

South Australian Mental Health Commission

Financial report
for the period ended
6 January 2020



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To the Chief Executive, Wellbeing SA

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987*, I have audited the financial report of the South Australian Mental Health Commission for the period ended 6 January 2020.

Opinion

In my opinion, the accompanying financial report gives a true and fair view of the financial position of the South Australian Mental Health Commission as at 6 January 2020, its financial performance and its cash flows for the period then ended in accordance with the Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards.

The financial report comprises:

- a Statement of Comprehensive Income for the period ended 6 January 2020
- a Statement of Financial Position as at 6 January 2020
- a Statement of Changes in Equity for the period ended 6 January 2020
- a Statement of Cash Flows for the period ended 6 January 2020
- notes, comprising significant accounting policies and other explanatory information
- a Certificate from the Chief Executive, Wellbeing SA and the Executive Director, Wellbeing SA.

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 South Australian Mental Health Commission. The *Public Finance and Audit Act 1987* establishes the independence of the Auditor-General. In conducting the audit, the relevant ethical requirements of APES 110 Code of Ethics for Professional Accountants have been met.

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

Responsibilities of the Chief Executive, Wellbeing SA for the financial report

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

In preparing the financial report, the Chief Executive, Wellbeing SA is responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the entity is to be liquidated or to cease operations, or has no realistic alternative but to do so.

As outlined in note 1.3 to the financial report, the South Australian Mental Health Commission was abolished on 6 January 2020, with responsibility for its functions transferring to Wellbeing SA.

Auditor's responsibilities for the audit of the financial report

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

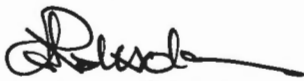
As part of an audit in accordance with Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the South Australian Mental Health Commission's internal controls

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Chief Executive, Wellbeing SA
- conclude on the appropriateness of the entity's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

I communicate with the Chief Executive, Wellbeing SA 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

10 March 2020

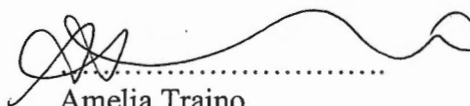
Certification of the financial statements

We certify that the:

- financial statements of the South Australian Mental Health Commission:
 - are in accordance with the accounts and records of the authority; and
 - comply with relevant Treasurer’s instructions; and
 - comply with relevant accounting standards; and
 - present a true and fair view of the financial position of the authority as at 6 January 2020 and the result of its operations and cash flows for the period to 6 January 2020.
- Internal controls employed by the South Australian Mental Health Commission over its financial reporting and its preparation of the financial statements have been effective throughout the financial year.



.....
Lyn Dean
Chief Executive
Wellbeing SA



.....
Amelia Traino
Executive Director
Wellbeing SA

Date ..02/03/2020..

SOUTH AUSTRALIAN MENTAL HEALTH COMMISSION
STATEMENT OF COMPREHENSIVE INCOME
For the period ended 6 January 2020

	Note	2020 \$'000	2019 \$'000
Expenses			
Employee benefits expenses	3	687	1,361
Supplies and services	4	416	686
Grants and subsidies	5	-	6
Other expenses	6	19	17
Total expenses		<u>1,122</u>	<u>2,070</u>
Income			
Resources received free of charge	7	49	90
Total income		<u>49</u>	<u>90</u>
Net cost of providing services		<u>1,073</u>	<u>1,980</u>
Revenues from SA Government			
Revenues from SA Government	8	1,116	2,054
Total revenue from SA Government		<u>1,116</u>	<u>2,054</u>
Net result		<u>43</u>	<u>74</u>
Total comprehensive result		<u>43</u>	<u>74</u>

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

SOUTH AUSTRALIAN MENTAL HEALTH COMMISSION
STATEMENT OF FINANCIAL POSITION
As at 6 January 2020

	Note	2020 \$ '000	2019 \$ '000
Current assets			
Cash and cash equivalents	9	846	751
Receivables	10	10	17
Total current assets		<u>856</u>	<u>768</u>
Total assets		<u>856</u>	<u>768</u>
Current liabilities			
Payables	11	84	67
Employee benefits	12	116	108
Provisions		2	2
Total current liabilities		<u>202</u>	<u>177</u>
Non-current liabilities			
Payables	11	16	14
Employee benefits	12	173	155
Provisions		2	2
Total non-current liabilities		<u>191</u>	<u>171</u>
Total liabilities		<u>393</u>	<u>348</u>
Net assets		<u>463</u>	<u>420</u>
Equity			
Retained earnings		463	420
Total equity		<u>463</u>	<u>420</u>

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

**SOUTH AUSTRALIAN MENTAL HEALTH COMMISSION
STATEMENT OF CHANGES IN EQUITY
For the period ended 6 January 2020**

	Retained earnings \$ '000	Total equity \$ '000
Balance at 30 June 2018	346	346
Net result for 2018-19	74	74
Total comprehensive result for 2018-19	74	74
Balance at 30 June 2019	420	420
Net result for 2019-20	43	43
Total comprehensive result for 2019-20	43	43
Balance at 6 January 2020	463	463

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

SOUTH AUSTRALIAN MENTAL HEALTH COMMISSION
STATEMENT OF CASH FLOWS
For the period ended 6 January 2020

	Note	2020 \$ '000	2019 \$ '000
Cash flows from operating activities			
Cash outflows			
Employee benefits payments		(656)	(1,309)
Payments for supplies and services		(383)	(665)
Payments of grants and subsidies		-	(6)
Other payments		(19)	(9)
Cash used in operations		<u>(1,058)</u>	<u>(1,989)</u>
Cash inflows			
GST recovered		36	54
Other receipts		1	2
Cash generated from operations		<u>37</u>	<u>56</u>
Cash flows from SA Government			
Receipts from SA Government		1,116	2,054
Cash generated from SA Government		<u>1,116</u>	<u>2,054</u>
Net cash provided by operating activities		<u>95</u>	<u>121</u>
Net increase in cash and cash equivalents		95	121
Cash and cash equivalents at the beginning of the period		751	630
Cash and cash equivalents at the end of the period	9	<u>846</u>	<u>751</u>

The accompanying notes form part of these financial statements.

SOUTH AUSTRALIAN MENTAL HEALTH COMMISSION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the period ended 6 January 2020

1 Basis of financial statements

1.1 Reporting entity

The South Australian Mental Health Commission (the Commission) is a not-for-profit administrative unit of the State of South Australia, established 29 October 2015 pursuant to the *Public Sector Act 2009*.

Reporting Entity on 6 January 2020 (continuity of operations)

A proclamation under sections 26, 27 and 28 of the *Public Sector Act 2009*, dated 5 December 2019, advised that the Commission would be abolished on 6 January 2020. Accordingly, these financial statements have not been prepared on a going concern basis.

On 6 January 2020, all employees of the Commission were transferred to Wellbeing SA, a not-for-profit administrative unit established 6 January 2020 pursuant to the *Public Sector Act 2009*. Employees have transferred on the same basis of engagement as applied before the transfer. Assets, rights and liabilities of the Commission will vest with Wellbeing SA.

The financial statements include all controlled activities of the Commission.

1.2 Statement of compliance

These 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 that are applicable to Tier 2 not-for-profit entities, as the Commission is a Tier 2 not-for-profit entity.

1.3 Basis of preparation

The financial statements have been prepared for a six month period (1 July 2019 to 6 January 2020) as the Commission was abolished on 6 January 2020. All amounts in the financial statements and accompanying notes have been presented in Australian currency and rounded to the nearest thousand dollars (\$'000). Any transactions in foreign currency are translated into Australian dollars at the exchange rates at the date the transaction occurs.

The historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item measured on a different basis.

Significant accounting policies are set out throughout the notes.

1.4 Taxation

The Commission is not subject to income tax. The Commission is liable for fringe benefits tax (FBT), goods and services tax (GST) and for payroll tax.

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 included.

The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the Statement of Financial Position. 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.

1.5 Change in accounting policy

The presentation and classification of items in the financial statements are consistent with prior periods except where specific accounting standards and/or accounting policy statements have required a change, or as otherwise noted. The restated comparative amounts do not replace the original financial statements for the preceding period.

AASB 15 Revenue from Contracts with Customers and AASB 1058 Income of Not-for-Profit Entities

The adoption of AASB 15 and AASB 1058 from 1 July 2019 has not had an impact on the amounts recognised in the financial statements. The adoption of these standards has not had an impact on the timing and recognition of revenue of the Commission. Under AASB 15 the Commission's revenue from SA Government (largely appropriations 96%) has continued to be recognised as income when the Commission obtains control of the funds (ie upon receipt) and under AASB 1058 resources received free of charge (4%) continues to be recognised where they would have been purchased if they were not donated.

AASB 16 Leases

The adoption of AASB 16 from 1 July 2019 resulted in changes in accounting policies but not adjustments to the amounts recognised in the financial statements. The adoption of this standard has not had an impact on amounts recognised in the financial statements as the Commission has only 1 short term lease arrangement and has accordingly applied the short term lease recognition exemption.

SOUTH AUSTRALIAN MENTAL HEALTH COMMISSION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the period ended 6 January 2020

2 Objectives and activities

The Commission is responsible for strengthening the mental health and wellbeing of South Australians and providing greater access to quality care and support when required.

The Commission is responsible to the Minister for Health and Wellbeing (the Minister) for implementing the South Australian Mental Health Strategic Plan 2017-2022, undertaking policy development to improve mental health services and engaging with the mental health sector and the community.

The Commissioner administers and manages the Commission under delegation from the Minister and is directly accountable to the Minister.

As discussed in Note 1.1, the assets, rights and liabilities of the former South Australia Mental Health Commission were vested in Wellbeing SA on 6 January 2020. The SA Government is committed to continuing its delivery of mental health and wellbeing objectives via Wellbeing SA.

3 Employee benefits expenses

	2020	2019
	\$'000	\$'000
Salaries and wages	536	1,049
Long Service Leave	20	69
Annual leave	61	99
Skills and Experience Retention Leave	1	3
Employment on-costs - superannuation*	55	112
Employment on-costs - other	3	13
Board and committee fees	7	14
Other employee related expenses	4	2
Total employee benefits expenses	687	1,361

* The superannuation employment on-cost charge represents the Commission's contribution to superannuation plans in respect of current services of the Commission's current employees. The Department of Treasury and Finance centrally recognises the superannuation liability in the whole-of-government financial statements.

3.1 Key Management Personnel

Key management personnel (KMP) of the Commission includes the Minister for Health and Wellbeing, the SA Mental Health Commissioner and the Executive Director, all who have responsibility for the strategic direction and management of the Commission.

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

	2020	2019
	\$'000	\$'000
Compensation		
Salaries and other short term employee benefits	250	397
Post-employment benefits	21	37
Total	271	434

The Commission did not enter into any transactions with Key Management Personnel or their close family during the reporting period.

3.2 Remuneration of Committee Members

Committee name	Government employee members*		Other members
SAMHC Community Advisory Committee	2		Albrecht L, Banders A, Bolton N, Cordon A, Cornes G, Hodges E, Kelly L, Oudih E, Post D, Rault R, Reidy M (resigned 23/10/2019), Robelin K, Rosa J, Ryan B (appointed 13/11/2019), Whiteway L.
Youth Advisory Group	-		Sweeting C (chair), Abio F, Blackmore M, Boulton Z, Clifford J, Huser G, Lai S, Lochert T, Lymn C, Malpass M, Richards A.

SOUTH AUSTRALIAN MENTAL HEALTH COMMISSION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the period ended 6 January 2020

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

	2020	2019
	No. of Members	No. of Members
\$0	2	20
\$1 - \$20,000	26	33
Total	28	53

Remuneration of members reflects all costs of performing committee member duties including sitting fees, 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 members was \$6,605 (\$14,093).

*In accordance with the Premier and Cabinet Circular No. 016, government employees, with exception of A Gosden, did not receive any remuneration for committee duties during the financial year.

The following committee members received payments for contracting engagements during the financial year: Lai S \$450, Post D \$2,568.

Unless otherwise disclosed, transactions between members are on conditions no more favourable than those that it is reasonable to expect the entity would have adopted if dealing with the related party at arm's length in the same circumstances.

3.3 Remuneration of employees

	2020	2019
	No.	No.
The number of employees whose remuneration received or receivable falls within the following		
\$155,001 - \$175,000	-	-
\$175,001 - \$195,000	-	1
\$195,001 - \$215,000	-	-
\$235,001 - \$255,000	-	1
Total	-	2

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 by those employees for the year was nil (\$0.433 million).

4 Supplies and services

	2020	2019
	\$'000	\$'000
Administration	-	2
Advertising	34	57
Communication	11	17
Computing	21	29
Consultants	-	86
Contractors	26	25
Housekeeping	8	21
Minor equipment	4	-
Occupancy rent and rates	106	216
Services from Shared Services SA	19	10
Postage	-	2
Services from the Department for Health and Wellbeing	30	80
Printing and stationery	6	15
Recruitment Services	49	-
Repairs and maintenance	3	4
Security	1	-
Training and development	18	40
Travel expenses	63	47
Other supplies and services	17	35
Total supplies and services	416	686

From 1 July 2019, the Commission recognise lease payments associated with short term leases and leases for which the underlying asset is low value as an expense on a straight line basis over the lease term. Lease commitments for short term leases are similar to short term lease expenses disclosed in occupancy rent and rates.

Consultants

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

	2020	2019
	No.	No.
	\$'000	\$'000
Below \$10,000	-	15
Above \$10,000	-	71
Total	-	86

SOUTH AUSTRALIAN MENTAL HEALTH COMMISSION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the period ended 6 January 2020

5 Grants and subsidies

	2020	2019
	\$'000	\$'000
Funding to non-government organisations	-	6
Total grants and subsidies	-	6

Grants given are usually subject to terms and conditions set out in the contract, correspondence, or by legislation.

6 Other expenses

	2020	2019
	\$'000	\$'000
Other*	19	17
Total other expenses	19	17

*Audit fees paid or payable to the Auditor-General's Department relating to work performed for the period ended 6 January 2020 under the *Public Finance and Audit Act 1987* were \$17,900 (\$17,000). No other services were provided by the Auditor-General's Department.

7 Resources received free of charge

	2020	2019
	\$'000	\$'000
Contributed services	49	90
Total resources received free of charge	49	90

Contribution of services are recognised only when a fair value can be determined reliably and the services would be purchased if they had not been donated.

The Commission receives Payroll, Accounts Payable, Accounts Receivable, Financial Accounting and Taxation services from Shared Services SA and Financial and Systems support from Department for Health and Wellbeing (DHW) free of charge. In addition, DHW provides other bureau services to the Commission at no direct cost, however, these services cannot be reliably measured and have been excluded.

8 Revenues from SA Government

	2020	2019
	\$'000	\$'000
Operating purpose Appropriations from consolidated account pursuant to the <i>Appropriation Act</i>	1,116	2,054
Total revenues from SA Government	1,116	2,054

Appropriations are recognised on receipt under AASB 1058 *Income for not-for-profit entities*.

9 Cash and cash equivalents

	2020	2019
	\$'000	\$'000
Deposits with Treasurer: general operating	846	751
Total cash	846	751

Cash is measured at nominal amounts. The Commission has a deposit account with the Treasurer. The Commission does not earn interest on the general operating account held with the Treasurer.

10 Receivables

	2020	2019
	\$'000	\$'000
Current		
Prepayments	-	10
Sundry receivables and accrued revenue	2	-
GST input tax recoverable	8	7
Total current receivables	10	17
Total receivables	10	17

Receivables arise in the normal course of selling goods and services to other agencies and to the public. The Commission's trading terms for receivables are generally 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.

Other than as recognised in the allowance for impairment of receivables, it is not anticipated that counterparties will fail to discharge their obligations. The carrying amount of receivables approximates net fair value due to being receivable on demand. There is no concentration of credit risk.

SOUTH AUSTRALIAN MENTAL HEALTH COMMISSION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the period ended 6 January 2020

11 Payables	2020	2019
	\$'000	\$'000
Current		
Creditors and accrued expenses	64	49
Paid Parental Leave Scheme	-	3
Employment on-costs*	20	15
Total current payables	84	67
Non-current		
Employment on-costs*	16	14
Total non-current payables	16	14
Total payables	100	81

Payables are measured at nominal amounts. Creditors and accruals are raised for all amounts owed and unpaid. Sundry creditors are normally settled within 30 days from the date the invoice is first received. Employee on-costs are settled when the respective employee benefits that they relate to is discharged. All payables are non-interest bearing. The carrying amount of payables approximates net fair value due to their short term nature.

*Employment on-costs include payroll tax, Return to Work SA levies and superannuation contributions. The Commission makes contributions to the State Government superannuation schemes. These contributions are treated as an expense when they occur. The only liability outstanding at reporting date relates to any contributions due but not yet paid to the South Australian Superannuation Board.

The percentage of the portion of long service leave taken as leave has remained unchanged from the 2019 Department of Treasury and Finance actuarial assessment rate of 41%. DTF has determined that the average factors for the calculation of employer superannuation cost on-cost has remained at 9.80%. These rates are used in the employment on-cost calculation. The impact on future periods is impracticable to estimate as the long service leave liability is calculated using a number of assumptions.

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

12 Employee benefits	2020	2019
	\$'000	\$'000
Current		
Annual leave	95	73
Long service leave	16	14
Accrued salaries and wages	-	18
Fringe benefits tax	2	2
Skills and experience retention leave	3	1
Total current employee benefits	116	108
Non-current		
Long service leave	173	155
Total non-current employee benefits	173	155
Total employee benefits	289	263

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.

12.1 Salaries and wages, annual leave, skills and experience retention leave 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 employees is estimated to be less than the annual entitlement for sick leave.

SOUTH AUSTRALIAN MENTAL HEALTH COMMISSION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the period ended 6 January 2020

12.2 Long service leave

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

AASB 119 Employee Benefits contains the calculation methodology for long service leave liability. The actuarial assessment performed by DTF has provided a basis for the measurement of long service leave and is based on actuarial assumptions on expected future salary and wage levels, experience of employee departures and periods of service. These assumptions are based on employee data over SA Government entities.

AASB 119 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 remained at the 2019 rate of 1.25%, which is used as the rate to discount future long service leave cash flows.

The net financial effect of changes in the bond yield and actuarial assumptions on future periods is impracticable to estimate as the long service leave liability is calculated using a number of assumptions - a key assumption being the long-term discount rate.

The actuarial assessment performed by the Department of Treasury and Finance left the salary inflation rate at 4.00% for the long service leave liability and 2.20% for annual leave and skills, experience and retention leave liability.

13 Unrecognised contractual commitments

Commitments include operating and outsourcing arrangements 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 ATO. If GST is not recoverable or payable, the commitments are disclosed on a gross basis.

13.1 Operating lease expenditure 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	-	92
Total operating lease commitments	-	92
Representing:		
Non-cancellable operating leases	-	92
Total operating lease commitments	-	92

Operating lease expenditure commitments are provided for comparative purposes only. The Commission has a lease agreement for the use of property in 60 Hindmarsh Square Adelaide.

14 Contingent assets and liabilities

Contingent assets and contingent liabilities are not recognised in the Statement of Financial Position, but are disclosed within this note and, if quantifiable are measured at nominal value.

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

14.1 Guarantees

The Commission has made no guarantees.

15 Events after balance date

Adjustments are made to amounts recognised in the financial statements, where an event occurs after 6 January 2020 and before the date the financial statements are authorised for issue, where those events provide information about conditions that existed at 6 January 2020. Note disclosure is made about events between 6 January 2020 and the date the financial statements are authorised for issue, where the events relate to a condition which arose after 6 January 2020, and which may have a material impact on the results of subsequent years.

As discussed in note 1.1, the Commission was abolished on 6 January 2020 - its assets, rights and liabilities are vested in Wellbeing SA effective 6 January 2020.

16 Impact of Standards not yet implemented

A number of new standards are effective for the annual period beginning from 1 January 2020 (or later) and earlier application is permitted, however the Commission has not early adopted any new or amended standards as this is the final set of financial statements.

SOUTH AUSTRALIAN MENTAL HEALTH COMMISSION
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the period ended 6 January 2020

17 Financial instruments / financial risk management

17.1 Financial risk management

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

17.2 Liquidity risk

The Commission is funded principally by appropriation from the SA Government. The Commission works with the Department of Treasury and Finance to determine the cash flows associated with the SA Government approved program of work and to ensure funding is provided through SA Government budgetary processes to meet the expected cash flows.

17.3 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.

The carrying amounts of each of the following categories of financial assets and liabilities measured at cost are detailed below.

Category of financial asset and financial liability	Notes	2020 Carrying amount/ Fair value \$'000	2019 Carrying amount/ Fair value \$'000
<i>Financial assets</i>			
Cash and equivalent			
Cash and cash equivalents	9	846	751
Amortised cost			
Receivables ⁽¹⁾⁽²⁾	10	2	-
Total financial assets		848	751
<i>Financial liabilities</i>			
Financial liabilities at amortised cost			
Payables ⁽¹⁾	11	46	32
Total financial liabilities		46	32

⁽¹⁾ Receivable and payable amounts disclosed here exclude amounts relating to statutory receivables and payables (e.g. Commonwealth taxes etc.). 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 etc. 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).

⁽²⁾ Receivables amount disclosed here excludes prepayments.