231
Accrued expenses	518	159	516	159
Employment on-costs	135	115	135	115
Total current payables	653	506	651	505
Non-current				
Employment on-costs	65	90	65	90
Total non-current payables	65	90	65	90
Total payables	718	596	716	595

Creditors and accruals are raised for all amounts billed but unpaid. Sundry creditors are normally settled within 30 days for the date the invoices is first received.

Employee benefit on-costs include payroll tax and superannuation contributions and are settled when the respective staff benefit that they relate to is discharged. All payables are non-interest bearing. The carrying amount of payables approximates net fair value due to the amounts being payable on demand.

As a result of an actuarial assessment performed by DTF, the proportion of long service leave taken as leave has changed from the 2019 rate (41%) to 42% and the average factor for the calculation of employer superannuation costs on-costs has remained unchanged at 9.8%. These rates are used in the employment on-cost calculation. The financial effect of the change in employee on-costs and employee benefits expense is immaterial.

7.2. Provisions

	2020 Consolidated \$'000	2019 Consolidated \$'000	2020 HTSA \$'000	2019 HTSA \$'000
Current				
Provision for workers compensation	29	25	29	25
Total current provisions	29	25	29	25
Non-current				
Provision for workers compensation	35	23	35	23
Provision for additional compensation	4	4	4	4
Total non-current provisions	39	27	39	27
Total provisions	68	52	68	52

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7.2. Provisions (continued)

Movement in workers compensation provisions	2020	2019	2020	2019
	Consolidated	Consolidated	HTSA	HTSA
	\$'000	\$'000	\$'000	\$'000
Movements in provisions				
Carrying amount at the beginning of the period	48	2 492	48	2 492
Additional provision recognised	16	-	16	-
Reductions resulting from re-measurement	-	(2 444)	-	(2 444)
Carrying amount at the end of the period	64	48	64	48

Movement in additional compensation provisions	2020	2019	2020	2019
	Consolidated	Consolidated	HTSA	HTSA
	\$'000	\$'000	\$'000	\$'000
Carrying amount at the beginning of the period	4	-	4	-
Additional provision recognised	-	4	-	4
Carrying amount at the end of the period	4	4	4	4

A provision has been reported to reflect unsettled workers compensation claims. The workers compensation provision is based on an actuarial assessment of the outstanding liability as at 30 June 2020 provided by a consulting actuary engaged through the Office of the Commissioner for Public Sector Employment. The provision is for the estimated cost of ongoing payments to employees as required under current legislation.

The Additional Compensation provision is based on an actuarial assessment of the outstanding liability as at 30 June 2020 provided by a consulting actuary engaged by the Office of the Commissioner for Public Sector Employment. The liability was calculated in accordance with Australian Accounting Standard AASB 137 *Provisions, Contingent Liabilities and Contingent Assets* at the present value of the expenditure expected to be required to settle obligations incurred as at 30 June. The liability comprises an estimated for known claims and an estimated of incurred but not reported (IBNR) applications. No risk margin is included in this estimate.

7.3. Financial liabilities

	2020	2019	2020	2019
	Consolidated	Consolidated	HTSA	HTSA
	\$'000	\$'000	\$'000	\$'000
Current				
Lease liabilities	20	-	20	-
Total current financial liabilities	20	-	20	-
Non-current				
Lease liabilities	15	-	15	-
Total non-current financial liabilities	15	-	15	-
Total financial liabilities	35	-	35	-

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

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7.4. Other liabilities

	2020 Consolidated \$'000	2019 Consolidated \$'000	2020 HTSA \$'000	2019 HTSA \$'000
Current				
Unearned revenue	146	-	146	-
Loan	-	60	-	60
Total current other liabilities	146	60	146	60
Total other liabilities	146	60	146	60

In March 2018 the Trust entered into a loan arrangement with the Bay to Birdwood Association to support the Bay to Birdwood event. The loan is unsecured and does not bear interest. In August 2019 the functions of the Association were transferred to the Trust. Funds from the loan have been recognised in note 2.7.

8. Other disclosures

8.1. Equity

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

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 the operating cash flows.

	2020 Consolidated \$'000	2019 Consolidated \$'000	2020 HTSA \$'000	2019 HTSA \$'000
Leases				
Vehicles	23	-	23	-
Total cash outflow for leases	23	-	23	-

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9. Changes in accounting policy

9.1. AASB 16 Leases

AASB 16 sets out a comprehensive model for lessee accounting that addresses recognition, measurement, presentation and disclosure of leases. Lessor accounting is largely unchanged. AASB 16 Leases replaces AASB 117 Leases and related interpretations.

The adoption of AASB 16 Leases from 1 July 2019 resulted in adjustments to the amounts recognised from a lessee perspective in the financial statements:

- AASB 117 Leases only required the recognition of an asset and lease liability in relation to finance leases. AASB 16 Leases applies a comprehensive model to all leases. Applying AASB 16 will result in leases previously classified as operating leases having right-of-use assets and related lease liabilities being recognised in the Statement of Financial Position
- AASB 117 Leases resulted in operating lease payments being recognised as an expense under Supplies and Services. AASB 16 Leases replaces this with depreciation expenses that represents the use of the right-of-use asset and borrowing costs that represent the cost associated with financing the right-of-use asset.

Impact on retained earnings

The total impact on the Trust's retained earnings as at 1 July 2019 is as follows:

	<u>\$'000</u>
Closing retained earnings 30 June 2019 – AASB 117	20 003
<u>Assets</u>	
Property, plant and equipment	57
<u>Liabilities</u>	
Financial liabilities	(57)
Opening retained earnings 1 July 2019 – AASB 16	<u>20 003</u>

The Trust disclosed in its 2018-19 financial report total undiscounted operating lease commitments of \$778 000 under AASB 117.

The Trust has accommodation services provided by the Department of Planning, Transport and Infrastructure (DPTI) under Memoranda of Administrative Arrangement (MoAA) issued in accordance with Government-wide accommodation policies.

These MoAA do not meet the definition of lease set out either in AASB 16 or in the former standard AASB 117. Accordingly, the 2018-19 undiscounted operating lease commitments should have been disclosed as \$46 000 under AASB 117. There is no material difference between the revised operating lease commitments when discounted and the financial liabilities recognised as at 1 July 2019.

Commitments related to accommodation services provided by DPTI are included in Note 10.1.

The misclassification did not impact on the Statement of Comprehensive Income or the Statement of Financial Position in prior years. This misclassification impacted items within the supplies and services expenses line. Note 4.1 applies the correct classification for both the current and comparative years.

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9.1. AASB 16 Leases (continued)

Accounting policies on transition

AASB 16 sets out accounting policies on transition in its transitional provisions. The Treasurer's Instructions (Accounting Policy Statements) requires certain choices in those transitional provisions to be taken. The Trust has adopted the following accounting policies:

- to apply AASB 16 retrospectively. The cumulative effect of initially applying the Standard was recognised at 1 July 2019. Comparatives have not been restated.
- at 1 July 2019 AASB 16 was applied only to contracts that were previously identified as containing a lease under AASB 117 and related interpretations.
- the initial measurement of lease liability was the present value of the remaining lease payments discounted using the relevant incremental borrowing published by the Department of Treasury and Finance rate as at 1 July 2019 based on the SA Government's cost of borrowing. The average weighted incremental borrowing rate for this purpose was 0.59%.
- the initial measurement of right-of-use assets has been calculated as an amount equal to the lease liability on transition adjusted for prepaid or accrued lease payments and lease incentive liabilities.
- the initial measurement of lease liabilities and right-of-use assets excludes all leases that ended by 30 June 2020, except for vehicles leased from SAFA.

Ongoing accounting policies

The Treasurer's Instructions (Accounting Policy Statements) specify required accounting policies for public authorities in applying AASB 16. These requirements are reflected in the Trust's accounting policies as follows:

- AASB 16 is not applied to leases of intangible assets.
- right-of-use assets and lease liabilities are not recognised for leases of low value assets, being assets which have a value of \$15 000 or less, nor short-term leases, being those with a lease term of 12 months or less.
- the Trust, in the capacity of a lessee, does not include non-lease components in lease amounts.
- right-of-use assets are not measured at fair value on initial recognition for leases that have significantly below-market terms and conditions principally to enable the public authority to further its objectives.
- right-of-use assets are subsequently measured applying a cost model.

Significant accounting policies relate to the application of AASB 16 are disclosed under relevant notes and are referenced at note 6.3.

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9.2. AASB 15 Revenue from Contracts with Customers

AASB 15 Revenue from Contracts with Customers establishes a revenue recognition model for revenue arising from contracts with customers. It requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

AASB 15 supersedes AASB 111 Construction contracts, AASB 118 Revenue and related Interpretations and applies to all revenue arising from contracts with customers.

The adoption of AASB 15 – Revenue from Contracts with Customers from 1 July 2019 did not impact on the financial statements.

9.3. Presentation of Financial Statements

Treasurer's Instructions (Accounting Policy Statements) issued on 1 June 2020 removed the previous requirement for financial statements to be prepared using the net cost of services format. The net cost of services is the total cost of services less any revenue retained by public authorities involved in the provision of services but does not include items classified as revenues from and payments to the South Australian Government.

Presentation of the Statement of Comprehensive Income on an 'income and expense' basis allows information to be presented in such a way that eliminates potential confusion as to the source of funding for the Trust. As well as changes to the format of the Statement of Comprehensive Income, there are presentational changes to remove the net cost of services format from the Statement of Cash Flows. These statements now show income before expenses, and cash receipts before cash payments. Related disclosures also reflect this changed format.

10. Outlook

10.1. Unrecognised contractual commitments

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

Capital commitments

Capital expenditure contracted for at the reporting date but not recognised as liabilities in the financial statements are payable as follows:

	2020	2019
	\$'000	\$'000
Within one year	15	106
Total capital commitments	15	106

The Trust's capital commitments are for solar panels.

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10.1. Unrecognised contractual commitments (continued)

Operating lease commitments

Commitments under non-cancellable operating leases at the reporting date not recognised as liabilities in the financial statements are payable as follows:

	2020	2019
	\$'000	\$'000
Within one year	-	28
Later than one year but not later than five years	-	18
Total operating lease commitments	-	46

Operating lease commitments is provided for the comparative year only as AASB 16 Leases does not distinguish between operating and finance leases for the lessee. The comparative amount does not include commitments for MoAA with the Department of Planning, Transport and Infrastructure for accommodation. This has been reclassified and included under expenditure commitments. For more detail about the reclassification see 9.1.

Expenditure commitments

Commitments under non-cancellable expenditure contracts at the reporting date and not recognised as liabilities in the financial statements, are payable as follows:

	2020	2019
	\$'000	\$'000
Within one year	348	307
Later than one year but not later than five years	433	539
Total expenditure commitments	781	846

The Trust's expenditure commitments comprise of cleaning contracts and Memoranda of Administrative Arrangements with the Department of Planning, Transport and Infrastructure for accommodation.

10.2. Contingent assets and liabilities

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

The Trust is not aware of any contingent liabilities as at 30 June 2020.

A business continuity claim is in progress with SAICORP due to the loss of income and additional cost impact associated with the COVID-19 pandemic. The Trust has provided an estimate of these costs to SAICORP totaling \$369,000. At reporting date the outcome of the claim is not known.

10.3. COVID-19 pandemic outlook for the Trust

The COVID-19 pandemic will continue to impact the operations of the Trust in 2020-21. The key expected impact is a reduction in income due to a decrease in visitor numbers at the Museums.

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10.4. Events after the reporting period

There has not arisen in the interval between the end of the financial year and the date of this report, any other item, transaction or event of a material and unusual nature likely, in the opinion of the Trust, to affect significantly the operations of the Trust, the results of those operations, or the state of affairs of the Trust in subsequent financial years.

11. Measurement and risk

11.1. 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.

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

The yield on long-term Commonwealth Government bonds has decreased from 2019 (1.25%) to 2020 (0.75%). The actuarial assessment performed by DTF decreased the salary inflation rate to 2.5% (2019: 4%) for long service leave liability. The net financial effect of the changes in the actuarial assumptions and methodology is a decrease in the long service leave liability of \$73 000.

The unconditional portion of the long service leave provision is classified as current as the Trust does not have an unconditional right to defer settlement of the liability for at least 12 months after reporting date. The unconditional portion of long service leave relates to an unconditional legal entitlement to payment arising after 10 years of service.

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11.2. 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 principle or most advantageous market, at the measurement date.

Acquisition and recognition

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

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

Revaluation

Land, buildings and heritage collections are revalued every six years. However, 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. Non-current assets that are acquired between revaluations are held at cost until the next valuation, where they are then revalued to fair value.

In determining fair value, the Trust has taken into account the characteristic of the asset (e.g. condition and location of the asset and any restrictions on the sale or use of the asset); and the asset's highest and best use (that is physically possible, legally permissible, financially feasible).

The Trust's current use is the highest and best use of the asset unless other factors suggest an alternative use is feasible. As the Trust did not identify any factors to suggest an alternative use, fair value measurement was based on current use.

Any revaluation increment is credited to the asset revaluation surplus, except to the extent that it reverses a revaluation decrease of the same asset class previously recognised in the Statement of Comprehensive Income, in which case the increase is recognised in the Statement of Comprehensive Income.

Any revaluation decrease is recognised in the Statement of Comprehensive Income, except to the extent that it offsets a previous revaluation increase for the same asset class, in which case the decrease is debited directly to the asset revaluation surplus to the extent of the credit balance existing in revaluation surplus for that asset class.

At the date of revaluation the gross carrying amount is adjusted in a manner that is consistent with the revaluation of the carrying amount of the asset. Any accumulated depreciation at the date of the revaluation is adjusted to equal the difference between the gross carrying amount and the carrying amount of the asset after taking into account accumulated impairment losses.

Valuation of land and buildings

An independent valuation of land and buildings was performed by a Certified Practising Valuer from Valcorp Australia Pty Ltd as at 30 June 2020.

Fair value of land has been determined using the market approach. The valuation was based on recent market transactions for identical or similar assets in use, type and condition. For land classified as restricted in use or sale, the likelihood and effect of these restrictions was considered and includes factors such as zoning, easements and encumbrances and heritage listings.

The fair value of buildings was determined using current replacement cost, due to there not being an active market. The current replacement cost considers the value that is sufficient to reproduce the service potential of the existing asset. The valuation used estimates based on current accepted design and construction practices, notwithstanding, future design and construction techniques may evolve and vary from current design and construction techniques.

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11.2. Fair value (continued)

Plant and equipment

All items of plant and equipment had a 'fair value at the time of acquisition that was less than \$1.5 million and had an estimated useful life less than three years' - Plant and equipment has not been revalued in accordance with APS 116.D. The carrying value of these items are deemed to approximate fair value.

Heritage collections

The heritage collections are large and diverse. They include many items that are complex to value given considerations of market value and their unique representation of South Australia's social history.

The heritage collections were revalued in full as follows:

• National Motor Museum Collection	30 June 2017	Cameron Dunsford (Aon Global Risk Consulting)
• South Australian Maritime Museum Collection	30 June 2017	James Munroe (Aon Global Risk Consulting)
• Migration Museum Collection	30 June 2017	James Munroe (Aon Global Risk Consulting)
• Directorate	30 June 2016	James Munroe (Aon Global Risk Consulting)
• Directorate	30 June 2015	Kenneth J Rayment (Rayment and Associates) and Leonard Millar

At times certain donated assets have been valued as part of these collections when deemed required by management:

• National Motor Museum	30 June 2020	Antony Davies and Paul Blank
• National Motor Museum Collection	30 June 2018	Anthony Hurl (Tusmore Antiques)
• South Australian Maritime Museum Collection	30 June 2020	James Munroe (Aon Global Risk Consulting)
• Directorate	30 June 2018	James Munroe (Aon Global Risk Consulting)

These valuers specialise in the valuation of heritage collections.

Donated heritage assets are initially recognised at their fair value, as income (note 2.6) and as an asset in heritage collections. These assets are classified in level 3 as there is no active market. Fair value was determined by estimating the cost based on the limited market information available for similar heritage assets.

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11.3. Financial instruments

Financial risk management

Risk Management is managed by the Trust. The Trust's risk management policies are in accordance with the *Risk Management Policy Statement* used by the Premier and Treasurer and the principles established in the *Australian Standard Risk Management Principles and Guidelines*.

The Trust's exposure to financial risk (liquidity, credit and market) is insignificant based on past experience and current assessments of risk.

The Trust was funded principally from grants from Department of Education.

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.

The Trust measures all financial instruments at amortised cost.

Categorisation of financial assets and liabilities

Category of financial asset and financial liability	Note	Carrying amount / fair value \$'000	2020 Contractual maturities Consolidated		Carrying amount / fair value \$'000	2020 Contractual maturities HTSA	
			Current \$'000	1-5 years \$'000		Current \$'000	1-5 years \$'000
Financial assets							
Cash and cash equivalent							
Cash and cash equivalent	5.1	4 425	4 425	-	3 054	3 054	-
Financial assets at amortised cost							
Receivables	5.2	175	175	-	175	175	-
Total financial assets		4 600	4 600	-	3 229	3 229	-
Financial liabilities							
Financial liabilities held at amortised cost							
Payables	7.1	468	468	-	468	468	-
Lease liabilities	7.3	35	20	15	35	20	15
Other liabilities	7.4	146	146	-	146	146	-
Total financial liabilities		649	634	15	649	634	15

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11.3. Financial instruments (continued)

Categorisation of financial assets and liabilities

Category of financial asset and financial liability	Note	Carrying amount / fair value \$'000	2019 Contractual maturities Consolidated		Carrying amount / fair value \$'000	2019 Contractual maturities HTSA	
			Current \$'000	1-5 years \$'000		Current \$'000	1-5 years \$'000
Financial assets							
Cash and cash equivalent							
Cash and cash equivalent	5.1	4 997	4 997	-	3 655	3 655	-
Financial assets at amortised cost							
Receivables	5.2	233	233	-	232	232	-
Total financial assets		5 230	5 230	-	3 887	3 887	-
Financial liabilities							
Financial liabilities held at amortised cost							
Payables	7.1	343	343	-	343	343	-
Other liabilities	7.4	60	60	-	60	60	-
Total financial liabilities		403	403	-	403	403	-

Receivables and payables

The receivable and payable amounts disclosed here exclude amounts relating to statutory receivables and payables (e.g. Commonwealth, State and Local Government taxes, fees and charges; Auditor-General's Department audit fees). 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 levies, tax and equivalents, they would be excluded from the disclosure. The standard defines contract as enforceable by law. All amounts recorded are carried at cost (not materially different from amortised cost).

The receivables amount disclosed here excludes prepayments as they are not financial assets. Prepayments are presented in note 5.2.