

History Trust of South Australia

Financial report
for the year ended
30 June 2018



Level 9
State Administration Centre
200 Victoria Square
Adelaide SA 5000
DX 56208
Victoria Square
Tel +618 8226 9640
Fax +618 8226 9688
ABN 53 327 061 410
audgensa@audit.sa.gov.au
www.audit.sa.gov.au

To the Chair History Trust of South Australia

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 (the Trust) and the consolidated entity comprising the History Trust of South Australia and its controlled entities for the financial year ended 30 June 2018.

Opinion

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 2018, their financial performance and their cash flows for the year then ended in accordance with the Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards.

The consolidated financial report comprises:

- a Statement of Comprehensive Income for the year ended 30 June 2018
- a Statement of Financial Position as at 30 June 2018
- a Statement of Changes in Equity for the year ended 30 June 2018
- a Statement of Cash Flows for the year ended 30 June 2018
- notes, comprising a summary of significant accounting policies and other explanatory information
- a Certificate from the Chair, Chief Executive Officer and the Business Manager.

Basis for opinion

I conducted the audit in accordance with the *Public Finance and Audit Act 1987* and Australian Auditing Standards. My responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial report' section of my report. I am independent of the Trust 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 have been met.

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

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

The Chief Executive Officer is responsible for the preparation of the financial report that gives a true and fair view in accordance with the 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 members of the Trust are responsible for overseeing the entity's financial reporting process.

Auditor's responsibilities for the audit of the financial report

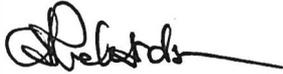
My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an 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
- 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 communicate with Chief Executive Officer and members of the Trust about, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during the audit.

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

Andrew Richardson

Auditor-General

25 September 2018

History Trust of South Australia

Certification of the Financial Statements

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 Trust; and
- present a true and fair view of the financial position of the History Trust of South Australia as at 30 June 2018 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
Business Manager
HISTORY TRUST OF SOUTH AUSTRALIA
24 / 9 / 2018



G Mackie OAM
Chief Executive Officer
HISTORY TRUST OF SOUTH AUSTRALIA
24 / 9 / 2018



E Ho OAM
Chair
HISTORY TRUST OF SOUTH AUSTRALIA
24 / 9 / 2018

History Trust of South Australia

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 30 June 2018

	Note No.	Consolidated		HTSA	
		2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Expenses					
Employee benefits expenses	3	7 279	4 750	7 242	4 744
Supplies and services	5	3 746	4 162	3 728	4 144
Depreciation expenses	6	667	640	667	640
Grant payments	7	222	161	222	161
Net loss from the disposal of non-current assets	8	75	-	75	-
Total expenses		11 989	9 713	11 934	9 689
Income					
Fees and charges	9	1 622	1 293	1 618	1 293
Grants	10	436	634	436	634
Interest revenues	11	86	87	68	70
Resources received free of charge	12	428	651	428	651
Donations	13	194	98	136	66
Other income	14	175	183	175	183
Total income		2 941	2 946	2 861	2 897
Net cost of providing services		(9 048)	(6 767)	(9 073)	(6 792)
Revenues from / payments to SA Government					
Revenue from SA Government – recurrent operating grant		6 529	6 566	6 529	6 566
Revenue from SA Government – capital grant		-	246	-	246
Total revenues from SA Government		6 529	6 812	6 529	6 812
Net result		(2 519)	45	(2 544)	20
Other comprehensive income					
Items that will not be reclassified to net result:					
Gain/(loss) on revaluation of heritage collections		70	(492)	70	(492)
Total other comprehensive income		70	(492)	70	(492)
Total comprehensive result		(2 449)	(447)	(2 474)	(472)

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 2018

	Note No.	Consolidated		HTSA	
		2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Current assets					
Cash and cash equivalents	15	4 827	5 047	3 467	3 712
Receivables	16	68	118	66	117
Inventories		107	102	107	102
Total current assets		5 002	5 267	3 640	3 931
Non-current assets					
Receivables	16	84	3	84	3
Property, plant and equipment	18	16 055	16 432	16 055	16 432
Heritage collections	18	19 426	19 076	19 426	19 076
Total non-current assets		35 565	35 511	35 565	35 511
Total assets		40 567	40 778	39 205	39 442
Current liabilities					
Payables	19	364	536	361	534
Employee benefits	20	906	832	906	832
Provisions	21	214	81	214	81
Other liabilities	22	60	-	60	-
Total current liabilities		1 544	1 449	1 541	1 447
Non-current liabilities					
Payables	19	64	62	64	62
Employee benefits	20	698	677	698	677
Provisions	21	2 278	158	2 278	158
Total non-current liabilities		3 040	897	3 040	897
Total liabilities		4 584	2 346	4 581	2 344
Net Assets		35 983	38 432	34 624	37 098
Equity					
Retained earnings	23	19 390	21 909	18 031	20 575
Asset revaluation surplus	23	16 593	16 523	16 593	16 523
Total Equity		35 983	38 432	34 624	37 098

The total equity is attributable to the SA Government as owner

Unrecognised contractual commitments	24
Contingent assets and liabilities	25

History Trust of South Australia

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2018

	Note No	Consolidated			HTSA		
		Asset Revaluation Surplus \$'000	Retained Earnings \$'000	Total \$'000	Asset Revaluation Surplus \$'000	Retained Earnings \$'000	Total \$'000
Balance at 30 June 2016		17 015	21 864	38 879	17 015	20 555	37 570
Net result for 2016-17		-	45	45	-	20	20
Loss on revaluation of heritage collections during 2016-17		(492)	-	(492)	(492)	-	(492)
Total comprehensive result for 2016-17		(492)	45	(447)	(492)	20	(472)
Balance at 30 June 2017	23	16 523	21 909	38 432	16 523	20 575	37 098
Net result for 2017-18		-	(2 519)	(2 519)	-	(2 544)	(2 544)
Gain on revaluation of heritage collections during 2017-18	18	70	-	70	70	-	70
Total comprehensive result for 2017-18		70	(2 519)	(2 449)	70	(2 544)	(2 474)
Balance at 30 June 2018	23	16 593	19 390	35 983	16 593	18 031	34 624

All changes in equity are attributable to SA Government as owner.

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

History Trust of South Australia

STATEMENT OF CASH FLOWS

For the year ended 30 June 2018

	Note No.	Consolidated		HTSA	
		2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Cash flows from operating activities					
Cash outflows					
Employee benefit payments		(4 921)	(4 562)	(4 884)	(4 556)
Payments for supplies and services		(3 444)	(3 304)	(3 426)	(3 287)
Payments of grants		(222)	(161)	(222)	(161)
Cash (used in) operations		(8 587)	(8 027)	(8 532)	(8 004)
Cash inflows					
Fees and charges		1 700	1 328	1 696	1 328
Grants		326	525	326	525
Interest received		88	88	70	70
Donations		89	60	31	28
Other receipts		175	183	175	183
Cash generated from operations		2 378	2 184	2 298	2 134
Cash flows from SA Government					
Receipts from SA Government – recurrent operating grant		6 529	6 566	6 529	6 566
Receipts from SA Government – capital grant		-	246	-	246
Cash generated from SA Government		6 529	6 812	6 529	6 812
Net cash provided by (used in) operating activities		320	969	295	942
Cash flows from investing activities					
Cash outflows					
Purchase of property, plant and equipment		(290)	(266)	(290)	(266)
Purchase of heritage collection		(250)	-	(250)	-
Net cash (used in) investing activities		(540)	(266)	(540)	(266)
Net increase in cash and cash equivalents		(220)	703	(245)	676
Cash and cash equivalents at the beginning of the 1 July		5 047	4 344	3 712	3 036
Cash and cash equivalents at the end of 30 June	15	4 827	5 047	3 467	3 712

History Trust of South Australia

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NOTES TO THE FINANCIAL STATEMENTS

1. BASIS OF FINANCIAL STATEMENTS

1.1. Reporting Entity

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 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*. A list of controlled entities is at note 28.

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.

1.2. Statement of compliance

The Trust has prepared these financial statements in compliance with section 23 of the *Public Finance and Audit Act 1987*.

The financial statements are general purpose financial statements. The accounts have been prepared in accordance with relevant Australian Accounting Standards and comply with Treasurer's Instructions and Accounting Policy Statements promulgated under the provisions of the *Public Finance and Audit Act 1987*.

The Trust has applied Australian Accounting Standards that are applicable to not-for-profit entities, as the trust is a not-for-profit entity. Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective, have not been adopted by the Trust for the period ending 30 June 2018.

1.3. Basis of preparation

The financial statements have been prepared based on a 12 month 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 on a different basis.

All amounts in the financial statements and accompanying notes have been rounded to the nearest thousand dollars (\$'000).

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

Significant accounting policies are set out in the notes.

1.4. Taxation

The Trust is not subject to income tax. The Trust is liable for payroll tax, fringe benefits tax, goods and services tax (GST), emergency services levy and local government rates.

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.

The net amount of GST recoverable from, or payable to the Australian Taxation Office is not included as part of receivables or payables in the Statement of Financial Position as the Trust is a member of an approved GST group of which Arts South Australia, a division of the Department of State Development, is responsible for the remittance and collection of GST. There are no cash flows relating to GST transactions with the Australian Taxation Office in the Statement of Cash Flows.

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.

2. OBJECTIVES AND ACTIVITIES OF THE HISTORY TRUST OF SOUTH AUSTRALIA (THE TRUST)

The Trust's objectives 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 is charged with the management of the Trust, as prescribed under the *History Trust of South Australia Act 1981*.

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

3. EMPLOYEE BENEFITS

3.1 Employee benefits expenses

	Consolidated		HTSA	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Salaries and wages	3 691	3 493	3 659	3 487
Long service leave	136	85	136	85
Annual leave	312	317	312	317
Skills and experience retention leave	21	17	21	17
Superannuation	414	375	411	375
Payroll tax	197	183	195	183
Board fees	7	8	7	8
Workers compensation	2 311	111	2 311	111
Other employee related expenses	190	161	190	161
Total employee benefits expenses	7 279	4 750	7 242	4 744

3.2 Key management personnel

Key management personnel of the Trust includes the Board members and Chief Executive Officer who have responsibility for the strategic direction and management of the Trust.

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

3.3 Remuneration of Employee

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

	Number of employees 2018	Number of employees 2017
\$187 001 to \$197 000	1	1
Total number of employee	1	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 including salaries and wages, payment in lieu of leave, superannuation contributions, salary sacrifice benefits and fringe benefits and other fringe benefits tax paid or payable in respect of those benefits. The total remuneration received by these employees for the year was \$192 000 (\$188 000).

4. REMUNERATION OF BOARD MEMBERS

Board members during the 2018 financial year the following persons held a position on the Trust;

Ms E Ho, OAM (Chair)	Mr M Lennon
Dr E Balan-Vnuk	Dr P Monteath
Mr J Den Hartog	Ms J Roache
Mr P Goers	Ms C Zollo

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

	Number of Board Members 2018	Number of Board Members 2017
\$1 to \$9 999	7	12
Total number of Board Members	7	12

Remuneration of members reflects costs of sitting fees. The total remuneration received or receivable by members was \$8 000 (\$8 000).

5. SUPPLIES AND SERVICES

	Consolidated		HTSA	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Accommodation	525	407	525	407
Building maintenance	504	568	497	564
Business Services Charges	98	186	98	186
Communication and stationery	266	222	263	220
Conservation	331	392	331	392
Cost of goods sold	139	136	139	136
Exhibitions and collections	390	701	388	699
Information technology	237	337	237	337
Insurance & risk management	92	99	92	99
Marketing and promotion	181	208	181	207
Minor equipment	175	96	174	95
Operating leases payments	266	247	266	247
Professional fees	62	132	60	130
Projects	79	133	77	128
Travel	105	70	105	70
Other	296	228	295	227
Total supplies and services	3 746	4 162	3 728	4 144

5.1 Operating Leases

Operating lease payments are recognised as an expense in the Statement of Comprehensive Income on a straight-line basis over the lease term. The straight-line basis is representative of the pattern of benefits derived from the leased assets.

6. DEPRECIATION EXPENSES

	Consolidated		HTSA	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Buildings and improvements	596	584	596	584
Plant and equipment	71	56	71	56
Total depreciation expenses	667	640	667	640

All non-current assets, which have limited useful life, are systematically depreciated over their useful lives in a manner that reflects the consumption of their service potential. Depreciation is applied to assets such as property, plant and equipment.

Land and non-current assets held for sale are not depreciated

Heritage collections and land have unlimited useful lives. No amount for depreciation has been recognised, as their service potential has not, in any material sense, been consumed during the reporting period.

6.1 Useful Life

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

Class of asset	Useful life (years)
Buildings and Improvements	20 to 100
Plant and Equipment	3 to 15

6.2 Revision of accounting estimates

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

7. GRANT PAYMENTS

	Consolidated		HTSA	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
South Australian History Fund	61	25	61	25
Community Museums Program	161	136	161	136
Total grant payments	222	161	222	161

8. NET LOSS FROM THE DISPOSAL OF NON-CURRENT ASSETS

	Consolidated		HTSA	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Heritage collection				
Proceeds from disposal	-	-	-	-
Less net book value of assets disposed	75	-	75	-
Total Net loss from disposal of assets	75	-	75	-

9. REVENUE FROM FEES AND CHARGES

	Consolidated		HTSA	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Fees and charges				
Admissions and Tours	1 071	842	1 071	842
Facilities and rent	67	99	63	99
Sales of goods	213	239	213	239
Fees for services	111	50	111	50
Workers compensation recoup recoverable	88	4	88	4
Other Sales	72	59	72	59
Total Fees and charges	1 622	1 293	1 618	1 293

10. GRANTS				
	Consolidated		HTSA	
	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000
Commonwealth Government	205	348	205	348
State Government	217	260	217	260
Other external	14	26	14	26
Total grants	436	634	436	634

11. INTEREST REVENUES				
	Consolidated		HTSA	
	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000
Interest on deposit with Treasurer	86	87	68	70
Total interest revenues	86	87	68	70

12. RESOURCES RECEIVED FREE OF CHARGE				
	Consolidated		HTSA	
	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000
Artlab Conservation	331	392	331	392
Business Services	97	186	97	186
Professional Services	-	73	-	73
Total resources received free of charge	428	651	428	651

13. DONATIONS				
	Consolidated		HTSA	
	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000
Donated heritage assets	105	38	105	38
Donations	89	60	31	28
Total Donations	194	98	136	66

14. OTHER INCOME				
	Consolidated		HTSA	
	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000
Sponsorship	122	98	122	98
Other receipts	53	85	53	85
Total other income	175	183	175	183

15. CASH AND CASH EQUIVALENTS				
	Consolidated		HTSA	
	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000
Deposits with the Treasurer	4 816	5 028	3 456	3 693
Cash on hand	11	19	11	19
Cash as recorded in the Statements of Financial Position	4 827	5 047	3 467	3 712

Deposits with 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.

16. RECEIVABLES

	Consolidated		HTSA	
	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000
Current				
Debtors	55	112	55	111
Accrued revenue	5	5	3	5
Workers compensation recoveries	8	1	8	1
Total current receivables	68	118	66	117
Non-Current				
Workers compensation recoveries	84	3	84	3
Total current receivables	84	3	84	3
Total receivables	152	121	150	120

Interest rate and credit risk

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

It is not anticipated that counterparties will fail to discharge their obligations. The carrying amount of receivables approximates net fair value due to being receivable on demand. There is no concentration of credit risk.

17. NON-CURRENT ASSETS**17.1 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.

18. PROPERTY, PLANT AND EQUIPMENT AND HERITAGE COLLECTIONS

	Consolidated		HTSA	
	2018	2017	2018	2017
Land, buildings and improvements	\$'000	\$'000	\$'000	\$'000
Land at fair value	3 350	3 350	3 350	3 350
Buildings and improvements at fair value	39 586	39 586	39 586	39 586
Accumulated Depreciation	(27 255)	(26 659)	(27 255)	(26 659)
Total land, buildings and improvements	15 681	16 277	15 681	16 277
Plant and equipment				
Plant and equipment at cost (deemed fair value)	717	436	717	436
Accumulated depreciation	(343)	(281)	(343)	(281)
Total plant and equipment	374	155	374	155
Total property, plant and equipment	16 055	16 432	16 055	16 432
Total heritage collections	19 426	19 076	19 426	19 076
Total property, plant and equipment and heritage collections	35 481	35 508	35 481	35 508

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

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

All non-current assets with a value equal to or in excess of \$5,000 are capitalised.

18.2 Valuation of land and buildings

Land and buildings have been valued at fair value. Independent valuations of land and buildings were determined as at 30 June 2014 by Fred Taormina, Valcorp Australia Pty Ltd.

18.3 Carrying amount of plant and equipment

All items of plant and equipment had a 'fair value at the time of acquisition that was less than \$1 million or had an estimated useful life that was less than three years', and have not been revalued in accordance with Accounting Policy Framework III *Asset Accounting Framework*. The carrying value of these items are deemed to approximate fair value.

18.4 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 by Cameron Dunsford (Aon Global Risk Consulting)
- South Australian Maritime Museum Collection 30 June 2017 by James Munroe (Aon Global Risk Consulting)
- Migration Museum Collection 30 June 2017 by James Munroe (Aon Global Risk Consulting)

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

- National Motor Museum Collection 30 June 2018 by Antony Davies and Paul Blank
- Directorate 30 June 2018 by James Munroe (Aon Global Risk Consulting)
- Directorate 30 June 2016 by James Munroe (Aon Global Risk Consulting)
- Directorate 30 June 2015 by Kenneth J Rayment (Rayment and Associates) and Leonard Millar

These valuers specialise in the valuation of heritage collections.

Donated heritage assets are initially recognised at their fair value, as income (note 13) and as an asset in heritage collections in accordance with Accounting Policy Framework III *Asset Accounting Framework*, APS 2.12.

18.5 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 2018

Reconciliation of property, plant and equipment 2018

	Land	Buildings & Improvements	Plant & Equipment	Total
	\$'000	\$'000	\$'000	\$'000
Carrying amount at 1 July	3 350	12 927	155	16 432
Additions	-	-	290	290
Depreciation expense	-	(596)	(71)	(667)
Carrying amount at 30 June	3 350	12 331	374	16 055

Reconciliation of heritage collections

	2018
	\$'000
Carrying amount at 1 July	19 076
Donated heritage assets	105
Additions	250
Disposal	(75)
Revaluation increment	70
Carrying amount at 30 June	19 426

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, domestic, 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 and its 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.

19. PAYABLES

	Consolidated		HTSA	
	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000
Current				
Creditors	102	364	102	364
Accrued expenses	139	55	136	55
Employee benefit on-costs	123	117	123	115
Total current payables	364	536	361	534
Non-current				
Employee benefit on-costs	64	62	64	62
Total non-current payables	64	62	64	62
Total payables	428	598	425	596

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 changed from the 2017 rate of 40% to 41% and the average factor for the calculation of employer superannuation on-cost has also changed from the 2017 rate 10.1% to 9.9%. 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.

19.1 Interest rate and credit risk

Creditors and accruals are raised for all amounts bill but unpaid. Sundry creditors are normally settled within 30 days. Employee benefit on-costs 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.

20. EMPLOYEES BENEFITS

	Consolidated		HTSA	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Current				
Accrued salaries and wages	108	84	108	84
Annual leave	493	500	493	500
Long service leave	286	228	286	228
Skills and experience retention leave	19	20	19	20
Total current employees benefits	906	832	906	832
Non-Current				
Long service leave	698	677	698	677
Total non-current employees benefits	698	677	698	677
Total employees benefits	1 604	1 509	1 604	1 509
Total employees benefits and on-costs	1 791	1 688	1 791	1 688

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.

20.1 Salaries, wages, annual leave, skills and experience retention leave and sick leave

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

The annual leave liability and the skills and experience retention leave liability 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 of sick leave.

20.2 Long service leave

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

AASB 119 *Employee Benefits* describes 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.

AASB119 *Employee Benefits* requires the use of the yield on long-term Commonwealth Government bonds as the discount rate in the measurement of the long service leave liability. The yield on long term Commonwealth Government bonds is unchanged from 2017 2.5% to 2018 2.5%.

This nil change in the bond yield, which is used as the rate to discount future long service cash flows, had no impact on the reported long service leave liability however the Trust had an increase in long service leave liability due to increase in FTE.

The actuarial assessment performed by the Department of Treasury and Finance left the salary inflation rate at 4% for long service leave liability and 3% for annual and skills, experience and retention leave liability. As a result there is no net financial effect resulting from changes in the salary information rate.

The unconditional portion of the long service leave provision is classified as current as the Department 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.

21. PROVISIONS

	Consolidated		HTSA	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Current				
Provision for workers compensation	214	81	214	81
Total current provisions	214	81	214	81
Non-current				
Provision for workers compensation	2 278	158	2 278	158
Total non-current provisions	2 278	158	2 278	158
Total provisions	2 492	239	2 492	239
Reconciliation of the provision for workers compensation				
Provision at the beginning of the financial year	239	202	239	202
(decrease)/increase in provision during the year	2 253	37	2 253	37
Provision for workers compensation at the end of the financial year	2 492	239	2 492	239

A liability has been reported to reflect unsettled workers compensation claims. The workers compensation provision is based on an actuarial assessment performed by the Office for the Public Sector.

22. OTHER LIABILITIES

	Consolidated		HTSA	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Loan	60	-	60	-
Total other liabilities	60	-	60	-

This is an unsecured loan which does not bear interest. In March the Trust entered into an agreement with the Bay to Birdwood Run Committee to support the Bay to Birdwood event. Funds are due for repayment in December 2018.

23. EQUITY

	Consolidated		HTSA	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Retained earnings	19 390	21 909	18 031	20 575
Asset revaluation surplus	16 593	16 523	16 593	16 523
Total equity	35 983	38 432	34 624	37 098

24. UNRECOGNISED CONTRACTUAL COMMITMENTS

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

24.1 Operating lease commitments

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

	2018 \$'000	2017 \$'000
Within one year	28	24
Later than one year and not longer than five years	41	14
Total operating lease commitments	69	38

The operating lease commitments comprise of motor vehicle leases with terms ranging up to three years.

24.2 Other commitments

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

	2018 \$'000	2017 \$'000
Within one year	322	304
Later than one year and not longer than five years	605	646
Later than five year	137	270
Total other commitments	1 064	1 220

The other commitments comprise of cleaning contracts with term up to twelve months and office accommodation leases from Department of Planning, Transport and Infrastructure (DPTI) with terms of between three to seven years.

25. CONTINGENT ASSETS AND LIABILITIES

There are no known contingent assets and liabilities as at 30 June 2018.

26. RELATED PARTY TRANSACTIONS

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 and all Cabinet Minister 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 12. The Trust also has rental lease agreements in place with DPTI for the rental of office accommodation and storage facility. Rental expenses are outlined in note 5.

27. FINANCIAL INSTRUMENTS/FINANCIAL RISK MANAGEMENT

26.1 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 is funded principally from grants from Arts South Australia, a division of the Department of State Development.

26.2 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 assets, financial liability and equity instrument are disclosed in the respective financial asset/financial liability note.

28. CONTROLLED ENTITY

The consolidated financial statements at 30 June 2018 included the following controlled entities:

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

29. 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.