

# Independent Commissioner Against Corruption

Financial report  
for the year ended  
30 June 2018



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## To the Independent Commissioner Against Corruption Independent Commissioner Against Corruption

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987*, I have audited the financial report of the Independent Commissioner Against Corruption for the financial year ended 30 June 2018.

### Opinion

In my opinion, the accompanying financial report gives a true and fair view of the financial position of the Independent Commissioner Against Corruption as at 30 June 2018, its financial performance and its cash flows for the year then ended in accordance with the Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards.

The financial report comprises:

- a Statement of Comprehensive Income for the year ended 30 June 2018
- a Statement of Financial Position as at 30 June 2018
- a Statement of Changes in Equity for the year ended 30 June 2018
- a Statement of Cash Flows for the year ended 30 June 2018
- notes, comprising significant accounting policies and other explanatory information for administered items
- a Certificate from the Independent Commissioner Against Corruption, the Chief Executive Officer and the Director Corporate Services.

### Basis for opinion

I conducted the audit in accordance with the *Public Finance and Audit Act 1987* and Australian Auditing Standards. My responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial report' section of my report. I am independent of the Independent Commissioner Against Corruption. 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 Independent Commissioner Against Corruption for the financial report**

The Independent Commissioner Against Corruption 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 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 that is free from material misstatement, whether due to fraud or error.

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

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

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

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Independent Commissioner Against Corruption
- 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 Independent Commissioner Against Corruption about, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during the audit.

A handwritten signature in black ink, appearing to read 'Richardson', with a long horizontal flourish extending to the right.

Andrew Richardson

**Auditor-General**

20 September 2018

**Independent Commissioner Against Corruption**  
**Certification of the Financial Statements**  
*for the year ended 30 June 2018*

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We certify that the attached general purpose financial statements for the Independent Commissioner Against Corruption:

- 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 Independent Commissioner Against Corruption
- present a true and fair view of the financial position of the Independent Commissioner Against Corruption as at 30 June 2018 and the results of its operations and cash flows for the financial year.

We certify that the internal controls employed by the Independent Commissioner Against Corruption for the financial year over its financial reporting and its preparation of the general purpose financial statements have been effective throughout the reporting period.



The Hon. Bruce Lander QC  
Independent Commissioner Against Corruption  
14 September 2018



Michael Riches  
Chief Executive Officer  
14 September 2018



Vicki Tomlinson  
Director Corporate Services  
14 September 2018

**Independent Commissioner Against Corruption  
(ICAC)**

**Financial Statements**

For the year ended 30 June 2018

**Independent Commissioner Against Corruption**  
**Statement of Comprehensive Income**  
*for the year ended 30 June 2018*

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	Note	2018 \$'000	2017 \$'000
<b>Expenses</b>			
Employee benefits	3	7 695	6 751
Supplies and services	4	3 828	3 017
Depreciation and amortisation	5	1 260	1 063
Auditor's remuneration	6	35	32
<b>Total expenses</b>		<b>12 818</b>	<b>10 863</b>
<b>Income</b>			
Services received free of charge	7	63	-
Recoveries and other income	8	6	71
<b>Total income</b>		<b>69</b>	<b>71</b>
<b>Net cost of providing services</b>		<b>12 749</b>	<b>10 792</b>
<b>Revenue</b>			
Revenues from SA Government		13 908	10 078
<b>Total net revenues from SA Government</b>		<b>13 908</b>	<b>10 078</b>
<b>Net result</b>		<b>1 159</b>	<b>(714)</b>
<b>Total comprehensive result</b>		<b>1 159</b>	<b>(714)</b>

The net result and total comprehensive result are attributable to the SA Government as owner.

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

**Independent Commissioner Against Corruption**  
**Statement of Financial Position**  
*as at 30 June 2018*

	Note	2018 \$'000	2017 \$'000
<b>Current assets</b>			
Cash and cash equivalents	9	5 493	3 154
Receivables	10	269	175
<b>Total current assets</b>		<b>5 762</b>	<b>3 329</b>
<b>Non-current assets</b>			
Property, plant and equipment	12	4 751	4 457
Intangible assets	13	604	656
<b>Total non-current assets</b>		<b>5 355</b>	<b>5 113</b>
<b>Total assets</b>		<b>11 117</b>	<b>8 442</b>
<b>Current liabilities</b>			
Payables	15	1 751	603
Employee benefits	16	1 014	872
Other liabilities	17	135	116
<b>Total current liabilities</b>		<b>2 900</b>	<b>1 591</b>
<b>Non-current liabilities</b>			
Payables	15	74	54
Employee benefits	16	814	587
Other liabilities	17	541	581
<b>Total non-current liabilities</b>		<b>1 429</b>	<b>1 222</b>
<b>Total liabilities</b>		<b>4 329</b>	<b>2 813</b>
<b>Net assets</b>		<b>6 788</b>	<b>5 629</b>
<b>Equity</b>			
Retained earnings		6 788	5 629
<b>Total equity</b>		<b>6 788</b>	<b>5 629</b>

The total equity is attributable to the SA Government as owner.

Unrecognised contractual commitments	18
Contingent assets and contingent liabilities	19

The above Statement of Financial Position should be read in conjunction with the accompanying notes.



**Independent Commissioner Against Corruption**  
**Statement of Changes in Equity**  
*for the year ended 30 June 2018*

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	Note	Retained earnings \$'000	Total equity \$'000
<b>Balance at 30 June 2016</b>		6 485	6 485
Net result for 2016-17		(714)	(714)
Error correction	13	(142)	(142)
<b>Total comprehensive result for 2016-17</b>		<b>(856)</b>	<b>(856)</b>
<b>Balance at 30 June 2017</b>		<b>5 629</b>	<b>5 629</b>
Net result for 2017-18		1 159	1 159
<b>Total comprehensive result for 2017-18</b>		<b>1 159</b>	<b>1 159</b>
<b>Balance at 30 June 2018</b>		<b>6 788</b>	<b>6 788</b>

All changes in equity are attributable to the SA Government as owner.

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

**Independent Commissioner Against Corruption**  
**Statement of Cash Flows**  
*for the year ended 30 June 2018*

		2018	2017
		(Outflows)	(Outflows)
		Inflows	Inflows
	Note	\$'000	\$'000
<b>Cash flows from operating activities</b>			
<b>Cash outflows</b>			
Employee benefits payments		(7 285)	(6 322)
Supplies and services		(3 787)	(3 231)
<b>Cash used in operations</b>		<u>(11 072)</u>	<u>(9 553)</u>
<b>Cash inflows</b>			
Recoveries		6	71
<b>Cash generated from operations</b>		<u>6</u>	<u>71</u>
<b>Cash flows from SA Government</b>			
Receipts from SA Government		13 908	10 078
<b>Cash generated from SA Government</b>		<u>13 908</u>	<u>10 078</u>
<b>Net cash provided by / (used in) operating activities</b>	21	<u>2 842</u>	<u>596</u>
<b>Cash flows from investing activities</b>			
<b>Cash outflows</b>			
Purchase of property, plant and equipment		( 503)	(693)
<b>Cash used in investing activities</b>		<u>( 503)</u>	<u>(693)</u>
<b>Net cash provided by / (used in) investing activities</b>		<u>( 503)</u>	<u>(693)</u>
<b>Net increase / (decrease) in cash and cash equivalents</b>		<u>2 339</u>	<u>(97)</u>
Cash and cash equivalents at the beginning of the reporting period		3 154	3 251
<b>Cash and cash equivalents at the end of the reporting period</b>	9	<u>5 493</u>	<u>3 154</u>

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

# Independent Commissioner Against Corruption

## Notes to and forming part of the financial statements

for the year ended 30 June 2018

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### 1 Basis of financial statements

#### 1.1 Reporting entity

The Independent Commissioner Against Corruption (the Commissioner) must, before 30 September in each year, prepare a report on the operations of the office of the Independent Commissioner Against Corruption (ICAC) and the Office for Public Integrity (OPI) as required by section 45 of the *Independent Commissioner Against Corruption Act 2012* (ICAC Act). The report encompasses the operations of the ICAC and the OPI.

#### 1.2 Statement of compliance

The Commissioner has prepared the financial statements in compliance with section 23 of the *Public Finance and Audit Act 1987* (PFAA).

The financial statements are general purpose financial statements which have been prepared in accordance with applicable Australian Accounting Standards and comply with Treasurer's Instructions and Accounting Policy Statements promulgated under the provisions of the PFAA.

As the Commissioner is a not-for-profit entity, Australian Accounting Standards that are applicable to not-for-profit entities have been applied. Australian Accounting Standards and interpretations that have recently been issued or amended but are not yet effective have not been adopted for these statements. Refer to note 23.

#### 1.3 Basis of preparation

The preparation of the financial statements requires:

- the use of certain accounting estimates and requires management to exercise its judgment in the process of applying the Commissioner's accounting policies. The areas involving a higher degree of judgment or where assumptions and estimates are significant to the financial statements are outlined in the applicable notes
- accounting policies that are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events are reported; and
- compliance with accounting policy statements issued pursuant to section 41 of the PFAA.

The financial statements have been prepared based on a twelve month operating cycle and presented in Australian currency.

The Commissioner's Statement of Comprehensive Income, Statement of Financial Position, and Statement of Changes in Equity have been prepared on an accrual basis and are in accordance with the historical cost convention, except for certain assets that were valued in accordance with the applicable valuation policy.

The Statement of Cash Flows has been prepared on a cash basis.

The accounting policies set out below have been applied in preparing the financial statements for the year ended 30 June 2018 and the comparative information presented.

All amounts in the financial statements and accompanying notes have been rounded to the nearest thousand dollars (\$'000).

Significant accounting policies are set out in the notes.

# **Independent Commissioner Against Corruption**

## **Notes to and forming part of the financial statements**

*for the year ended 30 June 2018*

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### **1 Basis of financial statements (continued)**

#### **1.3 Basis of preparation (continued)**

Assets and liabilities that are sold, consumed or realised as part of the normal operating cycle even when they are not expected to be realised within twelve months after the reporting date have been classified as current assets or current liabilities. All other assets and liabilities are classified as non-current.

Where asset and liability line items combine amounts expected to be realised within twelve months and more than twelve months, the Commissioner has separately disclosed the amounts expected to be recovered or settled after more than twelve months.

#### **1.4 Comparative information**

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.

Where presentation or classification of items in the financial statements have been amended, comparative figures have been adjusted to conform to changes in presentation or classification in these financial statements unless impracticable.

The restated comparative amounts do not replace the original financial statements for the preceding period.

#### **1.5 Taxation**

The Commissioner is not subject to Income Tax. The Commissioner is liable for Payroll Tax, Fringe Benefits Tax and Goods and Services Tax (GST). GST collections and payments are carried out by the Attorney-General's Department (AGD) on behalf of the Commissioner. GST in relation to the Commissioner is reported in the AGD Controlled Financial Statements.

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.

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

# **Independent Commissioner Against Corruption**

## **Notes to and forming part of the financial statements**

*for the year ended 30 June 2018*

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### **2 Objectives of the Independent Commissioner Against Corruption (ICAC)**

The ICAC Act established the ICAC and the OPI.

The primary objective of the Commissioner is to:

- (a) identify and investigate corruption in public administration; and
- (b) prevent or minimise corruption, misconduct and maladministration in public administration through referral of potential issues, education and evaluation of practices, policies and procedures.

The Commissioner has the following functions:

- (a) to identify corruption in public administration and to -
  - (i) investigate and refer it for prosecution; or
  - (ii) refer it to a law enforcement agency for investigation and prosecution;
- (b) to assist inquiry agencies and public authorities to identify and deal with misconduct and maladministration in public administration;
- (c) to refer complaints and reports to inquiry agencies, public authorities and public officers and to give directions or guidance to public authorities in dealing with misconduct and maladministration in public administration, as the Commissioner considers appropriate;
  - (ca) to identify serious or systemic misconduct or maladministration in public administration;
  - (cb) to exercise the powers of an inquiry agency in dealing with serious or systemic maladministration in public administration if satisfied that it is in the public interest to do so;
  - (cc) to exercise the powers of an inquiry agency in dealing with serious or systemic misconduct in public administration if the Commissioner is satisfied that the matter must be dealt with in connection with a matter the subject of an investigation of a kind referred to in paragraph (a)(i) or a matter being dealt with in accordance with paragraph (cb);
- (d) to evaluate the practices, policies and procedures of inquiry agencies and public authorities with a view to advancing comprehensive and effective systems for preventing or minimising corruption, misconduct and maladministration in public administration;
- (e) to conduct or facilitate the conduct of educational programs designed to prevent or minimise corruption, misconduct and maladministration in public administration;
- (f) to perform other functions conferred on the Commissioner by the ICAC Act or any other Act.

The OPI is responsible to the Commissioner for the performance of the following functions:

- (a) to receive and assess complaints about public administration from members of the public;
- (b) to receive and assess reports about corruption, misconduct and maladministration in public administration from inquiry agencies, public authorities and public officers;
- (c) to refer complaints and reports to inquiry agencies, public authorities and public officers in circumstances approved by the Commissioner or make recommendations to the Commissioner in relation to complaints and reports;
  - (ca) to give directions or guidance to public authorities in circumstances approved by the Commissioner;
- (d) to perform other functions assigned to the Office by the Commissioner.

The OPI has additional functions under the *Police Complaints and Discipline Act 2016 (PCD Act)*:

- (a) to oversee the assessment and investigation of complaints and reports relating to designated officers;
- (b) to oversee the operation and enforcement of the PCD Act;
- (c) to refer certain complaints and reports to the ICAC in accordance with the PCD Act and the ICAC Act ; and
- (d) such other functions assigned to the OPI under the PCD Act.

**Independent Commissioner Against Corruption**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2018*

**3 Employee benefits expenses**

	2018	2017
	\$'000	\$'000
Salaries and wages	6 012	5 216
Employment on-costs - superannuation*	634	555
Annual leave	535	459
Employment on-costs - other	367	320
Long service leave	151	183
Skills and experience retention leave	( 4)	18
<b>Total employee benefits expenses</b>	<b>7 695</b>	<b>6 751</b>

References to employee(s) in these financial statements include the Commissioner, who is a statutory appointment.

There were no employees who received Targeted Voluntary Separation Packages during the reporting period.

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

**Key management personnel**

Key management personnel of ICAC include the Commissioner, the Chief Executive Officer and six members of the management team who have responsibility for the strategic direction and management of the Commissioner's office and the OPI, including employees who acted in those positions from time to time during the period.

	2018	2017
	\$'000	\$'000
<b>Compensation</b>		
Salaries and other short term employee benefits	1 654	1 481
Post-employment benefits	155	137
Other long-term employment benefits	-	23
<b>Total compensation</b>	<b>1 809</b>	<b>1 641</b>

**Remuneration of employees**

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

	2018	2017
	Number	Number
\$147 001 to \$149 000*	N/A	1
\$149 001 to \$159 000	4	3
\$169 001 to \$179 000	2	-
\$179 001 to \$189 000	-	1
\$189 001 to \$199 000	1	1
\$209 001 to \$219 000	1	-
\$239 001 to \$249 000	-	1
\$299 001 to \$319 000	1	-
\$479 001 to \$489 000	-	1
\$489 001 to \$499 000	1	-
<b>Total number of employees</b>	<b>10</b>	<b>8</b>

\*This band has been included for the purposes of reporting comparative figures based on the executive base level remuneration rate for 2016-17.

**Independent Commissioner Against Corruption**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2018*

**3 Employee benefits expenses (continued)**

The table includes all employees (including the Commissioner) 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 actual remuneration received by these employees for the reporting period was \$2.175 million (2017: \$1.711 million).

**4 Supplies and services**

	2018	2017
	\$'000	\$'000
Information and communications technology	966	975
Operating lease minimum payments	765	634
Legal fees	578	64
Accommodation	401	343
Outsourced services	342	175
Repairs, maintenance and minor purchases	80	52
Consultancies	73	69
Employee related payments	69	86
Shared Services SA charges	66	42
Motor vehicle expenses	56	50
Telephone related expenses	53	45
Promotions and publications	50	61
Contract staff	41	126
Employee training	41	39
Tax and taxable payments	40	54
Office expenses	37	31
Internal audit fee	28	26
Website development	15	-
Other	127	145
<b>Total supplies and services</b>	<b>3 828</b>	<b>3 017</b>

**Operating leases**

Operating lease payments (less any lease incentives) are recognised on a straight-line basis over the lease term, unless another systematic basis is more representative of the time pattern of benefits derived from the use of the leased assets.

**Legal fees**

During 2017-18 the Commissioner engaged specialist legal services to assist with an investigation into potential serious or systemic maladministration in public administration associated with the Oakden Older Person's Mental Health Service.

**Consultants**

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

	2018	2018	2017	2017
	Number	\$'000	Number	\$'000
Below \$10 000	7	25	2	4
\$10 000 or above	2	48	3	65
<b>Total paid / payable to the consultants engaged</b>	<b>9</b>	<b>73</b>	<b>5</b>	<b>69</b>

**Independent Commissioner Against Corruption**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2018*

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**5 Depreciation and amortisation**

	2018	2017
	\$'000	\$'000
<b>Depreciation</b>		
Plant and equipment	61	61
Information technology assets	505	471
<b>Total depreciation</b>	<u>566</u>	<u>532</u>
<b>Amortisation</b>		
Leasehold improvements	531	430
Intangible assets	163	101
<b>Total amortisation</b>	<u>694</u>	<u>531</u>
<b>Total depreciation and amortisation</b>	<u><u>1 260</u></u>	<u><u>1 063</u></u>

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. Amortisation is used in relation to intangible assets such as software, while depreciation is applied to tangible assets such as property, plant and equipment.

The value of leasehold improvements is amortised over the estimated useful life of each improvement, or the unexpired period of the relevant lease, whichever is shorter.

**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)
Leasehold improvements	Life of lease
Plant and Equipment	5-10
Information Technology	3-10
Intangible Assets	3-5

**Revision of accounting estimates**

Assets' residual values, useful lives and amortisation methods are reviewed and adjusted if appropriate, on an annual basis. Changes in the expected useful 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, which is a change in accounting estimate. During the year, there was no change to accounting estimates.

**6 Auditor's remuneration**

	2018	2017
	\$'000	\$'000
Audit fees *	35	32
<b>Total audit fees</b>	<u><u>35</u></u>	<u><u>32</u></u>

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



**Independent Commissioner Against Corruption**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2018*

**7 Services received free of charge**

	2018 \$'000	2017 \$'000
Services received free of charge	63	-
<b>Total services received free of charge</b>	<b>63</b>	<b>-</b>

On the 21 November 2016, approval was given by Cabinet to cease the intra-government charging model for services provided by Shared Services SA (SSSA) to general government sector agencies. As a result of this change, effective from 2017-18, SSSA is funded by a direct appropriation for the services provided by SSSA to general government sector agencies.

Under *AASB 1004, Contributions*, the contribution of services provided by SSSA to general government sector agencies are disclosed in the financial statements as income because the fair value of the services can be reliably measured and the services would have been purchased if they had not been donated. A corresponding expense is recognised in supplies and services – Shared Services SA charges (see Note 4).

**8 Recoveries and other income**

	2018 \$'000	2017 \$'000
Sundry recoveries	6	71
<b>Total recoveries and other income</b>	<b>6</b>	<b>71</b>

Recoveries consist of recoveries from SA Government agencies and employee reimbursements.

**9 Cash and cash equivalents**

	2018 \$'000	2017 \$'000
Deposits with the Treasurer	5 493	3 154
<b>Total cash and cash equivalents</b>	<b>5 493</b>	<b>3 154</b>

**Deposits with the Treasurer**

Deposits with the Treasurer are non-interest bearing. The carrying amount of cash and cash equivalents represents fair value.

**10 Receivables**

	2018 \$'000	2017 \$'000
<b>Current</b>		
GST receivable	139	40
Prepayments	130	135
<b>Total current receivables</b>	<b>269</b>	<b>175</b>
<b>Total receivables</b>	<b>269</b>	<b>175</b>

Categorisation of financial instruments and risk exposure information - refer to note 22.

**Independent Commissioner Against Corruption**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2018*

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**11 Non-current assets**

All non-current tangible assets are valued at written down current cost (a proxy for fair value); and revaluation of non-current assets or 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.

All non-current tangible and intangible assets are tested for indication of impairment at each reporting date. Where there is an indication of impairment, the recoverable amount is estimated. The recoverable amount is determined as the higher of the asset's fair value less costs of disposal and depreciated replacement cost. An amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.

**12 Property, plant and equipment**

	2018 \$'000	2017 \$'000
<b>Leasehold improvements</b>		
Leasehold improvements at cost (deemed fair value)	5 346	4 026
Accumulated amortisation	(1 904)	(1 374)
<b>Total leasehold improvements</b>	<b>3 442</b>	<b>2 652</b>
<b>Plant and equipment</b>		
Plant and equipment at cost (deemed fair value)	597	478
Accumulated depreciation	(262)	(201)
<b>Total plant and equipment</b>	<b>335</b>	<b>277</b>
<b>Information Technology assets</b>		
Information Technology assets at cost (deemed fair value)	2 527	2 429
Accumulated depreciation	(1 562)	(1 057)
<b>Total information technology assets</b>	<b>965</b>	<b>1 372</b>
<b>Capital work in progress</b>		
Capital work in progress at cost	9	156
<b>Total capital work in progress</b>	<b>9</b>	<b>156</b>
<b>Total property, plant and equipment</b>	<b>4 751</b>	<b>4 457</b>

**Acquisition and recognition**

Non-current assets are initially recorded at cost or at the value of any liabilities assumed, plus any incidental cost involved with the acquisition. Non-current assets are subsequently measured at fair value less accumulated depreciation. Where assets are acquired at no value or minimal value they are recorded at their fair value in the Statement of Financial Position.

All non-current tangible assets with a value of \$10,000 or greater are capitalised. Items with an acquisition cost less than \$10,000 are expensed in the year of acquisition.

**Independent Commissioner Against Corruption**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2018*

**12 Property, plant and equipment (continued)**

**Carrying amount of plant and equipment**

All items of plant and equipment had a fair value at the time of acquisition that was less than \$1 million or had an estimated useful life that was less than three years, and have not been revalued in accordance with APF III *Asset Accounting Framework*. The carrying value of these items are deemed to approximate fair value. These assets are classified in level 3 as there has been no subsequent adjustments to their value, except for management assumptions about the assets condition and remaining useful life.

**Impairment**

There were no indications of impairment of property, plant and equipment at 30 June 2018.

**Movement reconciliation of property, plant and equipment**

<u>2018</u>	Leasehold Improvements	Plant & equipment	Information Technology assets	Capital Work in progress	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying amount at the beginning of the period	2 652	277	1 372	156	4 457
Additions	-	119	-	1 272	1 391
Depreciation and amortisation	(531)	(61)	(505)	-	(1097)
Transfers to/(from) capital WIP	1 321	-	98	(1 419)	-
<b>Carrying amount at the end of the period</b>	<b>3 442</b>	<b>335</b>	<b>965</b>	<b>9</b>	<b>4 751</b>
<u>2017</u>	Leasehold Improvements	Plant & equipment	Information Technology assets	Capital Work in progress	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying amount at the beginning of the period	3 042	282	1 595	120	5 039
Additions	40	17	169	154	380
Depreciation and amortisation	(430)	(61)	(471)	-	(962)
Transfers to/(from) capital WIP	-	39	79	(118)	-
<b>Carrying amount at the end of the period</b>	<b>2 652</b>	<b>277</b>	<b>1 372</b>	<b>156</b>	<b>4 457</b>

**Independent Commissioner Against Corruption**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2018*

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**13 Intangible assets**

	2018	2017
	\$'000	\$'000
<b>Externally acquired intangible assets</b>		
Computer software and licences	867	597
Less accumulated amortisation	(263)	(101)
<b>Total externally acquired intangible assets</b>	<u>604</u>	<u>496</u>
<b>Capital work in progress</b>		
Capital work in progress at cost	-	160
<b>Total capital work in progress</b>	<u>-</u>	<u>160</u>
<b>Total intangible assets</b>	<u><u>604</u></u>	<u><u>656</u></u>

In 2016-17 capital work in progress included \$142 000 that should have been expensed. A prior period error correction has been made to restate intangibles work in progress and retained earnings.

An intangible asset is an identifiable non-monetary asset without physical substance. Intangible assets are measured at cost and are tested for indications of impairment at each reporting date. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

The useful lives of intangible assets are assessed to be either finite or indefinite. The Commissioner has intangible assets only with finite lives. The amortisation period and the amortisation method for intangible assets is reviewed on an annual basis.

The acquisition of or internal development of software is capitalised only when the expenditure meets the definition criteria (identifiability, control and the existence of future economic benefits) and recognition criteria (probability of future economic benefits and cost can be reliably measured) and when the amount of expenditure is greater than or equal to \$10,000.

All research and development costs that do not meet the capitalisation criteria outlined in AASB 138 are expensed.

**Impairment**

There were no indications of impairment of intangible assets at 30 June 2018.

**Independent Commissioner Against Corruption**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2018*

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**13 Intangible assets (continued)**

**Movement reconciliation of intangible assets**

	<b>Externally acquired</b>	<b>Capital Work in progress</b>	<b>Total</b>
<b>2018</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Carrying amount at the beginning of the period	496	160	656
Additions		111	111
Transfers from capital works in progress	271	( 271)	-
Amortisation	(163)	-	(163)
<b>Carrying amount at the end of the period</b>	<b>604</b>	<b>-</b>	<b>604</b>

	<b>Externally acquired</b>	<b>Capital Work in progress</b>	<b>Total</b>
<b>2017</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Carrying amount at the beginning of the period	-	408	408
Additions	221	128	349
Transfers from capital work in progress	376	( 376)	-
Amortisation	(101)	-	(101)
<b>Carrying amount at the end of the period</b>	<b>496</b>	<b>160</b>	<b>656</b>

# **Independent Commissioner Against Corruption**

## **Notes to and forming part of the financial statements**

### *for the year ended 30 June 2018*

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#### **14 Fair value measurement**

##### **Fair value measurement**

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

The Commissioner classifies fair value measurement using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements, based on the data and assumptions used in the most recent revaluation.

Level 1: traded in active markets and is based on unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at measurement date.

Level 2 not traded in an active market and are derived from inputs (inputs other than quoted prices included within level 1) that are observable for the asset, either directly or indirectly.

Level 3 not traded in an active market and are derived from unobservable inputs.

In determining fair value, the Commissioner has taken into account the characteristic of the asset (for example, condition and location of the asset and any restrictions on the sale or use of the asset); and the asset's highest and best use (that is physically possible, legally permissible, financially feasible).

The Commissioner's current use is the highest and best use of the asset unless other factors suggest an alternative use is feasible. As the Commissioner did not identify any factors to suggest an alternative use, fair value measurement is based on current use.

The carrying amount of non-financial assets with a 'fair value at the time of acquisition that was less than \$1 million or had an estimated useful life that was less than three years' are deemed to approximate fair value.

Refer to note 12 for disclosure regarding fair value measurement techniques and inputs used to develop fair value measurements for non-financial assets.

The Commissioner does not recognise any financial assets or financial liabilities at fair value.

##### **Fair value hierarchy**

The fair value of non-financial assets must be estimated for recognition and measurement or for disclosure purposes. The Commissioner categorises non-financial assets measured at fair value into hierarchy based on the level of inputs used in measurement. The Commissioner has categorised all leasehold improvements, information technology assets and plant and equipment assets (refer to note 12) into level 3 for 2018 and 2017.

##### **Reconciliation of fair value measurements - level 3**

There have been no transfers into or out of fair value hierarchy levels during the reporting period.

**Independent Commissioner Against Corruption**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2018*

**15 Payables**

	2018 \$'000	2017 \$'000
<b>Current</b>		
Creditors	1 588	461
Accrued expenses	35	35
Employment on-costs <sup>^</sup>	128	107
<b>Total current payables</b>	<u>1 751</u>	<u>603</u>
<b>Non-current</b>		
Employment on-costs <sup>^</sup>	74	54
<b>Total non-current payables</b>	<u>74</u>	<u>54</u>
<b>Total payables</b>	<u><u>1 825</u></u>	<u><u>657</u></u>

**Employment on-costs**

<sup>^</sup>Employment on-costs include payroll tax and superannuation contributions. The Commissioner makes contributions to several State Government and externally managed superannuation schemes. These contributions are treated as an expense when they occur. There is no liability for payments to beneficiaries as they have been assumed by the respective superannuation schemes. The only liability outstanding at reporting date relates to any contributions due but not yet paid to the superannuation schemes.

As a result of an actuarial assessment performed by the Department of Treasury and Finance (DTF), the proportion of long service leave taken as leave has changed from the 2017 rate 40% to 41% and the average factor for the calculation of employer superannuation on-cost is 9.9% (2017: 10.1%). These rates are used in the employment on-cost calculation. The net financial effect of the change in the superannuation on-cost rate on employment on-costs and employee benefit expense is immaterial.

**Interest rate and credit risk**

Creditors and accruals are raised for all amounts billed but unpaid and are settled within the normal terms of payment of 30 days, unless otherwise agreed. Employment on-costs are settled when the respective employee benefit they relate to is discharged. All payables are non-interest bearing. The carrying amount of payables represents fair value due to the amounts being payable on demand.

Categorisation of financial instruments and risk exposure information - Refer to note 22.

**16 Employee benefits liability**

	2018 \$'000	2017 \$'000
<b>Current</b>		
Annual leave	532	421
Long service leave	305	289
Accrued salaries and wages	154	134
Skills and experience retention leave	23	28
<b>Total current employee benefits</b>	<u>1 014</u>	<u>872</u>
<b>Non-current</b>		
Long service leave	814	587
<b>Total non-current employee benefits</b>	<u>814</u>	<u>587</u>
<b>Total employee benefits</b>	<u><u>1 828</u></u>	<u><u>1 459</u></u>

# Independent Commissioner Against Corruption

## Notes to and forming part of the financial statements

### for the year ended 30 June 2018

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#### 16 Employee benefits liability (continued)

Employee benefits accrue for employees as a result of services provided up to the reporting date that remain unpaid. Long-term employee benefits are measured at present value and short-term employee benefits are measured at nominal amounts.

#### Salaries and wages, annual leave, skills and experience retention leave and sick leave

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

Where the annual leave liability and the skills and experience retention leave liability are expected to be payable within twelve months, the liability has been measured at the undiscounted amount expected to be paid.

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

#### Long service leave

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

The amounts for long service leave includes pre-retirement leave and amounts accrued for investigators seconded under a Memorandum of Administrative Arrangement between SA Police and the Commissioner. The Commissioner is required to reimburse SA Police an amount equivalent to long service leave accrued while an investigator is on secondment. The amount is due to SA Police when the seconded investigator ceases employment with the Commissioner. The amount accrued is therefore equivalent to the long service leave provision amount.

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

The actuarial assessment performed by the 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 *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 remained unchanged at 2.5%

The net financial effect of the changes in actuarial assumptions in the current financial year is an increase in the long service leave liability of \$39 000 and employee benefit expense of \$39 000. 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 DTF left the salary inflation rate at 4% for long service leave liability and 3% for annual leave and skills, experience and retention leave liability. As a result, there is no net financial effect resulting from changes in the salary inflation rate.

The current portion of the long service leave provision reflects management's expectation of leave to be taken within the next 12 months. It also includes the Commissioner's pre-retirement leave which cannot be deferred and is therefore considered unconditional.

#### Pre-retirement leave

The Commissioner is not entitled to long service leave, but is entitled to six months pre-retirement leave or payment in lieu thereof. This is included in long service leave liability.



**Independent Commissioner Against Corruption**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2018*

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**17 Other liabilities**

	2018	2017
	\$'000	\$'000
<b>Current</b>		
Lease incentive	135	116
<b>Total other current liabilities</b>	<u>135</u>	<u>116</u>
<b>Non-current</b>		
Lease incentive	541	581
<b>Total non-current other liabilities</b>	<u>541</u>	<u>581</u>
<b>Total other liabilities</b>	<u><u>676</u></u>	<u><u>697</u></u>

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement.

The Commissioner has entered into operating leases. Operating lease payments are expensed on a basis which is representative of the pattern of benefits derived from the leased assets.

All incentives for the agreement of new or renewed operating leases are recognised as an integral part of the net consideration agreed for the use of the leased asset. Incentives received to enter into operating leases are recognised as a liability.

The aggregate benefits of lease incentives received by the Commissioner in respect of operating leases have been recorded as a reduction of rental expense over the lease term, on a straight line basis.

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

**Independent Commissioner Against Corruption**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2018*

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**18 Unrecognised contractual commitments**

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

**Operating lease commitments**

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

	<b>2018</b>	<b>2017</b>
	<b>\$'000</b>	<b>\$'000</b>
Within one year	964	797
Later than one year but not longer than five years	4 231	3 497
Later than five years	-	958
<b>Total operating lease commitments</b>	<b>5 195</b>	<b>5 252</b>

The accommodation and office equipment leases are non-cancellable leases with rental payable monthly in advance.

Contingent rental provisions within the accommodation lease agreements provide for the minimum lease payments to be increased on specified rent review dates. Options exist to renew the accommodation leases at the end of the term of the lease.

**Other commitments**

	<b>2018</b>	<b>2017</b>
	<b>\$'000</b>	<b>\$'000</b>
Within one year	206	361
Later than one year but not longer than five years	128	166
<b>Total other commitments</b>	<b>334</b>	<b>527</b>

Motor vehicles <sup>(1)</sup>	61	107
Software maintenance <sup>(3)</sup>	181	178
Other <sup>(2)</sup>	92	242
<b>Total</b>	<b>334</b>	<b>527</b>

(1) The provision of motor vehicles to executive officers or sections (that is, pool vehicles) are leased from the South Australian Government Financing Authority through their agent LeasePlan Australia. There are no purchase options available to the Commissioner.

(2) Other commitments relate to purchase orders placed for goods and services before 30 June 2018 and contractual commitments.

(3) Software maintenance commitments relate to maintenance and support services from contracts relating to software purchases. These contracts will expire within one to three years.

**Independent Commissioner Against Corruption**  
**Notes to and forming part of the financial statements**  
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**19 Contingent assets and contingent liabilities**

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

In the ordinary course of operations, the Commissioner may become liable to pay costs or to receive costs arising from legal proceedings. As at 30 June 2018, it is not possible to reliably estimate the total court costs that may be receivable or payable in respect of one legal proceeding that is underway.

**20 Related party transactions**

The Independent Commissioner Against Corruption is independent and accountable to the SA Parliament.

Related parties of the Commissioner include all key management personnel and their close family members.

**Significant transactions with government related entities**

The Commissioner had no significant transactions with government related entities.

**Collectively, but not individually significant transactions with government related entities**

Quantitative information about transactions and balances between the Commissioner and other SA Government controlled entities are disclosed at note 25.

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

Compensation for key management personnel is disclosed at note 3. There are no other transactions or balances to disclose with key management personnel or related parties.

**21 Cash flow reconciliation**

	2018 \$'000	2017 \$'000
<b>Reconciliation of cash and cash equivalents at the end of the reporting period</b>		
Cash and cash equivalents disclosed in the Statement of Financial Position	5 493	3 154
Balance as per the Statement of Cash Flows	5 493	3 154
<b>Reconciliation of net cash provided by / (used in) operating activities to net cost of providing services</b>		
Net cash provided by/(used in) operating activities	2 842	596
Less revenues from SA Government	(13 908)	(10 078)
<b>Add / (less) non-cash items</b>		
Services received free of charge - expense	( 63)	-
Services received free of charge - income	63	-
Depreciation and amortisation	(1 260)	(1 063)
Property plant and equipment assets in payables	999	178
Lease incentive amortisation	132	117
<b>Movement in assets and liabilities</b>		
Increase/(decrease) in receivables	94	61
(Increase)/decrease in payables	(1 279)	(218)
(Increase)/decrease in employee benefits	( 369)	(385)
<b>Net cost of providing services</b>	<b>(12 749)</b>	<b>(10 792)</b>

**Independent Commissioner Against Corruption**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2018*

**22 Financial risk management / financial instruments**

**Financial risk management**

Risk management is managed by the Commissioner's corporate services section and the Commissioner'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 Commissioner's exposure to financial risk (liquidity risk, credit risk and market risk) is low due to the nature of financial instruments held. There have been no changes in risk exposure since the last reporting period.

**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 notes.

Category of financial asset and financial liabilities	Statement of Financial Position line item	Note	2018 Carrying amount / fair value \$'000	2017 Carrying amount / fair value \$'000
<b>Financial assets</b>				
Cash and cash equivalents	Cash and cash equivalents	9	5 493	3 154
Receivables	Receivables <sup>(1)</sup> <sup>(2)</sup>	10	-	-
<b>Total financial assets</b>			<b>5 493</b>	<b>3 154</b>
<b>Financial liabilities</b>				
Financial liabilities at cost	Payables (1)	15	1 588	461
<b>Total financial liabilities</b>			<b>1 588</b>	<b>461</b>

(1) Receivable and payable amounts disclosed here exclude amounts relating to statutory receivables and payables (for example, Commonwealth, State and Local Government taxes, fees and charges; audit fees payable to the Auditor-General's Department, 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 levy receivables/payables, tax equivalents, commonwealth tax 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. Prepayments are presented in note 10 as trade and other receivables in accordance with paragraph 78(b) of AASB 101 *Presentation of Financial Statements*. However, prepayments are not financial assets as defined in AASB 132 *Financial Instruments: Presentation* as the future economic benefit of these assets is the receipt of goods and services rather than the right to receive cash or another financial asset.

**Fair value**

The Commissioner does not recognise any financial assets or financial liabilities at fair value. The carrying value less impairment provisions of receivables and payables is a reasonable approximation of their fair values due to their short term nature. Refer to notes 9 and 15.

**Credit risk**

The Commissioner is not exposed to any credit risk.

# **Independent Commissioner Against Corruption**

## **Notes to and forming part of the financial statements**

### *for the year ended 30 June 2018*

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#### **22 Financial risk management / financial instruments (continued)**

Allowances for impairment of financial assets are calculated on past experience and current and expected changes in client credit rating. Currently the Commissioner does not hold any collateral as security for any of its financial assets. There is no evidence to indicate that financial assets are impaired.

##### **Maturity analysis of financial assets and liabilities**

All financial assets and financial liabilities are due to mature within twelve months.

##### **Liquidity risk**

Liquidity risk arises from the possibility that the Commissioner is unable to meet financial obligations as they fall due. The Commissioner is funded principally from appropriations by the SA Government. The Commissioner works with the DTF to determine the cash flows associated with its Government approved program of work and to ensure funding is provided through SA Government budgetary processes to meet the expected cash flows.

The continued existence of the Commissioner in the present form, and with the present programs, is dependent on State Government policy and on continuing appropriations by Parliament for the Commissioner's administration and programs. The Commissioner aims to settle undisputed accounts within 30 days from the date the invoice is first received. The Commissioner's exposure to liquidity risk is insignificant based on past experience and current assessment of risk.

##### **Market risk**

The Commissioner currently holds no interest bearing financial instruments and is not exposed to interest rate risk.

#### **23 Impact of standards and statements not yet implemented**

The Commissioner did not voluntarily change any accounting policies during 2017-18.

Australian Accounting Standards and Interpretations that have recently been issued or amended but not yet effective, have not been adopted by the Commissioner for the period ending 30 June 2018.

##### **AASB 16 Leases**

AASB 16 *Leases* will apply for the first time for reporting periods beginning after 1 January 2019. The amended standard introduces a single accounting model for lessees, eliminating the distinction between operating and finance leases. The standard requires a lessee to recognise assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value.

The lease liability will be initially recognised at an amount equal to the present value of the lease payments during the lease term that are not yet paid. Current operating lease payments will no longer be expensed in the Statement of Comprehensive Income on a straight line basis. Rather, they will be apportioned between a reduction in the recognised lease liability and the implicit finance charge (the effective rate of interest) in the lease. The finance cost will be recognised as an expense.

It is anticipated that there will be a marginal impact on net result due to recognition of depreciation and interest on lease liabilities as expenses.

The classification of cash flows will be affected as operating lease payments will be split into a principal and interest portion which will be presented as financing and operating cash flows respectively. Currently, operating lease payments are presented as operating cash flows and recorded as commitments, which are not captured in the Statement of Financial Position.

The Commissioner has not yet quantified the impact of applying AASB 16 *Leases* to his operating lease arrangements and the resulting impact on the Statement of Comprehensive Income, the Statement of Financial Position and the Commitments disclosure in the notes to the financial statements.

**Independent Commissioner Against Corruption**  
**Notes to and forming part of the financial statements**  
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**23 Impact of standards and statements not yet implemented (continued)**

The Commissioner's current operating lease commitments note (see note 18) provides an indication of the amounts to be recognised 'on-balance sheet' at transition (an expected increase in lease liabilities with a corresponding right-of-use asset). The reclassification between supplies and services expense and depreciation/interest has not yet been estimated.

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

These standards will apply for the first time to reporting periods beginning on or after 1 January 2019, i.e. to financial statements as 30 June 2020. The Commissioner has commenced analysing the new revenue recognition requirements under these standards and is yet to form conclusions about significant impacts.

The Commissioner does not currently have any revenue contract with a material impact for the period after 1 July 2018 and will monitor the impact of any such contracts subsequently entered into before the new standards take effect.

All other Australian accounting standards and interpretations with future effective dates are either not applicable or have no material impact on the ICAC.

**24 Events after the reporting period**

There are no known events after balance date that affect these financial statements.

**25 Transactions with SA Government**

The following table discloses revenues, expenses, financial assets and liabilities where the counterparty / transaction is with an entity within the SA Government as at the reporting date, classified according to their nature. All transactions have been included.

	Note	SA Government		Non-SA Government		Total	
		2018	2017	2018	2017	2018	2017
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial assets</b>							
Cash and cash equivalents	9	5 493	3 154	-	-	5 493	3 154
Receivables	10						
GST receivable		-	-	139	40	139	40
Prepayments		-	-	130	135	130	135
<b>Total financial assets</b>		<b>5 493</b>	<b>3 154</b>	<b>269</b>	<b>175</b>	<b>5 762</b>	<b>3 329</b>
<b>Financial liabilities</b>							
Payables - current	15						
Creditors		1 333	157	255	304	1,588	461
Accruals		35	35		-	35	35
Employee on costs		45	38	83	69	128	107
Payables - non-current	15						
Employee on costs		41	30	33	24	74	54
<b>Total financial liabilities</b>		<b>1,454</b>	<b>260</b>	<b>371</b>	<b>397</b>	<b>1,825</b>	<b>657</b>

**Independent Commissioner Against Corruption**  
**Notes to and forming part of the financial statements**  
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**25 Transactions with SA Government (continued)**

	Note	SA Government		Non-SA Government		Total	
		2018	2017	2018	2017	2018	2017
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Expenses</b>							
Employee benefits expenses	3	366	320	7 329	6 431	7 695	6 751
Supplies and services	4						
Accommodation		370	338	31	5	401	343
Operating lease minimum payments		765	634	-	-	765	634
Information and communications technology		101	98	865	877	966	975
Outsourced services		195	26	147	149	342	175
Contract staff		-	-	41	126	41	126
Employment related payments		-	-	69	86	69	86
Consultancies		-	-	73	69	73	69
Legal fees		2	7	576	57	578	64
Promotions and publications		-	-	50	61	50	61
Tax and taxable payments		40	54	-	-	40	54
Repairs, maintenance and minor purchases		-	-	80	52	80	52
Motor vehicle expenses		56	50	-	-	56	50
Telephone related expenses		46	38	7	7	53	45
Shared Services SA charges		66	42	-	-	66	42
Employee training		6	-	35	39	41	39
Office expenses		-	-	37	31	37	31
Website development		-	-	15	-	15	-
Internal audit fees		-	-	28	26	28	26
Other		33	51	94	94	127	145
Depreciation and amortisation	5	-	-	1 260	1 063	1 260	1,063
Auditor's remuneration	6	35	32	-	-	35	32
<b>Total expenses</b>		<b>2 081</b>	<b>1 690</b>	<b>10 737</b>	<b>9 173</b>	<b>12 818</b>	<b>10 863</b>
<b>Income</b>							
Recoveries and other income	8	-	-	6	71	6	71
Services received free of charge	7	63	-	-	-	63	-
Revenues from / payments to SA Government		13 908	10 078	-	-	13 908	10 078
<b>Total income</b>		<b>13 971</b>	<b>10 078</b>	<b>6</b>	<b>71</b>	<b>13 977</b>	<b>10 149</b>