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To the South Australian Skills Commissioner South Australian Skills Commission

Opinion

I have audited the financial report of the South Australian Skills Commission for the financial year ended 30 June 2023.

In my opinion, the accompanying financial report gives a true and fair view of the financial position of the South Australian Skills Commission as at 30 June 2023, 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 – Simplified Reporting Requirements.

The financial report comprises:

- a Statement of Comprehensive Income for the year ended 30 June 2023
- a Statement of Financial Position as at 30 June 2023
- a Statement of Changes in Equity for the year ended 30 June 2023
- a Statement of Cash Flows for the year ended 30 June 2023
- notes, comprising material accounting policies and other explanatory information
- a Certificate from the South Australian Skills Commissioner and the Manager, Quality and Risk.

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 South Australian Skills Commission. The *Public Finance and Audit Act 1987* establishes the independence of the Auditor-General. In conducting the audit, the relevant ethical requirements of APES 110 *Code of Ethics for Professional Accountants (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 South Australian Skills Commissioner for the financial report

The South Australian Skills Commissioner 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 – Simplified Reporting Requirements, and for such internal control as management determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the South Australian Skills Commissioner is responsible for assessing the entity's ability to continue as a going concern, taking into account any policy or funding decisions the government has made which affect the continued existence of the entity. South Australian Skills Commissioner is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the assessment indicates that it is not appropriate.

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*, I have audited the financial report of the South Australian Skills Commission for the financial year ended 30 June 2023.

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

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

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the South Australian Skills Commission's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the South Australian Skills Commissioner
- conclude on the appropriateness of the South Australian Skills Commissioner's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify the opinion. My conclusion is based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

I communicate with the South Australian Skills Commissioner 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.



Daniel O'Donohue
Assistant Auditor-General (Financial Audit)

29 September 2023

OFFICIAL

South Australian Skills Commission

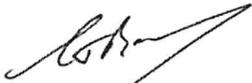
Financial Statements

For the year ended 30 June 2023

South Australian Skills Commission OFFICIAL
Certification of the Financial Statements
for the year ended 30 June 2023

We certify that the:

- financial statements of the South Australian Skills Commission (the Commission):
 - are in accordance with the accounts and records of the Commission;
 - comply with relevant Treasurer's Instructions;
 - comply with relevant accounting standards; and
 - present a true and fair view of the financial position of the Commission at the end of the financial year and the result of its operation and cash flows for the financial year.
- internal controls employed by the Commission for the financial year over its financial reporting and its preparation of financial statements have been effective.



Cameron Baker
South Australian Skills Commissioner
28 September 2023



Serena Turner
Manager, Quality and Risk of the South Australian Skills Commission
28 September 2023

South Australian Skills Commission
Statement of Comprehensive Income
for the year ended 30 June 2023

OFFICIAL

| | Note | 2023 \$'000 | 2022 \$'000 |
|---|------|----------------|----------------|
| Income | | | |
| Appropriation | 2.1 | 2 646 | 2 477 |
| SA Government grants, subsidies and transfers | 2.2 | 195 | - |
| Resources received free of charge | 2.3 | 129 | 402 |
| Other Income | 2.4 | 10 | - |
| Total income | | 2 980 | 2 879 |
| Expenses | | | |
| Employee benefits expenses | 3.3 | 2 273 | 1 807 |
| Supplies and services | 4.1 | 663 | 652 |
| Total expenses | | 2 936 | 2 459 |
| Net result | | 44 | 420 |
| Total comprehensive result | | 44 | 420 |

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

South Australian Skills Commission OFFICIAL
Statement of Financial Position
as at 30 June 2023

| | Note | 2023 \$'000 | 2022 \$'000 |
|--------------------------------------|------|----------------|----------------|
| Current assets | | | |
| Cash | 5.1 | 1 310 | 888 |
| Receivables | 5.2 | 21 | 6 |
| Total current assets | | 1 331 | 894 |
| Total assets | | | |
| | | 1 331 | 894 |
| Current liabilities | | | |
| Payables | 6.1 | 281 | 46 |
| Provisions | 6.2 | 3 | 2 |
| Employee benefits | 3.4 | 217 | 141 |
| Total current liabilities | | 501 | 189 |
| Non-current liabilities | | | |
| Payables | 6.1 | 37 | 21 |
| Provisions | 6.2 | 7 | 6 |
| Employee benefits | 3.4 | 286 | 222 |
| Total non-current liabilities | | 330 | 249 |
| Total liabilities | | | |
| | | 831 | 438 |
| Net assets | | | |
| | | 500 | 456 |
| Equity | | | |
| Retained earnings | | 500 | 456 |
| Total equity | | 500 | 456 |

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

South Australian Skills Commission OFFICIAL
Statement of Changes in Equity
for the year ended 30 June 2023

| | Note | Retained earnings \$'000 | Total equity \$'000 |
|---|------|--------------------------------|---------------------------|
| Balance at 1 July 2021 | | - | - |
| Net result for 2021-22 | | 420 | 420 |
| Total comprehensive result for 2021-22 | | 420 | 420 |
| Net assets received from administrative restructure | | 36 | 36 |
| Balance at 30 June 2022 | | 456 | 456 |
| Net result for 2022-23 | | 44 | 44 |
| Total comprehensive result for 2022-23 | | 44 | 44 |
| Balance at 30 June 2023 | | 500 | 500 |

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

South Australian Skills Commission OFFICIAL
Statement of Cash Flows
for the year ended 30 June 2023

| | 2023 (Outflows) Inflows \$'000 | 2022 (Outflows) Inflows \$'000 |
|--|---|---|
| Cash flows from operating activities | | |
| Cash inflows | | |
| Appropriation | 2 646 | 2 477 |
| SA Government grants, subsidies and transfers | 195 | - |
| GST recovered from the ATO | 45 | 63 |
| Other receipts | 11 | - |
| Cash generated from operations | 2 897 | 2 540 |
| Cash outflows | | |
| Employee benefit payments | (2 097) | (2 022) |
| Payments for supplies and services | (378) | (297) |
| Cash used in operations | (2 475) | (2 319) |
| Net cash provided by / (used in) operations | 422 | 221 |
| Cash flows from financing activities | | |
| Cash inflows | | |
| Cash received as a result of restructuring activities | - | 667 |
| Cash generated from financing activities | - | 667 |
| Net cash provided by / (used in) financing activities | - | 667 |
| Net increase / (decrease) in cash | 422 | 888 |
| Cash at the beginning of the period | 888 | - |
| Cash at the end of the period | 1 310 | 888 |

5.1

The accompanying notes form part of these financial statements.

South Australian Skills Commission OFFICIAL
Notes to and forming part of the financial statements
For the year ended 30 June 2023

1. About the South Australian Skills Commission

The *Training and Skills Development (Miscellaneous) Amendment Act (Commencement) Proclamation 2021* (dated 24 June 2021) proclaimed that effective from 1 July 2021, the *South Australian Skills Act 2008* is enacted and the establishment of the South Australian Skills Commission (the Commission) as a Statutory Authority, instrumentality of the Crown.

As a result of administrative arrangements in the South Australian Government Gazette on 30 June 2022, the responsibility for maintaining the financial records of the Commission was transferred from the Department of Innovation and Skills to the Department for Education effective 1 July 2022.

The Commission entered into a Service Level Agreement with the Department during 2022-23 for the delivery of corporate service support to the Commission to enable it to meet its statutory requirement in delivering its functions as follows:

- Department for Innovation and Skills (until 31 December 2022)
- Department for Education

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

1.1. Basis of preparation

These financial statements are general purpose financial statements prepared in accordance 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 applying simplified disclosures.

The financial statements have been 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 notes associated with the item measured.

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

Significant accounting policies are set out throughout the notes.

The Commission is liable for goods and services tax (GST). GST collections and payments are carried out by the Department for Education on behalf of the Commission. GST in relation to the Commission is reported in the Department for Education Financial Statements.

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

South Australian Skills Commission OFFICIAL
Notes to and forming part of the financial statements
For the year ended 30 June 2023

1.2. Objectives of the Commission

The South Australian Skills Commission was established under the *South Australian Skills Act 2008* (the Act) to assist, advise and make recommendations to the Minister for Education, Training and Skills (previously Minister for Innovation and Skills) on the development and performance of Vocational Education and Training (VET) and Adult Community Education (ACE). The Commission engages directly with industry and employers to deliver the skills they need for future jobs in South Australia.

The Commission's responsibilities are both strategic and regulatory, and its industry composition and independent statutory status give it a unique role in skills and workforce development for economic and social development in the state.

The Act also gives authority to the Commission in:

- regulating apprenticeships and traineeships.
- providing services to apprentices and trainees, international students, employers and training providers by responding to complaints, and advocating and mediating disputes to find solutions to issues relating to training contracts.
- promoting pathways between secondary school, VET, ACE and higher education.
- promoting lifelong learning and flexibility in the training system.
- monitoring and performance of the system.

Working under the Act, the Commission aims to continuously improve the VET sector and support employers to build their workforce and assist learners, apprentices, and trainees to commence and complete qualifications.

The Act is supported by the *South Australian Skills Regulations 2021* and the South Australian Skills Standards that provide further guidance to the Commission and stakeholders, including employers, apprentices, trainees and nominated training organisations, on their respective roles and responsibilities.

South Australian Skills Commission OFFICIAL
Notes to and forming part of the financial statements
For the year ended 30 June 2023

2. Income

2.1. Appropriation

Appropriations are recognised on receipt.

Total appropriation received from the Consolidated Account pursuant to the *Appropriation Act* was \$2.6 million (2022: \$2.5 million).

2.2. SA Government grants, subsidies and transfers

| | 2023 \$'000 | 2022 \$'000 |
|--|----------------|----------------|
| SA Government Grants | 100 | - |
| Intra-Government Transfers | 95 | - |
| Total SA Government grants, subsidies and transfers | 195 | - |

SA Government grants, subsidies and transfers relate to amounts received from other SA Government entities for the delivery of the Commission's objectives. These are recognised as income on receipt.

2.3. Resources received free of charge

| | 2023 \$'000 | 2022 \$'000 |
|--|----------------|----------------|
| Resources received free of charge - Accommodation* | 108 | 402 |
| Resources received free of charge - SSSA | 21 | - |
| Total resources received free of charge | 129 | 402 |

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

* Accommodation received free of charge was received from the Department for Education. In 2022, resources received free of charge primarily related to office accommodation and once-off implementation costs associated with the establishment of the Commission from the Department for Innovation and Skills (DIS).

2.4. Other income

| | 2023 \$'000 | 2022 \$'000 |
|---------------------------|----------------|----------------|
| Other income | 1 | - |
| Sponsorship revenue | 9 | - |
| Total other income | 10 | - |

South Australian Skills Commission OFFICIAL
Notes to and forming part of the financial statements
For the year ended 30 June 2023

3. Board, committees and employees

3.1. Key management personnel

Key management personnel of the Commission includes the Minister for Education, Training and Skills and the Commissioner who have responsibility for the strategic direction and management of the Commission.

Total compensation for the Commission's key management personnel in 2023 was \$295 000 (2022: \$314 000).

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

Transactions with Key Management Personnel and other related parties

There were no transactions with key management personnel and other related parties during the year.

3.2. Remuneration of board and committee members

Members during the 2023 financial year were:

South Australian Skills Commission

S Longbottom (Chair)* (appointed 3 April 2023)
R Hindmarsh (Chair)* (resigned 31 March 2023)
A Nieuwenhuis (expired 30 June 2023)
A Clarke (expired 30 June 2023)
A Keough (expired 30 June 2023)
C Rhodes (expired 30 June 2023)
D Rossi (expired 30 June 2023)
L Cohen (resigned 1 December 2022)
P Brock (expired 30 June 2023)
R Finlayson (expired 30 June 2023)
S Shearer (expired 30 June 2023)
T Cole (expired 30 June 2023)

Risk and Performance Committee

C Dunsford (Chair)
S Adlaf*
P Chau*
J Cirson*
D Contala
R Hindmarsh*

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

The Risk and Performance Committee is shared with the Department for Energy and Mining, the Department for Trade and Investment and the Department for Innovation and Skills (DIS). The committee is remunerated by DIS. The Commission ceased attendance of the DIS Risk and Performance Committee in October 2022.

South Australian Skills Commission OFFICIAL
Notes to and forming part of the financial statements
For the year ended 30 June 2023

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

| | 2023 | 2022 |
|-------------------------------------|-----------|-----------|
| | | No |
| \$1 - \$19 999 | 2 | 2 |
| \$20 000 - \$39 999 | 9 | 9 |
| Total number of paid members | 11 | 11 |

Remuneration of members reflects all costs of performing board / committee member duties including sitting fees, superannuation contributions, salary sacrifice benefits, fringe benefits and any related fringe benefits tax paid. The total remuneration received or receivable by members was \$303 000 (2022: \$327 000).

3.3. Employee benefits expenses

| | 2023 | 2022 |
|---|--------------|--------------|
| | \$'000 | \$'000 |
| Salaries and wages | 1 460 | 1 275 |
| Board and committee fees - excluding on-costs | 285 | 298 |
| Employment on-costs - superannuation | 214 | 131 |
| Annual Leave | 166 | 95 |
| Employment on-cost - other | 113 | 84 |
| Skills and experience retention leave | (1) | 4 |
| Workers compensation | 2 | (21) |
| Long service leave | 34 | (59) |
| Total employee benefits expenses | 2 273 | 1 807 |

Employment expenses

The Commission's staff are employed under Part 7 of the *Public Sector Act*. Superannuation employment on-cost charges represent the Commission's contributions to superannuation plans in respect of current services of current employees.

Employee remuneration

Remuneration of employees reflects all costs of employment including salaries and wages, payments in lieu of leave, superannuation contributions, salary sacrifice benefits and any related fringe benefits tax paid.

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

| | 2023 | 2022 |
|----------------------------------|----------|----------|
| | No | No |
| \$240 001 to \$260 000 | 1 | - |
| \$300 001 to \$320 000 | - | 1 |
| Total number of employees | 1 | 1 |

Remuneration received or due and receivable by the above employees was \$254 000 (2022: \$314 000) which is included in employee benefits expenses.

South Australian Skills Commission OFFICIAL
Notes to and forming part of the financial statements
For the year ended 30 June 2023

3.4. Employee benefits liabilities

| | 2023 | 2022 |
|--|---------------|---------------|
| | \$'000 | \$'000 |
| Current | | |
| Annual leave | 135 | 122 |
| Accrued salaries and wages | 33 | - |
| Long service leave | 36 | 12 |
| Skills and experience retention leave | 13 | 7 |
| Total current employee benefits | 217 | 141 |
| Non-current | | |
| Long service leave | 286 | 222 |
| Total non-current employee benefits | 286 | 222 |
| Total employee benefits | 503 | 363 |

Long service leave

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

The expected timing and amount of long service leave payments is determined through whole-of-government actuarial calculations, which is then applied to the Commission's employee details. Key assumptions include whether the characteristics of employee remuneration, terms of service with the public sector, and expectations as to when employees take long service leave, as established by the actuary, are applicable to employees of the Commission. These assumptions affect both the expected amount to be paid that has been factored into the calculation of the liability. The discount rate used in measuring the liability is another key assumption. The discount rate is reflective of long-term Commonwealth Government bonds. The yield on long-term Commonwealth Government bonds has increased to 4% (2022: 3.5%).

Current long service leave reflects the portion of leave expected to be settled within the next 12 months.

South Australian Skills Commission OFFICIAL
Notes to and forming part of the financial statements
For the year ended 30 June 2023

4. Expenses

4.1. Supplies and services

| | 2023 \$'000 | 2022 \$'000 |
|--|----------------|----------------|
| Contractors | 79 | 273 |
| Consultants | 106 | - |
| Accommodation | 116 | 237 |
| Information technology and communication | 26 | 82 |
| Shared services fee | 21 | 19 |
| Auditor's remuneration* | 14 | 14 |
| Office administration expenses | 12 | 12 |
| Staff related expenses | 104 | 6 |
| Travel and related expenses | 8 | 5 |
| Marketing | 91 | 4 |
| Other | 86 | - |
| Total supplies and services | 663 | 652 |

Total supplies and services includes resources received free of charge \$21 000 from Shared Services SA and \$108 000 from the Department for Education for accommodation services (refer note 2.3). In 2022, total supplies and services included resources received free of charge from the Department of Innovation and Skills.

* Audit fees paid / payable to the Auditor-General's Department relating to work performed under the *Public Finance and Audit Act 1987* of \$14 000 (2022: \$14 000). No other services were provided by the Auditor-General's Department.

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:

| | 2023 Number | 2023 \$'000 | 2022 Number | 2022 \$'000 |
|-------------------|----------------|----------------|----------------|----------------|
| \$10 000 or above | 1 | 106 | - | - |
| Total | 1 | 106 | - | - |

South Australian Skills Commission OFFICIAL
Notes to and forming part of the financial statements
For the year ended 30 June 2023

5. Financial assets

5.1. Cash

| | 2023 | 2022 |
|---|---------------|---------------|
| | \$'000 | \$'000 |
| Deposits with the Treasurer (Special deposit accounts) | | |
| South Australian Skills Commission Operating Account | 987 | 565 |
| Accrual Appropriation Excess Funds | 323 | 323 |
| Total cash | 1 310 | 888 |

Cash is measured at nominal amounts.

Special deposit accounts are established under section 8 of the *Public Finance and Audit 1987*. Special deposit accounts must be used in accordance with their approved purpose.

Although the Commission controls the money reported above in the Accrual Appropriation Excess Funds account, its use must be approved by the Treasurer. The Commission does not earn interest on its deposits with the Treasurer.

5.2. Receivables

| | 2023 | 2022 |
|----------------------------------|---------------|---------------|
| | \$'000 | \$'000 |
| Current | | |
| Prepayments | 3 | 6 |
| GST recoverable from the ATO | 18 | - |
| Total current receivables | 21 | 6 |
| Total receivables | 21 | 6 |

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 are non-interest bearing. Receivables are held with the objective of collecting contractual cash flows and they are measured at amortised cost.

Collectability of receivables is reviewed on an ongoing basis.

South Australian Skills Commission OFFICIAL
Notes to and forming part of the financial statements
For the year ended 30 June 2023

6. Liabilities

6.1. Payables

| | 2023 | 2022 |
|-----------------------------------|---------------|---------------|
| | \$'000 | \$'000 |
| Current | | |
| Accrued expenses | 16 | 23 |
| Employment on-costs | 41 | 23 |
| Creditors | 224 | - |
| Total current payables | 281 | 46 |
| Non-current | | |
| Employment on-costs | 37 | 21 |
| Total non-current payables | 37 | 21 |
| Total payables | 318 | 67 |

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

Employment On-Costs

Employment on-costs include payroll tax and superannuation contributions and are settled when the respective employee benefits that they relate to are discharged. These on-costs primarily relate to the balance of leave owing to employees. Estimates as to the proportion of long service leave estimated to be taken as leave, rather than paid on termination, affects whether certain on-costs are recognised as a consequence of long service leave liabilities.

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

South Australian Skills Commission OFFICIAL
Notes to and forming part of the financial statements
For the year ended 30 June 2023

6.2. Provisions

All provisions relate to workers compensation.

| <i>Reconciliation of workers compensation (statutory and non-statutory)</i> | 2023 | 2022 |
|---|---------------|---------------|
| | \$'000 | \$'000 |
| Carrying amount at the beginning of the period | 8 | - |
| Additional provision recognised | 2 | |
| Increase in provisions as a result of restructure activities | - | 29 |
| Decrease in provisions recognised | - | (21) |
| Carrying amount at the end of the period | 10 | 8 |

The Commission is an exempt employer under the *Return to Work Act 2014*. Under a scheme arrangement, the Commission is responsible for the management of workers rehabilitation and compensation, and is directly responsible for meeting the cost of workers' compensation claims and the implementation and funding of preventive programs

Accordingly, a liability has been reported to reflect unsettled workers compensation claims. The workers compensation provision is based on an actuarial assessment of the outstanding liability as at 30 June 2023 provided by a consulting actuary engaged through the Office of the Commissioner of Public Sector Employment.

There is a significant degree of uncertainty associated with estimating future claim and expense payments and also around the timing of future payments due to the variety of factors involved. The liability is impacted by agency claim experience relative to other agencies, average claim sizes and other economic and actuarial assumptions.

7. Outlook

7.1. Unrecognised contractual commitments

The Commission had no unrecognised contractual commitments as at 30 June 2023.

7.2. Contingent assets and liabilities

The Commission is not aware of any contingent assets or liabilities as at 30 June 2023.

7.3. Events after the reporting period

There are no known events after balance date that affects these general purpose financial statements in a material manner.