



**Government  
of South Australia**

# **SOUTH AUSTRALIAN MUSEUM BOARD**

## **2018-19 Annual Report**

**SOUTH AUSTRALIAN MUSEUM BOARD**

North Terrace, Adelaide, South Australia 5000

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To:

**Hon Steven Marshall MP**

**Premier of South Australia**

This annual report will be presented to Parliament to meet the statutory reporting requirements of the *South Australian Museum Act 1976* and the requirements of Premier and Cabinet Circular *PC013 Annual Reporting*.

This report is verified to be accurate for the purposes of annual reporting to the Parliament of South Australia and has regrettably been delayed by the need to incorporate amendments to the audited financial statements and ensure that all material was accurate.

Submitted on behalf of the **SOUTH AUSTRALIAN MUSEUM BOARD** by:

Hon Dr Jane Lomax-Smith AM

Chair, South Australian Museum Board

Date 1 October 2019

Signature

A handwritten signature in black ink, appearing to read 'Jane Lomax-Smith', written over a horizontal line.

## From the Director

It is pleasing to report that the Museum's activities in its core areas of focus continued their upward trend in 2018/19.

The Museum engaged with a record 1,059,370 people over the year, the highest ever recorded. North Terrace welcomed 759,316 visitors, with a further 68,120 experiencing a Museum programme in other locations. The Museum is now Australia's leading State Museum for touring exhibitions with 231,934 viewing our exhibitions either in Australia or in Japan, where our *Yidaki* exhibition took part in the Echigo Tsumari Triennale which was seen by approximately 40,000 people. The Polar Gallery saw a major refurbishment and tells the story of the three great South Australian Polar explorers – Mawson, Wilkins and Rymill.

Onsite programming was again a key feature with high profile national activities such as NAIDOC Week and National Science Week. There was also a focus on increasing access for visitors with disabilities with Museum staff receiving Autism Awareness and Dementia Awareness training. Key staff undertook an Auslan course with DeafCanDo. Special autism friendly programmes became a feature during the year. The Museum's Fossil Fest was hugely popular and resulted in the biggest single day of visitation in the Museum's history – a total of 6274. The Museum received the State Award for Cultural Tourism for the second successive year.

The Museum's collections grew by 12,905 objects to over 4.5 million. Research grant funding totalled \$3,818,822 across 11 new grants. A total of 150 publications were produced including 133 peer reviewed papers and our staff delivered 22 conference papers. The Museum received the 2018 State Science Award for Collaborative Research. Funding of \$400,000 was received from the State Government to scope a major upgrade of the Aboriginal Cultures Collection Store. The Aboriginal Collection, in the Museum's custodianship, is the most comprehensive in the world and the care of this important collection is a high Museum priority.

The development of Museum skills is an increasing area of focus. The innovative *Museum Pathways* programme has become an established framework to develop crucial skills and develop careers in the sector. An important element of this programme is the Museum's commitment to Aboriginal training and employment. A programme of Aboriginal Cadetships and Early Career Research positions is ensuring that important skills are developed laying the foundations for rewarding careers. A specially developed Aboriginal Curator position allows for mid-career development for more experienced candidates.

The Museum continues to take responsibility for its long-term financial future through multiple strategies. The whole of government savings targets have been met through a targeted programme of cost reductions and efficiencies. Income generation continues to be a high priority. One new senior position, *Enterprise and*

*Communications Manager*, is now part of the senior team. The Museum achieved its fourth successive year of record fundraising. Developing funding through Federal and State Government channels, the corporate sector, trusts and foundations and private philanthropy is key to the future of a flourishing Museum. These diverse channels will increasingly fund positions, research activity, exhibitions and public programmes. This will be key to ensuring the South Australian Museum continues to be both a leading museum in Australia and one of international importance.

A handwritten signature in black ink, reading "Brian Oldman". The signature is written in a cursive, flowing style.

Brian Oldman

**Director**

South Australian Museum



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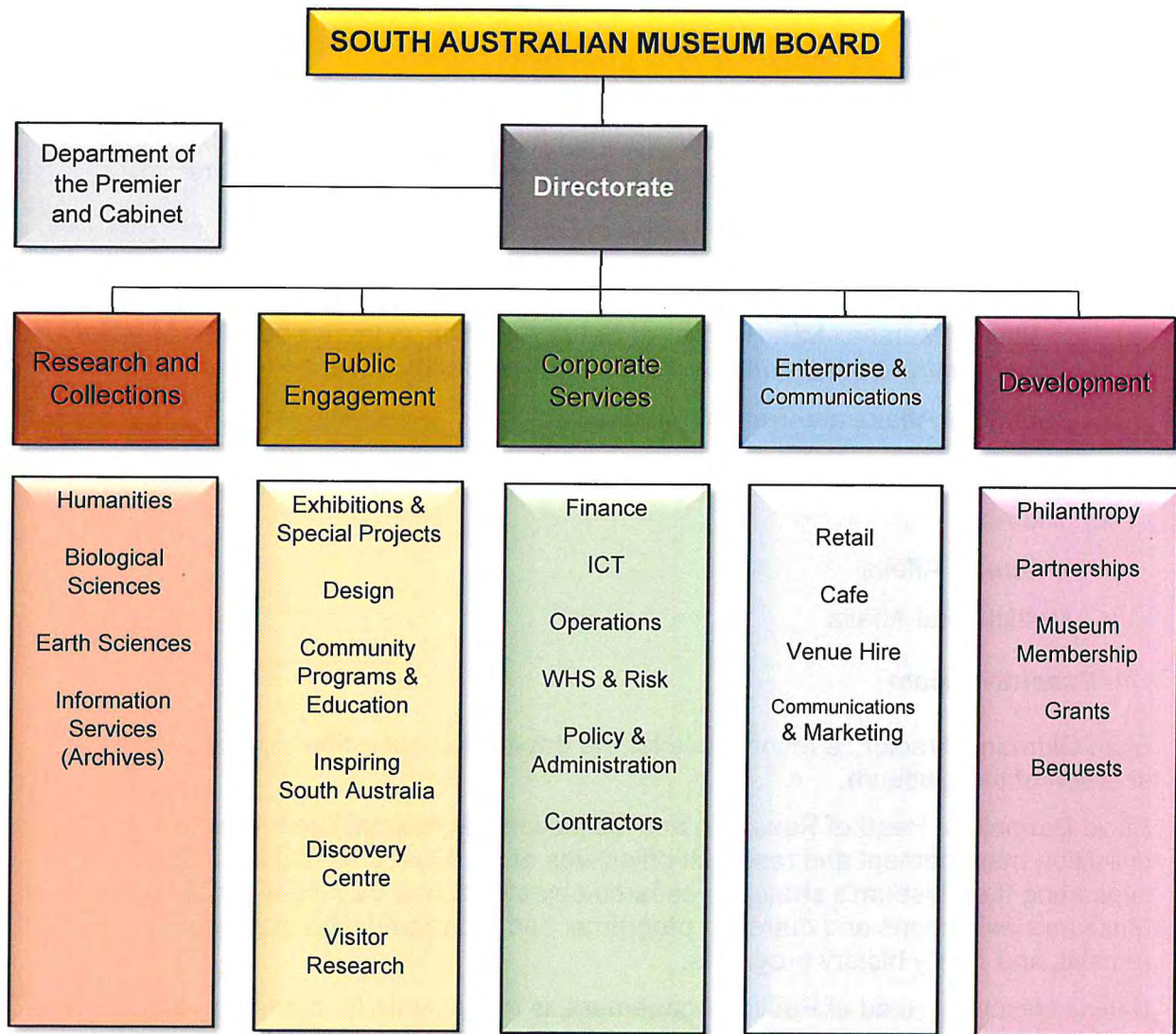
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## Overview: about the agency

### Our strategic focus

<b>Our Purpose</b>	<p>To inspire in all people a wonder and curiosity about life on Earth.</p> <p>The South Australian Museum is dedicated to the conservation, study and appreciation of nature and culture for the benefit and enjoyment of current and future generations. The Museum's exhibitions, collections, programs and science research activities contribute to global understanding of human cultures and the nature world as well as supporting life-long learning in the community.</p>
<b>Our Vision</b>	<p>We will use our world-class collections to create and share new knowledge, focusing on Australian Aboriginal and Pacific cultures, Earth and Life Sciences.</p>
<b>Our Focus Areas</b>	<ul style="list-style-type: none"> <li>• Present a modern visitor focussed Museum.</li> <li>• Demonstrate excellence in our collections, research and science.</li> <li>• Secure our long-term funding through multiple strategies.</li> <li>• Deliver vibrant and engaging programmes linking collections and research.</li> </ul>
<b>Our Objectives</b>	<ul style="list-style-type: none"> <li>• Seek to maximise visitor satisfaction.</li> <li>• Ensure the economic sustainability of the Museum.</li> <li>• Develop our strategic partnerships.</li> <li>• Redevelop the Museum site as funds permit.</li> <li>• Integrate, connect and leverage our collections and research to generate new knowledge.</li> <li>• Develop our public programmes and engagement capabilities.</li> <li>• Ensure that the Museum operates as a modern, effective and efficient organisation.</li> </ul>

## Our organisational structure



## **Changes to the agency**

During 2018-19 there was one change to the agency's structure and objectives as a result of internal reviews or machinery of government changes.

The Museum's 'Visitor Experience' Department was refocussed and renamed to 'Enterprise and Communications'. The updated functions related to 'Enterprise and Communications' will allow the Museum to better meet its current and future objectives.

## **Our Minister**

The Hon Steven Marshall MP, Premier of South Australia, is the responsible Minister for the *South Australian Museum Act 1976*. The Premier oversees:

- Aboriginal Affairs and Reconciliation
- Defence and Space Industries
- The Arts
- Veterans' Affairs
- Multicultural Affairs

## **Our Executive team**

Brian Oldman, Director, is responsible for the day-to-day operations and strategic direction of the Museum.

Steve Donnellan, Head of Research and Collections, is responsible for overall collection management and research objectives at the Museum. This includes supporting the Museum's strategic research objectives, and their connection to the Museum's exhibitions and outreach programs; and the repatriation of ancestral remains and family history programs.

Katrina Nitschke, Head of Public Engagement, is responsible for managing all exhibitions and programs, both intrastate, interstate, and internationally, as well as managing the Museum's front of house. This includes increasing the connectivity between the Museum's research outcomes and their presentation to the public through engaging and informative exhibitions.

Brenton Macdonald, Manager Corporate Services, is responsible for leading the provision of corporate services at the Museum. This includes managing the financial systems and operational budgets, facilities management, operations, ICT, digital innovation, administration, WHS and risk management. It also includes managing the contractual arrangements at the Museum for the provision of security and cleaning services.

Simone Bannister, Manager Enterprise and Communications, is responsible for maximising the long-term revenue streams and the marketing and communications opportunities of the Museum.



Jenny Parsons, Head of Development, is responsible for all fundraising initiatives, including major gifts from individuals, corporations, foundations and government sources, strategic partnerships, annual fund, membership and special events. These efforts support the full range of Museum activities including exhibitions, educational outreach programs, early learning initiatives, skills and training programs, scholarships, acquisitions, and general operations.

### **Legislation administered by the agency**

*South Australian Museum Act 1976*

## **The agency's performance**

### **Performance at a glance**

The South Australian Museum had another record-breaking year and engaged with a total of 1,059,370 people across the main Museum site, off-site programming and travelling exhibitions.

The Museum continues to extend our research capabilities and improve our skill set through joint and externally funded positions, including PhD Researchers. Research grant funding totalled \$3,818,822, and a total of 133 peer reviewed scholarly papers were published.

A total audience of 28,384,960 people was reached through traditional media, with an equivalent advertising space rate of \$11,687,726. The Museum's social media accounts have a total of almost 50,000 followers, with an 11.2% increase in the number of engagements across all social media channels.

The Museum exceeded its fundraising target for the fourth successive year, with a record total of \$2,106,228 raised through grants, donations, sponsorships and partnerships in order to support efforts across the Museum. The Museum Membership program saw another successful year, with members now totalling 5637, an increase of 26% from the previous year.

The Museum continues to be committed to digital transformation to enhance cultural experiences for all visitors. The Museum's Innovation Lab is complete and will be used to deliver enhanced education, cultural and learning experiences for digital audiences and promote collaboration across the North Terrace Cultural precinct. We have expanded and will continue to build our GigCity Wi-Fi access for staff and the public, which will ensure that the Museum stays at the forefront of the State's new technological era. Advancement in digital technology has changed the way research is conducted and stories are shared, and the Museum is actively investigating further ways to adopt digital solutions.

The Museum also participated in the I Work for SA – Your Voice Survey. Staff responses have influenced the South Australian Public Sector Action Plan 2019-20, which will help the sector to perform at its best, improve the way we work and maximise wellbeing at work.

**Agency contribution to whole of Government objectives**

Key objective	Agency's contribution
More jobs	<ul style="list-style-type: none"> <li>• The Museum employed three collection managers to help care for and manage the following collections: Terrestrial Invertebrates, Marine Invertebrates and Tissue Collection.</li> <li>• A new 3D Printing Project Officer role was created for a 12-month period to assist the Museum with the use of 3D scanned material in our education and public programs. This role scanned volumes of Museum collection material which is now being printed for the benefit of early learning, schools, remote outreach and school holiday programs.</li> <li>• The Museum is increasing the proportion of jobs that are funded through external means such as grant funding, partnerships, or philanthropic support.</li> </ul>
Lower costs	<ul style="list-style-type: none"> <li>• The Museum partnered with the Carbon Neutral Adelaide program to realise an upgrade of lighting in some of the Museum's most visited areas. These upgrades, replacing incandescent and halogen lighting with an efficient LED system, aim to reduce the Museum's energy use in these spaces by 57%, from 22,557kWh to 10,345kWh, leading to a reduction in the Museum's carbon footprint and significant energy savings.</li> <li>• The Museum met the mandated savings target for 2018/19.</li> </ul>
Better Services	<ul style="list-style-type: none"> <li>• The Museum continued with the digitisation of our collections, including making more objects and their associated data accessible via the Atlas of Living Australia.</li> <li>• The Museum continued to develop a particular focus on disability access and equality, through a number of staff training initiatives and programs intended to improve our ability to offer appropriate service to visitors with disabilities. In 2018-19, staff and volunteers were able to participate in Dementia Awareness training with Dementia Australia and key front of house staff undertook a five-week Auslan course with DeafCanDo. The Museum continues to build its capacity to respond to neurodiversity, through its autism-</li> </ul>

Key objective	Agency's contribution
	<p>friendly programs, which are supported by Autism SA.</p> <ul style="list-style-type: none"> <li>In February 2019, the Museum launched the 'Mapping Family' project which digitised thousands of genealogies and index cards gathered in the 1930s and creates an important new shared digital resource for Australian Aboriginal people to access their family histories.</li> </ul>

### Agency specific objectives and performance

Agency objectives	Indicators	Performance
Maximise Visitor Satisfaction	<b>Award Winning / Industry Recognition</b> Ensure the Museum is recognised by its peers as a destination of choice for visitors.	In 2018, the Museum won – for the second year running – the Cultural Tourism award at the SA Tourism Awards.
	<b>Visitation (North Terrace)</b> Ensuring that the Museum continues to engage with a diverse audience, including repeat visitation.	<p>The Museum welcomed a total of 759,316 visitors to our North Terrace Site.</p> <p>Of these, 18% came from overseas and 21% from interstate.</p> <p>36% were visiting for the first time ever, and 12% visited at least once a year.</p>
Integrate, connect and leverage our collections and research to generate new knowledge	<b>Collections Access</b> During the year the Museum processed collection loans for 3866 objects or specimens, to 50 institutions across nine countries. Additionally, data from our collections was downloaded from the Atlas of Living Australia on 104,440 occasions, a cumulative total of more than 12 million records.	The Museum's continued commitment to add to its collections enabled greater opportunities for the generation of new knowledge for both current and future generations.

Agency objectives	Indicators	Performance
	<p><b>Collections Acquisition</b></p> <p>The Museum added 12,905 objects valued at \$977,734 to its collections of over 4.5 million objects, representing more than 600 million years of life on Earth.</p> <ul style="list-style-type: none"> <li>○ The museum acquired a number of rare specimens into the biological collections including an adult pygmy sperm whale, a leopard seal and a deep-sea black coral.</li> <li>○ The World Cultures collection expanded its holdings of Pacific cultural material with the addition of a Puriaba truce banner from the Huli People of Papua New Guinea and two contemporary sand paintings by Papua New Guinea artist Joseph Kuri.</li> <li>○ The Australian Aboriginal Cultures collection also acquired a central Australian spearthrower thought to have been collected by Len Beadell.</li> <li>○ The palaeontology section received the generous donation of an opalised tooth from a plesiosaur <i>Kronosaurus queenslandicus</i>, the largest of the marine reptiles from the Eromanga Sea which covered what is now inland Australia from 100-125 million years ago</li> </ul>	
	<p><b>Research: Grant Funding</b></p> <p>The Museum won 11 new grants this year contributing to the \$3,818,822 in competitively-won research grant funds that supported our research across the humanities and the biological and geological sciences in 2018-19.</p>	<p>In addition to securing research grants, conducting research and publishing findings, Museum researchers were highly active in leading the next generation of South Australians into careers in science.</p>



Agency objectives	Indicators	Performance
	<p><b>Research Publications</b></p> <p>Museum personnel produced a total of 150 publications which included 133 peer reviewed scholarly papers. Our staff also delivered 22 conference presentations. This output has maintained a publication output per researcher equivalent to the Museum's rolling five-year average.</p>	<p>Attracting research funding to the Museum generated employment and study opportunities in the State</p>
<p>Ensure the economic sustainability of the South Australian Museum</p>	<p><b>Venue Hire</b></p> <p>The Museum activated its permanent galleries, historic Armoury building and surrounding lawns for weddings, cocktail parties, corporate dinners and meetings. The revenue generated from venue hire contributes to the maintenance of the Museum's collections and funds vital research projects and community programs.</p>	<p>In the 2018-19 financial year, the Museum's venue hire business hosted 113 private events, including 14 weddings.</p> <p>Great Southern Rail renewed its contract with the Museum in April 2019 – a successful partnership that brings up to 48 events to the Museum annually.</p> <p>The Museum concluded the financial year with an 87% visitor satisfaction rating from Great Southern Rail.</p>
	<p><b>Shop and Cafe</b></p> <p>The Museum Shop and Café are operated by the Museum Foundation for the benefit of the Museum and all profits are reinvested into supporting the Museum's activities.</p>	<p>Supporting our exhibitions and galleries, our Museum Shop stocks a variety of products, including locally made jewellery and ethically sourced souvenirs.</p>

Agency objectives	Indicators	Performance
		<p>The Museum Café offers a range of dining and catering options.</p> <p>2018-19 proved to be profitable for both, with performance well above average in certain months throughout the year</p> <p><b>Café</b></p> <p>The Museum Café generated \$846,234 in year to date (YTD) sales revenue and made a profit of \$114,952 for the 18/19 financial year.</p> <p>YTD gross trading profit was 68% at June 2019.</p> <p><b>Museum Shop</b></p> <p>The Museum Shop generated \$525,179 in year to date sales revenue and made a profit of \$43,899 for the 18/19 financial year.</p> <p>YTD gross trading profit was 57% at June 2019.</p>
	<p><b>Fundraising and Partnerships</b></p> <p>The Development Office of the Museum builds and stewards stakeholder relationships in order to raise funds for the Museum.</p>	<p>In a year that saw a range of record achievements and activities, the Museum also received generous support from all areas of giving, securing more than</p>

Agency objectives	Indicators	Performance
		<p>\$2.1 million in gifts, grants and sponsorships from individuals, families, trusts, foundations as well as State and Commonwealth Governments.</p>
	<p><b>Museum Membership</b></p> <p>Increase the number of Museum Members, and provide them with benefits that extend beyond the Museum.</p>	<p>The number of Museum Members increased to 5,637, a growth of 26% from last year.</p> <p>The Family category continues to be the most popular and includes benefits to ensure Junior Members are actively engaged.</p> <p>This year we launched our Young Explorer: Little Member Sessions, an interactive and educational session that Members can pre-book.</p> <p>Membership benefits continued to increase with our affiliated local and interstate counterparts including Cleland Wildlife Park and the Adelaide Gaol.</p>
Develop our public programmes and engagement capabilities	<p><b>Inspiring South Australia</b></p> <p>Inspiring South Australia has developed a broad program of science engagement throughout metropolitan and regional communities and contributes to the</p>	<p>Engagement programs include our 'regional community grant program', 'science for early childhood', &amp; our</p>

Agency objectives	Indicators	Performance
	<p>implementation of the national Inspiring Australia Strategy.</p> <p>The Inspiring South Australia Manager position is co-funded by the Australian Government and is responsible for facilitating local networks and contributing to national networks to improve the coordination of science engagement activities across Australia.</p>	<p><i>'science and arts working together'</i> program.</p>
	<p><b>Engagement</b></p> <p>In 2018-19, the Museum delivered 109 targeted engagement programs for diverse audiences, including school students, people with disabilities and people in remote and regional communities, as well as general public groups.</p> <p>184,199 people participated in these programs, consolidating and expanding on the previous year's record engagement of 183,555 people.</p> <p>Highlights from 2018-19 included 'bush classroom' STEM engagement in the APY Lands, Fossil Fest on the Museum's front lawns, co-delivery of the Teacher's Big Days Out professional development event and the continued growth of the Museum's autism-friendly programming.</p>	<p>The South Australian public was, once again, presented with more activities and more opportunities to engage with the Museum's programs, bringing them into contact with a wide range of natural and cultural heritage activities.</p> <p>The increase from 94 to 109 programs is an indication of the Museum's ability to develop targeted engagement activities for groups with specific needs, while also catering to large audiences, such as the 14,357 visitors who attended Fossil Fest over three days.</p>
	<p><b>Social Media Engagement</b></p> <p>Social media provides a unique platform to connect with the public, and create an engaged community following for science, humanities, research and collections, exhibitions, events, programs, membership and commercial, as</p>	<p>Instagram continues to be our most engaged platform, credited to the introduction of our #MySAMuseum hashtag in 2017.</p> <p>This financial year we had an 11.2%</p>

Agency objectives	Indicators	Performance
	well as enabling the museum to be responsive to the public in real time.	increase in the number of engagements across all social media channels
	<p><b>Traditional Media Engagement</b></p> <p>Media reach is vital for adding to the visibility and credibility of the South Australian Museum among the public and stakeholders, and allows the Museum to deliver information and messages while developing our audience.</p>	<p>In the 2018/2019 financial year there was a total of 3081 items about the South Australian Museum in traditional media, reaching a total audience of 28,384,960 people with an advertising space rate of \$11,687,726.</p>
	<p><b>Exhibitions</b></p> <p>In 2018-19, the Museum mounted 23 exhibitions and displays at the Museum or off site, with a total viewing audience of 1,059,370.</p> <p>On the back of our revised Exhibition Strategy and Digital Strategy, we also took some new approaches to our exhibition offerings, seeking to engage new audiences and offer new experiences to our visitors on North Terrace and further afield.</p> <p>Exhibitions and displays were presented in locations across the Museum, interstate in New South Wales, Queensland, Northern Territory, Western Australia and the Australian Capital Territory. The Museum also executed its planned presentation of <i>Yidaki: Didjeridu and the Sound of Australia</i> to great acclaim in Japan.</p>	<p>An increase from 19 to 23 exhibitions and displays demonstrates the Museum's determination to provide greater engagement to visitors on and off site.</p> <p>Of note was our first foray into the world of virtual reality (VR) with <i>David Attenborough's Great Barrier Reef Dive VR</i>. A gallery traditionally used for exhibitions was transformed into a reef-inspired theatre, where visitors donned headsets to "dive" beneath the waves with the world's most famous naturalist and view the reef in 360-</p>

Agency objectives	Indicators	Performance
		<p>degree splendour. We brought exclusive content to Adelaide, engaged new audiences, and equipped ourselves for future VR opportunities.</p> <p>Also, in the digital realm, a collaboration with the Perth Cultural Centre Screen saw the Museum's <i>Australian Geographic Nature Photographer of the Year</i> exhibition presented daily over a three-month period to an estimated audience of 114,400 people.</p>
Develop our strategic partnerships	<p><b>Partnerships</b></p> <p>Progress research and maintain partnerships with research partners.</p>	<p>In 2018, the Museum received the Science Excellence Award: Excellence in Research Collaboration for the Aboriginal Heritage Project. This Project is part of a partnership between the Museum and the University of Adelaide.</p>
	<p><b>Inspiring South Australia</b></p> <p>Inspiring South Australia's initial four-year contract completed and secured a further three years of funding from the Commonwealth as part of Inspiring Australia.</p>	<p>This partnership agreement also includes the State Government of South Australia, University of Adelaide, University of South Australia &amp; Flinders University. Through this partnership agreement, Inspiring</p>

Agency objectives	Indicators	Performance
		South Australia has further developed productive partnerships with numerous organisations to deliver science engagement outcomes to the wider community.
	<p><b>Research Academic Engagement</b> Museum personnel supervised 30 higher education students (including 20 at PhD level). This equated to an average of 2.8 students supervised per Museum researcher. Museum personnel delivered a total of 1349 hours of academic teaching.</p> <p><b>Research Collaborations</b> Museum researchers maintained a total of 172 research collaborations, 72 of which were internationally based, and 100 which were within Australia. Additionally, 51% of all research collaborations were with universities, 17% with government agencies, 5% with private entities, 21% with other Museums and 6% with Art/Cultural organisations.</p>	<p>The Museum successfully maintained its ability to represent South Australia's scientific and academic strengths through its vast collaborations spanning many sectors nationally and internationally.</p> <p>This output is the result of continued research activity and the generation of new knowledge. Research publications contribute to the State's understanding of its cultural and natural heritage and, in doing so, offer scientific study and employment opportunities.</p>
Ensure that the Museum operates as a modern, effective and efficient organisation	<p><b>Digital Initiatives</b> The introduction of digital initiatives in order to make our collections more engaging and accessible for both visitors, staff and other stakeholders.</p>	<p>The use of 'digital storytelling' was introduced to increase awareness of key projects and partnerships.</p> <p>The Museum launched an Australian first with</p>



Agency objectives	Indicators	Performance
		<p>the Shadow Initiation – an all of Museum digital adventure game which offers an inventive new way for new and returning visitors to explore the space and engage with its many treasures. The game proved to be popular with families, corporate teambuilding groups, and millennials.</p> <p>Work commenced on the development of an updated Museum website.</p> <p>The Humanities Department completed the migration of 85,000 records onto the electronic collections database.</p> <p>The North Terrace Cultural Precinct Innovation Lab was completed.</p> <p>A pilot project was undertaken as part of Ignite SA for the Yuendumu Doors. This provides – via an App – additional information and interactivity related to the doors.</p>
	<p><b>Storage</b> Improve our storage facilities.</p>	<p>Significant planning work was undertaken for the upgrade of the Museum's Australian Aboriginal Collection</p>



Agency objectives	Indicators	Performance
		storage facility located at Netley.
Redevelop the Museum site	<p><b>Facilities Management</b></p> <p>Enhancement of the Museum's facilities through the renovation or redevelopment of galleries and public spaces and improving the site through capital work.</p>	<p>The Museum has undertaken a review of current assets to determine which areas should be prioritised for an upgrade. The schedule of works is determined based on available funding.</p> <p>Throughout 2018/19, the visitor seating across galleries was upgraded, a new speaker system was installed, and work commenced in the Biodiversity Gallery to incorporate a dedicated "Learning Space" for education and engagement activities.</p> <p>The Museum Foundation also approved a project to undertake consultation regarding a potential upgrade of the Museum's front lawns and forecourt area adjacent to North Terrace.</p>

### Corporate performance summary

The Museum had a record year for revenue generated, with a total of \$2.1 million raised, compared to total State Government revenue of \$11.792 million.

There was a comparatively large turnover of staff across the Museum, with some exciting new roles being created, across the areas of 3D printing and 3D modelling.

We continued to create roles in partnership with the University of Adelaide and Flinders University.

The Museum received funding through various channels to establish some innovative new programs, including the use of drone technology.

In partnership with the Department for Education, a new Learning Space was installed in the Museum, providing a dedicated space in the Biodiversity Gallery for education and engagement activities. This will primarily be used for school activities and community programs.

The Museum installed new AV systems, improving the visitor experience, especially during events held at the Museum.

### Employment opportunity programs

Program name	Performance
Museum Pathways Program	<p>The Museum Pathways program is designed to provide opportunities for early career aspirants in disciplines relevant to the Museum's state responsibilities and strategic research objectives.</p> <p>Currently the program includes the following elements, all externally funded:</p> <ul style="list-style-type: none"> <li>• Aboriginal Cadetships</li> <li>• Summer Undergraduate Scholarships</li> <li>• A 3D modelling trainee</li> <li>• Scholarship support for a PhD student</li> <li>• The William and Margaret Geary Curator of Aboriginal and Torres Strait Islander Art and Material Culture</li> <li>• An early Career Project Officer - 3D scanning and printing project.</li> </ul>
	<p><i>Aboriginal Cadetships &amp; Early Career Researcher</i></p> <p>The Museum continued to employ two Indigenous Cadets and one early Career Researcher through the Museum Pathways Program.</p> <p>The Early Career Researcher, Rebecca Richards, commenced curating an exhibition to showcase historical photographs of Adnyamathanha people of the Flinders Ranges.</p>
	<p><i>William and Margaret Geary Curator of Aboriginal and Torres Strait Islander Art and Material Culture</i></p> <p>This is the second year that the Museum employed Dr Jared Thomas as the <i>William and Margaret Geary Curator of</i></p>

	<p><i>Aboriginal and Torres Strait Islander Art and Material Culture.</i></p> <p>In February 2019, Dr Thomas launched his first exhibition at the Museum – <i>Yurta Ardla</i> – which celebrated the continuation of Adnyamathanha wood carving and the revitalisation of Nukunu wood carving practice.</p>
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### Agency performance management and development systems

Performance management and development system	Performance
The Department of the Premier and Cabinet's 'Performance Development Plan' program was in place throughout the year.	As at 30 June, a total of 83.5% of employees have a Performance Development Plan in place.

### Work health, safety and return to work programs

Program name	Performance
Mental Health First Aid	Two staff attended and are now acting as Mental Health First Aiders
iLearn Training	<p>iLearn is the online training platform used to deliver mandatory WHS training.</p> <p>55% of WHS training was completed.</p> <p>55% of Ergonomics or Hazardous Manual Tasks checklists were completed.</p>
External training	<p>Two staff participated in first aid training.</p> <p>Two staff participated in 4-wheel drive training.</p> <p>Thirteen staff participated in emergency management training.</p>

<b>Workplace injury claims</b>	<b>Current year 2018-19</b>	<b>Past year 2017-18</b>	<b>% Change (+ / -)</b>
Total new workplace injury claims	2	2	0
Fatalities	0	0	0
Seriously injured workers*	0	0	0
Significant injuries (where lost time exceeds a working week, expressed as frequency rate per 1000 FTE)	0	0	0

\*number of claimants assessed during the reporting period as having a whole person impairment of 30% or more under the Return to Work Act 2014 (Part 2 Division 5)

<b>Work health and safety regulations</b>	<b>Current year 2018-19</b>	<b>Past year 2017-18</b>	<b>% Change (+ / -)</b>
Number of notifiable incidents ( <i>Work Health and Safety Act 2012, Part 3</i> )	1	0	+100%
Number of provisional improvement, improvement and prohibition notices ( <i>Work Health and Safety Act 2012 Sections 90, 191 and 195</i> )	0	0	0

<b>Return to work costs**</b>	<b>Current year 2018-19</b>	<b>Past year 2017-18</b>	<b>% Change (+ / -)</b>
Total gross workers compensation expenditure (\$)	6,401.30	97,171.63	-93.41%
Income support payments – gross (\$)	0	3,996.31	-100%

\*\*before third party recovery

Data for previous years is available at <https://data.sa.gov.au/data/dataset/south-australian-museum-work-health-and-safety>.

### Executive employment in the agency

Executive classification	Number of executives
SAES1	2

Data for previous years is available at <https://data.sa.gov.au/data/dataset/south-australian-museum-executive-employment>.

The [Office of the Commissioner for Public Sector Employment](#) has a [workforce information](#) page that provides further information on the breakdown of executive gender, salary and tenure by agency.

## Financial performance

Under the new State Government, the Museum has been tasked with achieving a whole of government savings target of \$593K over four years, starting with \$339K in 2018-19. The Museum has successfully achieved this target through a mix of entrepreneurial commercial revenue generation and applying several savings strategies.

The Museum is in a stable financial position and will continue to prioritise securing its long-term financial security, focussing on economic sustainability and strategic partnerships.

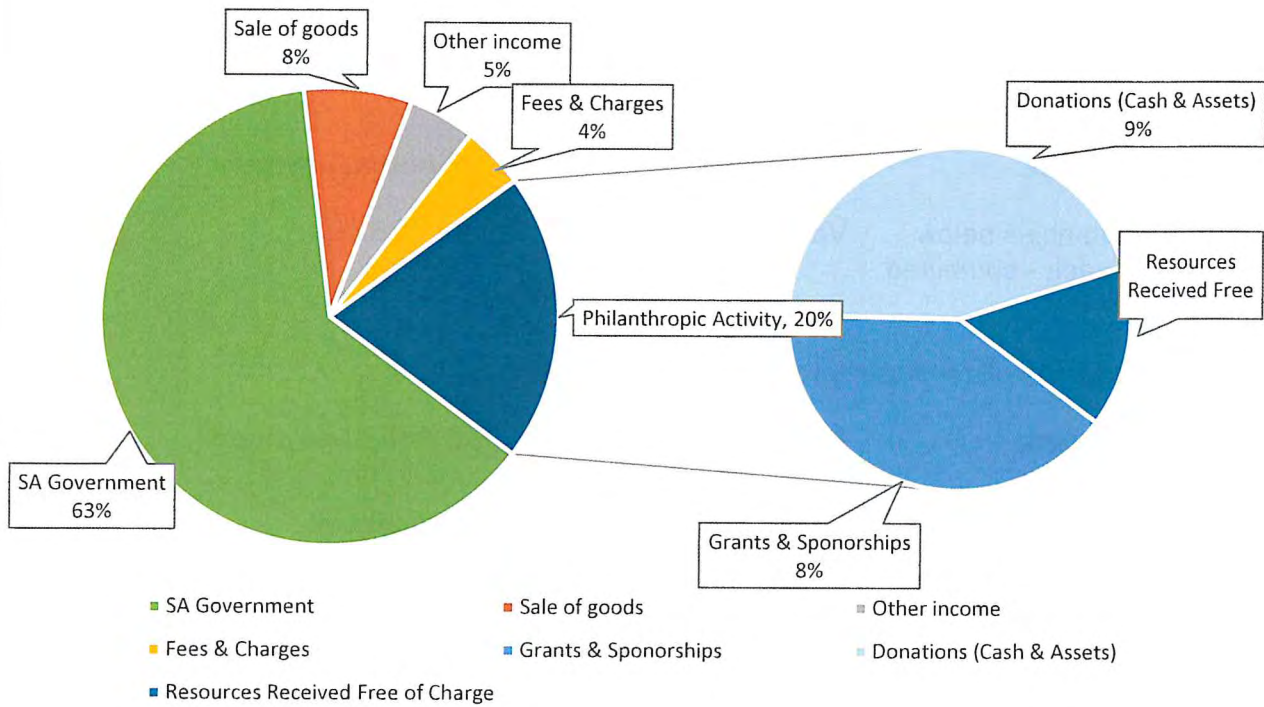
Full audited financial statements for 2018-19 are attached to this report.

The Museum received \$11.79 million in State Government appropriation and raised a further \$6.8 million to support its activities.

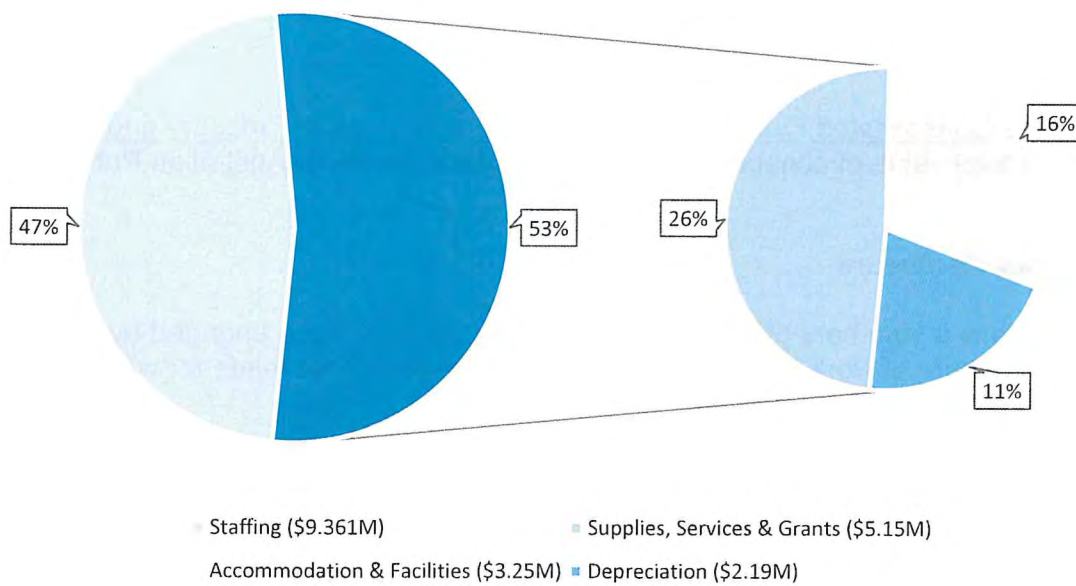
The Board's net equity position at 30 June 2019 was \$332.75 million. The Board's total assets of \$337.14 million comprised of \$5.58 million of current assets and \$331.55 million of non-current assets. The State's Heritage Collections, valued at \$295.56 million, account for its largest asset line. Liabilities totalled \$4.38 million with \$2.39 million being current liabilities and \$1.99 million being non-current liabilities. The non-current liability of Employee Benefits totalling \$1.8 million was the largest contributor to the liabilities balance.



## Museum Income Sources 2018/19



## Museum Expenses 2018/19



## Consultants disclosure

The following is a summary of external consultants that have been engaged by the agency, the nature of work undertaken, and the actual payments made for the work undertaken during the financial year.

### Consultancies with a contract value below \$10,000 each

Consultancies	Purpose	\$ Actual payment
All consultancies below \$10,000 each - combined	Various	\$51,262.90

### Consultancies with a contract value above \$10,000 each

Consultancies	Purpose	\$ Actual payment
Giant4 Solutions To Business	Digital Consulting	\$24,996.00
Rg Communications (Australia)	Media Communications and Marketing	\$14,000.00
Department of the Premier & Cabinet	WHS Consulting	\$10,300.00
	<b>Total</b>	<b>\$49,296.00</b>

Data for previous years is available at: <https://data.sa.gov.au/data/dataset/south-australian-museum-consultants>.

See also the [Consolidated Financial Report of the Department of Treasury and Finance](#) for total value of consultancy contracts across the South Australian Public Sector.

## Contractors disclosure

The following is a summary of external contractors that have been engaged by the agency, the nature of work undertaken, and the actual payments made for work undertaken during the financial year.

### Contractors with a contract value below \$10,000

Contractors	Purpose	\$ Actual payment
All contractors below \$10,000 each - combined	Various	\$48,716.72



**Contractors with a contract value above \$10,000 each**

Contractors	Purpose	\$ Actual payment
Bespoke Hospitality	Staffing for Exhibition	\$58,601.01
Francene Connor & Associates	Development, Philanthropic and Executive Officer support.	\$23,250.00
	<b>Total</b>	<b>\$81,851.01</b>

Data for previous years is available at <https://data.sa.gov.au/data/dataset/south-australian-museum-contractors>.

The details of South Australian Government-awarded contracts for goods, services, and works are displayed on the SA Tenders and Contracts website. [View the agency list of contracts](#).

The website also provides details of [across government contracts](#).

**Risk management****Risk and audit at a glance**

The Museum maintains a robust and thorough risk management system. This helps to ensure risks to the collection, staff, volunteers and the public are identified and managed accordingly. The Risk Register is reviewed annually and changes throughout the year are reported at every board meeting.

The Museum is audited by the Auditor-General's Department every year. Audit recommendations are adopted and acted upon to ensure the Museum is continually improving its systems, checks, controls and processes.

**Fraud detected in the agency**

Category/nature of fraud	Number of instances
N/A	0

*NB: Fraud reported includes actual and reasonably suspected incidents of fraud.*

**Strategies implemented to control and prevent fraud**

The Museum has maintained a comprehensive system of checks and balances to control and prevent fraud, under the advice of the Auditor-General's Department. During the 2018-19 period, 0 suspected or actual instances of fraud were detected.

The Museum Board's Finance, Audit and Risk Committee has established a work program to review the Museum's processes, this is in addition to the Museum's Financial Management Compliance Program.

Data for previous years is available at <https://data.sa.gov.au/data/dataset/south-australian-museum-fraud>.

### Whistle-blowers disclosure

Number of occasions on which public interest information has been disclosed to a responsible officer of the agency under the *Whistleblowers Protection Act 1993*:

0

Data for previous years is available at: <https://data.sa.gov.au/data/dataset/south-australian-museum-whistle-blowers>.

### Reporting required under any other act or regulation

Act or Regulation	Requirement
<i>Freedom of Information Act 1991</i>	Applications Received

In 2018/19, the South Australian Museum received 0 applications.

### Reporting required under the *Carers' Recognition Act 2005*

N/A

### Public complaints

#### Number of public complaints reported

Complaint categories	Sub-categories	Example	Number of Complaints 2018-19
Professional behaviour	Staff attitude	Failure to demonstrate values such as empathy, respect, fairness, courtesy, extra mile; cultural competency	2
Professional behaviour	Staff competency	Failure to action service request; poorly informed decisions; incorrect or incomplete service provided	0
Professional behaviour	Staff knowledge	Lack of service specific knowledge; incomplete or out-of-date knowledge	0

<b>Complaint categories</b>	<b>Sub-categories</b>	<b>Example</b>	<b>Number of Complaints 2018-19</b>
Communication	Communication quality	Inadequate, delayed or absent communication with customer	0
Communication	Confidentiality	Customer's confidentiality or privacy not respected; information shared incorrectly	0
Service delivery	Systems/technology	System offline; inaccessible to customer; incorrect result/information provided; poor system design	4
Service delivery	Access to services	Service difficult to find; location poor; facilities/ environment poor standard; not accessible to customers with disabilities	0
Service delivery	Process	Processing error; incorrect process used; delay in processing application; process not customer responsive	0
Policy	Policy application	Incorrect policy interpretation; incorrect policy applied; conflicting policy advice given	0
Policy	Policy content	Policy content difficult to understand; policy unreasonable or disadvantages customer	0
Service quality	Information	Incorrect, incomplete, out dated or inadequate information; not fit for purpose	1
Service quality	Access to information	Information difficult to understand, hard to find or difficult to use; not plain English	0
Service quality	Timeliness	Lack of staff punctuality; excessive waiting times (outside of service standard); timelines not met	0



Complaint categories	Sub-categories	Example	Number of Complaints 2018-19
Service quality	Safety	Maintenance; personal or family safety; duty of care not shown; poor security service/ premises; poor cleanliness	0
Service quality	Service responsiveness	Service design doesn't meet customer needs; poor service fit with customer expectations	0
No case to answer	No case to answer	Third party; customer misunderstanding; redirected to another agency; insufficient information to investigate	0
		<b>Total</b>	<b>7</b>

Additional Metrics	Total
Number of positive feedback comments	135
Number of negative feedback comments	3
Total number of feedback comments	175
% complaints resolved within policy timeframes	100%

Data for previous years is available at: <https://data.sa.gov.au/data/dataset/south-australian-museum-complaints>.

## Service improvements for period

### Service improvements that responded to customer complaints or feedback

If it is our mistake, we apologise; if it's a misunderstanding we try our best to clearly explain the rationale behind the query and ensure the person feels acknowledged.

An example of a response changing a visitor's initial reaction was during *David Attenborough's Great Barrier Reef VR Dive Experience*. It was recommended for children 13+ and we had a few inquiries about why this was the case. Once we explained that it was due to the nature of virtual reality and on the recommendation of the manufacturer of the headsets, the majority of people changed their view.

Another example is that a customer complaint email regarding a contractor was forwarded to relevant personnel to be used as example in future training.

## **Appendix: Audited financial statements 2018-19**

# **Museum Board**

## **Financial Statements**

For the year ended 30 June 2019





**Museum Board**  
**Certification of the Financial Statements**  
*for the year ended 30 June 2019*

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We certify that the attached general purpose financial statements for the Museum Board:

- 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 Museum Board; and
- present a true and fair view of the financial position of the Museum Board 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 Museum Board for the financial year over its financial reporting and its preparation of the general purpose financial statements have been effective throughout the reporting period.



Dr Jane Lomax-Smith  
**Chair**  
**Museum Board**  
September 2019



Brian Oldman  
**Director**  
**SA Museum**  
September 2019



Brenton Macdonald  
**Manager Corporate Services**  
**SA Museum**  
September 2019

**Museum Board**  
**Statement of Comprehensive Income**  
*for the year ended 30 June 2019*

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		<b>2019</b>	<b>2018</b>
	<b>Note</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Expenses</b>			
Employee benefits expenses	2.3	9 361	8 599
Supplies and services	3.1	5 150	4 639
Accommodation and facilities	3.2	3 245	3 182
Depreciation and amortisation	3.3	2 192	2 183
Grants expense		106	144
<b>Total expenses</b>		<b>20 054</b>	<b>18 747</b>
<b>Income</b>			
Grant income	4.3	1 385	1 425
Fees and charges	4.4	833	1 122
Sponsorships	4.5	148	127
Interest and investment income	4.6	142	174
Resources received free of charge	4.7	596	570
Sale of goods		1 426	1 676
Donations and bequests		809	467
Donations of heritage assets		897	937
Recoveries		20	23
Net gain from the disposal of non-current assets	4.2	-	25
Other income	4.8	544	390
<b>Total income</b>		<b>6 800</b>	<b>6 936</b>
<b>Net cost of providing services</b>		<b>13 254</b>	<b>11 811</b>
<b>Revenues from SA Government</b>			
Recurrent operating grant		11 792	11 901
Capital grant		-	169
<b>Total revenues from SA Government</b>	4.1	<b>11 792</b>	<b>12 070</b>
<b>Net result</b>		<b>(1 462)</b>	<b>259</b>
<b>Other Comprehensive Income:</b>			
<b>Items that will not be reclassified to net result</b>			
Gain / (loss) on sale of investments classified as fair value through other comprehensive income	4.2	( 5)	-
Changes in fair value of investments classified as fair value through other comprehensive income	6.3	( 50)	-
<b>Total other comprehensive income</b>		<b>( 55)</b>	<b>-</b>
<b>Total comprehensive result</b>		<b>(1 517)</b>	<b>259</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.

**Museum Board**  
**Statement of Financial Position**  
*as at 30 June 2019*

	Note	2019 \$'000	2018 \$'000
<b>Current assets</b>			
Cash and cash equivalents	6.1	4 494	4 741
Receivables	6.2	959	845
Inventories		131	123
<b>Total current assets</b>		<b>5 584</b>	<b>5 709</b>
<b>Non-current assets</b>			
Receivables	6.2	2	11
Property, plant and equipment	5.1	33 967	35 985
Intangibles	5.2	82	60
Heritage collections	5.3	295 566	294 589
Investments	6.3	1 934	1 814
<b>Total non-current assets</b>		<b>331 551</b>	<b>332 459</b>
<b>Total assets</b>		<b>337 135</b>	<b>338 168</b>
<b>Current liabilities</b>			
Payables	7.1	1 355	1 164
Employee benefits	2.4	1 024	825
Provisions	7.2	12	12
<b>Total current liabilities</b>		<b>2 391</b>	<b>2 001</b>
<b>Non-current liabilities</b>			
Payables	7.1	166	161
Employee benefits	2.4	1 812	1 746
Provisions	7.2	18	19
<b>Total non-current liabilities</b>		<b>1 996</b>	<b>1 926</b>
<b>Total liabilities</b>		<b>4 387</b>	<b>3 927</b>
<b>Net Assets</b>		<b>332 748</b>	<b>334 241</b>
<b>Equity</b>			
Asset revaluation surplus	8.1	196 120	196 120
Investment reserve	8.1	( 26)	-
Retained earnings		136 654	138 121
<b>Total Equity</b>		<b>332 748</b>	<b>334 241</b>

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

**Museum Board**  
**Statement of Changes in Equity**  
*for the year ended 30 June 2019*

	Note	Asset revaluation surplus	Investment reserve	Retained earnings	Total equity
		\$'000	\$'000	\$'000	\$'000
<b>Balance at 1 July 2017</b>		196 120	-	137 862	333 982
<b>Net result for 2017-18</b>		-	-	259	259
<b>Total comprehensive result for 2017-18</b>		-	-	259	259
<b>Balance at 30 June 2018</b>		196 120	-	138 121	334 241
Adjustments on initial adoption of AASB 9		-	24	-	24
<b>Adjusted balance as at 1 July 2018</b>		196 120	24	138 121	334 265
<b>Net result for 2018-19</b>		-	-	(1 462)	(1 462)
Gain / (loss) on sale of investments classified as fair value through other comprehensive income		-	( 5)	-	( 5)
Transfer of revaluation loss on sale of investments from investment reserve to retained earnings		-	5	( 5)	-
Fair value movement of investments classified as fair value through other comprehensive income		-	( 50)	-	( 50)
<b>Total comprehensive result for 2018-19</b>		-	( 50)	(1 467)	(1 517)
<b>Balance at 30 June 2019</b>		196 120	( 26)	136 654	332 748

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

**Museum Board**  
**Statement of Cash Flows**  
*for the year ended 30 June 2019*

		2019 \$'000 (Outflows) Inflows	2018 \$'000 (Outflows) Inflows
<b><u>Cash flows from operating activities</u></b>	<b>Note</b>		
<b>Cash outflows</b>			
Employee benefits payments		(9 093)	(8 711)
Payments for supplies and services		(4 348)	(3 944)
Accommodation and facilities		(3245)	(3 182)
Grant payments		(106)	(144)
GST payments to the ATO		(28)	(146)
<b>Cash used in operations</b>		<b>(16 820)</b>	<b>(16 127)</b>
<b>Cash inflows</b>			
Sale of goods		1 425	1 676
Grant contributions		1 385	1 425
Donations and bequests		809	467
Fees and charges		777	1 112
Sponsorships		148	127
Interest and investment income		176	162
Recoveries		20	23
Other		491	600
<b>Cash generated from operations</b>		<b>5 231</b>	<b>5 592</b>
<b>Cash flows from SA Government</b>			
Recurrent operating grant		11 792	11 901
Capital grant		-	169
<b>Cash generated from SA Government</b>		<b>11 792</b>	<b>12 070</b>
<b>Net cash provided by / (used in) operating activities</b>		<b>203</b>	<b>1 535</b>
<b><u>Cash flows from investing activities</u></b>			
<b>Cash inflows</b>			
Proceeds from sale of investments		448	1 527
<b>Cash generated from investing activities</b>		<b>448</b>	<b>1 527</b>
<b>Cash outflows</b>			
Purchases of heritage collections		(80)	(25)
Purchases of property, plant and equipment and intangibles		(196)	(243)
Purchases of investments		( 622)	(1 493)
<b>Cash used in investing activities</b>		<b>( 898)</b>	<b>(1 761)</b>
<b>Net cash provided by / (used in) investing activities</b>		<b>(450)</b>	<b>( 234)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>		<b>( 247)</b>	<b>1 301</b>
Cash and cash equivalents at the beginning of the period		4 741	3 440
<b>Cash and cash equivalents at the end of the period</b>	<b>6.1</b>	<b>4 494</b>	<b>4 741</b>

The accompanying notes form part of these financial statements.

**Museum Board**  
**Notes to and forming part of the Financial Statements**  
*for the year ended 30 June 2019*

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## Museum Board

### Notes to and forming part of the Financial Statements

*for the year ended 30 June 2019*

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# **Museum Board**

## **Notes to and forming part of the Financial Statements**

### **for the year ended 30 June 2019**

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#### **1. About the Museum Board**

The Museum Board (the Board) is a statutory authority of the State of South Australia, constituted pursuant to section 3 of the *South Australian Museum Act 1976*. The Board is charged with the management of the South Australian Museum (the Museum) under the Act.

The consolidated financial statements have been prepared by combining the financial statements of the Museum Board, SA Museum Foundation Incorporated and the SA Museum Foundation Fund in accordance with AASB 10 *Consolidated Financial Statements*.

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

#### **1.1. Basis of preparation**

The financial statements are general purpose financial statements prepared in compliance with:

- section 23 of the *Public Finance and Audit Act 1987*;
- Treasurer's Instructions and Accounting Policy Statements issued by the Treasurer under the *Public Finance and Audit Act 1987*; and
- relevant Australian Accounting Standards with reduced disclosure requirements.

For the 2018-19 financial statements the Board 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 8.

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

The Board is not subject to Income Tax. The Board is liable for Payroll Tax, Fringe Benefits Tax (FBT), Goods and Services Tax (GST) and Emergency Services Levy (ESL).

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 excluded.

The net GST receivable/payable to the ATO is not recognised as a receivable/payable in the Statement of Financial Position as the Board is a member of an approved GST group, of which Arts South Australia, a division of the Department of the Premier and Cabinet (DPC), is responsible for the remittance and collection of GST.

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.

**Museum Board**  
**Notes to and forming part of the Financial Statements**  
*for the year ended 30 June 2019*

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**1.2. Objectives**

The functions of the Museum Board (the Board), as prescribed under the *South Australian Museum Act 1976*, are as follows:

- to undertake the care and management of the Museum
- to manage the premises of the Board
- to carry out, or promote, research into matters of scientific and historical interest
- to accumulate and care for objects and specimens of scientific or historical interest
- to accumulate and classify data in regard to any such matters
- to disseminate information of scientific or historical interest
- to advise the Minister on matters relating to scientific or historical research or collections
- to carry out any other functions assigned to the Board by this or any other Act or the Minister.

**2. Board, committees and employees**

**2.1. Key management personnel**

Key management personnel of the Board include the Premier of the State of South Australia as responsible Minister for the Arts, the nine members of the Museum Board and the Director of the South Australian Museum, all who have responsibility for the strategic direction and management of the Board.

Total compensation for the Board's key management personnel \$308 000 (2018: \$304 000).

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 the Department of Treasury and Finance) under section 6 the *Parliamentary Remuneration Act 1990*.

**Transactions with key management personnel and other related parties**

There were no significant transactions between key management personnel and other related parties.

**Museum Board**  
**Notes to and forming part of the Financial Statements**  
*for the year ended 30 June 2019*

---

**2.2. Board and committee members**

Members during the 2018-19 financial year were:

**Museum Board**

The Hon Dr J Lomax-Smith AM (Chair)  
 Prof D Adelson  
 AJ Duthie  
 SY Edwards  
 P Hanlon (resigned 31 August 2018)  
 A Noble  
 E Rainieri (appointed 7 February 2019)  
 D Rathman AM PSM  
 TA Whiting  
 R Perkins (deputy member to 31 August 2018)

**Aboriginal Advisory Committee**

D Rathman AM PSM (Chair)  
 FH Lampard OAM  
 S Miller  
 T Sansbury (resigned 20 December 2018)  
 V Wilson (appointed 20 December 2018)

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

**Board and committee remuneration**

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

	2019	2018
\$0 - \$19 999	10	9
<b>Total number of members</b>	<b>10</b>	<b>9</b>

The total remuneration received or receivable by members was \$26 000 (2018: \$24 000). Remuneration of members includes sitting fees, superannuation contributions, salary sacrifice benefits, fringe benefits and related fringe benefits tax.

**2.3. Employee benefits expenses**

	2019	2018
	\$'000	\$'000
Salaries and wages	6 374	6 404
Targeted voluntary separation packages	714	239
Employee on-costs - superannuation	701	694
Annual leave	558	524
Employee on-costs - other	382	352
Long service leave	372	147
Salaries charged externally	122	110
Other employee related expenses	81	75
Skills and experience retention leave	32	31
Board fees	25	23
<b>Total employee benefits expenses</b>	<b>9 361</b>	<b>8 599</b>

**Museum Board**  
**Notes to and forming part of the Financial Statements**  
*for the year ended 30 June 2019*

---

**Employment on-costs – superannuation**

The superannuation employment on-cost charge represents the board'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:

	2019	2018
\$271 001 - \$291 000	1	1
<b>Total</b>	<b>1</b>	<b>1</b>

The table includes all employees who received remuneration equal to or greater than the base executive remuneration level during the year. Remuneration of employees reflects all costs of employment including salaries and wages, payments in lieu of leave, superannuation contributions, salary sacrifice benefits and fringe benefits and any fringe benefits tax paid or payable in respect of those benefits.

The total remuneration received or receivable by these staff for the year was \$283,000 (2018: \$283 000).

**Targeted voluntary separation packages (TVSP)**

	2019 \$'000	2018 \$'000
<b>Amounts paid to separated employees</b>		
Targeted voluntary separation packages	714	288
Leave paid to separated employees	247	35
	<b>961</b>	<b>323</b>
Recovery from the Department of Treasury and Finance	( 553)	-
<b>Net cost to the Board</b>	<b>408</b>	<b>323</b>

The number of employees who received a TVSP during the reporting period was: 8 4

**Museum Board**  
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**2.4. Employee benefits liability**

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Current</b>		
Annual leave	468	479
Long service leave	210	156
Accrued salaries and wages	287	118
Skills and experience retention leave	59	72
<b>Total current employee benefits</b>	<b>1 024</b>	<b>825</b>
<b>Non-current</b>		
Long service leave	1 812	1 746
<b>Total non-current employee benefits</b>	<b>1 812</b>	<b>1 746</b>
<b>Total employee benefits</b>	<b>2 836</b>	<b>2 571</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.

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 7.1.



**Museum Board**  
**Notes to and forming part of the Financial Statements**  
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**3. Expenses**

Employee benefits expenses are disclosed in note 2.3.

**3.1. Supplies and services**

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
Exhibitions	799	489
Cost of goods sold	512	606
Other	424	268
Artlab conservation work	397	366
Marketing	378	404
Maintenance	377	143
Administration	349	221
Insurance and risk	315	334
Information technology	376	385
Research	308	433
Business services charge	219	204
Travel and accommodation	212	139
Contractors	141	97
Consultants	101	133
Minor equipment	73	31
Audit fees	63	68
Motor vehicle expenses	35	58
Hire, rent and equipment	25	27
OHS&W	20	28
Fees	16	18
Bad and doubtful debts	10	-
Legal Fees	6	25
Collections	( 6)	162
<b>Total supplies and services</b>	<b>5 150</b>	<b>4 639</b>

**Consultants**

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

	<b>2019</b>	<b>2019</b>	<b>2018</b>	<b>2018</b>
	<b>Number</b>	<b>\$'000</b>	<b>Number</b>	<b>\$'000</b>
Below \$10 000	22	51	15	65
\$10 000 or above	3	50	5	68
<b>Total</b>	<b>25</b>	<b>101</b>	<b>20</b>	<b>133</b>

**3.2. Accommodation and facilities**

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
Facilities	1 176	1 099
Security	1 040	1 010
Electricity and gas	583	660
Accommodation	446	413
<b>Total accommodation and facilities</b>	<b>3 245</b>	<b>3 182</b>

**Museum Board**  
**Notes to and forming part of the Financial Statements**  
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**3.3. Depreciation and amortisation**

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Depreciation</b>		
Buildings and improvements	1 481	1,480
Plant and equipment	693	676
Computer equipment	-	1
<b>Total depreciation</b>	<b>2 174</b>	<b>2 157</b>
<b>Amortisation</b>		
Intangibles	18	26
<b>Total amortisation</b>	<b>18</b>	<b>26</b>
<b>Total depreciation and amortisation</b>	<b>2 192</b>	<b>2 183</b>

All non-current assets, having a limited useful life, are systematically depreciated/amortised over their useful lives in a manner that reflects the consumption of their service potential.

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

Land and heritage collections are not depreciated.

***Review of accounting estimates***

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

***Useful life***

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

<b>Class of asset</b>	<b>Useful life (years)</b>
Buildings and improvements	15-100
<i>Plant and equipment</i>	
Exhibition	10
Other	3-25
Computer equipment	3-5
Intangibles	5-10

Exhibitions with a life of less than one year are expensed.

Heritage collections are kept under special conditions so that there is no physical deterioration and they are anticipated to have very long and indeterminate 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.

**Museum Board**  
**Notes to and forming part of the Financial Statements**  
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**4. Income**

**4.1. Revenues from SA Government**

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
Recurrent operating grant	11 792	11 901
Capital grant	-	169
<b>Total revenues from SA Government</b>	<b>11 792</b>	<b>12 070</b>

**Grants**

Grants are recognised on receipt.

**4.2. Net gain from the disposal of non-current assets**

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Investments</b>		
Proceeds from disposal	448	1 527
Less value on sale of investments classified as fair value through other comprehensive income	( 453)	(1 502)
<b>Net gain (loss) from disposal of investments</b>	<b>( 5)</b>	<b>25</b>
<b>Total assets</b>		
Total proceeds from disposal	448	1 527
Less total carrying amount of assets disposed	( 453)	(1 502)
<b>Total net gain (loss) from disposal of non-current assets</b>	<b>( 5)</b>	<b>25</b>

**4.3. Grant income**

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
General	579	405
Commonwealth	541	844
State Government	265	176
<b>Total grants</b>	<b>1 385</b>	<b>1 425</b>

Grants are recognised on receipt.

**4.4. Fees and charges**

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
Admissions	483	635
Functions	235	296
Fees for service	52	177
Other	63	14
<b>Total fees and charges</b>	<b>833</b>	<b>1 122</b>

**4.5. Sponsorships**

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
Cash sponsorships	148	127
<b>Total sponsorships</b>	<b>148</b>	<b>127</b>

**Museum Board**  
**Notes to and forming part of the Financial Statements**  
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**4.6. Interest and investment income**

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
Investment income	86	111
Interest	56	63
<b>Total interest and investment income</b>	<b>142</b>	<b>174</b>

Interest revenue is recognised taking into account the interest rates applicable to the financial assets. Dividend income is recognised when the right to receive a dividend has been established.

**4.7. Resources received free of charge**

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
Artlab conservation work	377	366
Services received free of charge - Shared Services SA	219	204
<b>Total resources received free of charge</b>	<b>596</b>	<b>570</b>

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

Under an arrangement with Artlab Australia, a division of the Department of the Premier and Cabinet, Artlab Australia receives SA Government appropriation to perform conservation services on the Board's heritage collections. The value of this work performed is recognised as resources received free of charge in income and a corresponding amount included as conservation work expenditure in note 3.1. Supplies and services.

**4.8. Other income**

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
Other	240	275
Competition entry fees	119	-
Lab consumable recharge	104	53
Exhibition hire	81	55
Commission and royalties	-	7
<b>Total other income</b>	<b>544</b>	<b>390</b>

**Museum Board**  
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**5. Non-financial assets**

**5.1. Property, plant and equipment**

	2019 \$'000	2018 \$'000
<b>Land, buildings and improvements</b>		
Land at fair value	5 300	5 300
Buildings and improvements at fair value	73 906	73 881
Accumulated depreciation at the end of the period	(48 668)	(47 187)
<b>Total land, buildings and improvements</b>	<b>30 538</b>	<b>31 994</b>
<b>Work in progress</b>		
Work in progress at cost	101	-
<b>Total work in progress</b>	<b>101</b>	<b>-</b>
<b>Plant and equipment</b>		
Plant and equipment at cost (deemed fair value)	10 027	10 078
Accumulated depreciation at the end of the period	(6 699)	(6 087)
<b>Total plant and equipment</b>	<b>3 328</b>	<b>3 991</b>
<b>Computer equipment</b>		
Computer equipment at cost (deemed fair value)	48	48
Accumulated depreciation at the end of the period	(48)	(48)
<b>Total computer equipment</b>	<b>-</b>	<b>-</b>
<b>Total property, plant and equipment</b>	<b>33 967</b>	<b>35 985</b>

Property, plant and equipment with a value equal to or in excess of \$10 000 is capitalised, otherwise it is expensed.

Property, plant and equipment is recorded at fair value. Details about the Board's approach to fair value is set out in note 11.2.

**Reconciliation 2018-19**

	Buildings & Land improvements \$'000	\$'000	Work in progress \$'000	Plant and equipment \$'000	Computer equipment \$'000	Total tangible assets \$'000
<b>2019</b>						
Carrying amount at 1 July 2018	5 300	26 694	-	3 991	-	35 985
Additions	-	-	156	-	-	156
Disposals	-	-	-	( 81)	-	( 81)
Accumulated depreciation on disposals	-	-	-	81	-	81
Depreciation and amortisation	-	(1481)	-	(693)	-	(2174)
Transfer to/(from) capital works in progress	-	25	( 55)	30	-	-
<b>Carrying amount at the end of the period</b>	<b>5 300</b>	<b>25 238</b>	<b>101</b>	<b>3 328</b>	<b>-</b>	<b>33 967</b>

**Museum Board**  
**Notes to and forming part of the Financial Statements**  
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**5.2. Intangible assets**

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
Computer software	155	155
Accumulated amortisation	(113)	(95)
<b>Total computer software</b>	<b>42</b>	<b>60</b>
<b>Work in progress</b>		
Work in progress at cost	40	-
<b>Total work in progress</b>	<b>40</b>	<b>-</b>
<b>Total intangible assets</b>	<b>82</b>	<b>60</b>

Intangible assets are initially measured at cost and are tested for indications of impairment at each reporting date. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and any accumulated impairment losses.

The acquisition of or internal development of software is capitalised only when the expenditure meets the definition and recognition criteria and when the amount of expenditure is greater than or equal to \$10 000.

**5.3. Heritage collections**

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
Entomology	53 418	53 418
Australian Aboriginal ethnology	35 255	35 165
Marine invertebrates	30 063	29 658
Foreign ethnology	26 984	26 984
Mineralogy	19 788	19 777
Archives/artwork	18 451	18 449
Mammalogy	16 857	16 496
Australian helminthological collection	16 140	16 092
Palaeontology	14 946	14 946
Archaeology	14 434	14 434
Ornithology	9 229	9 212
Australian polar collection	8 982	8 954
Australian biological tissue bank	6 588	6 587
Arachnology	6 321	6 320
Malacology	5 258	5 258
Herpetology	4 298	4 292
Rare books	4 260	4 260
Ichthyology	3 459	3 452
Social/industrial history	587	587
Public program collection	248	248
<b>Total heritage collections</b>	<b>295 566</b>	<b>294 589</b>



**Museum Board**  
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**5.3. Heritage collections (continued)**

**Reconciliation of carrying amounts of heritage collections**

	Opening balance	Additions	Closing balance
2019	\$'000	\$'000	\$'000
Entomology	53 418	-	53 418
Australian Aboriginal ethnology	35 165	90	35 255
Marine invertebrates	29 658	405	30 063
Foreign ethnology	26 984	-	26 984
Mineralogy	19 777	11	19 788
Archives/artwork	18 449	2	18 451
Mammalogy	16 496	361	16 857
Australian helminthological collection	16 092	48	16 140
Palaeontology	14 946	-	14 946
Archaeology	14 434	-	14 434
Ornithology	9 212	17	9 229
Australian polar collection	8 954	28	8 982
Australian biological tissue bank	6 587	1	6 588
Arachnology	6 320	1	6 321
Malacology	5 258	-	5 258
Herpetology	4 292	6	4 298
Rare books	4 260	-	4 260
Ichthyology	3 452	7	3 459
Social/industrial history	587	-	587
Public Program Collection	248	-	248
<b>Carrying amount at the end of the period</b>	<b>294 589</b>	<b>977</b>	<b>295 566</b>

The Board's heritage collections, except for the foreign archaeology, were revalued as at 30 June 2016 using the valuation methodology outlined below in accordance with fair value principles adopted under AASB 13 *Fair Value Measurement* and AASB 116 *Property, Plant and Equipment*. The foreign archaeology collection was revalued as at 30 June 2017.

These valuations were undertaken by Aon Risk Solutions.

The collections were broadly valued on the following basis:

Collection	Method of valuation
Heritage collections	Market approach
Natural history collections	Cost approach

Heritage collection status applies to those collections where an established market exists.

Natural history collections have been valued at fair value on the basis of the cost of fieldwork, preparation and documentation to replace the material in its present condition.

Heritage collections deemed to have market value are Australian Aboriginal ethnology, foreign ethnology, Australian polar collection, social/industrial history collection, mineralogy, museum library, archives/artworks, rare books and public programs.

**Museum Board**  
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**5.3. Heritage collections (continued)**

Natural history collections valued at cost of recovery are the Australian biological tissue bank, marine invertebrates, malacology, ichthyology, palaeontology, arachnology, entomology, ornithology, the Australian helminthological collection, archaeology, mammalogy and herpetology.

The public programs collection is a new collection which was valued for the first time in the 30 June 2016 valuation. This collection consists of both the Waterhouse Art Prize collection and the ANZANG nature photography collection.

The valuations of heritage collections deemed to have market value were carried out by the following recognised industry experts:

<b>Collection</b>	<b>Industry expert</b>
Australian Aboriginal ethnology	D Davidson
Foreign ethnology	D Davidson
Australian polar collection	H Miller & P Tinslay
Archaeology	H Miller
Mineralogy	J Alford
Archives	H Miller & P Tinslay
Museum library	P Tinslay
Public programs	H Miller
Social/Industrial history	J Munroe

Collections deemed to be culturally sensitive, including human remains or items which are secret and sacred to Aboriginal communities have not been included within the current valuation and are considered at zero valuation. These collections are human biology and secret sacred material.

**6. Financial assets**

**6.1. Cash and cash equivalents**

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
Deposits with the Treasurer	1 398	1 501
Term deposits	600	608
Cash on hand	2	12
Deposits with banks	2 494	2 620
<b>Total cash and cash equivalents</b>	<b>4 494</b>	<b>4 741</b>

**Deposits with the Treasurer**

Deposits with the Treasurer are a combination of funds held in the "Museum Board Account", an account held with the Treasurer of South Australia pursuant to section 21 of the *Public Finance and Audit Act 1987*, and funds held in the Arts South Australia Operating Account. This account is held with the Treasurer of South Australia pursuant to section 8 of the *Public Finance and Audit Act 1987*. There are stipulated restrictions on the use of the Zimmerman Bequest component of the cash funds available \$113 000 (2018: \$111 000) and the Bonython Bequest component of the cash funds available \$22 000 (2018: \$22 000).

**Cash other**

Cash other is term deposits, cash held for investments by Hood Sweeney with Macquarie Bank and cash held by the SA Museum Foundation Incorporated and SA Museum Foundation Fund. There are restrictions in place for the cash accounts for Norman B Tindale Memorial, Mawson Collection, Thyne Reid and High Noon \$463 000 (2018: \$575 000).

**Museum Board**  
**Notes to and forming part of the Financial Statements**  
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**6.2. Receivables**

	2019 \$'000	2018 \$'000
<b>Current</b>		
<b><u>Trade receivables</u></b>		
Trade receivables	464	348
Less allowance for doubtful debts	(10)	(28)
<b>Total trade receivables</b>	<b>454</b>	<b>320</b>
GST receivable	447	419
Accrued revenues	34	68
Prepayments	24	38
<b>Total current receivables</b>	<b>959</b>	<b>845</b>
<b>Non-current</b>		
Accrued revenues	-	1
Prepayments	2	10
<b>Total non-current receivables</b>	<b>2</b>	<b>11</b>
<b>Total receivables</b>	<b>961</b>	<b>856</b>

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.

***Impairment of receivables***

	2019 \$'000	2018 \$'000
Balance at 30 June 2018 under AASB 139	28	37
Adjustment on initial adoption of AASB 9	-	-
Carrying amount at the beginning of the period	28	37
Increase/(decrease) in the allowance	(18)	( 9)
<b>Carrying amount at the end of the period</b>	<b>10</b>	<b>28</b>

Refer to note 9.3 for details regarding credit risk and the methodology for determining impairment.

**Museum Board**  
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**6.3. Investments**

	2019 \$'000	2018 \$'000
Listed equity instruments at cost	-	1 814
<u>Investments classified as fair value through other comprehensive income</u>		
Listed equity instruments designated at fair value through other comprehensive income	1 934	-
<b>Total non-current investments</b>	<b>1 934</b>	<b>1 814</b>
<b>Total investments</b>	<b>1 934</b>	<b>1 814</b>

From 1 July 2018 the equity instruments are carried at fair value.

During the comparative year, the investments were brought to account at cost in accordance with Accounting Policy Framework IV *Financial Asset and Liability Framework* APS 2.1. Gains and losses were recognised in profit or loss when they were sold.

During the current year, the equity investments were designated at fair value through other comprehensive income with all changes in fair value being taken to the investment reserve. On disposal of these equity investments, any related balance within the investment reserve will be reclassified to retained earnings.

Dividends arising from all investments are recognised in the statement of comprehensive income.

Of the four investment accounts; Museum Board, Norman B Tindale, Memorial Mawson Collection and Thyne Reid - there are restrictions in place for Norman B Tindale Memorial, Mawson Collection and Thyne Reid relating to funds totalling \$1.3 million (2018: \$1.1 million).

**7. Liabilities**

Employee benefits liabilities are disclosed in note 2.4.

**7.1. Payables**

	2019 \$'000	2018 \$'000
<b>Current</b>		
Trade Payables	1 241	1 050
Employment on-costs	114	114
<b>Total current payables</b>	<b>1 355</b>	<b>1 164</b>
<b>Non-current</b>		
Employment on-costs	166	161
<b>Total non-current payables</b>	<b>166</b>	<b>161</b>
<b>Total payables</b>	<b>1 521</b>	<b>1 325</b>

**Museum Board**  
**Notes to and forming part of the Financial Statements**  
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**7.1. Payables (continued)**

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.

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

**Employment on-costs**

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

The Board 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 South Australian Superannuation Board.

As a result of an actuarial assessment performed by the Department of Treasury and Finance, the proportion of long service leave taken as leave has remained at the 2018 rate of 41% and the average factor for the calculation of employer superannuation cost on-costs has changed from the 2018 rate (9.9%) to 9.8%. These rates are used in the employment on-cost calculation. The net financial impact of these changes in the current financial year is immaterial.

**Paid parent leave scheme**

Paid Parental Leave Scheme payable represents amounts which the Board has received from the Commonwealth Government to forward onto eligible employees via the department's standard payroll processes. That is, the Board is acting as a conduit through which the payment to eligible employees is made on behalf of the Family Assistance Office.

**7.2. Provisions**

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Current</b>		
Provision for workers compensation	12	12
<b>Total current provisions</b>	<b>12</b>	<b>12</b>
<b>Non-current</b>		
Provision for workers compensation	18	19
<b>Total non-current provisions</b>	<b>18</b>	<b>19</b>
<b>Total provisions</b>	<b>30</b>	<b>31</b>
<b>Movement in provisions</b>		
Carrying amount at the beginning of the period	31	45
Additional provision recognised	-	26
Reductions resulting from payment / other sacrifices of future economic benefits	-	(40)
Reductions resulting from re-measurement or settlement without cost	(1)	-
<b>Carrying amount at the end of the period</b>	<b>30</b>	<b>31</b>

## **Museum Board**

### **Notes to and forming part of the Financial Statements**

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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 Board is responsible for the payment of workers compensation claims.

## **8 Other disclosures**

### **8.1 Equity**

#### ***Asset revaluation surplus***

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

#### ***Investment reserve***

As a result of the implementation of *AASB 9 Financial Instruments*, an investment reserve has been created to record all changes in fair value of investments classified as fair value through other comprehensive income.

### **8.2 Cash flow**

Cash flows are included in the Statement of Cash Flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the ATO is classified as part of operating cash flows.

## **9. Changes in accounting policy**

### **9.1. Treasurer's Instructions (Accounting Policy Statements)**

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.
- no longer recognising financial assets at historic cost as required under APF IV - Financial Asset and Liability Framework.

The Accounting Policy Statements also set out requirements in relation to Accounting Standards and Statements not yet effective. This is further discussed in note 9.3.



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**Notes to and forming part of the Financial Statements**  
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**9.2. AASB 9 Financial instruments**

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 Board 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 years, 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 a significant impact on the recognition, measurement or classification of financial liabilities.

The total impact on the Board's retained earnings and investment reserve as at 1 July 2018 is as follows:

	<b>\$000</b>
<b>Closing retained earnings 30 June 2018 – AASB 139</b>	<b>138 121</b>
Adjustment to investment reserve from adoption of AASB 9	24
<b>Opening retained earnings and investment reserve 1 July 2018 – AASB 9</b>	<b>138 145</b>

On 1 July 2018, the Board has assessed and reclassified its financial assets into the appropriate AASB 9 categories depending on the business model and contractual cash flow characteristics applying to the asset. AASB 9 eliminates the AASB 139 categories of held to maturity, loans and receivables and available for sale.

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**9.2. AASB 9 Financial instruments (continued)**

On the date of initial application, the Board's financial instruments were as follows, with any reclassifications noted.

	Measurement category		AASB 139 at 30 June 2018	Carrying amount re- measureme nt	AASB 9 at 1 July 2018
	AASB 139	AASB 9	\$'000	\$'000	\$'000
<b><u>Current financial assets</u></b>					
Trade receivables	Loans and receivables	Amortised cost	348	-	348
<b><u>Non-current financial assets</u></b>					
Investments	Available for sale	Fair value through other comprehensive income	1 814	24	1 838
<b><u>Current financial liabilities</u></b>					
Trade payables	Amortised cost	Amortised cost	1 050	-	1 050

***Impairment of financial assets***

AASB 9 replaces the 'incurred loss' model in AASB 139 with an 'expected credit loss' model. The following financial assets of the Board are subject to AASB 9's new expected credit loss model:

- trade receivables from provision of services.

This model generally results in earlier recognition of credit losses than the previous one.

***Trade receivables***

New impairment requirements result in a provision being applied to all receivables rather than only on those receivables that are credit impaired. The Board has adopted the simplified approach under AASB 9 Financial Instruments and measured lifetime expected credit losses on all trade receivables using a provision matrix approach as a practical expedient to measure the impairment provision. There are no additional impairment provisions for State, Territory, or Commonwealth Government receivables due to the Governments' high quality credit risk.

Trade and other receivables that were classified as loans and receivables under AASB 139 are now classified at amortised cost as they meet the appropriate criteria under AASB 9.

***Investments***

The fair value of listed investments is based on the published market price from the Australian Stock Exchange.

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**10. Outlook**

**10.1. Unrecognised contractual commitments**

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

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

**Operating lease commitments**

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

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
Within one year	24	21
Later than one year but not later than five years	44	61
<b>Total operating lease commitments</b>	<b>68</b>	<b>82</b>

There are no purchase options available to the Board.

The Board's operating leases are for non-cancellable motor-vehicle leases.

**Other commitments**

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
No later than one year	1 246	1 365
Later than one year but not later than five years	2 975	2 379
Later than five years	-	340
<b>Total other commitments</b>	<b>4 221</b>	<b>4 084</b>

The Board's other commitments are for agreements for security and cleaning.

**10.2. 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 members of the Board, to affect significantly the operations of the Board, the results of those operations, or the state of affairs of the Board in subsequent financial years.

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**11. Measurement and risk**

**11.1. Long service leave liability – measurement**

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

The actuarial assessment performed by the Department of Treasury and Finance has provided a basis for the measurement of long service leave and is based on actuarial assumptions on expected future salary and wage levels, experience of employee departures and periods of service. These assumptions are based on employee data over SA Government entities.

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

This decrease in the bond yield, which is used as the rate to discount future long service leave cash flows, results in an increase in the reported long service leave liability of \$174 000.

The net financial effect of the changes to actuarial assumptions in the current financial year is immaterial. 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 4.0% for long service leave liability. As a result, there is no net financial effect resulting from changes in the salary inflation rate.

**11.2. Fair Value**

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

***Initial recognition***

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

Where assets are acquired at no value, or minimal value, they are recorded at fair value in the Statement of Financial Position. However, if the assets are acquired at no or nominal value as part of a restructure of administrative arrangements, then the assets are recognised at book value (i.e. the amount recorded by the transferor public authority immediately prior to the restructure).

***Revaluation***

Property, plant and equipment are subsequently measured at fair value after allowing for accumulated depreciation.

The revaluation process is reviewed by the Manager Corporate Services and Finance, Audit & Risk Committee each year.

Non-current tangible assets are valued at fair value and revaluation of non-current assets or a group of assets is only performed when the fair value at the time of acquisition is greater than \$1.5 million and estimated useful life is greater than three years.

Revaluation is undertaken on a regular cycle as detailed below. 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.

Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amounts of the assets and the net amounts are restated to the revalued amounts of the asset.

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***Land and buildings***

An independent valuation of land and buildings was performed as at 30 June 2014 by a Certified Practising Valuer from Valcorp Australia Pty. Ltd.

Fair value of land has been determined using the market approach. The valuation was based on recent market transactions for similar land in the area and includes adjustment for factors specific to the land such as size and location. For land classified as restricted in use, adjustments were applied to reflect the restriction.

The fair value of buildings was determined using current replacement cost, due to there not being an active market. The current replacement cost considered the need for ongoing provision of government services, specialised nature and restricted use of the assets, their size, condition and location.

***Plant and equipment***

All items of plant and equipment had a fair value at the time of acquisition less than \$1.5 million and had an estimated useful life of no less than three years. Plant and equipment has not been revalued in accordance with APS 116.D. The carrying value of these items are deemed to approximate fair value.

**11.3. Financial instruments**

***Financial risk management***

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

The Board's exposure to financial risk (liquidity risk, credit risk and market risk) is low due to the nature of the financial instruments held.

***Interest rate risk***

Interest is calculated based on the average daily balances of the interest bearing funds. The interest bearing funds of the Board are held in the section 21 interest bearing account titled the "Museum Board Account" and in the accounts identified in cash other.

***Categorisation of financial instruments***

Details of the significant accounting policies and methods adopted including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised with respect to each class of financial asset, financial liability and equity instrument are disclosed in the respective financial asset / financial liability note.

***Classification applicable until 30 June 2018 under AASB 139 Financial Instruments: Recognition and Measurement***

The carrying amounts are detailed below of each of the following categories of financial assets and liabilities:

- Held-to-maturity investments
- Loan and receivables
- Available for sale investments.
- Financial liabilities measured at cost.

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**11.3. Financial risk management / financial instruments (continued)**

**Classification applicable from 1 July 2018 under AASB 9 Financial Instruments**

On initial recognition, a financial asset is classified as measured at amortised cost, fair value through other comprehensive income (FVOCI) – debt instrument, FVOCI – equity instrument or fair value through profit or loss.

A financial asset is measured at amortised cost if it meets both of the following conditions:

- It is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest only on the principal amount outstanding.

The Board measures all financial instruments at amortised cost or fair value.

		<b>2019</b>
<b>Category of financial asset and financial liability</b>	<b>Note</b>	<b>Carrying amount / fair value \$'000</b>
<b><u>Financial assets</u></b>		
<b>Cash and cash equivalents</b>		
Cash and cash equivalents	6.1	4 494
<b>Financial assets at amortised cost</b>		
Receivables	6.2	488
<b>Held to maturity investments</b>		
Listed equity instruments designated at fair value through other comprehensive income	6.3	1 934
<b>Total financial assets</b>		<b>6 916</b>
<b><u>Financial liabilities</u></b>		
<b>Financial liabilities at amortised cost</b>		
Payables	7.1	1 194
<b>Total financial liabilities</b>		<b>1 194</b>

		<b>2018</b>
<b>Category of financial asset and financial liability</b>	<b>Note</b>	<b>Carrying amount / fair value \$'000</b>
<b><u>Financial assets</u></b>		
<b>Cash and cash equivalents</b>		
Cash and cash equivalents	6.1	4 741
<b>Financial assets at amortised cost</b>		
Receivables	6.2	389
<b>Held to maturity investments</b>		
Investments	6.3	1 814
<b>Total financial assets</b>		<b>6 944</b>
<b><u>Financial liabilities</u></b>		
<b>Financial liabilities at amortised cost</b>		
Payables	7.1	1 005
<b>Total financial liabilities</b>		<b>1 005</b>



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***Receivables and payables***

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

The receivables amount disclosed here excludes prepayments as they are not financial assets. Prepayments are presented in note 6.2.

