



Libraries Board of South Australia

2019-20 Annual Report

Libraries Board of South Australia
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To:

Hon Steven Marshall MP

Premier

This annual report will be presented to Parliament to meet the statutory reporting requirements of *Libraries Act, 1982*, *Libraries Regulations, 2013* and the *Public Sector Act, 2009 regulations* and the requirements of Premier and Cabinet Circular *PC013 Annual Reporting*.

This report is verified to be accurate for the purposes of annual reporting to the Parliament of South Australia.


Submitted on behalf of the Libraries Board of South Australia by:

Bruce Linn AM

Chair, Libraries Board of South Australia

Date 25 September 2020

Signature

A handwritten signature in black ink, appearing to read 'Bruce Linn', is positioned above the 'Signature' label.

From the Chair

The Libraries Board's leadership and support for the public library network and the State Library continues to see a period of both maintaining current services while also continuing to grow the digital parts of the libraries' service offerings.

As custodians of our state's stories the State Library provides access to unique physical and digital collections, services and public spaces.

Over the past year the Library has continued to grow its physical and digital collections to capture contemporary South Australian stories that can be shared with the community in the future. Collecting highlights during the year include the acquisition of a significant amount of new material for our existing Holden collection following the closure of the company's premises at Elizabeth in 2017. This material will be processed in the coming years with a view to celebrating the South Australian Holden story through a future exhibition. Another major acquisition in 2019 was the Scott Hicks archive, an extraordinary record of the life and work of one of the most important Australian filmmakers over the last forty years.

The State Library's engagement activities included the highly successful exhibition, *'Heroes of the Skies: The Smith brothers and the Great Air Race of 1919'* which shared the amazing story of the England to Australia air race which was won by two of South Australia's favourite sons, Captain Ross Smith and Lieutenant Keith Smith. In response to the COVID-19 pandemic, the Library launched a campaign called *'Remember my story – COVID-19'*, an initiative to collect contemporary material that captures the impact that the pandemic is having on South Australian public life both socially and formally.

The digitised South Australian newspapers made available through the National Library's Trove service reached a major milestone this year with over 50 million page views since the initiative began 10 years ago. Along with *The Advertiser*, other popular papers include the *Border Watch*, *Recorder* (Port Pirie) and *Burra Record*.

With funding from the Libraries Board, the State Library procured a Digital Preservation System that will enable our rapidly growing digital collections to be securely preserved for future generations. The Library's digital collections consist of over 150 terabytes and includes over 300,000 digitised photographs, oral histories, early South Australian film and video material as well as material on many other forms of media. All of this content will now be safely transferred to the system to ensure that it will continue to be available in future years.

The Board provides significant leadership and support for the State's Public Library Network. Over the last year it supported the delivery of several key reports on the value and importance of public libraries in their local communities. *The Answer is Libraries; the value of public libraries in SA* provides an independent analysis of the economic benefits of public libraries. The research established that the net community benefit of public libraries in South Australia is estimated at \$163M. This equates to \$95 per capita per year in net community benefits and also means that for

every dollar invested in public libraries, \$2.80 of benefits are generated for the South Australian community.

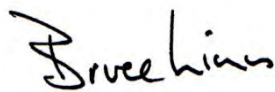
An assessment of service quality, benefits and satisfaction with community libraries in SA, established that library attendance provides a range of important benefits to users. These include enjoyment, wellbeing, connection with community, economic support (through library operating expenditure) and community learning.

These reports identified the library as a critical nexus in the community, a hub of social and personal connection and growth that plays a key role in community capital and wellbeing.

During the COVID-19 closure of public libraries (March to May) the State-wide OneCard network provided ongoing access for library users. Although physical collection loans were down by 57% during the period of library closure due to COVID-19, the Network's Digital Library loans increased significantly which resulted in an overall increase of 1% of total loans during this period, rather than a decline as experienced by other interstate library services.

I commend the Director and his staff on a year of significant achievement.

Bruce Linn AM

A handwritten signature in black ink that reads "Bruce Linn". The signature is written in a cursive, flowing style.

Chair

Libraries Board of South Australia

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Overview: about the agency

Our strategic focus

Our Purpose	<p>The purpose of the Libraries Board of South Australia is to promote, create and maintain state wide library services for the benefit of the people of South Australia. The Libraries Board achieves this via two administrative branches – the State Library of South Australia and Public Library Services.</p> <p>The role of the State Library of South Australia is to ensure current and future generations enjoy, experience and learn from its South Australian collections and world knowledge collected and preserved for the use of the community, and to provide research and information services, events and programs to enrich access.</p> <p>The role of Public Library Services is to work with local councils via a Memorandum of Agreement to create libraries that are valued as institutions of civic democracy and community engagement, and serve as hubs for knowledge, creativity and innovation, to provide opportunities for learning and leisure, linking South Australians to each other and the world.</p>
Our Vision	<p>The Libraries Board keeps alive the memories and stories of generations of South Australians - telling the stories of the past is vital in creating understanding and links between past, present and future.</p> <p>This is achieved by connecting South Australians to each other through our State Library and the network of community libraries, providing access to local and world information and serving as hubs for knowledge and community engagement.</p>
Our Values	<p>Public Sector Values:</p> <ul style="list-style-type: none"> • Service • Professionalism • Trust • Respect • Collaboration & engagement • Honesty & integrity • Courage & tenacity • Sustainability

Our functions, objectives and deliverables	<p>The <i>Libraries Act 1982</i> charges the Libraries Board of South Australia to achieve the following:</p> <ul style="list-style-type: none"> • Achieve and maintain a coordinated system of libraries and library services that adequately meets the needs of the whole community. • Promote and facilitate the establishment and maintenance of libraries and library services by councils and other appropriate bodies, ensuring equitable and free access for all South Australians to public library collections, internet and services that span across council boundaries. • Promote a cooperative approach to the provision of library services. • Ensure that the community has available to it adequate research and information services, providing access to library materials and information stored in libraries and other institutions both within and outside the State. • Collect and maintain the documented history of the State and provide access that connects people with our resources and world knowledge.
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Arts and Culture Plan South Australia 2019-2024

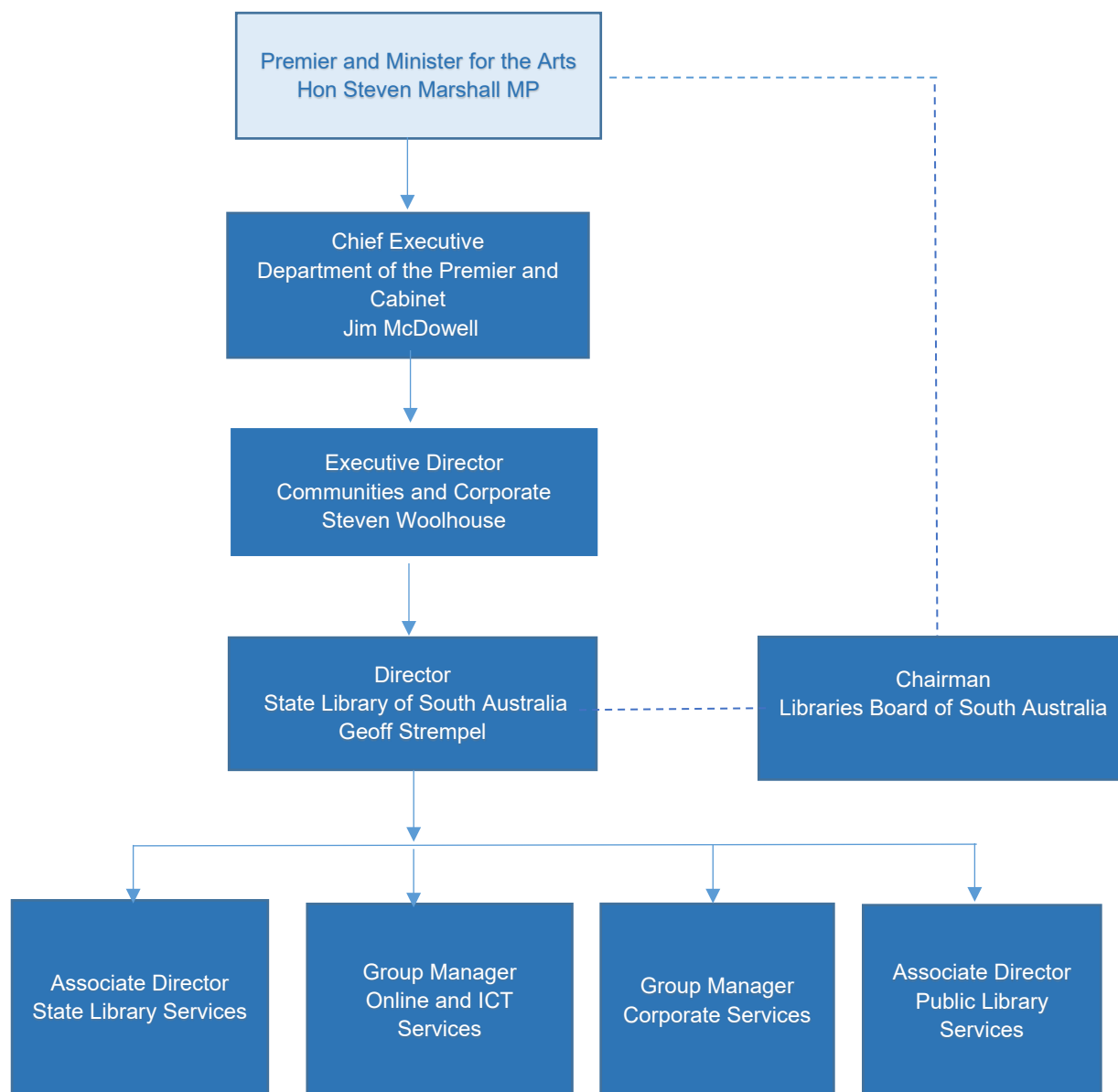
The Library has been engaged with other Arts institutions in supporting the progress of the goals of the Arts & Culture Plan to fruition.

The Library continues to be actively engaged in the plan's goal to "revolutionise accessibility to the state's remarkable collections" particularly in the areas of digital access and storage.

State Library	Public Library Services
<p>State Library of South Australia's Strategic Plan 2018-2020</p> <p>Collect Build and maximise use of collections and create content</p>	<p>Public Library Network's strategic plan – Tomorrow's Libraries: Future Directions of the South Australian Public Network</p> <p>Connected community places Libraries are welcoming, safe and accessible for all and offer their</p>

<p>Maintain Guarantee access for present and future generations through a wide range of preservation strategies</p> <p>Connect Support learning and research for the community's social and economic benefit</p> <p>Contribute to and enrich the cultural life of the State through our collections, buildings and community events</p> <p>Capability Develop efficiency, capability and capacity through our skilled people and effective work practices</p>	<p>communities a dynamic and vibrant place</p> <p>Creating content and knowledge Spaces Access to local print and eContent, as well as specialist collections and improving literacy outcomes of South Australians</p> <p>Innovation and digital hubs Using new and emerging technologies and applications and increasing digital literacy skills</p> <p>Partnering with intent Achieving scale and greater impact through purposeful partnering</p> <p>Delivering a sustainable future Demonstrating value of service outcomes to communities and the state's strategies priorities</p>
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Our organisational structure



Changes to the agency

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

Our Minister

The Premier, the Hon Steven Marshall MP's portfolio includes Aboriginal Affairs and Reconciliation, Defence and Space Industries, Tourism, the Arts, Veterans' Affairs and Multicultural Affairs.

Our Executive team

Geoff Stempel, Director, State Library of South Australia

The Director of the State Library is responsible for the efficient and effective management and administration of the State Library of South Australia and Public Library Services ensuring the State Library's long-term viability and reputation within the State and amongst its national partners.

The Director provides high-level strategic advice to the Libraries Board of South Australia, the Department of the Premier and Cabinet and the Premier on matters relating to libraries and information policy, and the Libraries Act (1982), and ensures that the requirements of the Memorandum of Agreement (between State and Local Government) to establish and maintain public libraries are met.

Jo Bayly, Associate Director, State Library Services

The Associate Director is responsible for the management and provision of the State Library's direct service provision, including the establishment of strategies, policies and processes that relate to the collection and access to the State's published and unpublished heritage.

The Associate Director provides high-level strategic and operational advice to the Director and Executive Director on matters relating to libraries and information policy.

The Associate Director works with the Director and the Libraries Board to create long-term organisational and financial strategies to ensure the State Library's long-term viability and reputation within the State and amongst its national partners.

Hanlie Erasmus, Associate Director, Public Library Services

The Associate Director Public Library Services is responsible for leading the State's Public Library Network, to ensure the relevant objectives of the Libraries Act (with regard to public libraries) and the expectations of the Memorandum of Agreement between State and Local Government are achieved.

This includes leadership of transformative strategic projects, the direct provision of procurement and ICT services, and the management of the ICT environment that enables the One Card Network.

The Associate Director provides high-level strategic and operational advice to the Director and Executive Director on matters relating to public libraries and information policy.

Legislation administered by the agency

Libraries Act, 1982

Libraries Regulations, 2013

The agency's performance

Performance at a glance

State Library Access statistics:

Physical

Onsite visitors	309,815*
Visitors to major exhibitions	98,375
English Language Classes (attendees)	3,561
Education Programs (attendees)	2,642
Tours of the State Library (attendees)	289
Other events and programs (attendees)	1,290

Virtual/Online

Website/Digital Collection	1,350,150
TROVE – SA Newspapers	5,456,083
Other online and Social Media presences	26,204
Digital Collection storage – terabytes	155

Key achievements this year include:

- Procurement of the Preservica digital preservation system, to enable the long-term care of born-digital and digitised collection material
- Extension of the SA public library network wireless network within the State Library premises to provide a cost-effective and familiar free wireless network service to customers and visitors
- Procurement and building commencement of a Preservation Cold Store Facility for high risk audio-visual collection material at the State Library's offsite Netley storage facility.
- Successful first time management and hosting of the 2020 Adelaide Festival Awards for Literature.
- Transition of workforce to work from home arrangements during COVID-19 emergency
- Implementation of Microsoft Teams to support modern workforce communications processes

*A reduced number of onsite visitors due to COVID-19 restrictions and building closure from 25 March to 9 June 2020

Public Library Services

Physical

Loans	10,856,916
Holds	1,962,694
Purchases	229,552

Digital

eBook loans	1,332,903
Purchases	38,705
Holds	593,990
eMagazines and eNewspapers loans	3,377,788
Genealogy	532,864
English Language Test training	3,079
Online Learning hours	12,268

Public Libraries App

Libraries SA App downloads	226,059
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Libraries SA App launches (use)	1,245,587
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Libraries SA App new devices	40,310
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ICT Services and Internet

Helpdesk calls	7,513
Internet volume per day – Terabytes	10.13

Social Media

Audience	74,451
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Key achievements this year include:

- Free public internet access was provided to 465,000 unique devices in public libraries throughout the state.
- Provision of wireless access continues to grow state-wide with 180 Wi-Fi access points now in public libraries.
- 17 metropolitan libraries now connected to the SABRENet optical fibre network.
- 133 new PCs and 45 new multifunction printers were deployed to all 42 school community libraries and some country libraries, with remote management capability.

- Over 11 million items were loaned (physical & digital) across the network and nearly 2 million holds were delivered to the customer's preferred pickup library.
- 420,000 new items were purchased in different collections throughout the state.
- Over 4,900 people join public libraries each month.
- 30% of the South Australian community are active members.
- PLS Project Officer, Sharmayne Coso, won the DPC Employee Recognition Award in November 2019 for the category 'Supporting our Communities' for her work in coordinating the Tech Savvy Seniors Program. Supporting 17 libraries to deliver 543 digital literacy programs to over 2250 participants in regional South Australia.
- PLS facilitated and delivered over 20 training and development sessions for library staff and managers in the public library network. Emphasis was made on upskilling staff to deliver programs online during COVID-19 restrictions. Over 380 staff attended sessions.

Agency contribution to whole of Government objectives

Key objective	Agency's contribution
State Library More jobs	<p><u>Library and Information Management Program</u></p> <p>The State Library's formal involvement in the teaching of library and information professionals through an industry partnership with the University of South Australia was maintained during the year.</p> <p>The State Library staff contribute to the design of curricula, undertake teaching and assessments for five major courses within the Library and Information Management program.</p>
State Library More jobs	<p><u>Library Graduates in the State Library Customer Contact team.</u></p> <p>As part of a succession plan two graduate PO1 Librarian positions have been created in the Customer Contact team.</p>
State Library More jobs	<p><u>North Terrace Cultural Precinct Innovation Lab</u></p> <p>The Library co-ordinated the implementation of the North Terrace Cultural Precinct Innovation Lab which was renamed <i>Collab</i> and launched 4 March 2020 along with a Fellowship.</p>

	<p>The <i>Collab</i> Fellowship establishes an opportunity for people working in the creative technologies, digital art and digital humanities to develop innovative new ways for audiences to discover and experience South Australia's stories through the North Terrace Cultural Precinct's significant digital collection holdings.</p> <p><i>Collab</i> is a collaboration between the State Library of South Australia, History Trust, Art Gallery of South Australia and the South Australian Museum.</p>
State Library More jobs	<p><u>Children's Literature Research Collection cataloguing project</u></p> <p>The Library has contracted a South Australian library services supplier to expedite the cataloguing of the Children's Literature Research Collection, one of the premier heritage research collections of its kind in Australia.</p> <p>The outcome of this contract will be increased access to this valuable collection.</p>
State Library Lower costs	<p><u>Transition to digitising South Australian newspapers</u></p> <p>The Library holds a copy of every South Australian newspaper published since 1836 and, beginning in 1960, has microfilmed 74% of the issues to date.</p> <p>The in-house microfilm production facility was decommissioned this year and replaced by preservation-standard overhead scanners which ensued the digitisation of major SA newspaper titles <i>The Advertiser</i> and <i>Sunday Mail</i> commencing in January 2020.</p> <p>Investment in the transition brings savings in consumables, equipment maintenance, newspaper preparation and processing time.</p> <p>The Library's store of microfilm masters will continue to serve a preservation role as well as providing a cost-effective basis for digitising the content of historic newspapers for online, word-searchable delivery.</p>

<p>Public Library Services</p> <p>Lower Costs</p>	<p><u>NBN & Equipment</u></p> <p>All libraries were transitioned to NBN Telstra Business Broadband Services or to SABRENet dark fibre.</p> <p>This has significantly reduced the cost of internet services to the Network and increased performance.</p> <p><u>Review arrangements for provision of internet service</u></p> <p>PLS has now implemented its new AARNet internet gateway for all SABRENet sites.</p> <p>This provides a 10Gbps internet connection for public internet use in libraries, meaning a 20x performance increase and a significant cost reduction.</p>
<p>State Library</p> <p>Better Services</p>	<p><u>Cold Storage Facility</u></p> <p>To preserve at risk audio visual (AV) material the Libraries Board has funded the construction of a cold store.</p> <p>The cold store will hold a range of valuable obsolete audio visual material that is at high risk of failure if stored at 'normal' ambient room temperatures.</p> <p>When completed in late 2020, this facility will provide preservation storage of the most at-risk material within the State Library's collections, resulting in substantial increases in their longevity and access to unique audio and visual state heritage for future generations.</p> <p>The cold store will be the first built in South Australia for preserving AV collections.</p>
<p>State Library</p> <p>Better Services</p>	<p><u>Strategies to transition learning programs to online during Covid-19</u></p> <p>The State Library's Education Service have invested time during the COVID-19 closure to review the service and redesign learning programs to accommodate changes in staffing and develop a research informed Framework for Quality Learning at SLSA that guides development, implementation and evaluation.</p> <p>A new learning program called <i>COVID-19 Through Young Eyes</i> was created.</p>

	<p>It invites children and young people to creatively reflect on their experiences of COVID-19 and add their under-represented voices to the state's collection of stories, captured by the State Library of South Australia.</p>
<p>State Library Better Services</p>	<p><u>Library Café</u></p> <p>The new refurbished Library Café reopened in November 2019 with a new service provider.</p>
<p>Public Library Services Better Services</p>	<p><u>Public Library Wireless Internet</u></p> <p>A new replacement wireless network was deployed to nearly all metro and country libraries which is simpler to use and eliminates barriers to entry for this key library service.</p>

Agency specific objectives and performance

State Library objectives	Indicators	Performance
Cold Storage	<ul style="list-style-type: none"> • Procurement completed • Project commenced • Scheduled completion was due July 2020 but has been delayed due to COVID-19 restrictions and delayed arrival of overseas deliveries of major plant for the facility 	Jan 2020 March 2020
Digital Preservation	<ul style="list-style-type: none"> • Procurement completed • Contract executed • Training and implementation commenced 	March 2020 March 2020 April 2020
State Library Brand Strategy	<p>The following process occurred to guide and strengthen brand purpose and positioning of the library.</p> <ul style="list-style-type: none"> • Meld Future Service Model – establishment of future service and facility options • Vox Pop video survey – provided a snapshot of State Library public perception • New Focus Research –comprehensive research into perceptions, wants and needs of both members and non-members of the SLSA. • Nation Advertising – Project to undertake Brand DNA, Brand strategy, Values, Service Pillars and Brand Manifesto for SLSA. 	Sept 2019 Sept 2019 Nov 2019 Feb 2020

<p>PLS - Develop content and collections</p>	<p>Keeping collections updated and current and providing Shelf Ready Services to 20 libraries, and increased access to digital resources during COVID-19 restrictions</p> <ul style="list-style-type: none"> • Collection improvements through planned projects • <u>Age of Collection project</u> Data-driven weeding projects to reduce older print material and keep this collection current and relevant. • <u>Shelf Ready Services (SRS)</u> The move from a trial into an operational service for shelf ready items from supplier to library has been implemented, reducing time and effort into making books available for the community. • <u>Increase in service and usage of digital resources</u> Ongoing increase in usage of digital resources, particularly through the COVID-19 closures, has seen loans surge in collections such as the Quarantini Collection, Footy's Back, and Conversations on Race, Racism & Resistance. 	<p>Age of Collection in progress - to be completed Dec 2020</p> <p>Shelf Ready Services – fully implemented to 20 libraries</p>
<p>PLS - Easy & fast discovery and delivery of physical and digital content</p>	<p><u>Continued the rebuild of 121 library Enterprise websites</u></p> <p>Continued provision of an updated website environment that includes user interface with modern mobile devices for ease in discovering library collections.</p> <p>This is a large project and is the first major rebuild and refresh of these websites since 2013.</p>	<p>In progress – to be completed Dec 2020</p>

<p>PLS - Telstra/PLS Tech Savvy Seniors Program</p>	<p><u>Tech Savvy Senior Program</u></p> <p>Partnered community programs provide participants with resources and tools to upskill, embrace new technologies and develop their use of modern devices for accessing important services and conducting social and personal business.</p> <p>The Telstra/PLS partnership embarked on the <i>Tech Savvy Seniors SA</i> program during 2019/2020.</p> <p>17 Regional libraries delivered 351 sessions of the program enabling 1,323 senior participants the opportunity to develop the skills and confidence to use technology for socialising, accessing important services or conducting personal business.</p>	<p>Delivered until March 2020 – suspended due to COVID-19</p>
<p>PLS - Digital Springboard courses</p>	<p><u>Digital Springboard Courses</u></p> <p><i>Digital Springboard</i> is a program by Infoxchange and Google to help people learn digital skills and grow the capability they need to thrive in work and life.</p> <p>PLS continued to partner with Infoxchange in 2019/2020 by providing Library staff the opportunity to attend <i>train the trainer</i> sessions and deliver the program to their own communities.</p> <p>Thirteen libraries delivered a total of 99 courses, reaching 420 participants.</p>	<p>Delivered during 2019/20</p>

<p>PLS - Program partnerships</p>	<p>Public Library Services continues to seek and nurture existing partnerships to achieve scale and greater impact by aligning library services with State and Local Government goals.</p> <p><u>Wellbeing SA</u></p> <p>Wellbeing SA's new campaign and website <i>Open Your World</i> was launched in April 2020 https://openyourworld.sa.gov.au.</p> <p>This is the start of a whole of government response, led by the Environment Minister David Speirs and Wellbeing SA, to support the Wellbeing of South Australians during COVID-19.</p> <p>PLS worked with Wellbeing SA to have links to Libraries SA on the website relevant to the topic https://openyourworld.sa.gov.au/search?q=libraries+SA</p> <p><u>Australian Research Alliance for Children and Youth</u></p> <p>PLS commenced working with the Australian Research Alliance for Children and Youth, along with representatives from Federal, State and Territory government departments on a <i>National Early Language and Literacy Strategy</i>.</p> <p><u>Smith Family</u></p> <p>PLS partnered with the Smith Family to deliver the <i>Maths Fun in Libraries</i> program.</p> <p>Library network staff are trained to deliver play-based maths sessions for parents and their 3 to 5 year old children.</p> <p>The sessions encourage the parent and child to discover how simple maths concepts can be, through activities utilising everyday objects and play.</p> <p>It is anticipated that the delivery of the program will commence to communities when COVID-19 restrictions permit face to face delivery.</p>	<p>Completed</p> <p>Completed</p>
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Program Name	Indicators of performance/effectiveness/efficiency	Outcome for South Australia
<p>State Library's Strategic Plan: Collect</p>	<p><u>Archival Acquisitions</u></p> <p>The State Library added 47 linear metres of new archival material (manuscript, pictorial, audio-visual, sound and oral history) and processed 29 metres of physical collection material plus 11 GB of digital content.</p> <p>Notable additions to our collections include:</p> <ul style="list-style-type: none"> • The Scott Hicks archive - an extraordinary record of the life and work of one of our most important Australian filmmakers. This personal archive documents the South Australian's film-making career and practice, and includes original scripts and script development, shooting scripts and story boards of films, plus original film footage and artefacts, from 1972 to 2017. • Two handwritten diaries kept by Lieutenant G. Dulfer from 1917-1920 on Timor, Java. Includes his account of the stopover of the Vickers Vimy G-EAOU on the first long-distance flight from England to Australia, with signatures from Keith and Ross Smith and crew. • A 1919 letter from Ross Smith to Annie Wood, written three days before departing on the England-Australia flight. • The COVID-19 social distancing experience - photographs taken by professional photographers and community contributors. • Black Lives Matter 2020 protest - photographs captured by participant photographers. • Adelaide Climate Strike podcast, which was the first podcast of its kind produced by the Library. <p><u>Published Acquisitions</u></p> <p>The State Library added 7,669 titles to its collections:</p> <ul style="list-style-type: none"> • Legal Deposit (through National edeposit (NED)): 1,164 • Other South Australian material: 3,764 • General Reference: 2,739 <p>Access to 39 databases, comprising 38,199 electronic titles was provided through the Library catalogue.</p>	<p>The State Library's ongoing commitment to grow and cultivate its collections by collecting, maintaining and preserving South Australian heritage to facilitate knowledge for past, current and future generations.</p>

	<p>The majority of this material is available remotely to individuals registered with the State Library.</p> <p>Notable additions to the State Library Published Collection's include:</p> <ul style="list-style-type: none"> • Collection of 90 + children's books donated by former State Library Rare Books Librarian Valmai Hankel – many were review copies sent to her late husband and colleague Dennis Hall, a children's book reviewer with <i>Australian Book Review</i> during the 1960s-1980s. • Early 19th century French children's card game, <i>Geographie</i> which references the (then) recent American Revolution and Tasmanian convicts • 'Together soon enough' – an art poster by SA street artist Peter Drew expressing the social effects of COVID-19 • Collection of free community safety posters produced and distributed by Openbook Howden in response to the COVID-19 crisis • 19th century Persian manuscript leaf with gold decoration and painting of horsemen, with text of classical poetry currently being translated by Library staff member Monireh Ziaei. (Purchased from the Hutchison Bequest.) • <i>Animoz: the fight for survival</i> – locally produced Australian endangered species children's card game • <i>Before the Clearing</i> – a hand-coloured lithographic art book by artist Simon Normand depicting the effects of the 1845 Ludwig Leichardt expedition, created in consultation with the descendants of the original Aboriginal peoples of the Gulf Country and Kakadu. (Purchased from the Pengilly Bequest.) • <i>Relation des voyages enterpris par ordre de sa majeste britannique ... 1774</i> French translation of the work by John Hawksworth and Joseph Banks describing Captain James Cook's expedition. (Purchased from the McGuire Bequest.) 	
Program name	Indicators of performance/effectiveness	Outcomes for South Australia
State Library's Strategic Plan: Maintain	<p><u>Digitisation</u></p> <p>The State Library continues to digitise its collections and where possible increase online delivery.</p>	The State Library is a state centre of excellence for

	<p>The main digitising categories for 2019-20 are:</p> <ul style="list-style-type: none"> • Digital Imaging (photographs/images): 40,224 (an increase of 9.38%) • Sound recordings: 1,525 (a decrease of 65.4% due to our Oral History program closure in February because of COVID-19 social distancing restrictions (interviewees mainly fall in the high risk category). • Films and videos: 1,031 (an increase of 0.29%) • Pages (published and archival collections): 30,233 (a decrease of 7.07%) <p>This year's digitisation activity has increased the library's digital collection storage to 155 terabytes (an increase of 18.9% from the previous year).</p>	<p>digitisation of library material to preservation standards.</p> <p>This will ensure that deteriorating collections will survive beyond their life expectancy and allow future access of South Australian cultural and heritage material locally and globally.</p> <p>It supports the Arts Plan's Digital Access Plan for cultural collections.</p>
Program name	Indicators of performance/effectiveness	Outcomes for South Australia
State Library's Strategic Plan: Connect	<p>The State Library continues to successfully deliver its digital collections using a range of online platforms.</p> <p>Indicators of access:</p> <p>State Library Website/digital collections: 1,350,150 (11.58% decrease)</p> <p>This decrease is due to statistics capture interruption for several months as a result of server changes and web traffic redirect activities.</p> <p>Facebook: 10,559 (8.53% increase)</p> <p>Twitter: 6,865 (3.83% increase)</p> <p>YouTube: 1,330 (19.82% increase)</p> <p>Instagram: 1,969 (34.86% increase)</p> <p>Historypin: 4,952 (12 % decrease)</p> <p>Pinterest: 529 (4.55% increase)</p> <p>TROVE (SA Newspaper views): 5,456,083 (0.9% increase)</p>	Unlimited access to State Library online digital collections to both local and global online visitors
State Library's Strategic Plan: Connect	<p>Public Wi-Fi services</p> <ul style="list-style-type: none"> • Expansion of OneCard Wi-Fi network to SLSA buildings 	Reduction in costs while providing a more efficient Wi-Fi service to customers

<p>State Library's Strategic Plan:</p> <p>Connect</p>	<p>Hub and Customer Technologies</p> <ul style="list-style-type: none"> • Planning and procurement for upgraded services in Hub-Completed • Re-opening scheduled for July 2020 	<p>Providing better onsite services for customers</p>
<p>State Library's Strategic Plan:</p> <p>Connect</p> <p>Contribute</p>	<p><u>Impact of COVID-19</u></p> <p>While the closure of the State Library's building to the public due to COVID-19 resulted in a decrease in physical attendances across the range of services and programs, visitation to our various online platforms increased by 37.5%.</p> <p><u>Onsite</u></p> <p>State Library had 309,815 onsite visitor (a decrease of 35.8%)</p> <p>Primary, Secondary and Tertiary curriculum-based education programs: 2,642 students (a decrease of 53%)</p> <p>Live and Learn adult programs: 1,241 participants (an increase of 536%)</p> <p>English language conversation classes and individual tutoring: 3,561 participants (a decrease of 28.3%)</p> <p>Tours of the State Library buildings: 289 participants (a decrease of 97% - numbers low due to COVID-19 closure and restrictions)</p> <p>The State Library lent 28 collection items to institutions locally and interstate.</p> <p>There were 18,361 visitors to the State Library Bradman Collection at the Adelaide Oval. (decrease of 38.5% due to closure to public from mid-March because of COVID-19 restrictions)</p> <p><u>Online</u></p> <p>The State Library responded to 3,173 research enquiries through the 'Ask Us' service (an increase of 8.37%)</p>	<p>Providing and maintaining quality access to library services and collections at all times, even during unprecedented pandemic conditions</p>

<p>State Library's Strategic Plan:</p> <p>Connect</p> <p>Contribute</p>	<p>The State Library held three major exhibitions during the year.</p> <p>Heroes of the Skies – The Smith Brothers and the Great Air Race 1919 (1 November 2019 – 2 August 2020)</p> <p>Officially opened by Dr Andy Thomas, AO on 31 October 2019. The exhibition was a key component of the Epic Flight Centenary 2019. It told the story of the 1919 England to Australia air race won by South Australians, Captain Ross and Lieutenant Keith Smith, in a modified Vickers Vimy bomber. This very successful exhibition brought to life the excitement of the race and its aftermath through the State Library collections including Sir Ross and Sir Keith Smith's archives, as well as items sourced from other libraries, museums, and private collections. As well as forming part of the physical display, the Smith Brothers' archives has been digitised to provide global access of the collection for further exploration about the brothers and their extraordinary achievement.</p> <p>65,916 attended the exhibition, education programs and public events.</p> <p>Phil Cummings: Stories behind the books (18 April to 29 September 2019)</p> <p>Phil Cummings is an award-winning South Australian author, with a career spanning 30 years and more than 80 publications. This project provided the State Library with a unique opportunity to obtain, curate and exhibit never before seen original manuscripts, storylines and illustrations from Phil Cummings' personal collection. These items are now part of the Library's collection.</p> <p>29,040 attended the exhibition, education programs and public events</p>	<p>Guided exploration of the South Australian story through our collections and programs, often in partnership with others, provides the community an opportunity to engage in and discover their state heritage.</p>
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	<p>Without Consent – Australia’s past adoption practices (7 February – 1 November 2020)</p> <p>The State Library partnered with the National Archives of Australia (NAA) to host this important exhibition in South Australia. It was developed by the NAA following former Prime Minister Julia Gillard’s national apology to those affected by forced adoptions. It is estimated that 250,000 Australians were affected by these policies and practices, with most adoptions occurring between 1950 and 1975. The exhibition is a tribute to the courage and generosity of those who volunteered to share their experiences and, in doing so, exposed a dark period in Australia’s history and previously hidden past.</p> <p>3,419 attended the exhibition (up to 30 June)</p>	
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Corporate performance summary

In 2019-2020 there was a significant increase in support needed to deal with library closures due to COVID-19 restrictions. The Library services closure commenced from 25 March 2020 until re-opening with limited services on 9 June 2020.

During this time State Library and Public Library Services teams worked from home, supporting public customers and the public library network.

As well as undertaking collection improvements, maintaining regular services and developing new online library services, a number of work from home projects were established to ensure meaningful library operation.

These projects were chosen from work that staff ordinarily did not have time to undertake in regular times and have served to enhance library collections.

Work from home projects included:

Geo-coding of Photographs, TROVE newspaper text correction, Creating and adding tags to Oral History transcriptions, adding tags to photos and pins in digital collections and collection and cataloguing of material for State Library’s pop up online exhibition *Remember My Story – COVID-19*.

Employment opportunity programs

N/A

Agency performance management and development systems

Performance management and development system	Performance
The Department of the Premier and Cabinet's performance Development Planning was in place throughout the year	<p>Documented review of individual performance management:</p> <p>Within the past 6 months: 92.6% of the workforce had undertaken individual performance management</p> <p>No review: 9.6% of the workforce</p>

Work health, safety and return to work programs

Program name	Performance
Flu Vaccination	43% of staff participated in the Flu Vaccination program
Mental Health First Aid	2% staff attended training
WHS and IM Management System	Developed and maintained by the Department of the Premier and Cabinet and reported on centrally
WHS and IM Training	94.5% of State Library employees and 93% of Public Library Services employees have completed all of the WHS iLearn online training modules.
Ergonomic Assessments	95% of State Library employees and 77% of Public Library Services employees completed Ergonomic and Hazard Management assessment
Self-audit program	Was scheduled for March/April 2020 and is now rescheduled to September 2020 due to COVID-19 restrictions and closures

Workplace injury claims	Current year 2019-20	Past year 2018-19	% Change (+ / -)
Total new workplace injury claims	1	0	-100%
Fatalities	0	0	N/A
Seriously injured workers*	0	0	N/A
Significant injuries (where lost time exceeds a working week, expressed as frequency rate per 1000 FTE)	1	0	-100%

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

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

Return to work costs**	Current year 2019-20	Past year 2018-19	% Change (+ / -)
Total gross workers compensation expenditure (\$)	26,042.23	0	-100%
Income support payments – gross (\$)	15,550.95	0	-100%

**before third party recovery

Data for previous years is available at: <https://data.sa.gov.au/data/dataset/libraries-board-of-south-australia-annual-report-data>

Executive employment in the agency

Executive classification	Number of executives
SAES1	3

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

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

Financial performance

Financial performance at a glance

As at 30 June 2020, the Board had a net equity of \$244 million, representing \$250 million of assets offset by \$6 million of liabilities. The current asset balance of \$9.4 million primarily represented cash and receivables. The non-current asset balance of \$240 million mainly represented land and buildings, which were revalued during the year, equipment and the research and heritage collections. The majority of the liabilities balance reflected \$4.41 million in employee provisions and \$1.57 million payable to suppliers.

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

Statement of Comprehensive Income	2019-20 Budget \$000s	2019-20 Actual \$000s	Variation \$000s	2018-19 Actual \$000s
Total Income	37 264	37 736	472	38 377
Total Expenses	40 435	38 361	2 074	39 989
Net Result	(3 171)	(625)	(3 841)	(1 612)
Total Comprehensive Result	(3 171)*	28 347**	25 176	(1 212)

*The deficit budget results is due to expenditure in 2019-20 associated with funding budgeted and received in 2018-19

** The total comprehensive result is due to a revaluation of Land and Buildings during the year. Please refer to the audited Financial Statements for more information.

Statement of Financial Position	2019-20 Budget \$000s	2019-20 Actual \$000s	Variation \$000s	2018-19 Actual \$000s
Current assets	5 235	9 396	4 161	9 206
Non-current assets	210 375	240 339	29 964	211 744
Total assets	215 560	249 735	34 175	220 950
Current liabilities	3 456	3 002	(454)	3 032
Non-current liabilities	2 488	2 989	501	2 961
Total liabilities	5 944	5 991	47	5 993
Net assets	209 666	243 744	34 078	214 957
Equity	209 666	243 744	34 078	214 957

Consultants disclosure

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

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

Consultancies	Purpose	\$ Actual payment
Nil		Nil

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

Consultancies	Purpose	\$ Actual payment
Meld Studios Pty Ltd	Future Service Model Project	\$ 234,000
Mark Hocknell	Outcome Based Measures Workshop	\$ 11,250
	Total	\$ 245,250

Data for previous years is available at: <https://data.sa.gov.au/data/dataset/libraries-board-of-south-australia-annual-report-data>

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

Contractors disclosure

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

Contractors with a contract value below \$10,000

Contractors	Purpose	\$ Actual payment
All contractors below \$10,000 each - combined	Various	\$50,073

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

Contractors	Purpose	\$ Actual payment
Andrea Hensing-Matto	State Library – audio engineering	\$ 40,915
KDN Services	Public Library Services – procurement project management	\$15,525
Charles Kendall Australia	State Library – procurement services for Digital Preservation system	\$19,794
KPPM Strategy	State Library Customer Technology Project, Published Collections Project, Research Library Project, Future Service Model Project	\$72,812
Enid Woodley	Oral History review	\$36,000
Sabrenet	Public Library Internet Improvement Installation	\$46,391
Bitfield Pty Ltd	SAPLN Enterprise Upgrade	\$28,158
FYB Pty Ltd	Electronic Records Management System upgrade	\$20,702
Cyberops Pty Ltd	Public Library ICT Security Assessment	\$17,700
Raising Literacy Australia	Literacy Framework	\$20,000
University of Melbourne	ARC project - Measuring Value of Libraries	\$10,000
Hays Recruiting	State Library – Corporate and ICT support	\$129,342
	Total	\$ 457,339

Data for previous years is available at: <https://data.sa.gov.au/data/dataset/libraries-board-of-south-australia-annual-report-data>

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

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

Other financial information

N/A

Other information

N/A

Risk management

Risk and audit at a glance

The Board's Finance and Risk Committee meets quarterly and is responsible for providing advice and making recommendations to the Board on risk policy and strategy, performance against strategic priorities through the effective management of risks, and compliance against laws, regulations, published standards and community expectations of probity, accountability and openness. The Board's accounts and internal control framework is audited by the Auditor-General's Department annually and the Board adopts and implements the Auditors' recommendations as required.

Fraud detected in the agency

Category/nature of fraud	Number of instances
Nil	Nil

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

Strategies implemented to control and prevent fraud

The Libraries Board through the State Library of South Australia and Public Library Services has a number of strategies in place to control and prevent fraud.

The Finance and Risk Committee review the Financial Management Compliance Program annually; staff comply with the DPC Corruption and Maladministration Policy and DPC Corruption and Maladministration Control Strategy and staff participate in DPC fraud awareness training when it is made available.

Specific risks of fraud are identified in the risk registers of State Library of South Australia and Public Library Services along with strategies to minimise any such risks.

Data for previous years is available at: <https://data.sa.gov.au/data/dataset/libraries-board-of-south-australia-annual-report-data>

Public interest disclosure

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

Nil

Data for previous years is available at: <https://data.sa.gov.au/data/dataset/dsd-whistleblowers-disclosure>

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

Reporting required under any other act or regulation

Nil report

Reporting required under the *Carers' Recognition Act 2005*

N/A

Public complaints

Number of public complaints reported

Complaint categories	Sub-categories	Example	Number of Complaints 2019-20
Professional behaviour	Staff attitude	Failure to demonstrate values such as empathy, respect, fairness, courtesy, extra mile; cultural competency	6
Professional behaviour	Staff competency	Failure to action service request; poorly informed decisions; incorrect or incomplete service provided	6
Professional behaviour	Staff knowledge	Lack of service specific knowledge; incomplete or out-of-date knowledge	1
Communication	Communication quality	Inadequate, delayed or absent communication with customer	3
Communication	Confidentiality	Customer's confidentiality or privacy not respected; information shared incorrectly	1
Service delivery	Systems/technology	System offline; inaccessible to customer; incorrect result/information provided; poor system design	22
Service delivery	Access to services	Service difficult to find; location poor; facilities/ environment poor standard; not accessible to customers with disabilities	8
Service delivery	Process	Processing error; incorrect process used; delay in processing application; process not customer responsive	5
Policy	Policy application	Incorrect policy interpretation; incorrect policy applied; conflicting policy advice given	3
Policy	Policy content	Policy content difficult to understand; policy unreasonable or disadvantages customer	13

Complaint categories	Sub-categories	Example	Number of Complaints 2019-20
Service quality	Information	Incorrect, incomplete, out dated or inadequate information; not fit for purpose	3
Service quality	Access to information	Information difficult to understand, hard to find or difficult to use; not plain English	16
Service quality	Timeliness	Lack of staff punctuality; excessive waiting times (outside of service standard); timelines not met	1
Service quality	Safety	Maintenance; personal or family safety; duty of care not shown; poor security service/ premises; poor cleanliness	68
Service quality	Service responsiveness	Service design doesn't meet customer needs; poor service fit with customer expectations	3
No case to answer	No case to answer	Third party; customer misunderstanding; redirected to another agency; insufficient information to investigate	6
		Total	165

Note: the section below is mandated

Additional Metrics	Total
Number of positive feedback comments	217
Number of negative feedback comments	165
Total number of feedback comments	382
% complaints resolved within policy timeframes	N/A - No data recorded for this

Data for previous years is available at: <https://data.sa.gov.au/data/dataset/libraries-board-of-south-australia-annual-report-data>

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

Reviewed and relaxed the no bag policy and provided lockers to allow closure of the cloak room and self-storage of bags and other items.

Improved signage for usage of Library materials and for health improvements during COVID-19 period.

Improved instructions of camera use for photographing collection material within the Somerville Reading Room.

Change to background settings in PLS Library Management System to allow customers to place holds on material during COVID-19 closures and have access to a wider range of resources.

Complaint Outcomes

Nature of complaint or suggestion	Services improved or changes as a result of complaints or consumer suggestions
Complaint about the inconsistent Bag Policy and inconvenience of having to check in bags before entering the library.	Bag Policy reviewed and relaxed. Cloaking Room closed and bags allowed into general areas of the library. Lockers provided for storage of items before entry to the Somerville Reading Room.
Complaint about newspapers being defaced by other customers.	Improved signage displayed requesting customers not to deface library materials, and enhanced vigilance by Security Officers.
Complaint about a customer coughing in public.	Signage displayed requesting that customers do not enter the library if they are displaying cold or flu symptoms.
Complaint about the camera in the Somerville Reading Room not operating correctly.	The camera was recalibrated and clearer instructions provided as to its use.
Complaint to PLS about objectification of women displayed via PressReader magazine cover pages.	Whilst there was not a service improvement possible, PLS responded to the patron with ALIA's Free Access Information Statement that affirms <i>Freedom can be protected in a democratic society only if individuals have unrestricted access to information and ideas.</i>

Complaint related to COVID-19 closures as a patron could not access new material for her children.	The remediation was to change a setting in the background of the Library Management System to allow customers to place holds during COVID-19 closures and access a wider range of resources.
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Appendix: Audited financial statements 2019-20

Libraries Board of South Australia

Financial Statements

For the year ended 30 June 2020

Libraries Board of South Australia
Certification of Financial Statements
for the year ended 30 June 2020

We certify that the attached general purpose financial statements for the Libraries Board of South Australia:

- 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 Libraries Board of South Australia; and
- present a true and fair view of the financial position of the Libraries Board of South Australia as at 30 June 2020 and the results of its operations and cash flows for the financial year.

We certify that the internal controls employed by the Libraries Board of South Australia for the financial year over its financial reporting and its preparation of the general purpose financial statements have been effective throughout the reporting period.



Bruce Linn AM
Chair
Libraries Board of South Australia
28 September 2020



Geoff Stempel
Director
State Library of South Australia
28 September 2020



Jo Rivers
Acting Associate Director
Public Library Services
28 September 2020

Libraries Board of South Australia
Statement of Comprehensive Income
for the year ended 30 June 2020

	Note	2020 \$'000	2019 \$'000
Income			
Recurrent operating grants	2.1	36 153	36 076
Fees and charges	2.2	278	283
Investment income	2.5	503	732
Resources received free of charge	2.4	333	356
Gain on market value movement of investments		-	69
Bequests and donations		45	74
Council contributions		98	90
Rent and facilities hire	2.3	158	122
Recoveries		86	366
Other		82	209
Total income		37 736	38 377
Expenses			
Staff benefits expenses	3.3	12 489	12 425
Supplies and services	4.1	8 192	9 985
Accommodation and facilities	4.2	2 833	3 272
Depreciation and amortisation	4.3	2 320	2 218
Subsidies to public libraries	4.4	12 454	12 085
Loss on market value movement of investments		64	-
Net loss from the disposal of non-current assets		-	4
Total expenses		38 352	39 989
Net result		(616)	(1 612)
Other comprehensive income			
Items that will not be reclassified to net result			
Changes in property, plant and equipment asset revaluation surplus		29 725	-
Changes in fair value of investments classified as fair value through other comprehensive income		(763)	400
Total other comprehensive income		28 962	400
Total comprehensive result		28 346	(1 212)

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

Libraries Board of South Australia
Statement of Financial Position
as at 30 June 2020

	Note	2020 \$'000	2019 \$'000
Current assets			
Cash and cash equivalents	6.1	7 778	7 687
Receivables	6.2	1 618	1 519
Total current assets		9 396	9 206
Non-current assets			
Receivables	6.2	8	16
Property, plant and equipment	5.1	86 632	58 364
Intangible assets	5.4	254	291
Research and heritage collections	5.5	143 394	143 036
Investments	6.3	10 050	10 477
Total non-current assets		240 338	212 184
Total assets		249 734	221 390
Current liabilities			
Payables	7.1	1 190	1 703
Staff benefits	3.4	1 776	1 302
Provisions	7.2	18	16
Lease liabilities	7.3	44	-
Other liabilities	7.4	-	11
Total current liabilities		3 028	3 032
Non-current liabilities			
Payables	7.1	245	246
Staff benefits	3.4	2 642	2 679
Provisions	7.2	38	26
Lease liabilities	7.3	28	-
Other liabilities	7.4	10	10
Total non-current liabilities		2 963	2 961
Total liabilities		5 991	5 993
Net Assets		243 743	215 397
Equity			
Retained earnings		86 071	86 687
Asset revaluation surplus		156 863	127 138
Investment Reserve		809	1 572
Total Equity		243 743	215 397

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

Libraries Board of South Australia
Statement of Changes in Equity
for the year ended 30 June 2020

	Note	Asset revaluation surplus \$'000	Investment Reserve \$'000	Retained earnings \$'000	Total equity \$'000
Balance at 30 June 2018		127 138	-	87 921	215 059
Adjustments on initial adoption of AASB 9		-	1 172	(62)	1 110
Adjusted balance as at 1 July 2018		127 138	1 172	87 859	216 169
Net result for 2018-19		-	-	(1 612)	(1 612)
Fair value movement of investments classified as fair value through other comprehensive income		-	400	-	400
Total comprehensive result for 2018-19		-	400	(1 612)	(1 212)
Balance at 30 June 2019		127 138	1 572	86 247	214 957
Error correction	5.5	-	-	440	440
Adjusted balance as at 1 July 2019		127 138	1 572	86 687	215 397
Net result for 2019-20		-	-	(616)	(616)
Fair value movement of investments classified as fair value through other comprehensive income			(763)	-	(763)
Gain/(loss) on revaluation of property, plant and equipment		29 725		-	29 725
Total comprehensive result for 2019-20		29 725	(763)	(616)	28 346
Balance at 30 June 2020		156 863	809	86 071	243 743

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

Libraries Board of South Australia
Statement of Cash Flows
for the year ended 30 June 2020

	2020 Inflows (Outflows) \$'000	2019 Inflows (Outflows) \$'000
<u>Cash flows from operating activities</u>		
Cash inflows		
Recurrent operating grant	36 153	36 076
Fees and charges	163	283
Bequests and donations	45	47
Council contributions	98	90
Rent and facilities hire	100	88
Investment income	616	690
Recoveries	78	353
Other	80	223
Cash generated from operations	37 333	37 850
Cash outflows		
Staff benefits payments	(12 048)	(12 332)
Payments for supplies and services	(8 524)	(10 040)
Payments for accommodation and facilities	(2 833)	(3 272)
Subsidies paid to public libraries	(12 454)	(12 085)
Cash used in operations	(35 859)	(37 729)
Net cash provided by operating activities	1 474	121
<u>Cash flows from investing activities</u>		
Cash inflows		
Proceeds from the sale of / maturity of investments	-	812
Cash generated from investing activities	-	812
Cash outflows		
Purchase of heritage collections	(226)	(255)
Purchase of investments	(400)	(411)
Purchase of property, plant and equipment	(710)	(131)
Cash used in investing activities	(1 336)	(797)
Net cash provided by / (used in) investing activities	(1 336)	15
<u>Cash flows from financing activities</u>		
Cash outflows		
Repayment of leases	(47)	-
Cash generated from financing activities	(47)	-
Net cash used in financing activities	(47)	-
Net increase / (decrease) in cash and cash equivalents	91	136
Cash and cash equivalents at the beginning of the period	7 687	7 551
Cash and cash equivalents at the end of the reporting period	7 778	7 687

The accompanying notes form part of these financial statements.

Libraries Board of South Australia
Notes to and forming part of the financial statements
for the year ended 30 June 2020

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Libraries Board of South Australia
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for the year ended 30 June 2020

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Libraries Board of South Australia

Notes to and forming part of the financial statements

for the year ended 30 June 2020

1. About the Libraries Board of South Australia

The Libraries Board of South Australia (the Board) is constituted pursuant to section 8 of the *Libraries Act 1982* (the Act). The Board is charged with the management of the State Library of South Australia (SLSA) and the Public Library Services (PLS) under the Act.

1.1. Basis of preparation

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

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

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

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

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

- when the GST incurred on a purchase of goods or services is not recoverable from the Australian Taxation Office (ATO), in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item applicable; and
- receivables and payables, which are stated with the amount of GST excluded.

The net GST receivable/payable to the ATO is not recognised as a receivable/payable in the Statement of Financial Position as the Board is a member of a GST group, of which the Libraries Board of South Australia, a division of the Department of the Premier and Cabinet (DPC), is responsible for the remittance and collection of GST. As such, there are no cash flows relating to GST transactions with the ATO in the Statement of Cash Flows.

Assets and liabilities that are to be sold, consumed or realised as part of the normal operating cycle have been classified as current assets or current liabilities. All other assets and liabilities are classified as non-current.

1.2. Objectives and programs

Objectives

The objectives of the Board as prescribed under the Act are as follows:

- formulate policies and guidelines for the provision of public library services
- establish, maintain and expand collections of library materials
- administer the State Library
- promote, encourage and assist in the establishment, operation and expansion of public libraries and public library services by councils and others.

Libraries Board of South Australia
Notes to and forming part of the financial statements
for the year ended 30 June 2020

1.2. Objectives and programs (continued)

Programs

The Board undertakes the following programs:

- *Provision of State Library Services* - to provide, through the State Library of South Australia, a comprehensive library and information service for the economic, educational, cultural and social benefit of South Australia and its citizens.
- *Support of Public Library Services* - to provide through Public Library Services and the distribution of State subsidies, an equitable and responsible provision of resources, support and services to public libraries and community information agencies.

The disaggregated disclosures schedules present expenses, income, assets and liabilities attributable to each of the programs for the years ended 30 June 2020 and 30 June 2019.

Expenses and income by program

	Provision of State Library Services		Support of Public Library Services		Eliminations		Total	
	2020	2019	2020	2019	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Income								
Recurrent operating grants	15 919	16 330	20 234	19 746	-	-	36 153	36 076
Fees and charges	278	283	-	-	-	-	278	283
Bequests and donations	42	75	3	(1)	-	-	45	74
Council contributions	-	-	98	90	-	-	98	90
Rent and facilities hire	158	122	-	-	-	-	158	122
Resources received free of charge	288	307	45	49	-	-	333	356
Investment revenues	477	723	26	78	-	-	503	801
Recoveries	50	180	36	186	-	-	86	366
Other	136	296	1	29	(55)	(116)	82	209
Total income	17 348	18 316	20 443	20 177	(55)	(116)	37 736	38 377
Expenses								
Staff benefits expenses	9 710	9 780	2 779	2 645	-	-	12 489	12 425
Supplies and services	3 204	3 832	5 043	6 269	(55)	(116)	8 192	9 985
Accommodation and facilities	2 833	3 270	-	2	-	-	2 833	3 272
Depreciation and amortisation	2 250	2 160	70	58	-	-	2 320	2 218
Loss on market value movement of investments	64	-	-	-	-	-	64	-
Net loss on disposal of non-current assets	-	3	-	1	-	-	-	4
Subsidies to public libraries	-	-	12 454	12 085	-	-	12 454	12 085
Total expenses	18 061	19 045	20 346	21 060	(55)	(116)	38 352	39 989
Net result	(713)	(729)	97	(883)	-	-	(616)	(1 612)

Libraries Board of South Australia
Notes to and forming part of the financial statements
for the year ended 30 June 2020

1.2. Objectives and programs (continued)

Assets and liabilities by program

	Provision of State Library Services		Support of Public Library Services		Eliminations		Total	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
Current assets								
Assets	7 567	4 783	1 829	4 423	-	-	9 396	9 206
Total current assets	7 567	4 783	1 829	4 423	-	-	9 396	9 206
Non-current assets								
Assets	240 196	212 029	142	155	-	-	240 338	212 184
Total non-current assets	240 196	212 029	142	155	-	-	240 338	212 184
Current liabilities								
Liabilities	1 598	2 044	1 430	988	-	-	3 028	3 032
Total current liabilities	1 598	2 044	1 430	988	-	-	3 028	3 032
Non-current liabilities								
Liabilities	2 963	2 366	-	595	-	-	2 963	2 961
Total non-current liabilities	2 963	2 366	-	595	-	-	2 963	2 961
Net assets	243 202	212 402	541	2 995	-	-	243 743	215 397

1.3. Impact of COVID-19 on the Board

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

- COVID-19 has had a significant impact on the global economy and the share market. As a result, the Board has experienced a decrease in the market value of investments and associated dividend income.
- The provision for annual leave has increased due to lower rates of leave taken during the stage 3 restrictions.
- Following the closure of the State Library on 26th March, the library modified its service delivery model until early June. This saw the suspension of all face to face contact with customers and the transition to answering enquiries through phone, email and a new "ref chatter" service that enabled real time online engagement with customers. Whilst there were some additional costs involved including for additional cleaning and security, these were met from within the Board's budget and didn't materially impact on the figures included in the 2019-20 financial statements.
- The restrictions also resulted in a loss of income due to reduced rent from corporate tenants including:
 - Writers SA
 - St Raphael's Café

Libraries Board of South Australia
Notes to and forming part of the financial statements
for the year ended 30 June 2020

2. Income

2.1. Recurrent operating grants

	2020	2019
	\$'000	\$'000
Recurrent operating grants	36 153	36 076
Total revenues from recurrent operating grants	36 153	36 076

Grants are recognised on receipt.

2.2. Fees and charges

	2020	2019
	\$'000	\$'000
Lecturing services	201	185
Photocopying services	40	50
Other fees and charges	31	38
Fees for services	6	10
Total revenues from fees and charges	278	283

Revenue from fees for services are recognised in the period in which the services are provided.

2.3. Rent and facilities hire

	2020	2019
	\$'000	\$'000
Rental income	90	88
Facilities hire	68	34
Total revenues from rent and facilities hire	158	122

Revenue from facilities hire are recognised when the services are provided and rental income is recognised on receipt.

2.4. Resources received free of charge

	2020	2019
	\$'000	\$'000
Conservation services	98	112
Services received free of charge - Shared Services SA	232	244
Services received free of charge - Valuation services	3	-
Total resources received free of charge	333	356

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

Under an arrangement with Artlab Australia, a division of the Department of the Premier and Cabinet, Artlab Australia receives SA Government appropriation to perform conservation services on the Board's heritage collections. The value of this work performed is recognised as resources received free of charge in income and a corresponding amount included as preservation activities in note 4.1. Supplies and services.

Libraries Board of South Australia
Notes to and forming part of the financial statements
for the year ended 30 June 2020

2.5. Investment income

	2020	2019
	\$'000	\$'000
Dividends	222	260
Interest	130	243
Dividend imputation credits	117	146
Distributions	34	83
Total investment revenues	503	732

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

2.6. Net gain / (loss) from the disposal of non-current assets

	2020	2019
	\$'000	\$'000
Debt instruments mandatorily measured at fair value through profit or loss		
Proceeds from disposal	-	400
Less value of assets disposed	-	(403)
Net gain / (loss) from disposal at FVTPL	-	(3)
Property, plant and equipment		
Proceeds from disposal	-	-
Less value of assets disposed	-	(1)
Net gain from disposal of property, plant and equipment	-	(1)
Non-current assets through profit or loss		
Proceeds from disposal	-	400
Less value of assets disposed	-	(404)
Total net gain / (loss) from disposal of non-current assets seen in net result	-	(4)
Equity instruments designated at fair value through other comprehensive income		
Proceeds from disposal	-	412
Less value of assets disposed	-	(412)
Total net gain / (loss) from disposal of non-current assets seen in total other comprehensive income	-	-
Total non-current assets		
Proceeds from disposal	-	812
Less value of assets disposed	-	(816)
Total net gain / (loss) from disposal of non-current assets seen in total comprehensive income	-	(4)

Libraries Board of South Australia
Notes to and forming part of the financial statements
for the year ended 30 June 2020

3. Board, committees and staff

3.1. Key management personnel

Key management personnel of the Board include the Premier of the State of South Australia as responsible for the Arts, the Chair and members of the Board itself and the Director of the State Library of South Australia, the Associate Director, State Library Services, and Associate Director, Public Library Services, all of whom have responsibility for the strategic direction and management of the Board.

Total compensation for the Board's key management personnel was \$621 000 (2019: \$537 000).

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

Transactions with key management personnel and other related parties

The Board is a statutory authority established pursuant to the *Libraries Act 1982* and is a wholly owned and controlled entity of the Crown.

Related parties of the Board include all key management personnel and their close family members; all Cabinet Ministers and their close family members; and all public authorities that are controlled and consolidated into the whole of government financial statements and other interests of the Government.

The Board received an annual recurrent operating grant of \$36.153 million (2019: \$36.076 million) from the Department of the Premier and Cabinet. The operating grant is the primary source of revenue for the Board as disclosed under note 2.1.

Libraries Board of South Australia
Notes to and forming part of the financial statements
for the year ended 30 June 2020

3.2. Board and committee members

Members during the 2020 financial year were:

BM Linn AM (Chair) (appointed 1 August 2019)
MK Berghuis (appointed 1 August 2019)
JFB Bruce AM (expired 1 July 2019)
V Ciccarello (expired 15 September 2019)
Prof. J Cys (appointed 24 November 2019)
JMH Finlay
SG Hicks
BM Lewis (appointed 1 August 2019)
A Luckhurst-Smith (expired 15 September 2019)
Prof. AE Nettelbeck (appointed 24 November 2019)
LM Spurling (expired 1 August 2019)
JY Whittaker
Dr. JC Wisdom (expired 1 August 2019)

Board and committee remuneration

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

	2020	2019
\$0 - \$19 999	13	8
Total number of Board members	13	8

The total remuneration received or receivable by members was \$39 000 (2019: \$57 000). Remuneration of members includes sitting fees, superannuation contributions, salary sacrifice benefits, fringe benefits and related fringe benefits tax.

Libraries Board of South Australia
Notes to and forming part of the financial statements
for the year ended 30 June 2020

3.3. Staff benefits expenses

	2020	2019
	\$'000	\$'000
Salaries and wages	8 949	8 469
Employment on-costs superannuation	1 065	1 013
Annual leave	871	817
Targeted voluntary separation packages (refer below)	420	682
Payroll tax	570	557
Long service leave	201	539
Skills and experience retention leave	96	96
Board fees	35	48
Workers compensation provision adjustment	22	(3)
Other staff related expenses	260	207
Total staff benefits expenses	12 489	12 425

Employment on-costs - superannuation

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

Executive remuneration

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

	2020	2019
	Number	Number
\$154 001 to \$174 000	2	1
\$214 001 to \$234 000	-	1
\$234 001 to \$254 000	1	-
\$254 001 to \$274 000	-	1
Total	3	3

The total remuneration received or receivable by these staff for the year was \$582 000 (2019: \$643 000).

The table includes all staff who received remuneration equal to or greater than the base executive remuneration level during the year. Remuneration of staff 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.

Targeted voluntary separation packages (TVSP)

	2020	2019
	\$'000	\$'000
Amounts paid to separated staff:		
Targeted Voluntary Separation Packages	420	682
Leave paid to separated staff	154	186
Recovery from the Department of Treasury and Finance	(242)	(584)
Net cost to the Board	332	284
 Number of staff who received a TVSP during the reporting period	 5	 10

Libraries Board of South Australia
Notes to and forming part of the financial statements
for the year ended 30 June 2020

3.4. Staff benefits liability

	2020	2019
	\$'000	\$'000
Current		
Annual leave	739	614
Long service leave	398	434
Skills and experience retention leave	111	100
Accrued salaries and wages	528	154
Total current staff benefits	1 776	1 302
Non-current		
Long service leave	2 642	2 679
Total non-current staff benefits	2 642	2 679
Total staff benefits	4 418	3 981

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

Salaries and wages, annual leave, skills and experience retention leave (SERL) and sick leave

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

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

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

Long service leave

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

Libraries Board of South Australia
Notes to and forming part of the financial statements
for the year ended 30 June 2020

4. Expenses

Staff benefits expenses are disclosed in note 3.3.

4.1. Supplies and services

	2020	2019
	\$'000	\$'000
Information technology and communication charges	2 634	2 728
Freight, courier, and postage	1 696	1 999
Contractors	543	673
Cataloguing and end processing	527	518
Membership / Subscriptions	163	78
Electronic resources	356	214
Consultants' fees	245	30
Business services charge	232	244
Maintenance	204	82
Insurance and risk management	184	184
Projects	162	731
Marketing and promotion	146	250
Preservation activities	123	254
Minor equipment purchases	66	639
Accommodation	62	85
Exhibitions	33	135
Licences	290	428
Doubtful debts	(10)	14
Other	536	699
Total supplies and services	8 192	9 985

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	2020	2019	2019
	Number	\$'000	Number	\$'000
\$10 000 or above	1	11	1	30
\$50 000 or above	1	234	-	-
Total	2	245	1	30

Libraries Board of South Australia
Notes to and forming part of the financial statements
for the year ended 30 June 2020

4.2. Accommodation and facilities

	2020	2019
	\$'000	\$'000
Accommodation	1 363	1 540
Facilities	864	1 193
Security	606	539
Total accommodation and facilities	2 833	3 272

4.3. Depreciation and amortisation

	2020	2019
	\$'000	\$'000
Depreciation		
Buildings and improvements	1 889	1 877
Plant and equipment	150	148
Compactus and lifts	80	80
Computer equipment	81	72
Intangibles	71	41
Right-of-use buildings	22	-
Right-of-use vehicles	27	-
Total depreciation and amortisation	2 320	2 218

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. Land and heritage collections are not depreciated.

Useful Life

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

Class of asset	Useful life (years)
Buildings and improvements	10-50
Plant and Equipment	5-20
Computer Equipment	3-10
Compactus and lifts	30
Intangibles	3-10
Right-of-use assets	Lease term

The research and heritage collections are kept under special conditions to minimise deterioration and are anticipated to have very long and indeterminate useful lives. No amount for depreciation has been recognised, as their service potential has not, in any material sense, been consumed during the reporting period.

Review of accounting estimates

Assets' residual values, useful lives and depreciation/amortisation methods are reviewed and adjusted if appropriate, on an annual basis. Changes in the expected 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.

Libraries Board of South Australia
Notes to and forming part of the financial statements
for the year ended 30 June 2020

4.4. Subsidies to public libraries

	2020	2019
	\$'000	\$'000
Library materials contribution	6 613	6 466
Operating contribution	5 148	4 901
Library materials local purchase contribution	639	665
Community information contribution	34	33
Community information access	20	20
Total subsidies to public libraries	12 454	12 085

Libraries Board of South Australia
Notes to and forming part of the financial statements
for the year ended 30 June 2020

5. Non-financial assets

5.1. Property, plant and equipment by asset class

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

	2020 \$'000	2019 \$'000
Land, buildings and improvements		
Land at fair value	12 300	4 530
Buildings and improvements at fair value	144 357	116 762
Accumulated depreciation at the end of the period	(72 492)	(65 000)
Total land, buildings and improvements	84 165	56 292
Work in progress		
Work in progress at cost	139	-
Total work in progress	139	-
Compactus and lifts		
Compactus and lifts at cost (deemed fair value)	3 072	2 496
Accumulated depreciation at the end of the period	(1 578)	(1 245)
Total compactus and lifts	1 494	1 251
Plant and equipment		
Plant and equipment at cost (deemed fair value)	1 780	2 007
Accumulated depreciation at the end of the period	(1 296)	(1 373)
Total plant and equipment	484	634
Computer equipment		
Computer equipment at cost (deemed fair value)	1 058	881
Accumulated depreciation at the end of the period	(775)	(694)
Total computer equipment	283	187
Right-of-use buildings		
Right-of-use buildings (at cost)	59	-
Accumulated depreciation	(22)	-
Total right-of-use buildings	37	-
Right-of-use vehicles		
Right-of-use vehicles (at cost)	57	-
Accumulated depreciation	(27)	-
Total right-of-use vehicles	30	-
Total property, plant and equipment	86 632	58 364

Libraries Board of South Australia
Notes to and forming part of the financial statements
for the year ended 30 June 2020

5.2. Property, plant and equipment owned by the Board

All non-current assets with a value of \$10 000 or greater are capitalised, with the exception of Compactus and lifts category.

Componentisation of complex assets is only performed when the complex asset's fair value at the time of acquisition is equal to or in excess of \$5 million for infrastructure assets and \$1 million for other assets.

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

Impairment

The Board holds its property, plant and equipment and intangible assets for their service potential (value in use).

Specialised assets would rarely be sold and typically any costs of disposal would be negligible, accordingly the recoverable amount will be closer to or greater than fair value and therefore these assets have not been tested for impairment. Where there is an indication of impairment, the recoverable amount is estimated. For revalued assets, fair value is assessed each year.

There were no indications of impairment of property, plant and equipment as at 30 June 2020.

Reconciliation 2019-20

	Land	Buildings and improv.	Work in progress	Compactus and lifts	Plant and equip.	Computer equip.	Total tangible assets	Computer Software	Total intangible assets
2020	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying amount at 1 July 2019	4 530	51 762	-	1 251	634	187	58 364	291	291
Additions	-	359	139	1	-	177	676	34	34
Depreciation and amortisation	-	(1 889)	-	(80)	(150)	(81)	(2 200)	(71)	(71)
Net revaluation (decrement)/increment	7 770	21 380	-	575	-	-	29 725	-	-
Carrying amount at the end of period	12 300	71 612	139	1 747	484	283	86 565	254	254

Libraries Board of South Australia
Notes to and forming part of the financial statements
for the year ended 30 June 2020

5.3. Property, plant and equipment leased by the Board

Property, plant and equipment leased by the Board are recorded at cost. Additions to leased property, plant and equipment during 2019-20 were \$84 000.

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

The Board has a limited number of leases:

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

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

Impairment

Property, plant and equipment leased by the Board has been assessed for impairment. There was no indication of impairment. No impairment loss or reversal of impairment loss was recognised.

5.4. Intangible assets

	2020 \$'000	2019 \$'000
Intangibles		
Computer software	484	451
Accumulated amortisation	(230)	(160)
Total intangibles	254	291

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

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

Libraries Board of South Australia
Notes to and forming part of the financial statements
for the year ended 30 June 2020

5.5. Research and heritage collections

	2020			2019		
	Opening balance	At cost / additions	Total	Opening balance	At cost / additions	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Monographs	39 614	83	39 697	39 510	104	39 614
Private archives	36 348	16	36 364	35 868	480	36 348
Rare books and named collections	29 384	21	29 405	29 334	50	29 384
Periodicals	12 901	108	13 009	12 806	295	12 901
Mortlock use collections	10 384	7	10 391	10 315	69	10 384
Newspapers purchased	6 764	59	6 823	6 568	196	6 764
Maps	6 377	-	6 377	6 362	15	6 377
Mortlock audio-visual	910	2	912	894	16	910
Family history collection	146	1	147	145	1	146
Microfilm serials	192	61	253	57	135	192
Purchased databases	16	-	16	16	-	16
Total research and heritage collections	143 036	358	143 394	141 675	1 361	143 036

A prior period adjustment of \$440 000 is included in Private archives to recognise donations of the Hicks Collection and the Bromley Painting received in the 2018-19 financial year.

Valuation basis

Public library services collections

The film collection is valued at zero value on the basis that this collection is not being added to, is rarely used and may not be disposed under the terms of its original acquisition.

Research and heritage collections

In accordance with fair value principles adopted under AASB 13 *Fair Value Measurement* and AASB 116 *Property, Plant and Equipment*, a revaluation must be completed at least every six years.

The research and heritage collection is independently valued every five years. The collections were valued as at 30 June 2016 by Mr. P Tinslay, NCJV Registered Valuer, of Aon Risk Solutions (Fine Arts Division).

This valuer specialises in the valuation of heritage assets. This valuation has been carried out in accordance with the principles determined by the International Valuation Standards Committee. These international standards have been followed except where they are altered by Australian Law or by local standards as laid out by the Australian Property Institute.

The market approach has been utilised to determine fair value. The market approach provides an indication of value by comparing the subject asset with identical or similar assets for which price information is available. This approach considers the prices of identical or similar assets that are listed or offered for sale and may necessitate adjusting the price information from other transactions to reflect any differences in the terms of the actual transaction and the basis of value and any assumptions adopted in the valuation being undertaken, as well as differences in the legal, economic or physical characteristics of the assets in other transactions and the asset being valued.

In instances where there were sufficient observable transactions of similar assets to the subject asset (generally in second hand markets) level 1 inputs have been used. Where inputs to the fair value measurement are considered level 2 in the fair value hierarchy they have been observed from the market and the valuer has made relatively minor adjustments for differences in asset characteristics.

Libraries Board of South Australia
Notes to and forming part of the financial statements
for the year ended 30 June 2020

6. Financial assets

6.1. Cash and cash equivalents

	2020	2019
	\$'000	\$'000
Deposits with the Treasurer	7 771	7 680
Cash on hand	7	7
Total cash and cash equivalents	7 778	7 687

Deposits with the Treasurer

Deposits with the Treasurer are funds held in the "Libraries Board of South Australia Account", an account held with the Treasurer of South Australia pursuant to section 21 of the *Public Finance and Audit Act 1987* (PFAA), and funds held in the Arts South Australia Operating Account, an account held with the Treasurer of South Australia pursuant to section 8 of the PFAA.

The cash balance includes \$1.59 million (2019: \$1.69 million) of unspent funding allocated to public libraries for the purchase of library materials.

Trust Accounts

Public Library Services hold subsidy payments in trust for the Outback Communities Authority and Aboriginal Lands (Anangu Pitjantjatjara, Maralinga Tjarutja, Nepabunna, Gerard and Yalata). These funds are controlled by the Board and are recorded in the cash balance as at 30 June 2020. The total of these trust accounts is \$205 000 (2019: \$205 000).

6.2. Receivables

	2020	2019
	\$'000	\$'000
Current		
Prepayments	1 154	1 118
Receivables	357	190
Less impairment loss on receivables	(5)	(14)
Accrued income	112	225
Total current receivables	1 618	1 519
Non-current		
Prepayments	7	15
Receivables	1	1
Total non-current receivables	8	16
Total receivables	1 626	1 535

Receivables arise in the normal course of selling goods and services to other government agencies and to the public. Receivables are normally settled within 30 days after the issue of an invoice or the goods/services have been provided under a contractual arrangement. Receivables, prepayments and accrued revenues are non-interest bearing. Receivables are held with the objective of collecting the contractual cash flows and they are measured at amortised cost.

Libraries Board of South Australia
Notes to and forming part of the financial statements
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6.2. Receivables (continued)

Allowance for impairment loss on receivables

	2020	2019
	\$'000	\$'000
Carrying amount at the beginning of the period	14	14
Increase/(decrease) in the allowance	(9)	-
Carrying amount at the end of the period	5	14

All of the above impairment losses are from receivables arising from contracts with customers.

Refer to note 11.3 for details regarding credit risk and the methodology for determining impairment.

6.3. Investments

	2020	2019
	\$'000	\$'000
Non-current		
Shares and other direct investments in companies		
Carrying amount at the beginning of period	10 477	9 302
Investment market value movement from adoption of AASB 9	-	1 110
Additions	400	411
Disposals	-	(815)
Investment market value movement at end of financial year	(827)	469
Total non-current investments	10 050	10 477
Total investments	10 050	10 477

Reconciliation 19-20

	Equity Instruments designated at fair value through other comprehensive income	Debt Instruments mandatorily measured at fair value through profit or loss	Total investments
	\$'000	\$'000	\$'000
Carrying amount at 1 July 2019	8 263	2 214	10 477
Additions	400	-	400
Changes in fair value of investments	(763)	(64)	(827)
Carrying amount at the end of period	7 900	2 150	10 050

6.3. Investments (continued)

The equity instruments are carried at fair value.

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

During the year, the debt instruments were designated at fair value through profit or loss with all changes in fair value going through profit or loss. On disposal of these debt instruments, any gains or losses will be recognised in profit and loss.

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

For further information on risk management refer to note 11.

Libraries Board of South Australia
Notes to and forming part of the financial statements
for the year ended 30 June 2020

7. Liabilities

Staff benefits liabilities are disclosed in note 3.4.

7.1. Payables

	2020	2019
	\$'000	\$'000
Current		
Trade Payables	1 030	1 528
Employment on-costs	160	175
Total current payables	1 190	1 703
Non-current		
Employment on-costs	245	246
Total non-current payables	245	246
Total payables	1 435	1 949

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

Employment on-costs

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

The Board makes contributions to several State Government and externally managed superannuation schemes. These contributions are treated as an expense when they occur. There is no liability for payments to beneficiaries as they have been assumed by the respective superannuation schemes. The only liability outstanding at reporting date relates to any contributions due but not yet paid to superannuation schemes.

As a result of an actuarial assessment performed by the Department of Treasury and Finance, the proportion of long service leave taken as leave has changed from the 2019 rate (41%) to 42% and the average factor for the calculation of employer superannuation contribution on-costs has remained the same (9.8%). These rates are used in the employment on-cost calculation. The net financial impact of these changes in the current financial year is immaterial.

Libraries Board of South Australia
Notes to and forming part of the financial statements
for the year ended 30 June 2020

7.2. Provisions

	2020 \$'000	2019 \$'000
Current		
Provision for workers' compensation	18	16
Total current provisions	18	16
Non-current		
Provision for workers' compensation	38	26
Total non-current provisions	38	26
Total provisions	56	42
Provision movement		
Carrying amount at the beginning of the period	42	45
Increase / (decrease) in provision recognised	14	(3)
Carrying amount at the end of the period	56	42

A provision has been reported to reflect unsettled workers compensation claims. The worker's compensation provision is based on an actuarial assessment of the outstanding liability as at 30 June 2020 provided by a consulting actuary engaged through the Office of the Commissioner for the Public Sector. The provision is for the estimated cost of ongoing payments to staff as required under current legislation.

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

7.3. Lease liabilities

	2020 \$'000	2019 \$'000
Current		
Lease Liabilities	44	-
Total current lease liabilities	44	-
Non-current		
Lease Liabilities	28	-
Total non-current lease liabilities	28	-
Total lease liabilities	72	-

Refer to note 5.3 for a further explanation on leases.

Libraries Board of South Australia
Notes to and forming part of the financial statements
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7.4. Other liabilities

	2020 \$'000	2019 \$'000
Current		
Income received in advance	-	11
Total current other liabilities	-	11
Non-current		
Contractual security deposit	10	10
Total non-current other liabilities	10	10
Total other liabilities	10	21

8. Other disclosures

8.1. Equity

Asset revaluation surplus

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

Investment reserve

The investment reserve records all changes in fair value of investments classified as fair value through other comprehensive income.

8.2. Cash flow

The net amount of GST recoverable/payable to the ATO is not included as a receivable/payable in the Statement of Financial Position as the Board is a member of a GST group of which the Libraries Board of South Australia, a division of the Department of the Premier and Cabinet (DPC), is responsible for the remittance and collection of GST. As such there are no cash flows relating to GST transactions with the ATO in the Statement of Cash Flows.

The total cash outflow for leases is \$47 000 relating to the repayment of leases.

Libraries Board of South Australia
Notes to and forming part of the financial statements
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9. Changes in accounting policy

9.1. AASB 16 Leases

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

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

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

Impact on retained earnings

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

	as at 1 July 2019 \$'000
Closing retained earnings 30 June 2019 - AASB 117	
Assets	
Property, plant and equipment	46
Liabilities	
Lease liabilities	(46)
Opening retained earnings 1 July 2019 - AASB 16	-

The Board disclosed in its 2018-19 financial report total undiscounted operating lease commitments of \$1.440 million under AASB 117.

The Board has accommodation services provided by the Department of Planning, Transport and Infrastructure (DPTI) under Memoranda of Administrative Arrangement (MoAA) issued in accordance with Government-wide accommodation policies.

These MoAA do not meet the definition of lease set out either in AASB 16 or in the former standard AASB 117. Accordingly, the 2018-19 undiscounted operating lease commitments should have been disclosed as \$1.37 million under AASB 117. There is no material difference between the revised operating lease commitments when discounted and the financial liabilities recognised as at 1 July 2019.

Commitments related to accommodation services provided by DPTI are included in Note 10.1.

Libraries Board of South Australia
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9.1. AASB 16 Leases (continued)

Accounting policies on transition

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

- to apply AASB 16 retrospectively. The cumulative effect of initially applying the Standard was recognised at 1 July 2019. Comparatives have not been restated.
- at 1 July 2019 AASB 16 was applied only to contracts that were previously identified as containing a lease under AASB 117 and related interpretations.
- the initial measurement of lease liability was the present value of the remaining leases payments discounted using the relevant incremental borrowing published by the Department of Treasury and Finance rate as at 1 July 2019 based on the SA Government's cost of borrowing. The average weighted incremental borrowing rate for this purpose was 1.69%.
- the initial measurement of right-of-use assets has been calculated as an amount equal to the lease liability on transition adjusted for prepaid or accrued lease payments and lease incentive liabilities.
- the initial measurement of lease liabilities and right-of-use assets excludes all leases that ended by 30 June 2020, except for vehicles leased from SAFA.

Ongoing accounting policies

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

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

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

9.2. AASB 15 Revenue from Contracts with Customers

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

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

The total impact on the Board is immaterial.

9.3. Presentation of Financial statements

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

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

Libraries Board of South Australia
Notes to and forming part of the financial statements
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10. Outlook

10.1. Unrecognised contractual commitments

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

Operating lease commitments

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

	2020	2019
	\$'000	\$'000
Within one year	-	296
Later than one year but not longer than five years	-	1 144
Total operating lease commitments	-	1 440

Operating lease commitments is provided for the comparative year only as AASB 16 *Leases* does not distinguish between operating and finance leases for the lessee. The comparative amount does not include commitments for memoranda of administrative arrangements with the Department of Planning, Transport and Infrastructure (DPTI). This has been reclassified and included under other commitments. For more detail about the reclassification see note 9.1.

Capital commitments

Capital expenditure contracted for at the reporting date but not recognised as liabilities are payable as follows:

	2020	2019
	\$'000	\$'000
Within one year	243	-
Total capital commitments	243	-

The capital commitments relate to the cold store construction and compactus.

Other commitments

	2020	2019
	\$'000	\$'000
Within one year	3 975	3 039
Later than one year but not longer than five years	2 546	3 800
Later than five years	204	31
Total other commitments	6 725	6 870

Other commitments predominantly comprise the Netley off-site storage and contracts for ICT.

Public libraries commitments

Committed orders placed by public libraries through Public Library Services for libraries materials at the reporting date not recognised as liabilities in the financial statements, are payable as follows:

	2020	2019
	\$'000	\$'000
Within one year	1 428	1 584
Total public libraries commitments	1 428	1 584

10.2. Contingent assets and 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.

The Board is aware that the Library is negotiating with a potential donor of a large and valuable private archive. Subject to favourable conclusion of these negotiations this archive will be recognized in the 20/21 financial statements.

The Board has received advice that losses from business interruptions resulting from COVID-19 may be claimable through their insurance. This would be conditional on lodging a claim and the insurance company assessing and approving the claim.

10.3. COVID-19 pandemic outlook for the Board

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

- Potential ongoing decreases in the market value of investments and dividend payments on these investments.
- The library may need to continue to work under a modified service delivery model if face-to-face contact is suspended or restricted.
- Ongoing restrictions may result in the loss of income from corporate tenants.

10.4. Events after the reporting period

There has not arisen in the interval between the end of the financial year and the date of this report, any other item, transaction or event of a material and unusual nature likely, in the opinion of the members of the Board, to affect significantly the operations of the Board, the results of those operations, or the state of affairs of the Board in subsequent financial years.

11. Measurement and risk

11.1. Long service leave liability – measurement

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

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

AASB 119 Employee Benefits requires the use of the yield on long-term Commonwealth Government bonds as the discount rate in the measurement of the long service leave liability. The yield on long-term Commonwealth Government bonds has decreased from 1.25% (2019) to 0.75% (2020).

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

The net financial effect of the changes to actuarial assumptions in the current financial year is immaterial. The impact on future periods is impracticable to estimate as the long service leave liability is calculated using a number of demographical and financial assumptions – including the long-term discount rate.

The actuarial assessment performed by the Department of Treasury and Finance reduced the salary inflation rate from 4.0% to 2.5% for long service leave liability. As a result the net financial effect is a \$201 000 decrease resulting from changes in the salary inflation rate.

11.2. Fair value

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

Initial recognition

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

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

Revaluation

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

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

Revaluation is undertaken as detailed below. If at any time management considers that the carrying amount of an asset materially differs from its fair value, then the asset will be revalued regardless of when the last valuation took place.

Libraries Board of South Australia
Notes to and forming part of the financial statements
for the year ended 30 June 2020

11.2. Fair value (continued)

Land and buildings

An independent valuation of land and buildings owned by the Board was performed as at 30 June 2020 by a Certified Practising Valuer from Liquid Pacific Holdings Pty. Ltd.

The valuation of land and buildings as at 30 June 2020 was prepared on a fair value basis in accordance with *AASB 116 Property, Plant and Equipment* and *AASB 13 Fair Value Measurement*.

The valuer used depreciated replacement cost for buildings. The depreciated replacement cost considered the need for ongoing provision of government services; specialised nature of the assets, including the restricted use of the assets; the size, condition, location and current use of the assets. The valuation was based on a combination of internal records, specialised knowledge and the acquisition / transfer costs.

The valuation of land was based on recent market transactions for similar land in the area and includes adjustment for factors specific to the land being valued such as size, location and current use.

Plant and equipment

Plant and equipment had a fair value at the time of acquisition less than \$1 million or had an estimated useful life that was less than three years. The carrying value of these items are deemed to approximate fair value.

Heritage assets

These assets are classified in level 3 as there is no active market. An independent valuation of heritage assets was performed as at 30 June 2016 by Mr. P. Tinslay, NCJV Registered Valuer, of Aon Risk Solutions (Fine Arts Division). Fair value was determined by estimating the current replacement cost based on the limited market information available for similar heritage assets and reproduction materials.

11.3. Financial instruments

Financial risk management

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

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

11.3. Financial instruments (continued)

Impairment of financial assets

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

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

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

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

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

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

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

Categorisation of financial instruments

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

Classification of financial instruments

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

Libraries Board of South Australia
Notes to and forming part of the financial statements
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11.3. Financial instruments (continued)

Category of financial asset and financial liability	Statement of Financial Position line item	Note	2020	2020 Contractual maturities		2019
			Carrying amount / fair value \$'000	Within 1 year \$'000	1-5 years \$'000	Carrying amount / fair value \$'000
Financial assets						
Cash and cash equivalents						
Cash and cash equivalents	Cash	6.1	7 778	7 778	-	7 687
Financial assets at amortised cost						
Loans and receivables	Receivables	6.2	465	464	1	402
Financial assets classified as fair value						
Investments	Investments	6.3	10 050	-	10 050	10 477
Total financial assets			18 293	8 242	10 051	18 566
Financial liabilities						
Financial liabilities at amortised cost						
Financial liabilities (at cost)	Payables	7.1	976	976	-	1 476
Lease liabilities	Lease liabilities	7.3	72	44	28	-
Other liabilities	Other liabilities	7.4	10	-	10	21
Total financial liabilities			1 058	1 020	38	1 497

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

Receivables and Payables

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

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



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To the Chair Libraries Board of South Australia

Opinion

I have audited the financial report of the Libraries Board of South Australia for the financial year ended 30 June 2020.

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

The financial report comprises:

- a Statement of Comprehensive Income for the year ended 30 June 2020
- a Statement of Financial Position as at 30 June 2020
- a Statement of Changes in Equity for the year ended 30 June 2020
- a Statement of Cash Flows for the year ended 30 June 2020
- notes, comprising significant accounting policies and other explanatory information
- a Certificate from the Chair, Libraries Board of South Australia, Director, State Library of South Australia and the Acting Associate Director, Public Library 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 Libraries Board of South Australia. The *Public Finance and Audit Act 1987* establishes the independence of the Auditor-General. In conducting the audit, the relevant ethical requirements of APES 110 *Code of Ethics for Professional Accountants* (including Independence Standards) have been met.

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

Responsibilities of the Director, State Library of South Australia and the Libraries Board of South Australia for the financial report

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

The Libraries Board of South Australia are responsible for overseeing the entity's financial reporting process.

Auditor's responsibilities for the audit of the financial report

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987* and section 19(3) of the *Libraries Act 1982*, I have audited the financial report of the Libraries Board of South Australia for the financial year ended 30 June 2020.

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

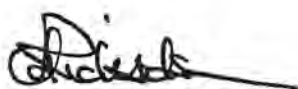
As part of an audit in accordance with Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Libraries Board of South Australia's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Director, State Library of South Australia

- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

I communicate with the Director, State Library of South Australia and the Chair, Libraries Board of South Australia 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

28 September 2020