



**Government  
of South Australia**

**Carrick Hill Trust**  
**2019-20 Annual Report**

Carrick Hill Trust

46 Carrick Hill Drive Springfield

[www.carrickhill.sa.gov.au](http://www.carrickhill.sa.gov.au)

Contact phone number: 7424 7900

Contact email: [Belinda.causby@sa.gov.au](mailto:Belinda.causby@sa.gov.au)

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Date presented to Minister: 30 September 2020

To:

Hon Steven Marshall

Premier

This annual report will be presented to Parliament to meet the statutory reporting requirements of *Carrick Hill Trust Act 1985, Section 19* 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.

Submitted on behalf of the Carrick Hill Trust by:

Tony Kanellos

Director, Carrick Hill

Date 30/09/2020

Signature



A handwritten signature in blue ink is written over a horizontal line. The signature is stylized and appears to be 'Tony Kanellos'.

## From the Director



I am pleased to present the Carrick Hill Trust Annual Report 2019-20 as a record of our activities and achievements during the last financial year. Having recently joined Carrick Hill on 1 July 2020, this report looks back on an eventful year – a year of house closure and a pandemic.

The heart of Carrick Hill, the house, has been closed for the entire year while a new gallery space is constructed. A lift has been installed to provide access to this underutilised and once “out of bounds” space. The entire art collection has been packed away in purpose-built storage or loaned to other cultural institutions and organisations while the building works are under way.

Without the house and the exhibition program, the focus for the public has been the beautiful gardens and grounds. This all came to a standstill on March 25<sup>th</sup> due to COVID-19 and the subsequent restrictions and lockdown which saw the entire site closed for the rest of the financial year.

The focus of 2019/2020 has been the redevelopment of the house and the planning for a new visitor pavilion including café/restaurant and shop. Both projects funded through the generosity of the Carrick Hill Foundation and State Government. The Federal Government has also provided funding towards the Pavilion project.

On a happier note, we recall a sold-out Christmas evening in the garden, which is shaping up to be a Carrick Hill tradition.

Much planning has occurred for the reopening of the house in November 2020, with restaging of the entire collection of art and furniture and an inaugural exhibition in the new gallery, accompanied by a public program.

I'd like to acknowledge the support of the Board of the Carrick Hill Trust, the Foundation, the Friends, the Guides and the many volunteers who keep the place running. I also acknowledge my small but dedicated team, who are the temporary custodians of Carrick Hill, in particular Belinda Causby who was acting director during one of the strangest years in recent times.

There are also a number of individuals who have supported Carrick Hill through their generous donations. These individuals remind us of the spirit of Bill and Ursula Hayward who left Carrick Hill, the house, the garden and their wonderful art collection to the people of South Australia.

Tony Kanellos  
**Director**  
**Carrick Hill Trust**

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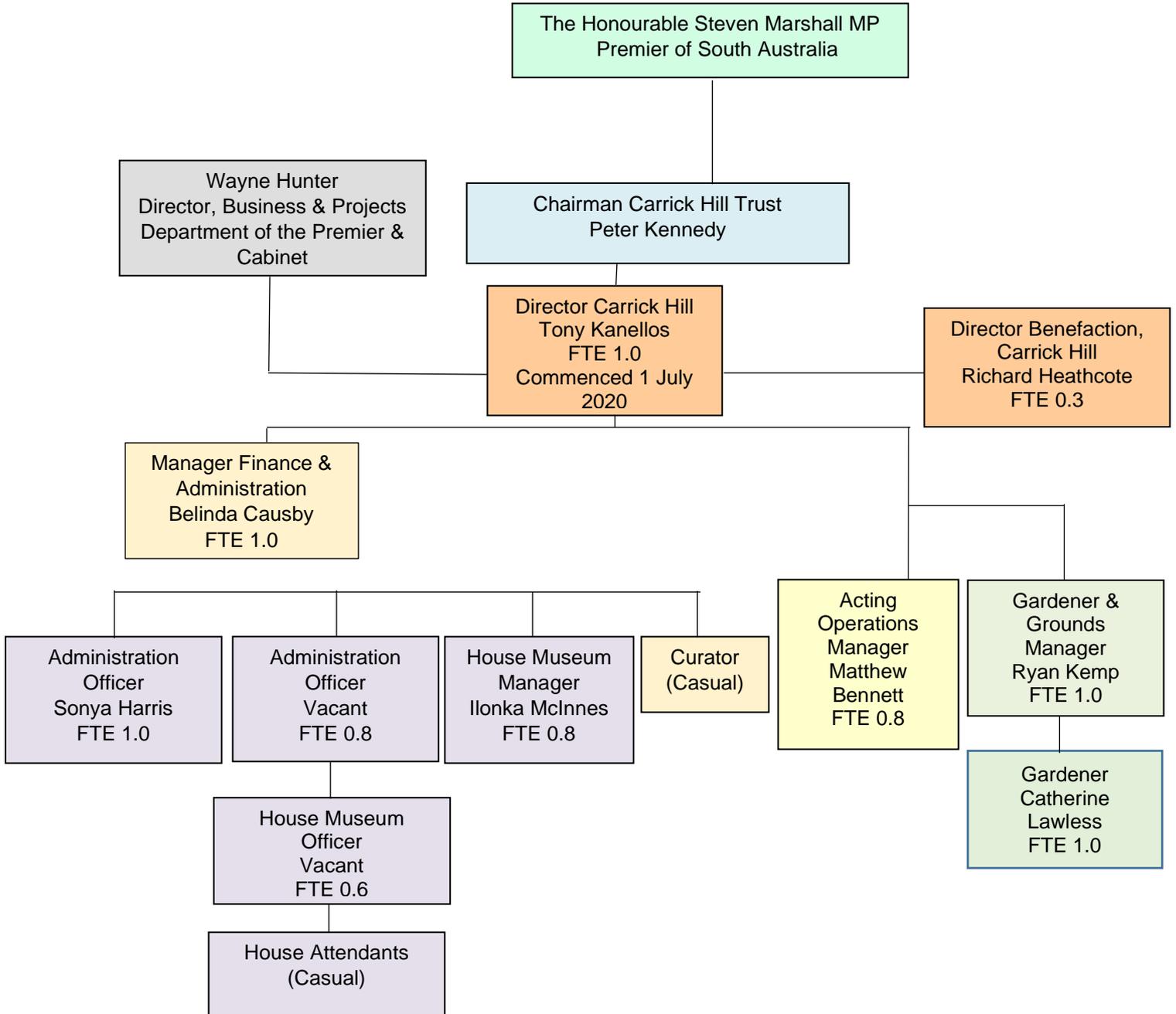
## Overview: about the agency

### Our strategic focus

<p><b>Our Purpose</b></p>	<p>Carrick Hill’s purpose, as defined in the <i>Carrick Hill Trust Act 1985</i>, is to administer, develop and maintain Carrick Hill as a gallery for the display of works of art, as a museum, as a botanical garden and to promote and encourage the interest of the public in Carrick Hill, its collections and the services and amenities provided by the Trust.</p>
<p><b>Our Vision</b></p>	<p>Carrick Hill aims to inspire, entertain and educate by providing visitors with a unique and pleasurable experience where a visitor can admire and marvel at the magnificent heritage gardens, view and appreciate the highly valued art collection, changing exhibitions and beautiful interiors of the house.</p>
<p><b>Our Values</b></p>	<p>Carrick Hill aligns with the South Australian Public Sector Values and Behaviours Framework, which promotes:</p> <ul style="list-style-type: none"> <li>• Service</li> <li>• Professionalism</li> <li>• Trust</li> <li>• Respect</li> <li>• Collaboration &amp; Engagement</li> <li>• Honesty &amp; Integrity</li> <li>• Courage &amp; Tenacity</li> <li>• Sustainability</li> </ul>
<p><b>Our functions, objectives and deliverables</b></p>	<ol style="list-style-type: none"> <li>1. Build a strong reputation and positive image.</li> <li>2. Preserve and enhance the historical significance and ambiance of the site for today and for future generations.</li> <li>3. Achieve the 2014 Masterplan and continue to build support towards the Capital Fundraising Campaign</li> <li>4. Deliver exceptional service and value for money</li> <li>5. Improve commercial and social value returns that meet stakeholder expectations.</li> <li>6. Raise annual visitation to 100,000.</li> <li>7. Promote Carrick Hill and its collections and give proper recognition to the Hayward family legacy.</li> </ol>

**Our organisational structure**

**CARRICK HILL ORGANISATION CHART 2020**



## **Changes to the agency**

During 2019-20 there were no changes to the agency's structure and objectives as a result of internal reviews or machinery of government changes.

## **Our Minister**

The Hon Steven Marshall MP is the Premier of South Australia, member for Dunstan and is responsible for:

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

## **Our Executive team**

The leadership team consists of:

- Belinda Causby, Acting Director
- Richard Heathcote, Director of Benefaction

## **Legislation administered by the agency**

*The Carrick Hill Trust Act 1985*

## The agency’s performance

### Performance at a glance

From 1 July 2019 Carrick Hill House Museum closed to the public to realise phase one of the Masterplan, the internal redevelopment project. Carrick Hill garden and grounds remained open for the public to enjoy and welcomed 30,446 visitors to the site. From 26 March 2020, Carrick Hill temporarily closed for the remainder of the financial year following Federal and State Government advice in the interests of public safety in response to COVID-19.

### Agency contribution to whole of Government objectives

Key objective	Agency’s contribution
More jobs	<p>Carrick Hill’s internal redevelopment project commenced in October 2020 with the engagement of Minuzzo Project Management. The \$3.345 million capital project will convert underutilised attic space to allow for additional exhibition space and increase interior accessibility with the installation of a lift and stairway. Three additional storage sheds and the reinstatement of the former Queen’s Way will also be delivered as part of the project.</p>
Lower costs	<p>Carrick Hill’s new program of <i>Spectacular Sundays</i> began in August ’19. The program offered free family friendly activities on the 3<sup>rd</sup> Sunday of every month with varying themes such as ‘books, books, books’, coinciding with National Children’s Book Week, Spring Fling in September etc.</p> <p>Entry to the garden and grounds including the Children’s Storybook Trail is free of charge and used regularly by picnickers, bushwalkers, garden lovers and families.</p> <p>Carrick Hill’s café provides a broad menu including low cost offerings that are family friendly.</p>
Better Services	<p>Carrick Hill is focused on improving its offering to build and promote visitation of this unique South Australian tourism destination. The soon to be completed internal redevelopment project along with the Pavilion Project that has secured \$3M of Federal Funding and \$0.5M of State Government funding aims to accommodate growth in visitation and improved facilities to provide a broader range of events and activities.</p>

**Agency specific objectives and performance**

<b>Agency objectives</b>	<b>Indicators</b>	<b>Performance</b>
Carrick Hill Visitation	<p>Carrick Hill House was closed to the public throughout the year due to the commencement of the internal redevelopment project.</p> <p>The garden and grounds were open to the public for eight months of the year (August '19 to March '20) and closed in March '20 due to COVID-19. Opening hours are Wednesday to Sunday &amp; Public holidays 10am to 4:30pm Carrick Hill is closed on Christmas Day, Good Friday and for the month of July for preservation and maintenance.</p>	Carrick Hill had 30,446 visitors through the site.
Community Partnership – Trees for Life	Trees for Life have continued their project to remove olive trees in the Grey Box Grassy Woodland at Carrick Hill	Trees for Life volunteers have been on site regularly throughout the year removing olive trees in the Bushland.
Community Partnership – ARO Education	ARO Education have partnered with Carrick Hill to utilise the Carrick Hill gardens as a site to carry out training to horticulture students.	Carrick Hill has received assistance of approximately 15 students throughout the year.
Annual SA Camellia Show	The Camellia Society of SA hold their annual Camellia Show in the marquee each August.	1,208 attendees over the weekend.
Spectacular Sunday's events	Carrick Hill held free events for the community once a month, with a different theme for each for example 'books, books books', Spring Fling etc.	1662 across four events
The Bloody Long Walk	A 35km walk starting at Carrick Hill (ending in Glenelg) to raise funds for Mitochondrial Disease.	1300 participants
Christmas Evening	A summer's evening on the terrace hosted by "Mr Bill", a fictional character based on Sir Edward	400 tickets sold

	Hayward by Heaps Good Productions. Christmas Carols performed by Cantamus Choir and a surprise visit by a special visitor.	
Fringe Performances	Mr Badger & Buzzy Bees held performances as part of the Adelaide Fringe Festival February – March '20 (seven performances).	286 tickets sold

### Corporate performance summary

Carrick Hill as at 30 June had a headcount of eight employees and FTE equivalent of 6.9. 100% of the workforce completed Performance Development Reviews with their line manager.

### Employment opportunity programs

Program name	Performance
NA	

### Agency performance management and development systems

Performance management and development system	Performance
Performance Development Planning reviews were performed six-monthly	100% of staff completed the Performance Development Reviews with their line managers every six months.
DPC ilearning training	All staff have completed on-line training sessions from DPC. Most have completed to 100%.

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

Program name	Performance
NA	

<b>Workplace injury claims</b>	Current year 2019-20	Past year 2018-19	% Change (+ / -)
Total new workplace injury claims	0	1	-100%
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	1	-100%

\*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>	Current year 2019-20	Past year 2018-19	% Change (+ / -)
Number of notifiable incidents ( <i>Work Health and Safety Act 2012, Part 3</i> )	0	0	0%
Number of provisional improvement, improvement and prohibition notices ( <i>Work Health and Safety Act 2012 Sections 90, 191 and 195</i> )	0	1	-100%

<b>Return to work costs**</b>	Current year 2019-20	Past year 2018-19	% Change (+ / -)
Total gross workers compensation expenditure (\$)	\$182	\$62,704	-100%
Income support payments – gross (\$)	\$0	\$24,870	-100%

\*\*before third party recovery

Data for previous years is available at: <https://data.sa.gov.au/data/dataset/fa644044-2258-4e3f-be54-b15125348c29>

### Executive employment in the agency

Executive classification	Number of executives
NA	0

Data for previous years is available at: <https://data.sa.gov.au/data/dataset/f8c7689a-8717-46c9-9a67-18a5fa8609eb>

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

### Financial performance at a glance

The following is a brief summary of the overall financial position of the agency. The information is unaudited. Full audited financial statements for 2019-20 are attached to this report.

<b>Statement of Comprehensive Income</b>	<b>2019-20 Budget \$000s</b>	<b>2019-20 Actual \$000s</b>	<b>Variation \$000s</b>	<b>2018-19 Actual \$000s</b>
Total Income	1,294	4,079	2,785	2,109
Total Expenses	1,363	1,449	86	2,020
<b>Net Result</b>	<b>-69</b>	<b>2,630</b>	<b>2,699</b>	<b>89</b>
<b>Total Comprehensive Result</b>	<b>-69</b>	<b>13,630</b>	<b>13,699</b>	<b>89</b>

<b>Statement of Financial Position</b>	<b>2019-20 Budget \$000s</b>	<b>2019-20 Actual \$000s</b>	<b>Variation \$000s</b>	<b>2018-19 Actual \$000s</b>
Current assets	803	1,809	1,006	766
Non-current assets	48,884	61,144	12,260	48,297
<b>Total assets</b>	<b>49,687</b>	<b>62,953</b>	<b>13,278</b>	<b>49,023</b>
Current liabilities	201	613	412	290
Non-current liabilities	66	72	6	94
<b>Total liabilities</b>	<b>267</b>	<b>685</b>	<b>418</b>	<b>384</b>
<b>Net assets</b>	<b>49,420</b>	<b>62,268</b>	<b>12,848</b>	<b>48,639</b>
<b>Equity</b>	<b>49,420</b>	<b>62,268</b>	<b>12,848</b>	<b>48,639</b>

### 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

<b>Consultancies</b>	<b>Purpose</b>	<b>\$ Actual payment</b>
Synthetic Creative Services	Concept ideas & cabinet plans for attic gallery and poster designs	\$2,000

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

<b>Consultancies</b>	<b>Purpose</b>	<b>\$ Actual payment</b>
NA		\$ 0
	Total	\$ 0

Data for previous years is available at: <https://data.sa.gov.au/data/dataset/e3721adc-ff58-4f5d-8535-5658f8f3d34d>

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**

<b>Contractors</b>	<b>Purpose</b>	<b>\$ Actual payment</b>
All contractors below \$10,000 each - combined	Various	\$29,996

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

<b>Contractors</b>	<b>Purpose</b>	<b>\$ Actual payment</b>
Katie Davies	Curatorial and exhibition services	\$12,003
The Adelaide Lawn Specialists	Lawn rejuvenation and treatment	\$13,326
	Total	\$25,329

Data for previous years is available at: <https://data.sa.gov.au/data/dataset/e3721adc-ff58-4f5d-8535-5658f8f3d34d>

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.](#)

### **Other information**

Grants of \$2.419 million were received from the Government of South Australia including \$0.50 million and \$0.59 million towards the Pavilion Project and the internal house redevelopment project respectively. Donations were received from the Carrick Hill Development Foundation of \$1.30 million towards the internal house redevelopment project. This project is anticipated to be completed by October 2020.

## Risk management

### Fraud detected in the agency

Category/nature of fraud	Number of instances
NA	0

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

### Strategies implemented to control and prevent fraud

The Carrick Hill Trust regularly reviews internal controls to ensure risks and weaknesses are identified and minimised to prevent instances of fraud or corruption. The Corruption and Maladministration policy is reviewed annually by all staff and the Financial Management Compliance report is shared biannually with the Board for review and feedback. Further policies reviewed by all staff throughout the 2019-20 financial year include *Code of Ethics for the South Australian Public Sector*, and *Lost or Stolen Public Money or Public Property Policy*. In addition, Board Members completed *Pecuniary Interest Declarations*, *Fraud Declarations* and *Key Management Personnel Declarations*.

Data for previous years is available at: <https://data.sa.gov.au/data/dataset/f851e66e-198a-4b51-af22-f237feab36fc>

Number of occasions on which public interest information has been disclosed to a responsible officer of the agency under the *Public Interest Disclosure Act 2018*:

0

Data for previous years is available at: <https://data.sa.gov.au/data/dataset/099dee2c-8bb2-459d-99cf-3ae68f983bd1>

Note: Disclosure of public interest information was previously reported under the *Whistleblowers Protection Act 1993* and repealed by the *Public Interest Disclosure Act 2018* on 1/7/2019.

## Reporting required under any other act or regulation

Act or Regulation	Requirement
NA	

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

Not applicable

## Public complaints

### Number of public complaints reported

Complaint categories	Sub-categories	Example	Number of Complaints 2019-20
Professional behaviour	Staff attitude	Failure to demonstrate values such as empathy, respect, fairness, courtesy, extra mile; cultural competency	0
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
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	0
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

<b>Complaint categories</b>	<b>Sub-categories</b>	<b>Example</b>	<b>Number of Complaints 2019-20</b>
Service quality	Information	Incorrect, incomplete, out dated or inadequate information; not fit for purpose	0
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
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	1
No case to answer	No case to answer	Third party; customer misunderstanding; redirected to another agency; insufficient information to investigate	2
		<b>Total</b>	<b>3</b>

<b>Additional Metrics</b>	<b>Total</b>
Number of positive feedback comments	92
Number of negative feedback comments	3
Total number of feedback comments	95
% complaints resolved within policy timeframes	100%

Data for previous years is available at:

<https://data.sa.gov.au/data/dataset/0722b140-74bb-4d4b-aca7-d27fc41d4987>

**Service Improvements resulting from complaints or consumer suggestions over 2019-20**

NA

## **Appendix: Audited financial statements 2019-20**



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

## To the Chair Carrick Hill Trust

### Opinion

I have audited the financial report of Carrick Hill Trust for the financial year ended 30 June 2020.

In my opinion, the accompanying financial report gives a true and fair view of the financial position of Carrick Hill Trust as at 30 June 2020, its financial performance and its cash flows for the year then ended in accordance with relevant Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards.

The financial report comprises:

- a Statement of Comprehensive Income for the year ended 30 June 2020
- a Statement of Financial Position as at 30 June 2020
- a Statement of Changes in Equity for the year ended 30 June 2020
- a Statement of Cash Flows for the year ended 30 June 2020
- notes, comprising significant accounting policies and other explanatory information
- a Certificate from the Chair and the Director.

### Basis for opinion

I conducted the audit in accordance with the *Public Finance and Audit Act 1987* and Australian Auditing Standards. My responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial report' section of my report. I am independent of Carrick Hill Trust. The *Public Finance and Audit Act 1987* establishes the independence of the Auditor-General. In conducting the audit, the relevant ethical requirements of APES 110 *Code of Ethics for Professional Accountants* (including Independence Standards) have been met.

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

## **Responsibilities of the Director and members of the Trust for the financial report**

The Director is responsible for the preparation of the financial report that gives a true and fair view in accordance with relevant Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and the Australian Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

The members of the Trust are responsible for overseeing the entity's financial reporting process.

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

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987* and section 18(3) of the *Carrick Hill Trust Act 1985*, I have audited the financial report of Carrick Hill Trust for the financial year ended 30 June 2020.

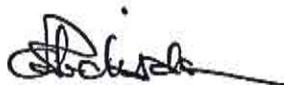
My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an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

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

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Carrick Hill Trust's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Director
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

My report refers only to the financial report described above and does not provide assurance over the integrity of electronic publication by the entity on any website nor does it provide an opinion on other information which may have been hyperlinked to/from the report.

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



Andrew Richardson

**Auditor-General**

30 September 2020

# **Carrick Hill Trust**

## **Financial Statements**

For the year ended 30 June 2020

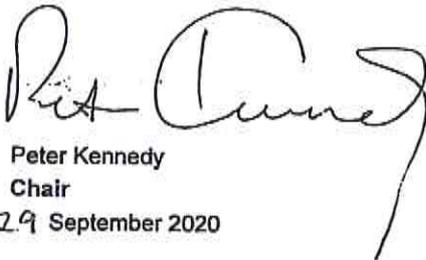
**Carrick Hill Trust**  
**Certification of the Financial Statements**  
*for the year ended 30 June 2020*

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We certify that the attached general purpose financial statements for the Carrick Hill Trust:

- 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 Carrick Hill Trust; and
- present a true and fair view of the financial position of the Carrick Hill Trust as at 30 June 2020 and the results of its operations and cash flows for the financial year.

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



Peter Kennedy  
Chair  
29 September 2020



Tony Kanellos  
Director  
29 September 2020

**Carrick Hill Trust**  
**Statement of Comprehensive Income**  
*for the year ended 30 June 2020*

	Note	2020 \$'000	2019 \$'000
<b>Income</b>			
State Government grants	2.1	1 423	3
Donations	2.2	1 158	202
Recurrent operating grants	2.3	1 003	1 181
Resources received free of charge	2.4	117	204
Donations of heritage assets		52	228
Facilities hire		52	57
Sponsorship		8	8
Admissions		4	144
Interest		3	11
Sale of goods		2	44
Rent		1	-
Other		16	27
<b>Total income</b>		<b>3 839</b>	<b>2 109</b>
<b>Expenses</b>			
Staff benefits expenses	3.3	648	1 034
Supplies and services	4.1	456	599
Depreciation and amortisation	4.3	180	176
Accommodation and facilities	4.2	165	211
<b>Total expenses</b>		<b>1 449</b>	<b>2 020</b>
<b>Net result</b>		<b>2 390</b>	<b>89</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to net result</b>			
Change in asset revaluation surplus	5.2	10 999	-
<b>Total other comprehensive income</b>		<b>10 999</b>	<b>-</b>
<b>Total comprehensive result</b>		<b>13 389</b>	<b>89</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.

**Carrick Hill Trust**  
**Statement of Financial Position**  
*as at 30 June 2020*

	Note	2020 \$'000	2019 \$'000
<b>Current assets</b>			
Cash and cash equivalents	6.1	1 453	735
Receivables	6.2	105	18
Inventories	5.6	12	13
<b>Total current assets</b>		<b>1 570</b>	<b>766</b>
<b>Non-current assets</b>			
Property, plant and equipment	5.1	23 609	10 774
Intangible assets	5.4	-	1
Heritage collections	5.5	37 534	37 482
<b>Total non-current assets</b>		<b>61 143</b>	<b>48 257</b>
<b>Total assets</b>		<b>62 713</b>	<b>49 023</b>
<b>Current liabilities</b>			
Payables	7.1	470	138
Staff benefits	3.4	109	114
Financial liabilities	7.3	9	-
Provisions	7.2	1	2
Unearned income		24	36
<b>Total current liabilities</b>		<b>613</b>	<b>290</b>
<b>Non-current liabilities</b>			
Payables	7.1	4	7
Staff benefits	3.4	47	84
Financial liabilities	7.3	18	-
Provisions	7.2	3	3
<b>Total non-current liabilities</b>		<b>72</b>	<b>94</b>
<b>Total liabilities</b>		<b>685</b>	<b>384</b>
<b>Net Assets</b>		<b>62 028</b>	<b>48 639</b>
<b>Equity</b>			
Asset revaluation surplus	8.1	51 515	40 516
Retained earnings		10 513	8 123
<b>Total Equity</b>		<b>62 028</b>	<b>48 639</b>

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

**Carrick Hill Trust**  
**Statement of Changes in Equity**  
*for the year ended 30 June 2020*

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	Asset revaluation surplus	Retained earnings	Total equity
	\$'000	\$'000	\$'000
Balance at 1 July 2018	40 516	8 034	48 550
Net result for 2018-19	-	89	89
Total comprehensive result for 2018-19	-	89	89
Balance at 30 June 2019	40 516	8 123	48 639
Net result for 2019-20	-	2 390	2 390
Gain/(loss) on revaluation of property, plant and equipment	10 999	-	10 999
Total comprehensive result for 2019-20	10 999	2 390	13 389
Balance at 30 June 2020	51 515	10 513	62 028

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

**Carrick Hill Trust**  
**Statement of Cash Flows**  
*for the year ended 30 June 2020*

	2020 Inflows (Outflows) \$'000	2019 Inflows (Outflows) \$'000
<b><u>Cash flows from operating activities</u></b>		
<b>Cash inflows</b>		
State Government grants	1 323	3
Donations	1 158	202
Recurrent operating grant	1 003	1 181
Facilities hire	51	69
Sponsorships	8	8
Admissions	4	144
Sale of goods	3	83
Interest	3	11
Rent	1	-
Other	13	31
<b>Cash generated from operations</b>	<b>3 567</b>	<b>1 732</b>
<b>Cash outflows</b>		
Staff benefits payments	(694)	(1 001)
Payments for supplies and services	(1)	(319)
Payments for accommodation and facilities	(162)	(211)
<b>Cash used in operations</b>	<b>( 857)</b>	<b>(1 531)</b>
<b>Net cash provided by / (used in) operating activities</b>	<b>2 710</b>	<b>201</b>
<b><u>Cash flows from investing activities</u></b>		
<b>Cash inflows</b>		
Proceeds from the sale of property, plant and equipment	-	4
<b>Cash generated from investing activities</b>	<b>-</b>	<b>4</b>
<b>Cash outflows</b>		
Purchase of property, plant and equipment	(1 984)	(154)
<b>Cash used in investing activities</b>	<b>(1 984)</b>	<b>(154)</b>
<b>Net cash provided by / (used in) investing activities</b>	<b>(1 984)</b>	<b>(150)</b>
<b><u>Cash flows from financing activities</u></b>		
<b>Cash outflows</b>		
Repayment of leases	(8)	-
<b>Cash used in financing activities</b>	<b>(8)</b>	<b>-</b>
<b>Net increase in cash and cash equivalents</b>	<b>718</b>	<b>51</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>735</b>	<b>684</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>1 453</b>	<b>735</b>

The accompanying notes form part of these financial statements.

**Carrick Hill Trust**  
**Notes to and forming part of the Financial Statements**  
*for the year ended 30 June 2020*

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**Carrick Hill Trust**  
**Notes to and forming part of the Financial Statements**  
*for the year ended 30 June 2020*

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# **Carrick Hill Trust**

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

### **for the year ended 30 June 2020**

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#### **1. About the Carrick Hill Trust**

The Carrick Hill Trust (the Trust) is constituted pursuant to section 4 of the *Carrick Hill Trust Act 1985* (the Act).

The Trust does not control any other entity and has no interests in unconsolidated structured entities. The financial statements and accompanying notes include all the controlled activities of the Trust.

The Carrick Hill Trust is a not-for-profit entity.

#### **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.

For the 2019-20 financial statements the Trust adopted *AASB 15 – Revenue from Contracts with Customers*, *AASB 16 – Leases* and *AASB 1058 – Income of Not-for-Profit Entities*. Further information is provided in note 9.

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

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

- when the GST incurred on a purchase of goods or services is not recoverable from the Australian Taxation Office (ATO), 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 Trust 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. As such, there are no cash flows relating to GST transactions with the ATO in the Statement of Cash Flows.

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.

**Carrick Hill Trust**  
**Notes to and forming part of the Financial Statements**  
**for the year ended 30 June 2020**

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**1.2. Objectives**

**Objectives**

The Trust is committed to preserving and improving the real and personal property forming the original Hayward Bequest to the South Australian Government in 1983, and to encourage the use of the property as a widely based cultural, botanical and recreational resource.

**Activities**

The activities of the Trust are:

- a) to administer, develop and maintain Carrick Hill for any one or more of the following purposes:
  - as a gallery for the display of works of art
  - as a museum
  - as a botanic garden
- b) to promote and encourage the interest of the public in Carrick Hill, its collections and the services and amenities provided by the Trust
- c) to perform any other functions assigned to the Trust by this Act or the Minister.

**1.3. Impact of COVID-19 pandemic on the Trust**

The COVID-19 pandemic has impacted on the operations of the Trust and the impacts are included under the relevant disclosure notes. The key impacts in 2019-20 were:

- Loss of income due to wedding ceremony and venue hire cancellations
- Loss of commission revenue from functions held at Carrick Hill

**Carrick Hill Trust**  
**Notes to and forming part of the Financial Statements**  
*for the year ended 30 June 2020*

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**2. Income**

**2.1. State Government grants**

	2020	2019
	\$'000	\$'000
State Government grants	1 423	3
<b>Total State Government grants</b>	<b>1 423</b>	<b>3</b>

Grants are recognised on receipt.

Grants of \$1.423 million were received from the Department of the Premier and Cabinet, including \$0.50 million and \$0.825 million towards the Pavilion Project and the House Renovation Project respectively.

**2.2. Donations**

	2020	2019
	\$'000	\$'000
Donations	1 158	202
<b>Total donations</b>	<b>1 158</b>	<b>202</b>

Donations are recognised on receipt.

Donations of \$1.06 million were received from the Carrick Hill Development Foundation for the House Renovation Project.

**2.3. Recurrent operating grants**

	2020	2019
	\$'000	\$'000
Recurrent operating grants	1 003	1 181
<b>Total recurrent operating grants</b>	<b>1 003</b>	<b>1 181</b>

Recurrent operating grants are recognised on receipt.

**2.4. Resources received free of charge**

	2020	2019
	\$'000	\$'000
Services received free of charge - Shared Services SA	20	30
Artlab Conservation services	97	174
<b>Total resources received free of charge</b>	<b>117</b>	<b>204</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 Trust'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 4.1 Supplies and services.

**Carrick Hill Trust**  
**Notes to and forming part of the Financial Statements**  
*for the year ended 30 June 2020*

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**3. Board, committees and staff**

**3.1. Key management personnel**

Key management personnel of the Trust include the Premier of the State of South Australia as responsible Minister for the Arts, the Presiding Member and members, and members of the Executive Team who have responsibility for the strategic direction and management of the Trust.

Total compensation for the Trust's key management personnel was \$138 000 (2019: \$146 000).

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

The Trust received annual recurrent operating grant of \$1.003 million (2019: \$1.181 million) from the Department of the Premier and Cabinet. The operating grant is the primary source of revenue for the Trust and disclosed under note 2.3.

In addition, the Trust receives business services from Shared Services SA, a division of the Department of Treasury and Finance, and conservation services from Artlab Australia, a division of the Department of the Premier and Cabinet. These services received free of charge are disclosed under note 2.4.

**3.2. Board and committee members**

Members during the 2020 financial year were:

PH Kennedy (Chair)  
KB Lloyd AM (term expired 15 May 2020)  
SW Mason  
J Mincham (appointed 1 August 2019)  
MJ Picton (term expired 22 July 2019)  
DA Schultz  
Cr L Taeuber  
I Tamm (appointed 1 August 2019)  
VM West

**Board and Committee Remuneration**

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

	2020	2019
\$0 - \$19 999	9	8
<b>Total</b>	<b>9</b>	<b>8</b>

The total remuneration received or receivable by members was \$12 000 (2019: \$9 000). Remuneration of members includes sitting fees, superannuation contributions, salary sacrifice benefits, fringe benefits and related fringe benefits tax.

**Carrick Hill Trust**  
**Notes to and forming part of the Financial Statements**  
*for the year ended 30 June 2020*

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**3.3. Staff benefits expenses**

	2020	2019
	\$'000	\$'000
Salaries and wages	527	741
Employment on-costs - superannuation	52	74
Annual Leave	41	71
Employment on-costs - other	31	46
Targeted voluntary separation packages	-	35
Long service leave	(16)	31
Board Fees	12	8
Skills and experience retention leave	(1)	2
Other staff related expenses	2	26
<b>Total staff benefits expenses</b>	<b>648</b>	<b>1 034</b>

**Employment on-costs - superannuation**

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

**Executive Remuneration**

There were no staff whose remuneration exceeded the executive base level remuneration rate of \$154 000 in 2019-20 or 2018-19.

**Targeted voluntary separation packages (TVSP)**

	2020	2019
	\$'000	\$'000
Amounts paid during the reporting period to separated staff:		
TVSPs	-	35
Annual leave, LSL and SERL paid to those staff	-	2
	<u>-</u>	<u>37</u>
Recovery from the Department of Treasury and Finance	-	(37)
<b>Net cost to the department</b>	<u>-</u>	<u>-</u>
Number of staff who received a TVSP during the reporting period	-	1

**Carrick Hill Trust**  
**Notes to and forming part of the Financial Statements**  
*for the year ended 30 June 2020*

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**3.4. Staff benefits liability**

	2020 \$'000	2019 \$'000
<b>Current</b>		
Annual leave	56	57
Long service leave	39	45
Skills and experience retention leave	1	1
Accrued salaries and wages	13	11
<b>Total current staff benefits</b>	<u>109</u>	<u>114</u>
<b>Non-current</b>		
Long service leave	47	84
<b>Total non-current staff benefits</b>	<u>47</u>	<u>84</u>
<b>Total staff benefits</b>	<u>156</u>	<u>198</u>

Staff benefits accrue as a result of services provided up to the reporting date that remain unpaid. Long-term staff benefits are measured at present value and short term staff 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 reporting date.

The annual leave liability and the skills and experience retention leave liability is expected to be payable within 12 months and is measured at the undiscounted amount expected to be paid.

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

**Long service leave**

The liability for long service leave is measured as the present value of expected future payments to be made in respect of services provided by staff up to the end of the reporting period using the projected unit credit method. Details about the measurement of long service leave liability is provided as note 11.1.

**Carrick Hill Trust**  
**Notes to and forming part of the Financial Statements**  
*for the year ended 30 June 2020*

**4. Expenses**

Staff benefits expenses are disclosed in note 3.3.

**4.1. Supplies and services**

	2020	2019
	\$'000	\$'000
Artlab conservation services	97	174
Insurance	56	54
Contract services expenses	-	25
Cost of goods sold	4	24
Contractors	49	44
Administration	13	38
Business services charge	19	30
Audit fees	19	19
Marketing	13	16
Motor vehicle expenses	9	14
Minor equipment	98	80
Consultants	8	12
Maintenance	30	10
Information technology and communication charges	13	9
Projects	4	4
Bad and doubtful debts	(4)	4
Exhibitions	2	1
Other supplies and services	26	41
<b>Total supplies and services</b>	<b>456</b>	<b>599</b>

**Consultants**

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

	2020	2020	2019	2019
	Number	\$'000	Number	\$'000
Below \$10 000	2	8	-	-
\$10 000 or above	-	-	1	12
<b>Total paid / payable to the consultants engaged</b>	<b>2</b>	<b>8</b>	<b>1</b>	<b>12</b>

**4.2. Accommodation and facilities**

	2020	2019
	\$'000	\$'000
Accommodation	52	56
Electricity and Gas	25	41
Facilities	88	114
<b>Total accommodation and facilities</b>	<b>165</b>	<b>211</b>

**Carrick Hill Trust**  
**Notes to and forming part of the Financial Statements**  
*for the year ended 30 June 2020*

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**4.3. Depreciation and amortisation**

	2020	2019
	\$'000	\$'000
Buildings and improvements	170	172
Plant and equipment	-	2
Intangible assets	1	2
Right-of-use vehicles	9	-
<b>Total depreciation and amortisation</b>	<b>180</b>	<b>176</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.

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.

**Useful life**

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

Class of asset	Useful life (years)
Buildings and improvements	10 to 100
Plant and equipment	3 to 10
Intangible assets	3 to 10
Right-of-use vehicles	Lease term

**Review of accounting estimates**

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

There were no changes to accounting estimates in 2019-20.

**Carrick Hill Trust**  
**Notes to and forming part of the Financial Statements**  
*for the year ended 30 June 2020*

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**5. Non-financial assets**

**5.1. Property, plant and equipment by asset class**

Property, plant and equipment comprises owned and right-of-use (leased) tangible assets that do not meet the definition of investment property.

	2020	2019
	\$'000	\$'000
<b>Land</b>		
Land at fair value	16 500	7 950
<b>Total land</b>	<u>16 500</u>	<u>7 950</u>
<b>Buildings and improvements</b>		
Buildings and improvements at fair value	9 249	9 670
Accumulated depreciation at the end of the period	(4 307)	(7 007)
<b>Total buildings and improvements</b>	<u>4 942</u>	<u>2 663</u>
<b>Plant and equipment:</b>		
Plant and equipment at cost (deemed fair value)	90	127
Accumulated depreciation at the end of the period	(90)	(127)
<b>Total plant and equipment</b>	<u>-</u>	<u>-</u>
<b>Work in progress</b>		
Work in progress at cost	2 140	161
<b>Total work in progress</b>	<u>2 140</u>	<u>161</u>
<b>Right-of-use vehicles</b>		
Right-of-use vehicles (deemed fair value)	34	-
Accumulated depreciation	(7)	-
<b>Total right-of-use vehicles</b>	<u>27</u>	<u>-</u>
<b>Total property, plant and equipment</b>	<u><u>23 609</u></u>	<u><u>10 774</u></u>

**Carrick Hill Trust**  
**Notes to and forming part of the Financial Statements**  
*for the year ended 30 June 2020*

**5.2. Property, plant and equipment owned by the Trust**

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. Detail about the Trust's approach to fair value is set out more in 11.2.

**Impairment**

Property, plant and equipment have not been assessed for impairment as they are non-cash generating assets, that are specialised in nature and held for continual use of their service capacity and are subject to regular revaluation.

**Reconciliation 2019-20**

	Land	Buildings and improvements	Plant and equipment	Work in progress	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying amount at the 1 July 2019	7 950	2 663	-	161	10 774
Acquisitions	-	-	-	1 980	1 980
Depreciation	-	(170)	-	-	(170)
Net revaluation increment	8 550	2 449	-	-	10 999
Other	-	-	-	(1)	(1)
<b>Carrying amount at the end of period</b>	<b>16 500</b>	<b>4 942</b>	<b>-</b>	<b>2 140</b>	<b>23 582</b>

**5.3. Property, plant and equipment leased by the Trust**

Property, plant and equipment leased by the Trust is recorded at cost. Additions to leased property, plant and equipment during 2019-20 were \$34 000.

Short-term leases of 12 months or less and low value leases where the underlying asset value is less than \$15 000 are not recognised as right-of-use assets. The associated lease payments are recognised as other expenses and are disclosed in note 4.1 under other expenses.

The Trust has a limited number of leases:

- 2 motor vehicle leases with the South Australian Government Financing Authority (SAFA). Motor vehicle leases are non-cancellable, with rental payments monthly in arrears. Motor vehicle lease terms can range from 3 years (60,000km) up to 5 years (100,000km). No contingent rental provisions exist within the lease agreements and no options exist to renew the leases at the end of their term.

The lease liabilities related to the right-of-use assets are disclosed in note 7.3. The Trust's maturity analysis of its lease liabilities is disclosed in note 11.3. Expenses related to leases, including depreciation and interest expenses, are disclosed in note 4.

**Carrick Hill Trust**  
**Notes to and forming part of the Financial Statements**  
*for the year ended 30 June 2020*

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**5.4. Intangible assets**

	2020	2019
	\$'000	\$'000
Computer software	13	13
Accumulated amortisation	<u>(13)</u>	<u>(12)</u>
<b>Total intangible assets</b>	<b><u>-</u></b>	<b><u>1</u></b>

Reconciliation 2019-20	<u>Intangibles</u>	<u>Total</u>
	\$'000	\$'000
Carrying amount at the 1 July 2019	1	1
Amortisation	<u>(1)</u>	<u>(1)</u>
<b>Carrying amount at the end of period</b>	<b><u>-</u></b>	<b><u>-</u></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.

**Carrick Hill Trust**  
**Notes to and forming part of the Financial Statements**  
*for the year ended 30 June 2020*

**5.5. Heritage collections**

	2020			2019		
	At valuation \$'000	At cost \$'000	Total \$'000	At valuation \$'000	At cost \$'000	Total \$'000
Paintings, works on paper and sculptures	35 725	285	36 010	35 725	233	35 958
Furniture and artefacts	1 170	20	1 190	1 170	20	1 190
Books	334	-	334	334	-	334
<b>Total heritage collections</b>	<b>37 229</b>	<b>305</b>	<b>37 534</b>	<b>37 229</b>	<b>253</b>	<b>37 482</b>

**Valuation of heritage collections**

The Trust's collections have been valued at fair value using a market approach.

**Reconciliation 2019-20**

	Paintings, works on paper and sculptures \$'000	Furniture and artefacts \$'000	Books \$'000	Total \$'000
2020				
Carrying amount at the 1 July 2019	35 958	1 190	334	37 482
Additions	52	-	-	52
Carrying amount at the 30 June 2020	<b>36 010</b>	<b>1 190</b>	<b>334</b>	<b>37 534</b>

**5.6. Inventories**

	2020 \$'000	2019 \$'000
Inventories held for distribution		
Inventories held for distribution - at cost	12	13
<b>Total inventories</b>	<b>12</b>	<b>13</b>

Inventories held for distribution at no or nominal consideration are measured at cost and adjusted when applicable for any loss of service potential. Inventories held for sale are measured at the lower of cost or their net realisable value.

**Carrick Hill Trust**  
**Notes to and forming part of the Financial Statements**  
*for the year ended 30 June 2020*

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**6. Financial assets**

**6.1. Cash and cash equivalents**

	2020	2019
	\$'000	\$'000
Deposits with the Treasurer	1 450	732
Cash on hand	3	3
<b>Total cash and cash equivalents</b>	<b>1 453</b>	<b>735</b>

**Deposits with the Treasurer**

Deposits with the Treasurer are a combination of funds held in the "Carrick Hill Trust", 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, an account held with the Treasurer of South Australia pursuant to section 8 of the *Public Finance and Audit Act 1987*.

**Cash on hand**

Cash on hand includes petty cash and an advance account.

**6.2. Receivables**

	2020	2019
	\$'000	\$'000
<b><u>Current</u></b>		
<b><u>Trade Receivables</u></b>		
From government entities	100	-
From non-government entities	4	17
Less impairment loss on receivables	-	(4)
<b>Total trade receivables</b>	<b>104</b>	<b>13</b>
Prepayments	1	5
<b>Total current receivables</b>	<b>105</b>	<b>18</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.

**Allowance for impairment loss on receivables**

	2020	2019
	\$'000	\$'000
Carrying amount at the beginning of the period	4	-
Increase/(decrease) in the allowance	(4)	4
Carrying amount at the end of the period	-	4

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**7. Liabilities**

Staff Benefits liabilities are disclosed in note 3.4.

**7.1. Payables**

	2020	2019
	\$'000	\$'000
<b>Current</b>		
Trade Payables & accruals	455	123
Employment on-costs	15	15
<b>Total current payables</b>	<u>470</u>	<u>138</u>
<b>Non-current</b>		
Employment on-costs	4	7
<b>Total non-current payables</b>	<u>4</u>	<u>7</u>
<b>Total payables</b>	<u><u>474</u></u>	<u><u>145</u></u>

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

**Employment on-costs**

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

The Trust 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 changed from the 2019 rate (41%) to 42% and the average factor for the calculation of employer superannuation contribution on-costs has remained the same (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.

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**7.2. Provisions**

	2020 \$'000	2019 \$'000
<b>Current</b>		
Provision for workers' compensation	1	2
<b>Total current provisions</b>	<u>1</u>	<u>2</u>
<b>Non-current</b>		
Provision for workers' compensation	3	3
<b>Total non-current provisions</b>	<u>3</u>	<u>3</u>
<b>Total provisions</b>	<u>4</u>	<u>5</u>
<b>Movement in provision</b>		
Carrying amount at the beginning of the period	5	3
Increase / (decrease) in provision recognised	(1)	2
<b>Carrying amount at the end of the period</b>	<u>4</u>	<u>5</u>

A provision has been reported to reflect unsettled workers compensation claims. The worker's compensation provision is based on an actuarial assessment of the outstanding liability as at 30 June 2020 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 staff as required under current legislation.

The Trust is responsible for the payment of workers compensation claims.

**7.3. Financial liabilities**

	2020 \$'000	2019 \$'000
<b>Current</b>		
Lease liabilities	9	-
<b>Total current financial liabilities</b>	<u>9</u>	<u>-</u>
<b>Non-current</b>		
Lease liabilities	18	-
<b>Total non-current financial liabilities</b>	<u>18</u>	<u>-</u>
<b>Total financial liabilities</b>	<u>27</u>	<u>-</u>

The Trust measures financial liabilities at amortised cost.

All material cash outflows are reflected in the lease liabilities disclosed above. For 2018-19 the lease liabilities reflect only finance leases recognised in accordance with AASB 117 of which there were none.

**Carrick Hill Trust**  
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**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.

**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.

The total cash outflow for leases is \$8 000 relating to the repayment of leases.

**Carrick Hill Trust**  
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**9. Changes in accounting policy**

**9.1. AASB 16 Leases**

AASB 16 sets out a comprehensive model for lessee accounting that addresses recognition, measurement, presentation and disclosure of leases. Lessor accounting is largely unchanged. *AASB 16 Leases* replaces *AASB 117 Leases and related interpretations*.

The adoption of *AASB 16 Leases* from 1 July 2019 resulted in adjustments to the amounts recognised from a lessee perspective in the financial statements:

- *AASB 117 Leases* only required the recognition of an asset and lease liability in relation to finance leases. *AASB 16 Leases* applies a comprehensive model to all leases. Applying AASB 16 will result in leases previously classified as operating leases having right-of-use assets and related lease liabilities being recognised in the Statement of Financial Position
- *AASB 117 Leases* resulted in operating lease payments being recognised as an expense under Supplies and Services. *AASB 16 Leases* largely replaces this with depreciation expenses that represents the use of the right-of-use asset and borrowing costs that represent the cost associated with financing the right-of-use asset.

**Impact on retained earnings**

The total impact on the Trust's retained earnings as at 1 July 2019 is as follows:

	as at 1 July 2019 \$'000
Closing retained earnings 30 June 2019 - AASB 117	8 123
<u>Assets</u>	
Property, plant and equipment	4
<u>Liabilities</u>	
Financial liabilities	(4)
Opening retained earnings 1 July 2019 - AASB 16	8 123

The Trust disclosed in its 2018-19 financial report total undiscounted operating lease commitments of \$7 000 under AASB 117.

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**9.1. AASB 16 Leases (continued)**

**Accounting policies on transition**

AASB 16 sets out accounting policies on transition in its transitional provisions. The *Treasurer's Instructions (Accounting Policy Statements)* requires certain choices in those transitional provisions to be taken. The Trust has adopted the following accounting policies:

- to apply AASB 16 retrospectively. The cumulative effect of initially applying the Standard was recognised at 1 July 2019. Comparatives have not been restated.
- at 1 July 2019 AASB 16 was applied only to contracts that were previously identified as containing a lease under AASB 117 and related interpretations.
- the initial measurement of lease liability was the present value of the remaining lease payments discounted using the relevant incremental borrowing rate published by the Department of Treasury and Finance as at 1 July 2019 based on the SA Government's cost of borrowing. The average weighted incremental borrowing rate for this purpose was 1.38%.
- the initial measurement of right-of-use assets has been calculated as an amount equal to the lease liability on transition adjusted for prepaid or accrued lease payments and lease incentive liabilities.
- the initial measurement of lease liabilities and right-of-use assets excludes all leases that ended by 30 June 2020, except for vehicles leased from SAFA.

**Ongoing accounting policies**

The *Treasurer's Instructions (Accounting Policy Statements)* specify required accounting policies for public authorities in applying AASB 16. These requirements are reflected in the Trust's accounting policies as follows:

- AASB 16 is not applied to leases of intangible assets.
- right-of-use assets and lease liabilities are not recognised for leases of low value assets, being assets which have a value of \$15 000 or less, nor short-term leases, being those with a lease term of 12 months or less.
- the Trust, in the capacity of a lessee, does not include non-lease components in lease amounts.
- right-of-use assets are not measured at fair value on initial recognition for leases that have significantly below-market terms and conditions principally to enable the public authority to further its objectives.
- right-of-use assets are subsequently measured applying a cost model.

Significant accounting policies relating to the application of AASB 16 are disclosed under relevant notes and are referenced at note 5.3.

**9.2. AASB 15 Revenue from Contracts with Customers**

The Trust has adopted AASB 15 on 1 July 2019. *AASB 15 Revenue from Contracts with Customers* establishes a revenue recognition model for revenue arising from contracts with customers. It requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

AASB 15 supersedes *AASB 11 Construction contracts*, *AASB 118 Revenue and related Interpretations* and applies to all revenue arising from contracts with customers.

The total impact on the Trust is immaterial.

**Carrick Hill Trust**  
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**9.3. AASB 1058 Income of Not-for-Profit Entities**

AASB 1058 Income of Not-for-Profit Entities establishes new income recognition requirements for not-for-profit entities. Its requirements apply where the consideration to acquire an asset, including cash, is significantly less than fair value principally to the entity to further its objectives. AASB 1058 also contains requirements for the receipt of volunteer services. AASB 1058 supersedes income recognition requirements in AASB 1004 Contributions, AASB 118 Revenue and AASB 111 Construction Contracts. However, elements of AASB 1004 remain in place, primarily in relation to restructures of administrative arrangements and other contributions and distributions by owners.

**Accounting policies on transition**

On transition, there was no impact on retained earnings.

**9.4. Presentation of Financial Statements**

*Treasurer's Instructions (Accounting Policy Statements)* issued on 1 June 2020 removed the previous requirement for financial statements to be prepared using the net cost of services format. The net cost of services is the total cost of services less any revenue retained by public authorities involved in the provision of services but does not include items classified as revenues from and payments to the South Australian Government.

Presentation of the Statement of Comprehensive Income on an 'income and expense' basis allows information to be presented in such a way that eliminates potential confusion as to the source of funding for the Trust. As well as changes to the format of the Statement of Comprehensive Income, there are presentational changes to remove the net cost of services format from the Statement of Cash Flows. These statements now show income before expenses, and cash receipts before cash payments. Related disclosures also reflect this changed format.

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**10. Outlook**

**10.1. Unrecognised contractual commitments**

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

**Operating lease commitments**

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

	2020 \$'000	2019 \$'000
Within one year		7
<b>Total operating lease commitments</b>	<b>-</b>	<b>7</b>
Representing:		
Non-cancellable operating leases		7
<b>Total operating lease commitments</b>	<b>-</b>	<b>7</b>

Operating lease commitments is provided for the comparative year only as *AASB 16 Leases* does not distinguish between operating and finance leases for the lessee.

**Capital commitments**

Capital commitments at the reporting date but not recognised as liabilities are payable as follows:

	2020 \$'000	2019 \$'000
Within one year	1 121	2 602
Later than one year but not longer than five years	-	-
<b>Total capital commitments</b>	<b>1 121</b>	<b>2 602</b>

**10.2. Contingent assets and liabilities**

The Trust is not aware of any contingent assets or liabilities.

**10.3. COVID-19 pandemic outlook for the Trust**

The COVID-19 pandemic will continue to impact the operations of the Trust in 2020-21. The key expected impacts are:

- Wedding Ceremony and venue hire cancellations for existing bookings and a decline in future bookings
- Reduced commission revenue from functions held at Carrick Hill

**10.4. Events after the reporting date**

Since 30 June 2020, the Trust has been advised that an insurance claim in relation to loss of income due to business interruptions as a result of COVID 19 has been accepted and will result in a payment of \$9 000.

## **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 staff departures and periods of service. These assumptions are based on staff 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 1.25% (2019) to 0.75% (2020).

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.

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 reduced the salary inflation rate from 4.0% to 2.5% for long service leave liability. As a result the net financial effect is \$8 000 resulting from changes in the salary inflation rate.

The current portion of long services leave reflects the expected amount of long service leave to be taken in the next 12 months based on historical data.

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**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**

All non-current tangible assets are valued at fair value and revaluation of non-current assets or a group of assets is only performed when its fair value at the time of acquisition is greater than \$1 million and estimated useful life is greater than three years.

Land and buildings and heritage collections are revalued at least every six years via Certified Practising Valuer or internal estimates based on indices or recent transactions. If at any time management considers the carrying amount of an asset materially differs from its fair value, then the asset will be revalued regardless of when the last valuation took place. Non-current tangible assets that are acquired between revaluations are held at cost until the next valuation, where they are revalued to fair value.

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. Upon disposal or derecognition, any revaluation surplus relating to that asset is transferred to retained earnings.

**Land and buildings**

An independent valuation of land and buildings owned by the Trust was performed as at 30 June 2020 by a Certified Practising Valuer from Liquid Pacific Holdings 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 to the fair value 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.

The valuation used estimates about construction materials that would be required to replace the buildings, information about current construction costs were derived from building costs guides / internal records such as recent tender documents, construction invoices etc. and the estimated useful life due to age and condition of the building.

The fair value of land and buildings may be impacted by market changes due to the impact of COVID-19 however there was no market evidence to support the extent of any impact available at the time of preparing these financial statements.

**Plant and equipment**

All items of plant and equipment owned by the Trust 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 *Accounting Policy Statement 116.D*. The carrying value of these items are deemed to approximate fair value.

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**11.2. Fair value (continued)**

**Heritage assets**

An independent valuation of heritage assets was performed in June 2016 by a Certified Practising Valuer from RHAS, an operating division of Aon Risk Services as at 30 June 2016. Fair value was determined by estimating the current replacement cost based on the limited market information available for similar heritage assets and reproduction materials.

**11.3. Financial instruments**

**Financial risk management**

Risk management is managed by the Trust and the Department of the Premier and Cabinet's Corporate Services section. The Trust'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 Trust's exposure to financial risk (liquidity risk, credit risk and market risk) is low due to the nature of the financial instruments held.

**Impairment of financial assets**

Loss allowances for receivables are measured at an amount equal to lifetime expected credit loss using the simplified approach in AASB 9. The Trust uses an allowance matrix to measure the expected credit loss of receivables from non-government debtors which comprise a large number of small balances.

To measure the expected credit losses, receivables are grouped based on shared risks characteristics and the days past due. When estimating expected credit loss, the Trust considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Trust's historical experience and informed credit assessment, including forward-looking information.

The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Trust is exposed to credit risk.

The expected credit loss of government debtors is considered to be nil based on the external credit ratings and nature of the counterparties.

Loss rates are calculated based on the probability of a receivable progressing through stages to write off based on the common risk characteristics of the transaction and debtor.

Loss rates are based on actual history of credit loss, these rates have been adjusted to reflect differences between previous economic conditions, current conditions and the Trust's view of the forecast economic conditions over the expected life of the receivables.

Impairment losses are presented as net impairment losses within net result, subsequent recoveries of amounts previously written off are credited against the same line item.

**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 of financial instruments**

The Trust measures all financial instruments at amortised cost.

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**11.3. Financial instruments (continued)**

Category of financial asset and financial liability	Statement of Financial Position line item	Note	2020 Carrying amount / fair value \$'000	2020 Contractual maturities		2019 Carrying amount / fair value \$'000
				Within 1 year \$'000	1-5 years \$'000	
<b>Financial assets at amortised cost</b>						
Cash and cash equivalents	Cash	6.1	1 453	1 453	-	735
Loans and receivables	Receivables	6.2	104	104	-	13
<b>Total financial assets</b>			<b>1 557</b>	<b>1 557</b>	<b>-</b>	<b>748</b>
<b>Financial liabilities at amortised cost</b>						
Financial liabilities at cost	Payables	7.1	436	436	-	104
Lease liabilities	Lease liabilities	7.3	27	9	18	-
<b>Total financial liabilities</b>			<b>463</b>	<b>445</b>	<b>18</b>	<b>104</b>

For 2018-19 the lease liabilities reflect only finance leases recognised in accordance with AASB 117.

**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.