



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

## To the Chair Infrastructure SA

### Opinion

I have audited the financial report of Infrastructure SA for the financial year ended 30 June 2023.

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

The financial report comprises:

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

### 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 Infrastructure SA. 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 and the Board for the financial report**

The Chief Executive is responsible for the preparation of the financial report that gives a true and fair view in accordance with relevant Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and the Australian Accounting Standards – 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 is responsible for assessing the entity's ability to continue as a going concern, taking into account any policy or funding decisions the government has made which affect the continued existence of the entity. The Chief Executive 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 is responsible for overseeing the entity's financial reporting process.

### **Auditor's responsibilities for the audit of the financial report**

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987* and section 18 (2) of the *Infrastructure SA Act 2018*, I have audited the financial report of Infrastructure SA for the financial year ended 30 June 2023.

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

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

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

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Infrastructure SA's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Chief Executive
- conclude on the appropriateness of the Chief Executive'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 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 2023

# **Infrastructure SA**

## **Financial Statements**

For the year ended 30 June 2023

**Infrastructure SA**  
**Certification of the Financial Statements**  
*for the year ended 30 June 2023*

---

We certify that the:

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



Anthony Shepherd AO  
**Chair**  
29 September 2023



Jeremy Conway  
**Chief Executive**  
29 September 2023

**Infrastructure SA**  
**Statement of Comprehensive Income**  
*for the year ended 30 June 2023*

---

	Note	2023 \$'000	2022 \$'000
<b>Income</b>			
Appropriation	2.1	2 527	2 529
Sales of goods and services	2.2	2 592	2 225
Commonwealth-sourced grants and funding	2.3	-	1 500
SA Government grants, subsidies and transfers	2.4	4 000	7 692
Other income	2.5	10	7
<b>Total income</b>		<b>9 129</b>	<b>13 953</b>
<b>Expenses</b>			
Employee benefits expenses	3.3	3 612	2 205
Supplies and services	4.1	13 995	3 857
<b>Total expenses</b>		<b>17 607</b>	<b>6 062</b>
<b>Net result</b>		<b>(8 478)</b>	<b>7 891</b>
<b>Total comprehensive result</b>		<b>(8 478)</b>	<b>7 891</b>

The accompanying notes form part of these financial statements. The net result and total comprehensive result are attributable to the SA Government as owner. Please refer to Note 1.3 for information about the impact of the Northern Water Supply Project on the total comprehensive result.

**Infrastructure SA**  
**Statement of Financial Position**  
*as at 30 June 2023*

		2023	2022
	Note	\$'000	\$'000
<b>Current assets</b>			
Cash	5.1	2 202	9 379
Receivables	5.2	415	225
<b>Total current assets</b>		<b>2 617</b>	<b>9 604</b>
<b>Total assets</b>			
		<b>2 617</b>	<b>9 604</b>
<b>Current liabilities</b>			
Payables	6.1	1 660	512
Employee benefits	3.4	335	187
Provisions	6.2	4	2
<b>Total current liabilities</b>		<b>1 999</b>	<b>701</b>
<b>Non-current liabilities</b>			
Payables	6.1	40	19
Employee benefits	3.4	361	194
Provisions	6.2	11	6
<b>Total non-current liabilities</b>		<b>412</b>	<b>219</b>
<b>Total liabilities</b>			
		<b>2 411</b>	<b>920</b>
<b>Net assets</b>			
		<b>206</b>	<b>8 684</b>
<b>Equity</b>			
Retained earnings		206	8 684
<b>Total equity</b>		<b>206</b>	<b>8 684</b>

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

**Infrastructure SA**  
**Statement of Changes in Equity**  
*for the year ended 30 June 2023*

---

	<b>Retained earnings</b>	<b>Total equity</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Balance at 1 July 2021</b>	793	793
Net result for 2021-22	7 891	7 891
<b>Total comprehensive result for 2021-22</b>	<b>7 891</b>	<b>7 891</b>
<b>Balance at 30 June 2022</b>	<b>8 684</b>	<b>8 684</b>
Net result for 2022-23	(8 478)	(8 478)
<b>Total comprehensive result for 2022-23</b>	<b>(8 478)</b>	<b>(8 478)</b>
<b>Balance at 30 June 2023</b>	<b>206</b>	<b>206</b>

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

**Infrastructure SA**  
**Statement of Cash Flows**  
*for the year ended 30 June 2023*

---

	2023	2022
	Inflows (Outflows)	Inflows (Outflows)
Note	\$'000	\$'000
<b>Cash flows from operating activities</b>		
<b>Cash inflows</b>		
Appropriation	2 527	2 529
Sales of goods and services	2 433	2 196
Commonwealth-sourced grants and funding	-	1 500
SA Government grants, subsidies and transfers	4 000	7 692
<b>Cash generated from operating activities</b>	<b>8 960</b>	<b>13 917</b>
<b>Cash outflows</b>		
Employee benefits payments	(3 105)	(2 288)
Payments for supplies and services	(13 032)	(3 479)
<b>Cash used in operating activities</b>	<b>(16 137)</b>	<b>(5 767)</b>
<b>Net cash used in operating activities</b>	<b>(7 177)</b>	<b>8 150</b>
<b>Net decrease in cash</b>	<b>(7 177)</b>	<b>8 150</b>
Cash at the beginning of the reporting period	9 379	1 229
<b>Cash at the end of the reporting period</b>	<b>2 202</b>	<b>9 379</b>
5.1		

The accompanying notes form part of these financial statements.

# Infrastructure SA

## Notes to and forming part of the financial statements

### for the year ended 30 June 2023

---

## 1 About Infrastructure SA

Infrastructure SA (ISA) is a statutory authority of the state of South Australia, established pursuant to the *Infrastructure SA Act 2018*. ISA is an administrative unit acting on behalf of the Crown.

ISA was established under the *Infrastructure SA Act 2018* to provide advice on the State's requirements for significant infrastructure with respect to economic growth and delivery of public services.

### 1.1 Basis of preparation

These financial statements are general purpose financial statements prepared in accordance 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.

The financial statements have been prepared based on a 12-month period and presented in Australian currency. All amounts in the financial statements and accompanying notes have been rounded to the nearest thousand dollars (\$'000). 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 current liabilities. All other assets and liabilities are classified as non-current.

Significant accounting policies are set out throughout the notes.

Cash flows are exclusive of Goods and Services Tax (GST). The GST component of cash flows which is recoverable from, or payable to, the Australian Taxation Office is classified as part of operating cash flows of the Department of the Premier and Cabinet (DPC), not ISA.

### 1.2 Objectives

ISA's mission is to provide independent advice to government to enable informed and evidence-based decisions on infrastructure planning, investment, delivery and optimisation.

The role of ISA is to ensure better planning and more transparent decision-making for critical public infrastructure projects for the State.

### 1.3 Northern Water Supply Project

Infrastructure SA was asked by the South Australian Government to oversee preparation of detailed studies investigating new sustainable water supply for northern South Australia. The timing of associated income and expenses for the project has resulted in a notable variance in the net comprehensive result reported for 2021-22 and 2022-23.

- There has been increased supplies and services and employee benefits expenses in 2022-23 associated with the completion of the Northern Water Supply Detailed Business Case – refer to notes 3.3 and 4.1;
- Funding for the project from the Commonwealth Government is recognised upon receipt. \$3.5 million has not yet been received, and no income has been received in 2022-23 – refer to notes 2.3 and 7.1;
- Funding for the project from SA Government grants is recognised upon receipt. \$3.5 million less was received in 2022-23 than in 2021-22, although there was a net underspend for 2022-23 – refer to notes 2.4 and 7.1.

**Infrastructure SA**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2023*

---

**2. Income**

**2.1 Appropriation**

Appropriations are recognised on receipt.

**2.2 Sales of goods and services**

ISA, in accordance with the Cabinet-approved ISA Assurance Framework and its Act, charges government agencies for assurance reviews. ISA reviews, evaluates and monitors delivery and performance of major infrastructure projects and programs with a capital investment value of \$50 million and above, or those considered high risk. Sales of goods and services also includes recoveries of costs for project monitoring and the Northern Water Supply Project.

Sales of goods and services are recognised on receipt.

**2.3 Commonwealth-sourced grants and funding**

The Commonwealth has provided funding to the State for the Northern Water Supply Project. Revenue is recognised on receipt.

**2.4 SA Government grants, subsidies and transfers**

SA Government grants are recognised on receipt.

During 2022-23, SA Government grants, subsidies and transfers included funding for the Northern Water Supply Project from the Business Case Fund of \$4 million (2022 \$7.5 million). ISA has underspent these funds by \$1.635 million as at 30 June 2023. These remaining funds will be incurred over the lifetime of the project.

**2.5 Other income**

Contribution 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.

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

**Infrastructure SA**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2023*

---

**3. Board, committees and employees**

**3.1 Key management personnel**

Key management personnel of ISA include the Premier, Chief Executive, the Chair and the Board members who have responsibility for the strategic direction and management of ISA.

Total compensation paid by ISA for key management personnel was \$665 000 (2022: \$831 000).

The compensation disclosed in this note excludes salaries and other benefits the Premier receives. The Premier'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 of the *Parliamentary Remuneration Act 1990*.

See DPC's Financial Statements for disclosures of the Premier's remuneration paid and recovered from the Consolidated Account.

***Transactions with Key Management Personnel and other related parties***

There were no significant related party transactions based on initial assessment.

**3.2 Board and committee members**

Members during the 2023 financial year were:

**Infrastructure SA Board**

Anthony Shepherd (Chair)

Carolyn Hewson

Amanda Price-McGregor

David Reynolds\*

Robert Rust

Rick Persse\*

Damien Walker\*

**Infrastructure SA Audit and Risk Committee**

David Powell (Chair)

Carolyn Hewson

Catherine Jamieson\*

Robert Rust

Graeme Brown\* (appointed February 2023)

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

**Infrastructure SA**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2023*

---

**3.2 Board and committee members (continued)**

***Board and committee remuneration***

The number of members whose remuneration received or receivable falls within the following bands:	2023 Number	2022 Number
\$0 - \$19 999	6	9
\$20 000 - \$39 999	3	-
\$40 000 - \$59 999	-	3
\$160 000 - \$179 999	1	1
<b>Total number of members</b>	<b>10</b>	<b>13</b>

The total remuneration received or receivable by members was \$286 000 (2022: \$301 000). Remuneration of members includes sitting fees, superannuation contributions, salary sacrifice benefits, fringe benefits and any related fringe benefits tax paid.

**Infrastructure SA**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2023*

---

**3.3 Employee benefits expenses**

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
Salaries and wages	2 182	1 448
Annual leave	282	155
Long service leave	194	(3)
Board and committee fees	260	273
Employment on-costs - superannuation	520	245
Employment on-costs - other	138	76
Skills and experience retention leave	9	4
Workers compensation	7	2
Other employee related expenses	20	5
<b>Total employee benefits expenses</b>	<b>3 612</b>	<b>2 205</b>

***Employment expenses***

ISA staff are employed under Part 2 of the *Infrastructure SA Act 2018* and Part 7 of the *Public Sector Act 2009*.

The superannuation employment on-cost charge represents ISA'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:

	<b>2023</b>	<b>2022</b>
	<b>Number</b>	<b>Number</b>
\$160 001 - \$180 000	1	-
\$180 001 - \$200 000	-	1
\$200 001 - \$220 000	1	-
\$220 001 - \$240 000	1	-
\$240 001 - \$260 000	1	-
\$340 001 - \$360 000	-	1
\$380 001 - \$400 000	1	-
<b>Total number of employees</b>	<b>5</b>	<b>2</b>

The total remuneration received by those employees for the year was \$1.3 million (2022: \$539 000).

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, salary sacrifice benefits, fringe benefits and any fringe benefits tax paid or payable in respect of those benefits as well as any termination benefits for employees who have left ISA.

**Infrastructure SA**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2023*

---

**3.4 Employee benefits liability**

	2023	2022
	\$'000	\$'000
<b>Current</b>		
Annual leave	286	162
Long service leave	41	20
Skills and experience retention leave	8	5
<b>Total current employee benefits</b>	<b>335</b>	<b>187</b>
<b>Non-current</b>		
Long service leave	361	194
<b>Total non-current employee benefits</b>	<b>361</b>	<b>194</b>
<b>Total employee benefits</b>	<b>696</b>	<b>381</b>

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.

The salary inflation rate applied in the calculation of the annual leave and SERL calculations increased to 2% in 2023 from 1.5% in 2022.

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.

AASB 119 *Employee Benefits* contains the calculation methodology for the 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 employee departures and periods of service.

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

The net financial effect of the changes to the actuarial assumption in the current financial year is a decrease in the long service leave liability of \$13 000 and employee benefits expense of \$13 000.

The salary inflation rate applied in the actuarial assessment performed by DTF for the long service leave liability is 3.5% (2022 2.5%).

The non-current portion of long service leave reflects the estimate of leave to be taken in greater than 12 months.

**Infrastructure SA**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2023*

---

**4. Expenses**

**4.1 Supplies and services**

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
Contractors	9 609	1 315
Consultants	3 027	1 605
Intra government transfers	308	258
Information technology	152	197
Administrative costs	93	62
Temporary staff	30	76
Audit fees	11	11
Shared Services SA	10	7
Other	755	326
<b>Total supplies and services</b>	<b>13 995</b>	<b>3 857</b>

**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:

	<b>2023</b>		<b>2022</b>	
	<b>No.</b>	<b>\$'000</b>	<b>No.</b>	<b>\$'000</b>
Below \$10 000	1	3	-	-
\$10 000 or above	16	3 024	10	1 605
<b>Total</b>	<b>17</b>	<b>3 027</b>	<b>10</b>	<b>1 605</b>

**Audit fees**

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

**5. Financial assets**

**5.1 Cash**

The agency does not earn interest on its deposits with the Treasurer. Cash is measured at nominal amounts.

**5.2 Receivables**

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Current</b>		
Trade receivables	324	165
Prepayments	91	60
<b>Total receivables</b>	<b>415</b>	<b>225</b>

Receivables are normally settled within 30 days after the issue of an invoice. Receivables and prepayments are non-interest bearing. Receivables are held with the objective of collecting the contractual cash flows and they are measured at amortised cost.

**Infrastructure SA**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2023*

---

**6. Liabilities**

**6.1 Payables**

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Current</b>		
Trade payables	98	38
Accrued expenses	1 513	445
Employment on-costs	49	29
<b>Total current payables</b>	<b>1 660</b>	<b>512</b>
<b>Non-current</b>		
Employment on-costs	40	19
<b>Total non-current payables</b>	<b>40</b>	<b>19</b>
<b>Total payables</b>	<b>1 700</b>	<b>531</b>

Payables and accrued expenses are recognised for all amounts owing but unpaid. Contractual 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 and superannuation contributions that are settled when the respective employee benefits that they relate to are discharged. These on-costs primarily relate to the balance of leave owing to employees. Estimates as to the proportion of long-service leave estimated to be taken as leave, rather than paid on termination, affects whether certain on-costs are recognised as a consequence of long service leave liabilities.

ISA 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 schemes.

As a result of an actuarial assessment performed by DTF, the portion of long service leave taken as leave has increased to 43% (2022 42%) and the average factor for the calculation of employer superannuation on-costs has increased to 11.1% (2022: 10.6%). These rates are used in the employment on-cost calculation. The net financial effect of the changes in the current financial year is a decrease in the employment on-cost of \$1 000 and employee benefits expense of \$1 000.

**Infrastructure SA**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2023*

---

**6.2 Provisions**

**Provision for workers compensation**

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
<b><i>Reconciliation of workers compensation</i></b>		
Carrying amount at the beginning of the period	8	7
Additional provisions recognised	7	1
<b>Carrying amount at the end of the period</b>	<b>15</b>	<b>8</b>

ISA is an exempt employer under the *Return to Work Act 2014*. Under a scheme arrangement, ISA 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 (statutory and additional compensation schemes).

The workers compensation provision is based on an actuarial assessment of the outstanding liability as at 30 June 2023 provided by a consulting actuary engaged through the Office of the Commissioner for Public Sector Employment.

The additional compensation scheme provides continuing benefits to workers who have suffered eligible work-related injuries and whose entitlements have ceased under the statutory workers compensation scheme. Eligible injuries are nonserious injuries sustained in circumstances which involved, or appeared to involve, the commission of a criminal offence, or which arose from a dangerous situation.

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 a variety of factors involved. The liability is impacted by ISA's claim experience relative to other agencies, average claim sizes and other economic and actuarial assumptions.

In addition to these uncertainties, the additional compensation scheme is impacted by the limited claims history and the evolving nature of the interpretation of, and evidence required to meeting, eligibility criteria. Given these uncertainties, the actual cost of additional compensation claims may differ materially from the estimate.

**Infrastructure SA**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2023*

---

## 7. Outlook

### 7.1 Unrecognised contractual commitments

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

#### Other contractual commitments

Expenditure contracted for at the reporting date but not yet recognised as liabilities in the financial report, are payable as follows:

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
Within one year	410	213
<b>Total expenditure commitments</b>	<b>410</b>	<b>213</b>

Commitments as at 30 June 2023 comprise costs relating to the Northern Water Supply project, portfolio management and workflow system solutions and the 20-year state infrastructure strategy discussion paper.

Commitments as at 30 June 2022 comprise costs relating to a future energy supply analysis and a housing economics analysis.

#### Revenue commitments

ISA has funding agreements for the completion of the Northern Water Supply Detailed Business Case as follows:

- a Federation Funding Agreement – Infrastructure with the Commonwealth Government for \$5 million. \$1.5 million was received during 2021-22, with the balance to be received in 2023-24;
- Funding from the State Government's Business Case Fund of \$11.5 million, which has been received in full. \$7.5 million was received in 2021-22 and \$4.0 million in 2022-23.

	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
Within one year	3 500	7 000
Later than one year but not longer than five years	-	500
<b>Total revenue commitments</b>	<b>3 500</b>	<b>7 500</b>

### 7.2 Contingent assets and liabilities

ISA is not aware of any contingent assets or liabilities as at 30 June 2023.

### 7.3 Events after the reporting period

There were no events occurring after the end of the reporting period that had a material financial implication on these financial statements.