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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 and the consolidated entity comprising the History Trust of South Australia and its controlled entities for the financial year ended 30 June 2022.

In my opinion, the accompanying financial report gives a true and fair view of the financial position of the History Trust of South Australia and its controlled entities as at 30 June 2022, their financial performance and their cash flows for the year then ended in accordance with relevant Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards – Simplified Reporting Requirements.

The financial report comprises:

- a Statement of Comprehensive Income for the year ended 30 June 2022
- a Statement of Financial Position as at 30 June 2022
- a Statement of Changes in Equity for the year ended 30 June 2022
- a Statement of Cash Flows for the year ended 30 June 2022
- notes, comprising material accounting policies and other explanatory information
- a Certificate from the Chair, Chief Executive Officer and Manager, Business Unit.

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 and its controlled entities. 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 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* and the Australian Accounting Standards – Simplified Reporting Requirements, 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 and consolidated 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 Board of Trustees 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(3) of the *History Trust of South Australia Act 1981*, I have audited the financial report of the History Trust of South Australia and its controlled entities for the financial year ended 30 June 2022.

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
- 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 about, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during the audit.



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

29 September 2022

History Trust of South Australia

**Financial Statements
for the year ended
30 June 2022**

Certification of the Financial Statements

We certify that the:

- financial statements of the History Trust of South Australia:
 - are in accordance with the accounts and records of the History Trust of South Australia;
 - comply with relevant Treasurer’s Instructions;
 - comply with relevant accounting standards; and
 - present a true and fair view of the financial position of the History Trust of South Australia 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 History Trust of South Australia for the financial year over its financial reporting and its preparation of financial statements have been effective.



D Tims

Manager, Business Unit
**HISTORY TRUST OF SOUTH
AUSTRALIA**

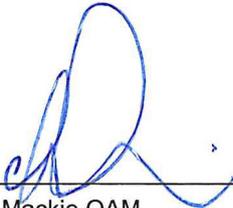
28 September 2022



E Ho OAM

Chair
**HISTORY TRUST OF SOUTH
AUSTRALIA**

28 September 2022



G Mackie OAM

Chief Executive Officer
**HISTORY TRUST OF SOUTH
AUSTRALIA**

28 September 2022

History Trust of South Australia
Statement of Comprehensive Income
for the year ended 30 June 2022

		2022	2021	2022	2021
		Consolidated	Consolidated	HTSA	HTSA
		\$'000	\$'000	\$'000	\$'000
Income					
Operating and capital grant funding	2.1	9 557	6 946	9 557	6 946
Sales of goods and services	2.2	1 226	1 506	1 226	1 506
Other Income	2.3	851	458	851	457
Resources received free of charge	2.4	759	683	759	683
Grants and contributions	2.5	371	959	371	959
Donations	2.6	110	266	103	228
Total income		12 874	10 818	12 867	10 779
Expenses					
Employee benefits expenses	3.3	6 958	6 744	6 958	6 744
Supplies and services	4.1	4 583	3 788	4 572	3 769
Depreciation and amortisation	6.3	817	821	817	821
Grants and subsidies	4.2	406	514	406	514
Loss on revaluation		-	347	-	347
Loss on disposal of heritage collections		40	-	40	-
Total expenses		12 804	12 214	12 793	12 195
Net result		70	(1 396)	74	(1 416)
Other comprehensive income					
<i>Items that will not be reclassified to net result</i>					
Gain on revaluation of heritage collections during 2021-22	6.3	42	-	42	-
Total other comprehensive income		42	-	42	-
Total comprehensive result		112	(1 396)	116	(1 416)

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 2022

		2022	2021	2022	2021
	Note	Consolidated \$'000	Consolidated \$'000	HTSA \$'000	HTSA \$'000
Current assets					
Cash and cash equivalents	5.1	7 628	5 772	6 243	4 382
Receivables	5.2	423	211	423	211
Inventories		74	88	74	88
Total current assets		8 125	6 071	6 740	4 681
Non-current assets					
Receivables	5.2	92	51	92	51
Property, plant and equipment	6.3	19 117	19 811	19 117	19 811
Heritage collections	6.3	20 396	20 379	20 396	20 379
Total non-current assets		39 605	40 241	39 605	40 241
Total assets		47 730	46 312	46 345	44 922
Current liabilities					
Payables	7.1	855	878	854	876
Lease liabilities	7.3	19	19	19	19
Employee benefits liability	3.4	578	737	578	737
Provisions	7.2	293	145	293	145
Other liabilities	7.4	120	136	120	136
Total current liabilities		1 865	1 915	1 864	1 913
Non-current liabilities					
Payables	7.1	66	66	66	66
Lease liabilities	7.3	6	9	6	9
Employee benefits liability	3.4	686	696	686	696
Provisions	7.2	3 040	1 671	3 040	1 671
Total non-current liabilities		3 798	2 442	3 798	2 442
Total liabilities		5 663	4 357	5 662	4 355
Net assets		42 067	41 955	40 683	40 567
Equity					
Retained earnings		21 001	20 931	19 617	19 543
Asset revaluation surplus		21 066	21 024	21 066	21 024
Total equity		42 067	41 955	40 683	40 567

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 2022

Consolidated		Asset revaluation surplus	Retained earnings	Total equity
		\$'000	\$'000	\$'000
Balance at 1 July 2020		21 024	22 327	43 351
Net result for 2020-21		-	(1 396)	(1 396)
Total comprehensive result for 2020-21		-	(1 396)	(1 396)
Balance at 30 June 2021		21 024	20 931	41 955
Net result for 2021-22			70	70
Gain on revaluation of heritage collections during 2021-22	6.3	42	-	42
Total comprehensive result for 2021-2022		42	70	112
Balance at 30 June 2022		21 066	21 001	42 067

HTSA		Asset revaluation surplus	Retained earnings	Total equity
		\$'000	\$'000	\$'000
Balance at 1 July 2020		21 024	20 959	41 983
Net result for 2020-21			(1 416)	(1 416)
Total comprehensive result for 2020-21		-	(1 416)	(1 416)
Balance at 30 June 2021		21 024	19 543	40 567
Net result for 2021-22			74	74
Gain on revaluation of heritage collections during 2021-22	6.3	42	-	42
Total comprehensive result for 2021-2022		42	74	116
Balance at 30 June 2022		21 066	19 617	40 683

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 Cash Flows
for the year ended 30 June 2022

		2022 Consolidated \$'000 (Outflows) Inflows	2021 Consolidated \$'000 (Outflows) Inflows	2022 HTSA \$'000 (Outflows) Inflows	2021 HTSA \$'000 (Outflows) Inflows
Cash flows from operating activities	Note				
Cash inflows					
Operating and capital grant funding		9 557	6 946	9 557	6 946
Fees and charges		686	1 551	686	1 550
Grants and contributions received		371	1 033	371	1 033
GST recovered from the ATO		193	191	193	191
Donations		95	163	88	125
Sale of goods and services		1 185	380	1 185	380
Cash generated from operations		12 087	10 264	12 080	10 225
Cash outflows					
Employee benefit payments		(5 566)	(4 992)	(5 566)	(4 991)
Payments for supplies and services		(3 972)	(3 165)	(3 960)	(3 146)
Payments of grants and subsidies		(406)	(589)	(406)	(589)
Cash used in operations		(9 944)	(8 746)	(9 932)	(8 726)
Net cash provided by / (used in) operating activities		2 143	1 518	2 148	1 499
Cash flows from investing activities					
Cash outflows					
Purchase of property, plant and equipment		(259)	(146)	(259)	(146)
Cash used in investing activities		(259)	(146)	(259)	(146)
Net cash provided by / (used in) investing activities		(259)	(146)	(259)	(146)
Cash flows from financing activities					
Cash outflows					
Repayment of leases		(28)	(25)	(28)	(25)
Cash used by financing activities		(28)	(25)	(28)	(25)
Net cash provided by / (used in) financing activities		(28)	(25)	(28)	(25)
Net (decrease) / increase in cash and cash equivalents		1 856	1 347	1 861	1 328
Cash and cash equivalents at the beginning of the reporting period		5 772	4 425	4 382	3 054
Cash and cash equivalents at the end of the reporting period	5.1/8.2	7 628	5 772	6 243	4 382

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 2022

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 in 2013-14.

The financial statements have been prepared by combining the financial statements of all entities that comprise the consolidated entity being the Trust, the Migration Museum Foundation Incorporated and the 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 which 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.

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 applying simplified disclosures.

These are the first financial statements prepared in accordance with AASB 1060 Australian Accounting Standards – General Purpose Financial Statements - Simplified Disclosures. In the prior year, the financial statements were prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements. There has been no impact on the recognition and measurement of amounts recognised in the statements of financial position, profit and loss and other comprehensive income and cash flows of the Trust as a result of the change in the basis of preparation.

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

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

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).

History Trust of South Australia
Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

1.1 Basis of preparation (continued)

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.

Significant accounting policies are set out throughout the notes.

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 continued to affect the operations of the Trust, the impacts are included under the relevant disclosure notes. The key impacts in 2021-22 were:

- The Trust's museums reopened with restrictions in June 2020. Restrictions continued throughout 2021-22 including limited visitor numbers and school programs.
- The Trust submitted a business continuity claim for 24 March 2020 to 24 March 2021. The final claim was received during 2021-2022 from SAICORP due to the loss of income and additional cost impact associated with the COVID-19 pandemic. The Trust's claim was submitted over two financial years. Part 1 from 24 March 2020 to 30 June 2020, with this claim settled in May 2021, and part 2 from 1 July 2020 to 24 March 2021, with this claim settled in September 2022. The claims have been recognised as income in Note 2.3.

History Trust of South Australia
Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

2. Income

2.1. Operating and capital grant funding

	2022	2021	2022	2021
	Consolidated	Consolidated	HTSA	HTSA
	\$'000	\$'000	\$'000	\$'000
Recurrent funding	6 916	6 848	6 916	6 848
Capital funding	2 641	98	2 641	98
Total Operating and capital grant funding	9 557	6 946	9 557	6 946

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

2.2. Sales of goods and services

	2022	2021	2022	2021
	Consolidated	Consolidated	HTSA	HTSA
	\$'000	\$'000	\$'000	\$'000
Fee for service	153	198	153	198
Admissions and tours	660	850	660	850
Sales of goods	244	242	244	242
Sponsorships	111	127	111	127
Facilities hire	58	56	58	56
Exhibition hire	-	33	-	33
Total sales of goods and services	1 226	1 506	1 226	1 506

Revenue from fees for service, sales of goods and hire services is recognised at a point in time as services are provided. Sponsorship, admissions and tours revenue are recognised on receipt.

2.3. Other Income

	2022	2021	2022	2021
	Consolidated	Consolidated	HTSA	HTSA
	\$'000	\$'000	\$'000	\$'000
Insurance recoveries	577	371	577	371
Recoup receivable	110	12	110	12
Workers compensation recoup recoverable	46	54	46	54
Other	118	21	118	20
Total Other Income	851	458	851	457

Other income is recognised on receipt.

History Trust of South Australia
Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

2.4. Resources received free of charge

	2022 Consolidated \$'000	2021 Consolidated \$'000	2022 HTSA \$'000	2021 HTSA \$'000
Services received free of charge – Artlab conservation services	627	545	627	545
Services received free of charge – Shared Services SA	117	123	117	123
Services received free of charge – Department of the Premier and Cabinet	15	15	15	15
Total resources received free of charge	759	683	759	683

Resources received free of charge are recorded as income and expenditure in the Statement of Comprehensive Income at their fair value.

Under an arrangement with Artlab, Shared Services SA and the Department of the Premier and Cabinet these agencies are directly appropriation funded for the services provided to general government agencies. Contributions of services are recognised only when a fair value can be determined reliably and the services would be purchased if they had not been donated.

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

The Trust receives Financial Accounting, Taxation, Payroll, Accounts Payable and Accounts Receivable services from Shared Services SA free of charge, following Cabinet's approval to cease intra-government charging.

The Trust receives Centralised IT and Telecommunication services by ICT and Digital Government (previously known as StateNet part of Department of the Premier and Cabinet) free of charge, following Cabinet's approval to cease intra-government charging.

2.5. Grants and contributions

	2022 Consolidated \$'000	2021 Consolidated \$'000	2022 HTSA \$'000	2021 HTSA \$'000
State government grants	331	923	331	923
Commonwealth grants	-	14	-	14
Other grants	40	22	40	22
Total grants and contributions	371	959	371	959

Grant revenue is recognised when enforceable stipulations specified in the agreement are satisfied.

2.6. Donations

	2022 Consolidated \$'000	2021 Consolidated \$'000	2022 HTSA \$'000	2021 HTSA \$'000
Donations	95	163	88	125
Donations of heritage assets	15	103	15	103
Total donations	110	266	103	228

Donations of cash are recognised upon receipt. Donations of heritage assets include vehicles. Refer to note 10.1 for the valuation of these donations.

History Trust of South Australia
Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

3. Board, committees and employees

3.1. Key management personnel

Key management personnel of the Trust include the Minister for Education, Training and Skills (the Minister), 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 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 DTF) under section 6 the *Parliamentary Remuneration Act 1990*.

Total compensation for the Trust's key management personnel was \$236 000 (2021: \$217 000).

Transactions with key management personnel and other related parties

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 2.4. The Trust also has accommodation agreements in place with the Department for Infrastructure and Transport (DIT) for the rental of office accommodation and storage facility. Accommodation expenses are outlined in note 4.1.

3.2. Board and committee members

Members during the 2021-22 financial year were:

Board of Trustees

Ms E Ho, OAM (Chair)	Mr M Neale
Dr E Balan-Vnuk*	Ms J Roache
Dr V Drapac	Dr J Thomas*
Mr M Lennon	Mr J Voumard

Migration Museum Foundation

Ms E Ho, OAM (Chair)	Mr S Smith
Ms J Benger*	Ms G Theseira-Haese
Ms A Paul*	

History Trust of South Australia Foundation

Ms E Ho, OAM (Chair)
 Mr G Mackie*, OAM
 Ms D Tims*

Remuneration

	2022	2021
	Number of members	Number of members
The number of members whose remuneration received/receivable falls within the following bands:		
\$0 - \$9 999	14	15
Total number of members	14	15

The total remuneration received or receivable by members was \$12 000 (2021: \$7 000). Remuneration of members includes sitting fees only.

*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.

History Trust of South Australia
Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

3.3. Employee benefits expenses

	2022	2021	2022	2021
	Consolidated	Consolidated	HTSA	HTSA
	\$'000	\$'000	\$'000	\$'000
Salaries and wages	4 068	3 808	4 068	3 808
Workers compensation	1 604	1 841	1 604	1 841
Staff on-costs - superannuation	471	405	471	405
Annual leave	328	336	328	336
Payroll tax	219	202	219	202
Targeted voluntary separation packages	129	-	129	-
Other staff related expenses	127	97	127	97
Skills and experience retention leave	25	22	25	22
Board fees	12	7	12	7
Long service leave	(25)	26	(25)	26
Total employee benefits expenses	6 958	6 744	6 958	6 744

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.

Employee Remuneration

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

	2022	2021
	Consolidated	Consolidated
	Number of employees	Number of employees
The number of employees whose remuneration received or receivable falls within the following bands:		
\$157 001 to \$177 000	-	1
\$197 001 to \$217 000	-	1
\$217 001 to \$237 000	1	-
Total	1	2

The table includes all employees whose normal remuneration was equal to or greater than the base executive remuneration level during the year. Remuneration of employees reflects all costs of employment including salaries and wages, payments in lieu of leave, superannuation contributions, COVID-19 leave payments, salary sacrifice benefits and fringe benefits and any other related fringe benefits tax.

Remuneration received or due and receivable by the above employees was \$222 000 (2021: \$369 000), which is included in employee benefits expenses.

Targeted voluntary separation packages (TVSP)

	2022	2021
	Consolidated	Consolidated
	\$'000	\$'000
Targeted voluntary separation packages	129	-
Leave paid to separated employees	52	-
Total amount paid	181	-

Five staff members received a rejuvenation package during the reporting period (2021: nil)

History Trust of South Australia
Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

3.4. Employee benefits liability

	2022 Consolidated \$'000	2021 Consolidated \$'000	2022 HTSA \$'000	2021 HTSA \$'000
Current				
Long service leave	109	204	109	204
Annual leave	327	365	327	365
Accrued salaries and wages	119	153	119	153
Skills and experience retention leave	23	15	23	15
Total current employee benefits	578	737	578	737
Non-current				
Long service leave	686	696	686	696
Total non-current employee benefits	686	696	686	696
Total employee benefits liability	1 264	1 433	1 264	1 433

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.

Salary inflation rate for annual leave, skills and experience retention leave liability changed to 1.5% (2%: 2021).

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 staff up to the end of the reporting period using the projected unit credit method.

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

The actuarial assessment performed by DTF 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 staff departures and periods of service. These assumptions are based on staff data over SA Government entities.

AASB 119 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 changed from 1.25% (2021) to 3.5% (2022).

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 net financial effect of the changes to actuarial assumptions in the current financial year is a decrease in the long service leave liability of \$121 000 and employee expense of \$121 000.

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 actuarial assessment performed by the DTF did not change the salary inflation rate (2021: 2.5%) for long service leave liability. As a result, there is no net financial effect resulting from changes in the salary inflation.

History Trust of South Australia
Notes to and forming part of the Financial Statements
for the year ended 30 June 2022

4. Expenses

4.1. Supplies and services

	2022	2021	2022	2021
	Consolidated	Consolidated	HTSA	HTSA
	\$'000	\$'000	\$'000	\$'000
Building Maintenance	1 141	642	1 138	635
Conservation	630	546	630	546
Accommodation	600	671	600	671
Information technology	322	315	322	315
Marketing and promotion	301	366	301	361
Consultants	259	91	259	91
Minor equipment	254	119	251	116
Exhibitions and collections	172	195	172	194
Cost of goods sold	158	144	158	144
Professional fees	143	58	143	58
Communication and stationery	139	120	138	120
Shared Services SA and DPC charges	132	138	132	138
Other expenses	117	107	115	107
Insurance and risk management	116	105	116	105
Audit fees*	53	52	51	49
Travel	28	25	28	25
Projects	18	94	18	94
Total supplies and services	4 583	3 788	4 572	3 769

Accommodation

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

Audit fees

* Includes audit fees paid/payable to the Auditor-General's Department relating to work performed under the *Public Finance and Audit Act 1987* of \$53 000 (2021: \$52 000). No other services were provided by the Auditor-General's Department

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4.2. Grants and subsidies

	2022	2021	2022	2021
	Consolidated	Consolidated	HTSA	HTSA
	\$'000	\$'000	\$'000	\$'000
Museums and Collections Fund	298	441	298	441
South Australian History Fund	108	73	108	73
Total grants and subsidies	406	514	406	514

5. Financial assets

5.1. Cash and cash equivalents

	2022	2021	2022	2021
	Consolidated	Consolidated	HTSA	HTSA
	\$'000	\$'000	\$'000	\$'000
Deposits with the Treasurer	7 622	5 765	6 237	4 375
Cash on hand	6	7	6	7
Total cash and cash equivalents	7 628	5 772	6 243	4 382

Deposits with the Treasurer

The "History Trust of South Australia Account" is 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

	2022	2021	2022	2021
	Consolidated	Consolidated	HTSA	HTSA
	\$'000	\$'000	\$'000	\$'000
Current				
GST input tax recoverable	193	154	193	154
Trade receivables	85	45	85	45
Workers compensation receivable	9	4	9	4
Other receivables	110	6	110	6
Prepayments	26	2	26	2
Total current receivables	423	211	423	211
Non-current				
Workers compensation receivable	92	51	92	51
Total non-current receivables	92	51	92	51
Total receivables	515	262	515	262

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5.2. Receivables (continued)

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

Statutory receivables do not arise from contracts with customers. They are recognised and measured similarly to contractual receivables (except impairment) but are not classified as financial instruments for disclosure purposes

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

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.

6. Non-financial assets

6.1. Property, plant and equipment by asset class

Property, plant and equipment

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 10.1.

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 2022

6.2. Depreciation and amortisation

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.

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6.2. 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

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

6.3. Property, plant and equipment owned by the Trust

Reconciliation of property, plant and equipment owned by the Trust

Consolidated 2021-22	Buildings and Land improvements	Work in Progress	Leasehold improvements	Plant and equipment	Right of use vehicles	Total	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Carrying amount 1 July 2021	6 395	12 150	122	125	991	28	19 811
Additions	-	22	54	-	27	20	123
Transfers to/(from) WIP	-	136	(136)	-	-	-	-
Subtotal:	6 395	12 308	40	125	1 018	48	19 934
Gains/(losses) for the period recognised in net result:							
Depreciation and amortisation	-	(633)	-	(45)	(116)	(23)	(817)
Subtotal:	-	(633)	-	(45)	(116)	(23)	(817)
Carrying amount at 30 June 2022	6 395	11 675	40	80	902	25	19 117
Gross carrying amount							
Gross carrying amount	6 395	44 275	40	178	1 567	75	52 530
Accumulated depreciation/amortisation	-	(32 600)	-	(98)	(665)	(50)	(33 413)
Carrying amount at 30 June 2022	6 395	11 675	40	80	902	25	19 117

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

Heritage collections

Reconciliation of heritage collections

Consolidated 2021-22	Consolidated	HTSA
	\$'000	\$'000
Carrying amount 1 July 2021	20 379	20 379
Revaluations	42	42
Donations	15	15
Disposals	(40)	(40)
Carrying amount at 30 June 2022	20 396	20 396

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.

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 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.

Railway and Tram Collection items, part of the Directorate Collection, were revalued in 2021-2022. The valuation decreased by 10% from the last valuation, completed in 2015. The decrease is due to the market being saturated with non-compliant Railway and Tram Collections, which in turn has reduced the market value of the HTSA Railway and Tram Collection.

6.4. Property, plant and equipment leased by the Trust

Right-of-use assets leased by the Trust are measured at cost.

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.

The lease liabilities related to the right-of-use vehicles and the maturity analysis of its lease liabilities are disclosed in note 7.3. Depreciation expenses related to the leases are disclosed in note 6.2 and 6.3.

Depreciation on right-of-use vehicles is calculated on straight-line basis over the life of the lease.

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7. Liabilities

7.1. Payables

	2022 Consolidated \$'000	2021 Consolidated \$'000	2022 HTSA \$'000	2021 HTSA \$'000
Current				
Accrued expenses	706	646	705	646
Employment on-costs	109	127	109	127
Creditors	40	105	40	103
Total current payables	855	878	854	876
Non-current				
Employment on-costs	66	66	66	66
Total non-current payables	66	66	66	66
Total payables	921	944	920	942

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

All payables are non-interest bearing. The carrying amount of payables approximates net fair value due to the amounts being payable on demand.

Employment on-costs

Employment on-costs include payroll tax, ReturnToWorkSA levies and superannuation contributions and are settled when the respective employee benefits that they relate to is discharged.

The Trust contributes to several State Government and externally managed superannuation schemes. These contributions are treated as an expense when they occur. There is no liability for payments to beneficiaries as they have been assumed by the respective superannuation schemes. The only liability outstanding at reporting date relates to any contributions due but not yet paid to the South Australian Superannuation Board.

As a result of an actuarial assessment performed by the Department of Treasury and Finance, the proportion of long service leave taken as leave has not changed from the 2021 rate 42% the average factor for the calculation of employer superannuation costs on-costs has changed to 10.6% (2021: 10.1%). These rates are used in the employment on-cost calculation. The net financial effect of the changes in the current financial year is immaterial

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7.2. Provisions

All provisions relate to workers compensation.

Reconciliation of workers compensation (statutory and non-statutory)

	2022 Consolidated \$'000	2021 Consolidated \$'000	2022 HTSA \$'000	2021 HTSA \$'000
Movements in provisions				
Carrying amount at the beginning of the period	1 816	68	1 816	68
Additional provision recognised	1 521	1 752	1 521	1 752
Reductions resulting from re-measurement	(4)	(4)	(4)	(4)
Carrying amount at the end of the period	3 333	1 816	3 333	1 816

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

Accordingly, a liability 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 2022 provided by a consulting actuary engaged through the Office of the Commissioner for Public Sector Employment.

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

Measurement of the provision for worker's compensation as at 30 June 2022 includes the impacts of the decision of the Full Court of the Supreme Court of South Australia in *Return to Work Corporation of South Australia vs Summerfield* (Summerfield decision). The Summerfield decision increased the liabilities of the Return to Work Scheme (the Scheme) and the provision for workers compensation across government.

Legislation to reform the Return to Work Act 2014 was proclaimed in July 2022, with the reforms expected to reduce the overall liability of the Scheme. The impacts of these reforms on the provision for workers compensation across government will be considered when measuring the provision as at 30 June 2023.

7.3. Lease liabilities

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

	2022 Consolidated \$'000	2021 Consolidated \$'000	2022 HTSA \$'000	2021 HTSA \$'000
Lease Liabilities				
Within one year	19	19	19	19
Later than one year but no longer than five years	6	9	6	9
Total lease liabilities (undiscounted)	25	28	25	28

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

The total cash outflow for leases in 2021-22 was \$28 000 (2021: \$25 000) which related to the repayment of leases.

Right-of-use assets are disclosed in note 6.3.

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7.4 Other liabilities

	2022 Consolidated \$'000	2021 Consolidated \$'000	2022 HTSA \$'000	2021 HTSA \$'000
Current				
Unearned revenue	117	136	117	136
AR refund	3	-	3	-
Total current other liabilities	120	136	120	136
Total other liabilities	120	136	120	136

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 operating cash flows.

9. Outlook

9.1. Unrecognised 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:

	2022 \$'000	2021 \$'000
Within one year	657	14
Total capital commitments	657	14

The Trust's capital commitments are for boiler replacement.

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:

	2022 Consolidated \$'000	2021 Consolidated \$'000
Within one year	208	279
Later than one year but not later than five years	218	385
Total expenditure commitments	426	664

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9.1 Unrecognised commitments (continued)

The Trust's expenditure commitments comprise of cleaning contracts and MoAA with DIT for accommodation, and with the Urban Renewal Authority for the lease of a shed at Port Adelaide.

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.

The Trust is not aware of any contingent assets or contingent liabilities as at 30 June 2022.

9.3. COVID-19 pandemic outlook for the Trust

The COVID-19 pandemic will continue to impact the operations of the Trust in 2022-23. The key expected impact is a reduction in income due to a decrease in visitor numbers at the Museums.

9.4. 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.

10. Measurement and risk

10.1. Fair value

AASB 13 *Fair Value Measurement* defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants, in the principle or most advantageous market, at the measurement date.

Initial recognition

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

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

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).

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for the year ended 30 June 2022

10.1 Fair value (continued)

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.

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.

Plant and equipment

All items of plant and equipment that 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' have 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 (Other) | 30 June 2022 | James Munroe (Aon Global Risk Consulting) |
| • Directorate (Railway Collection) | 30 June 2021 | Leonard Millar |

History Trust of South Australia

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10.1 Fair value (continued)

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

• National Motor Museum Collection	30 June 2021	Jon G Chittleborough
• National Motor Museum Collection	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 (Other)	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.

10.2. Financial instruments

Financial risk management

Risk Management is managed by the Trust. The Trust's risk management policies are in accordance with the *SA Government Risk Management Guide* and the principles established in the *Australian Standard Risk Management Principles and Guidelines*.

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

The Trust is funded principally from grants from the Department of Education.

Categorisation of financial assets and liabilities

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.

Classification of financial instruments

The Trust measures all financial instruments at amortised cost.