

Office of the Industry Advocate

Financial report
for the year ended 30
June 2019



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To the Industry Advocate Office of the Industry Advocate

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987*, I have audited the financial report of the Office of the Industry Advocate for the financial year ended 30 June 2019.

Opinion

In my opinion, the accompanying financial report gives a true and fair view of the financial position of the Office of the Industry Advocate as at 30 June 2019, its financial performance and its 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 financial report comprises:

- a Statement of Comprehensive Income for the year ended 30 June 2019
- a Statement of Financial Position as at 30 June 2019
- a Statement of Changes in Equity for the year ended 30 June 2019
- a Statement of Cash Flows for the year ended 30 June 2019
- notes, comprising significant accounting policies and other explanatory information
- a Certificate from the Industry Advocate and the Business Coordinator.

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 Office of the Industry Advocate. 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 Industry Advocate for the financial report

The Industry Advocate 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.

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, but not for the purpose of expressing an opinion on the effectiveness of the Office of the Industry Advocate's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Industry Advocate
- 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 Industry Advocate 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 'A. Richardson', with a long horizontal stroke extending to the right.

Andrew Richardson

Auditor-General

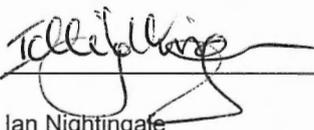
26 September 2019

Office of the Industry Advocate
Certification of the Financial Statements
for the year ended 30 June 2019

We certify that the attached general purpose financial statements for the Office of the Industry Advocate:

- 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 office; and
- present a true and fair view of the financial position of the Office of the Industry Advocate as at 30 June 2019 and the results of its operations and cash flows for the financial year.

We certify that the internal controls employed by the Office of the Industry Advocate for the financial year over its financial reporting and its preparation of the general purpose financial statements have been effective throughout the reporting period.



Ian Nightingale
Industry Advocate
26th September 2019



Nicole Morphet
Business Coordinator
26 September 2019

Office of the Industry Advocate
Statement of Comprehensive Income
for the year ended 30 June 2019

	Note	2019 \$'000	2018 \$'000
<u>Expenses</u>			
Employee benefits expenses	2.2	1 140	636
Supplies and services	3.1	606	197
Grants and subsidies	3.2	6	38
Total expenses		1 752	871
<u>Income</u>			
Resources received free of charge	4.2	13	11
Other income	4.3	107	4
Total income		120	15
Net cost of providing services		(1 632)	(856)
<u>Revenues from SA Government</u>			
Revenues from SA Government	4.1	2 061	853
Net result		429	(3)
Total comprehensive result		429	(3)

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

2018 comparatives represent the 6 month period from 1 January to 30 June 2018. The *Public Sector Proclamation 2017* (dated 19 December 2017) declared the appointment of the Industry Advocate effective from 1 January 2018.

Office of the Industry Advocate
Statement of Financial Position
as at 30 June 2019

	Note	2019 \$'000	2018 \$'000
<u>Current assets</u>			
Cash	5.1	854	137
Receivables	5.2	35	-
Total current assets		889	137
Total assets			
		889	137
<u>Current liabilities</u>			
Payables	6.1	247	72
Employee benefits	2.3	161	134
Provisions	6.2	1	-
Total current liabilities		409	206
<u>Non-current liabilities</u>			
Payables	6.1	29	19
Employee benefits	2.3	317	209
Provisions	6.2	2	-
Total non-current liabilities		348	228
Total liabilities			
		757	434
Net assets			
		132	(297)
<u>Equity</u>			
Retained earnings		132	(297)
Total equity		132	(297)

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

Office of the Industry Advocate
Statement of Changes in Equity
for the year ended 30 June 2019

	Retained earnings \$'000
Balance at 1 July 2017	-
<u>Net result for 2017-18</u>	<u>(3)</u>
Total comprehensive result 2017-18	<u>(3)</u>
Net assets received from an administrative restructure	<u>(294)</u>
Balance at 30 June 2018	<u>(297)</u>
<u>Net result for 2018-19</u>	<u>429</u>
Total comprehensive result 2018-19	<u>429</u>
Balance at 30 June 2019	<u>132</u>

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

Office of the Industry Advocate
Statement of Cash Flows
for the year ended 30 June 2019

		2019 (Outflows) Inflows \$'000	2018 (Outflows) Inflows \$'000
<u>Cash flows from operating activities</u>	Note		
<i><u>Cash outflows</u></i>			
Employee benefits payments		(989)	(547)
Payments for supplies and services		(456)	(135)
Payments of grants and subsidies		(6)	(38)
Cash used in operations		(1 451)	(720)
<i><u>Cash inflows</u></i>			
Other receipts		107	4
Cash generated from operations		107	4
Cash flows from SA Government			
Receipts from SA Government		2 061	853
Cash generated from SA Government		2 061	853
Net cash provided by operating activities		717	137
Net increase in cash		717	137
Cash at the beginning of the period		137	-
Cash at the end of the period	5.1	854	137

The accompanying notes form part of these financial statements.

Office of the Industry Advocate
Notes to and forming part of the financial statements
for the year ended 30 June 2019

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Office of the Industry Advocate

Notes to and forming part of the financial statements

for the year ended 30 June 2019

1. About the Office of the Industry Advocate

The Office of the Industry Advocate (OIA) is a statutory authority of the State of South Australia, established pursuant to the *Industry Advocate Act 2017* proclaimed under *Public Sector Notice 2017* (dated 31 October 2017). The *Public Sector Proclamation 2017* (dated 19 December 2017) declared the appointment of Ian Nightingale to the statutory role of the Industry Advocate effective from 1 January 2018. The staff transferred to the Office of the Industry Advocate were existing resources of the Department of State Development, pursuant to section 11 of the *Industry Advocate Act 2017*.

The Industry Advocate is appointed by the Governor and is an agency of the Crown.

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*
- relevant Australian Accounting Standards with reduced disclosure requirements.

For the 2018-19 financial statements OIA adopted *AASB 9 – Financial Instruments* and is required to comply with new *Treasurer's Instructions (Accounting Policy Statements)* issued on 22 March 2019. Further information is provided in note 7.

The financial statements are prepared based on a 12 month reporting period and presented in Australian currency. The historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item measured.

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

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

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

1.2. Objectives of the Office of the Industry Advocate

The objectives of the Office of the Industry Advocate are to ensure all functions of the Industry Advocate Act 2017 are exercised, including but not limited to:

- Promote competitive, capable local businesses to government purchasers and private sector companies delivering contracts on behalf of the government.
- Recommend reforms to procurement and contracting practices to ensure local businesses are not disadvantaged.
- Ensure local businesses have a full, fair and reasonable opportunity to win work on major projects under the South Australian Industry Participation Policy.
- To take action to further the objectives of the South Australian Industry Participation Policy.

1.3. Changes to the Office

The Public Sector Administrative Arrangements (Administration of Industry Advocate Act) Proclamation 2019 (dated 7 March 2019) declared the administration of the Industry Advocate Act 2017 is committed to the Treasurer effective from 1 April 2019.

Office of the Industry Advocate
Notes to and forming part of the financial statements
for the year ended 30 June 2019

2. Board, committees and employees

2.1. Key management personnel

Key management personnel

Key management personnel of the office include the Minister and the Industry Advocate who have responsibility for the strategic direction and management of the office.

The compensation for key management personnel was \$0.354 million in 2018-19 and \$0.174 million in 2017-18. 2018-19 compensation amount is reflective of full year costs and the 2017-2019 comparative is reflective of half year costs as the appointment of the Industry Advocate was effective 1 January 2018.

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

2.2. Employee benefits expenses

	2019	2018
	\$'000	\$'000
Salaries and wages	805	428
Annual leave	52	64
Long service leave	127	55
Employment on-costs - superannuation	91	51
Employment on-costs - other	56	35
Skills and experience retention leave	6	3
Workers compensation	3	-
Total employee benefits expenses	1 140	636

Employment on-costs - superannuation

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

Executive remuneration

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

	2019	2018
	No	No
\$171 001 to \$191 000	-	1
\$351 001 to \$371 000	1	-
Total	1	1

The table includes one employee who received remuneration equal to or greater than the base executive remuneration level during the year. Remuneration of the employee reflects all costs of employment including salaries and wages, superannuation contributions, fringe benefits tax and any other salary sacrifice benefits. The total remuneration received by this employee for the year was \$0.354 million (2018: \$0.174 million).

Office of the Industry Advocate
Notes to and forming part of the financial statements
for the year ended 30 June 2019

2.3. Employee benefits liability

	2019	2018
	\$'000	\$'000
<u>Current</u>		
Accrued salaries and wages	17	13
Annual leave	106	87
Long service leave	14	15
Skills and experience retention leave	24	19
Total current employee benefits	161	134
<u>Non-current</u>		
Long service leave	317	209
Total non-current employee benefits	317	209
Total employee benefits	478	343

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 their nominal amounts.

Salaries and wages, annual leave, skills and experience retention leave (SERL) and sick leave

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

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

No provision has been made for sick leave as all sick leave is non-vesting and the average sick leave taken in future years by employees is estimated to be less than the annual entitlement for sick leave.

Long service leave

The liability for long service leave is measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Details about the measurement of long service leave liability is provided as note 9.1.

Office of the Industry Advocate
Notes to and forming part of the financial statements
for the year ended 30 June 2019

3. Expenses

Employee benefits expenses are disclosed in note 2.2.

3.1. Supplies and services

	2019	2018
	\$'000	\$'000
Consultants	139	5
Communications and information technology	101	34
Operating lease payments	99	53
Office administration expenses	92	60
Contractors	78	12
Travel and related expenses	32	10
Marketing	31	3
Staff related expenses	15	1
Accommodation and service costs	14	7
Audit fees	5	6
Services recoveries	-	6
Total supplies and services	606	197

The 2018-19 amounts reflect a full financial year and include costs associated with the two new programs in Far North Aboriginal Economic Collective and Pre-registration System programs.

Operating leases payments

Operating lease payments are recognised on a straight-line basis over the lease term.

Consultants

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

	No	2019	No	2018
		\$'000		\$'000
Below \$10,000	2	11	1	5
\$10,000 or above	5	128	-	-
Total	7	139	1	5

3.2. Grants and subsidies

	2019	2018
	\$'000	\$'000
Grants	-	38
Sponsorships	6	-
Total grants and subsidies	6	38

Office of the Industry Advocate
Notes to and forming part of the financial statements
for the year ended 30 June 2019

4. Income

4.1. Revenues from SA Government

	2019	2018
	\$'000	\$'000
<u>Revenues from SA Government</u>		
Intra government transfers	2 061	853
Total revenues from SA Government	<u>2 061</u>	<u>853</u>

Relates to transfers for operational funding received via the Department of Innovations and Skills and the Department of Treasury and Finance.

4.2. Resources received free of charge

	2019	2018
	\$'000	\$'000
Services received free of charge - Shared Services SA	13	11
Total resources received free of charge	<u>13</u>	<u>11</u>

4.3. Other income

	2019	2018
	\$'000	\$'000
Recoveries	75	4
Revenues from fees and charges	32	-
Total other income	<u>107</u>	<u>4</u>

Office of the Industry Advocate
Notes to and forming part of the financial statements
for the year ended 30 June 2019

5. Financial assets

5.1. Cash

	2019	2018
	\$'000	\$'000
Cash at bank	854	137
Total cash	854	137

5.2. Receivables

	2019	2018
	\$'000	\$'000
<u>Current</u>		
<u>Trade receivables</u>		
From government entities	35	-
Total trade receivables	35	-
less Allowance for doubtful debts	-	-
Total current receivables	35	-
Total receivables	35	-

Receivables arise in the normal course of selling goods and services to other government agencies and to the public. Receivables are normally settled within 30 days after the issue of an invoice or the goods / services have been provided under a contractual arrangement. Receivables, prepayments and accrued revenues are non-interest bearing. Receivables are held with the objective of collecting the contractual cash flows and they are measured at amortised cost.

OIA did not recognise an allowance for doubtful debts, it is not anticipated that SA Government counterparties will fail to discharge their obligations. The carrying amount of receivables approximates net fair value due to being receivable on demand. There is no concentration of credit risk.

Refer to note 9.2 for further information on risk management.

Office of the Industry Advocate
Notes to and forming part of the financial statements
for the year ended 30 June 2019

6. Liabilities

Employee benefits liabilities are disclosed in note 2.3

6.1. Payables

	2019	2018
	\$'000	\$'000
<u>Current</u>		
Accrued expenses	223	51
Employment on-costs	24	21
Total current payables	<u>247</u>	<u>72</u>
<u>Non current</u>		
Employment on-costs	29	19
Total non-current payables	<u>29</u>	<u>19</u>
Total payables	<u>276</u>	<u>91</u>

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.

Employment on-costs

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

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

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 remained 41% in 2019 and the average factor for the calculation of employer superannuation cost on-cost has changed from 9.9% in 2018 to 9.8% in 2019. These rates are used in the employment on-cost calculation. The net financial effect of the changes in the current financial year is immaterial.

Office of the Industry Advocate
Notes to and forming part of the financial statements
for the year ended 30 June 2019

6.2. Provisions

	2019	2018
	\$'000	\$'000
Current		
Provision for workers compensation	1	-
Total current provisions	<u>1</u>	<u>-</u>
Non-current		
Provision for workers compensation	2	-
Total non-current provisions	<u>2</u>	<u>-</u>
Total provisions	<u>3</u>	<u>-</u>
Carrying amount at the beginning of the period	-	-
Increase in provisions recognised	3	-
Carrying amount at the end of the period	<u>3</u>	<u>-</u>

A provision has been reported to reflect unsettled workers compensation claims. The workers compensation provision is based on an actuarial assessment of the outstanding liability as at 30 June 2019 provided by a consulting actuary engaged through the Office of the Commissioner for the Public Sector. The provision is for the estimated cost of ongoing payments to employees as required under current legislation.

The Industry Advocate is responsible for the payment of workers compensation claims.

Office of the Industry Advocate
Notes to and forming part of the financial statements
for the year ended 30 June 2019

7. Changes in accounting policy

7.1. Treasurer's Instructions (Accounting Policy Statement)

On 22 March 2019 the *Treasurer's Instructions (Accounting Policy Statements) 2019* were issued by the Treasurer under the Public Finance and Audit Act 1987. The Accounting Policy Statements replaced the following Accounting Policy Frameworks:

- Purpose and Scope
- General Purpose Financial Statements Framework
- Asset Accounting Framework
- Financial Asset and Liability Framework
- Income Framework
- Definitions.

The new Accounting Policy Statements have largely been prepared on a no-policy change basis. Changes that impact on these financial statements are:

- removal of the additional requirement to report transactions with the SA Government
- increasing the bands from \$10,000 to \$20,000 for employee and board member reporting

These changes, however, do not impact on the amounts reported in the financial statements.

The Accounting Policy Statements also set out requirements in relation to Accounting Standards and Statements not yet effective.

7.2. AASB 9 Financial Instrument

AASB 9 Financial Instruments replaces the provisions of AASB 139 that relate to recognition, classification and measurement of financial assets and financial liabilities, derecognition of financial instruments, impairment of financial assets and hedge accounting. The adoption of AASB 9 from 1 July 2018 resulted in changes in accounting policies and adjustments to the amounts recognised in financial statements.

As part of the adoption of AASB 9, the OIA adopted consequential amendments to other accounting standards and the Treasurer's Instructions (Accounting Policy Statements) arising from the issue of AASB 9 as follows:

- *AASB 101 Presentation of Financial Statements* requires the impairment of financial assets to be presented in a separate line item in the statement of comprehensive income. In prior year, this information was presented as part of other expenses.
- *AASB 7 Financial Instruments: Disclosures* requires amended disclosures due to changes arising from AASB 9, these disclosures have been provided for the current year because the comparatives have not been restated.

In accordance with transitional provisions and the *Treasurer's Instructions (Accounting Policy Statements)*, *AASB 9 Financial Instruments* was adopted without restating comparative information for classification and measurement requirements. All adjustments relating to classification and measurement are recognised in retained earnings at 1 July 2018.

The adoption of AASB 9 has not had an effect on the recognition, measurement or classification of financial liabilities.

There was no impact to OIA's retained earnings as at 1 July 2018.

Office of the Industry Advocate
Notes to and forming part of the financial statements
for the year ended 30 June 2019

8. Outlook

8.1. Unrecognised contractual commitments

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

Operating lease commitments

Commitments in relation to operating leases contracted for at the reporting date but not recognised as liabilities are payable as follows:

	2019	2018
	\$'000	\$'000
Within one year	110	239
Later than one year but not later than five years	449	399
Later than five years	187	-
Total operating lease commitments	746	638
Representing:		
Cancellable operating leases	1	13
Non-cancellable operating leases	745	625
Total operating lease commitments	746	638

The office's operating leases relate to office accommodation and motor vehicles. Office accommodation is leased from the Department of Planning, Transport and Infrastructure. A motor vehicle is leased from the South Australian Government Financing Authority (SAFA) through their agent LeasePlan Australia, with lease periods of up to three years. This is cancellable without notice.

Expenditure commitments

	2019	2018
	\$'000	\$'000
Within one year	4	-
Later than one year but not later than five years	13	-
Later than five years	5	-
Total expenditure commitments	22	-

The office's expenditure commitments relate to non-lease costs associated with operating lease.

8.2. 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 office is not aware of any contingent assets and liabilities at reporting date.

8.3. Events after the reporting period

There are no known events after balance date that affect the office.

Office of the Industry Advocate
Notes to and forming part of the financial statements
for the year ended 30 June 2019

9. Measurement and risk

9.1. Long service leave liability - measurement

AASB 119 Employee Benefits contains the calculation methodology for the 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 period of service. These assumptions are based on employee data over SA Government entities.

AASB 119 Employee Benefits requires the use of the yield on long-term Commonwealth Government bonds as the discount rate in the measurement of long service leave liability. The yield on long-term Commonwealth Government bonds for 2019 is 1.25% (2018: 2.5%).

The net financial effect of the changes to actuarial assumptions in the current financial year is an increase in the long service liability and employee benefits expense of \$0.031 million. 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 Department of Treasury and Finance left the salary inflation rate at 4% for long service leave liability and the salary inflation rate at 3% for annual leave and skills and experience retention leave liability.

As a result, there is no net financial effect resulting from changes in the salary inflation rate.

Current long service leave reflects the portion of leave expected to be settled within the next 12 months, based on previous experience.

9.2. Financial instruments

Receivables and payables

Receivable and payable amounts disclosed here exclude amounts relating to statutory receivables and payables (e.g. Commonwealth, State and Local Government taxes, fees and charges; Auditor-General's Department audit fees). In government, certain rights to receive or pay cash may not be contractual and therefore in these situations, the requirements will not apply. Where rights or obligations have their source in legislation such as levies, tax and equivalents, they would be excluded from the disclosure. The standard defines contract as enforceable by law. All amounts recorded are carried at cost (not materially different from amortised cost).

Receivable amounts disclosed here excludes prepayments as they are not financial assets. OIA has no prepayments.