

Lifetime Support Authority of South Australia Annual Report 2015—2016





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Sean Rowe sustained a traumatic brain injury in a motor vehicle accident. After six weeks of hospitalisation and inpatient rehabilitation, he has continued his rehabilitation at home with support from his Service Planner.

Through the LSA, Sean was provided with physiotherapy and exercise physiology, psychology, strengthening and cardiac fitness programs to support a graded return to his sporting activities that include Jujitsu. He was also supported to access a local gym program, GP consults and pharmaceuticals.

He also received occupational therapy services to support his gradual return to work, and driver trained occupational therapy services to assess his capacity to return to driving. He was medically cleared to drive and returned to work on a graduated program in April 2015.

Sean has made significant progress with marked improvements in balance, strength, endurance and aerobic fitness. The LSA continues to support him, particularly as he manages ongoing cognitive fatigue, headaches and depression, with his work and life commitments.

Sean enjoys time with his family and is a loving father to his two young daughters. The younger was born in September 2015 – 9 months after his accident.

“
...improvements in
balance, strength, endurance
and aerobic fitness.”

The Hon Jack Snelling MP
Minister for Health
Parliament House
North Terrace
Adelaide SA 5000

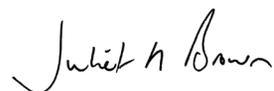
Dear Minister,

I am pleased to submit, for your information and tabling in Parliament, the Annual Report of the Lifetime Support Authority of South Australia (LSA) for the financial year ending 30 June 2016, in accordance with the Motor Vehicle Accidents (Lifetime Support Scheme) Act 2013 and the Department of the Premier and Cabinet Circular PC013 – Annual Reporting Requirements.

The report provides an overview of the LSA's achievements and activities throughout the second year of the Lifetime Support Scheme, which commenced on 1 July 2014.

We appreciate your commitment and support of the scheme, and look forward to LSA continuing its provision of high-quality services and support to people very seriously injured in motor vehicle accidents in South Australia.

Yours sincerely,



Juliet Brown OAM
Chair
Lifetime Support Authority Board

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We put our participants first, ensuring they and their families choose and control the support and services they receive.

It is our pleasure to present the Annual Report of the Lifetime Support Authority of South Australia (LSA), which reports on activities of the Lifetime Support Scheme (LSS) for the 2015-16 financial year.

The scheme is operated by the LSA to provide treatment, care and support for people very seriously injured in motor vehicle accidents in South Australia, regardless of fault.

It is a sad reality that our participant group is ever growing, with a new person sustaining very serious injuries sufficient to qualify them for the scheme about every nine days. More than 80 people aged from four to 83 years have been accepted into the scheme in the first two years. They include people who have sustained traumatic brain or spinal cord injuries, burns or amputations.

Our dedicated and skilled Service Planners work closely with allied health professionals to ensure all participants receive high-quality support, in line with the LSA's vision of ensuring our ordinary level of service and care is extraordinary. We pride ourselves on our person-centred approach and always put participants first, ensuring they and their families choose and control the support and services they receive.

We have worked hard to ensure our communication with participants, families and carers is effective and accessible. During the year we introduced new methods of engagement, including a Participant Reference Group, which actively involves participants in reviewing scheme processes.



Juliet Brown

Juliet Brown
— OAM, Chair

In line with our legislated mandate to facilitate programs, research and education relating to our services, we provided six research grants in 2015-16, including a partnership between the South Australian Health and Medical Research Institute and the Neil Sachse Foundation to develop an innovative scanning technology for the diagnosis and treatment of spinal cord injuries.

We also began a collaborative project with Julia Farr Housing Association to look at how integrated home technology can have positive effects on participants' wellbeing and independence, and contributed to the state's emergency retrieval service, SA Ambulance Service MedStar.

We continue to work closely with the South Australian Government's investment manager, Funds SA, and the scheme's actuary, Finity Consulting, to oversee an investment strategy and liability modelling that enable the long-term financial sustainability of the scheme.

We also enormously value our ongoing relationships with key organisations, particularly those within the health sector, such as SA Health and rehabilitation and disability specialists. These relationships ensure we collectively provide best-practice care to participants and their families.

In August 2016 we said farewell to our inaugural Chief Executive, Lois Boswell, who accepted the role of Deputy Chief Executive of the Department of Communities and Social Inclusion. Lois played a pivotal role in the development, implementation and successful operation of the LSS, and the LSA Board and staff thank her for her outstanding leadership.

We in turn thank our dedicated Board and staff for their ongoing commitment to ensure participants receive extraordinary service and support.



Tamara Tomic

Tamara Tomic
— A/Chief Executive

A person with a prosthetic left leg is standing in a workshop. They are wearing a blue and white patterned short-sleeved shirt, dark cargo shorts, black socks with orange stripes, and brown work boots. The workshop has a grey metal workbench with a wooden top. On the workbench, there is a blue angle grinder, a red angle grinder, and several grinding discs. Underneath the workbench, there are more tools, including a blue angle grinder, a red angle grinder, and several grinding discs. The person's prosthetic leg is visible, and they appear to be working on a project. The text "Strategic Achievements" is overlaid on the image.

Strategic Achievements

Providing necessary and reasonable treatment, care and support for people who have sustained very serious injuries.

The Lifetime Support Authority (LSA) operates the Lifetime Support Scheme (LSS), providing necessary and reasonable treatment, care and support for people who have sustained very serious injuries in a motor vehicle accident in South Australia, regardless of fault.

The LSA was established under the Motor Vehicle Accidents (Lifetime Support Scheme) Act 2013, effective 1 July, 2013. The scheme commenced on 1 July, 2014.

The LSA is subject to the general control and direction of the Minister for Health and is governed by a Board of seven directors.

The dedicated LSA team is led by the Chief Executive and includes allied-health-qualified Service Planners who work with other health professionals to enable scheme participants to live the best lives possible.

The LSA's operations are guided by its Strategic Plan 2016-19, which identifies three over-arching goals: Person-Centred Services, Financial Sustainability and Good Governance.

Person-Centred Services

Participant Engagement

The LSA puts participants first and takes a person-centred approach, with the aim of providing extraordinary service and support to participants and their families and assisting them to choose services and arrangements that enhance their quality of life.

Our communication with participants and their families is designed to ensure they are actively engaged in decision making about the services and support they receive. Participants have direct access to their own Service Planner, who acts as a principal liaison person.

Our communication with participants and their families is designed to ensure they are actively engaged in decision making about the services and support they receive.

We have formed a Participant Reference Group to directly and actively engage participants to review scheme processes and to afford them the opportunity to discuss their view and opinions.

Two Participant Forums were held during the year, providing a casual environment for participants and their families to hear information about the scheme and talk and meet with fellow participants.

Monthly Participant Catch-Ups also have also been introduced. These are informal drop-in sessions for participants to meet with Service Planners and fellow participants.

Participants are further engaged through an online, interactive portal that enables them to view their treatment, care and support plans in real time. Assistance with using the portal is provided in one-on-one information sessions.

The portal can be accessed via the LSA website, which also allows participants to download forms and information sheets in several languages.

Service Providers and Attendant Care

The LSA works closely with a team of service providers to deliver high-quality treatment, care and support to participants. To date we have engaged with over 350 health, rehabilitation and other service providers to deliver high-quality services.

Service providers include an approved panel of Attendant Care providers who assist participants with daily tasks to meet their health and wellbeing needs.

The LSA's service providers have entered into formal agreements for service provision and all provide quarterly reports to the LSA documenting participant satisfaction, goal attainment outcomes and any incidents and complaints.

Julia Farr Housing Association Assistive Technology Collaboration

The LSA has commenced a home automation and assistive technology project trial in partnership with Julia Farr Housing Association (JFHA).

Over the next two years, the joint research study will assist a number of participants to identify how integrated home technology can increase their independence, enhance their wellbeing and support their connection to the community.

Outcomes of the project will provide valuable experience and information to further inform the value of technology as part of treatment, care and support plans for participants.

The project is expected to run through to October 2018.

The LSA has commenced a home automation and assistive technology project trial in partnership with Julia Farr Housing Association (JFHA).

Participant Profile — Robert Freak



“
Being able to stand up in this chair, I feel different, I read different, my blood moves.”

Robert Freak became a quadriplegic as a result of a motor vehicle accident. He continues to live at home with the help of a wide range of equipment, support and technology provided through the scheme, including a motorised standing wheelchair equipped with a Tobii Eye Gaze screen and a MOTOMed exercise bike.

Through the scheme, modifications have been made to Robert's house to accommodate equipment and keep him mobile, including a remodelled bathroom and installation of wheelchair ramps. A solar-powered emergency power supply system ensures that essential medical equipment, including 24-hour mechanical ventilation, will never be without power.

Robert says the LSA has made a massive difference to his life. “The only time I feel almost normal is when I'm in my chair – and this chair will do so much. And, the opportunity to have my screen in front of me with email, Facebook or the paper.

“Being able to stand up in this chair, I feel different, I read different, my blood moves. And the bike enables me to move my legs and paddle with my arms.”

Amputee Guidelines

The LSA developed guidelines for treatment, care and support for participants who sustain amputation injuries.

The guidelines provide a clear approach to providing treatment, equipment, prosthesis, home modifications and attendant care for these injuries. They were developed with reference to sound available evidence and expert opinion, including input from health professionals, prosthetists and rehabilitation providers

Strong Relationships

The LSA maintains strong working relationships with key organisations that provide learnings and information to ensure that we collectively provide best-practice support to participants.

We value the relationships we have fostered in the health sector, particularly with disability and rehabilitation specialists and SA Health.

We have also developed excellent working relationships with key industry bodies. These include Brain Injury SA, ParaQuad South Australia, Julia Farr Association Purple Orange, Office of the Public Advocate, Carers Association of SA and Community Housing Council of SA.

We work collaboratively with a range of state government agencies, including:

- Department of Treasury and Finance
- Department of the Premier and Cabinet
- SA Health
- South Australia Police (SAPOL)
- Department for Communities and Social Inclusion (DSCI), including Domiciliary Equipment Services (DES)
- Motor Accident Commission (MAC)
- CTP Insurance Regulator
- Department for Education and Child Development
- South Australian Ambulance Service (SAAS)
- Department of Planning, Transport and Infrastructure (DPTI)
- The Public Trustee.



Contribution to MedSTAR

The SA Ambulance Service (SAAS) MedSTAR was launched in March 2009 and is South Australia's only emergency medical retrieval service. It provides care to critically injured and ill people throughout the state.

During 2015-16, the LSA commenced funding contributions to support this significant and invaluable service. This is important as about 50% of scheme participants are very seriously injured in motor vehicle accidents in South Australia's regional and remote areas.

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LSS Fund

The LSA takes a financially responsible and sustainable approach to ensure the scheme can support people now and for their lifetimes. We continued to manage the scheme within projected outcomes during 2015-16.

The scheme is funded through a levy applied to motor vehicles registered in South Australia.

Our actuary, Finity Consulting, oversees the calculation of the levy and regularly monitors the scheme's liability position. We also engage a peer review actuary to ensure the integrity of the scheme's modelling.

We also work closely with the South Australian Government's investment manager, Funds SA, to implement our investment strategy, which is reviewed quarterly.

PricewaterhouseCoopers provides independent internal audit reviews of key controls based on our operational and financial risks. The results of reviews are reported to the Audit Committee quarterly.

...a financially responsible and sustainable approach to ensure the scheme can support people now and for their lifetimes.





International Day of People with Disability

On 3 December 2015, LSA partnered with ParaQuad South Australia and Brain Injury SA to host an event in Victoria Square as a part of the United Nations International Day of People with Disability.

We attracted hundreds of visitors, including the Governor, His Excellency the Honourable Hieu Van Le AC, and Mrs Lan Le, who visited the many stalls set up by organisations providing services to people with disability. The Minister for Health, the Hon Jack Snelling, and the Minister for Disability, the Hon Tony Piccolo, also joined the festivities.

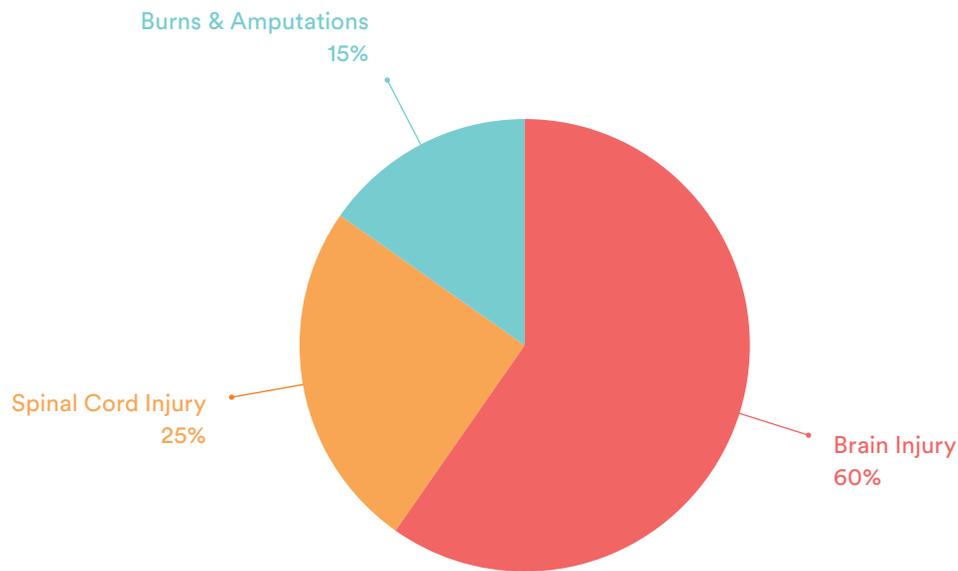
The International Day of People with Disability is held on this day each year and aims to promote an understanding of people with disability and to encourage support for their dignity, rights and wellbeing.

Participant Treatment, Care and Support

Up to 30 June 2016, 86 people had sustained injuries which made them eligible for the scheme. Figure 1 shows the types of injuries sustained.

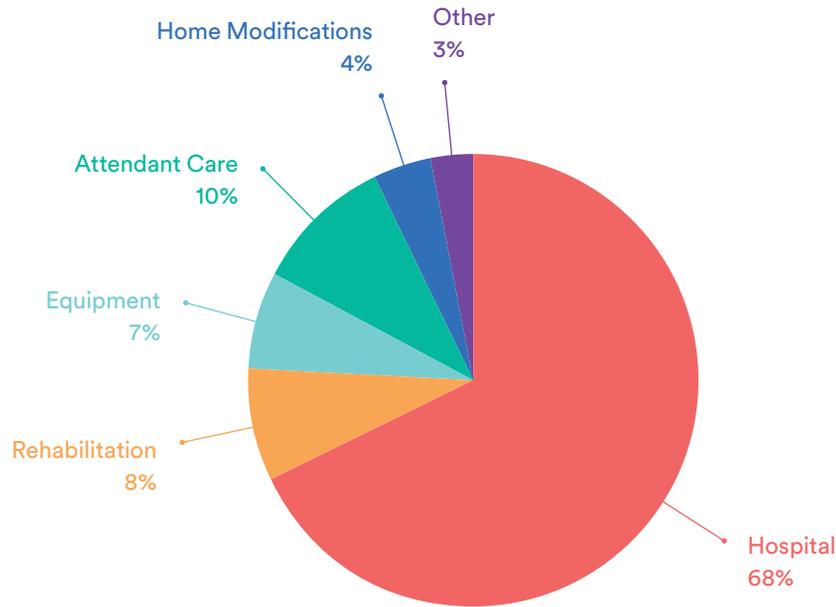
Approximately half of those eligible may not have received compensation under the CTP scheme that existed prior to the start of the scheme.

Figure 1: Scheme Injury Types



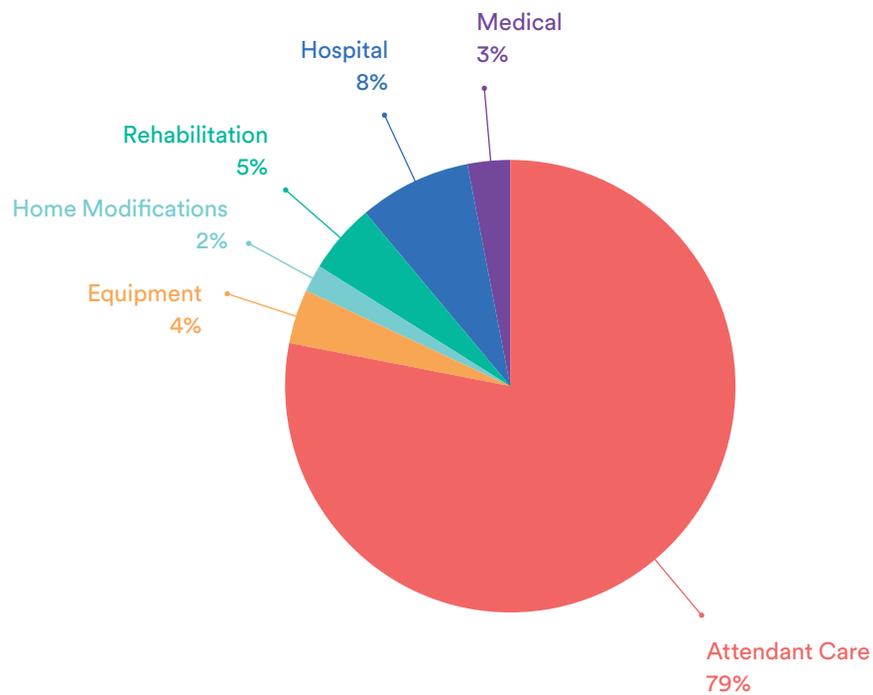
The most important component of the LSA's annual expenditure is treatment, care and support for participants. The expenditure in 2015-16 for these services was \$7.6 million (compared to \$2.3 million in 2014-15). The types of treatment, care and support provided during the year are shown in Figure 2, and were within the amount modelled by the scheme actuary.

Figure 2: Treatment Care and Support Types



The LSA’s net liability for the lifetime provision of treatment, care and support for participants was valued at \$203 million at 30 June 2016 (compared to \$93 million at 30 June 2015). This was within the projected liability for the scheme at this date. The valuation was undertaken by the scheme actuary to estimate the cost of services participants will need into the future for their treatment, care and support. Figure 3 shows the types of treatment, care and support that are estimated to be provided by the LSA over the long term.

Figure 3: Treatment, Care And Support Liability By Type



Participant Profile — Rosemary Short



Rosemary Short lost her right leg in a motor vehicle accident in 2014 but still has an active social life thanks to support from the LSA.

A pennant lawn bowls player prior to her accident, she is excited to have been provided with a special wheelchair that will enable her once again to play at her local bowling green. The wheelchair is lower to the ground and has wider tyres to manoeuvre on grass.

Rosemary is also provided with attendant care, domestic assistance and a personal alarm monitor, which help her to live independently in her own home.

“Being a participant in the scheme gives me great comfort,” she says. “I know they are there if there’s anything I need.”

“
Being a participant in
the scheme gives me
great comfort... I know
they are there if there’s
anything I need.”

Sound Financial Management

The LSS is a very long-term scheme. Participants will require services for life, which for the youngest participants may continue for decades. However, estimates of participants' lifetime costs are uncertain as they rely on a number of important assumptions (for example, the level of their ongoing support needs).

LSA aims to maintain an appropriate capital balance to act as a buffer against uncertainties.

To provide for a financially responsible and sustainable scheme over the long term, the LSA aims to maintain an appropriate capital balance to act as a buffer against uncertainties. These uncertainties include the value of liabilities for participant's future treatment, care and support, and investment returns, year on year.

The management of our capital reserve is particularly important in these early years of the scheme, when the likelihood and impacts of these uncertainties on our funding position are modelled by the actuary to be greatest.

At 30 June 2016, our funding position was equivalent to a probability of sufficiency of 69% (compared to 75% as at 30 June 2015), exceeding the minimum target of 65%. It indicates we have a moderate level of capital to buffer against the chance of variations in the scheme's modelled liability and investment outcomes.

To show the impact of uncertainties, a 1% lower than expected future investment return at 30 June 2016 would have reduced our funding position to a probability of sufficiency of only about 60% (below the minimum target of 65%).

The Board continually reviews the LSA's funding position with the scheme actuary and peer review actuary, and assesses the scheme's funding policy on an annual basis to ensure it remains appropriate.

To mitigate uncertainties related to scheme liabilities, the LSA also has in place reinsurance cover to protect the financial position of the scheme from higher than expected liabilities.

Good Governance

LSA Board

The LSA works within the South Australian Government's policies and procedures and the LSA Governance Framework, which is underpinned by six foundation principles of public sector governance: accountability, transparency and openness, integrity, stewardship, efficiency and leadership.

A seven-member Board administers the organisation and ensures it is governed on the principles of best-practice public sector governance.

A seven-member Board administers the organisation and ensures it is governed on the principles of best-practice public sector governance. Board members bring unique skills and experience in governance, health, disability, law, financial management and investment.

The Board sets and approves plans for resource allocation, strategic direction, policies and performance objectives to ensure the LSA achieves high-quality services and outcomes for participants, their families and carers.

Board members are responsible to the Minister for the sound management of the LSA and its assets, and ensure that decisions are consistent with the LSA's Charter and performance objectives.



Cameron Pocock lost his left leg in a motor vehicle accident in 2015 and required extensive rehabilitation. The LSA ensured he received high-quality treatment and care from a team that included a physiotherapist, orthotist, prosthetist, vocational psychologist and occupational therapists.

Modifications were made to Cameron's house, including the bathroom and laundry area, building a new ramp and cementing his garage. However, the biggest changes to his life came when his new Genium X3 bionic prosthesis was fitted.

“
In short, I am able to do most things now which I could do before the accident.”

The Genium X3 is water resistant, enables walking backwards and climbing steps, and has a running mode developed especially for sports. Cameron says it has enabled him to live. “I can now climb on machinery, climb onto the tray of my ute and climb up ladders easily. In short, I am able to do most things now which I could do before the accident.”

Cameron has achieved his goal of returning to work in the glass industry and he now plans to continue restoration of his beloved 1971 Datsun 1600.

CRASH Seminar

The LSA supported the 2016 CRASH Compulsory Third Party Seminar in March, with Chief Executive Lois Boswell joining the expert panel for a seminar session.

Hosted by Luke Gray from Finlaysons Lawyers, the panel discussed the topic “Experiences with the Lifetime Support Scheme, National Disability Insurance Scheme & Return to Work Act – what you need to know”. Other participants were Ralph Bonig from Finlaysons and Maria Demosthenous from Mellor Olsson.

The seminar has been running for 14 years and enables industry practitioners to learn about the constant changes, developments and new technologies in the CTP industry.





Board Members

Juliet Brown OAM (Chair)

Ms Brown is a professional company director who has extensive experience in law and business. Her current directorships include the South Australian Government Financing Authority Advisory Board and the Medical Insurance Group of Australia, and she is the independent Chair of Statewide Super. She was previously on the Board of the South Australian Motor Accident Commission and is a former President of the RAA of SA Inc. Prior to her company director roles, Ms Brown was Chief Executive of Thomson Playford (now Thomson Geer), one of South Australia's largest commercial law firms, having previously practised as a solicitor for both public and private sector clients in the health and insurance areas.



Arabella Branson

Ms Branson has her own commercial advisory firm and has practised law for more than 16 years in the area of commercial transactional and advisory law. She previously practised in a specialist South Australian corporate and commercial law firm for nine years, where she was a partner for more than two years. Ms Branson has been a Board member of SYC Limited since 2007 and is a member of its Audit Committee and Remuneration Committee and Chair of its Governance Committee. She is a member of the Law Society of South Australia.



Chloe Fox

Ms Fox is an experienced Parliamentarian, educator and journalist. As an MP in the SA Parliament, she held the positions of Deputy Speaker in the House of Assembly and Minister for Transport Services. Her journalism career began in Adelaide, and led to work with UNESCO in France. On her return to Australia, she worked as a high school language and history teacher. She is currently undertaking postgraduate research at Flinders University. Ms Fox is an Ambassador for the Australian Miracle Babies Foundation, a Board member of Alliance Française and a life member of the Commonwealth Parliamentary Association.

Melinda OLeary

Ms OLeary is co-founder and consultant with Nova Systems, an engineering and project management company with more than 300 staff across the globe. She has extensive experience in recruitment, including as SA State Operations Manager for Select Staff and SA General Manager for Manpower. She is the Chair of the The Hospital Research Foundation and Chair of its HR Committee, and Deputy Chair of the Training and Skills Commission. Ms OLeary is a member of the Institute of Personal Consultants, has a Professional Certificate in Management from the Adelaide University Graduate School of Management, and has successfully completed the Australian Institute of Company Directors course. She is a former Board member for Time for Kids and has been a volunteer carer for 10 years.





George Potter

Mr Potter is a highly experienced orthopaedic surgeon with extensive surgical experience in the management of spinal conditions. He is Head of the Orthopaedic Clinical Services (Administrative) at the Royal Adelaide Hospital and a lead clinician to the new Royal Adelaide Hospital. After graduating from the University of Adelaide Medical School, he trained as an orthopaedic surgeon in Adelaide and Edinburgh (UK), becoming a Fellow of the Royal Australian College of Surgeons in 1977 and a Fellow of the Royal College of Surgeons (Edinburgh) in 1986. Mr Potter was a founding member of the Orthopaedic Clinical Network and is a past Vice President of the Paraplegic and Quadriplegic Association of SA.

Joseph Ullianich

Mr Ullianich gained extensive experience in disability funding as the Executive Director of Financial Services in the Department for Communities and Social Inclusion, from 2004 until his retirement in 2012. He was also the Director of Finance and Investment in the Department of Treasury and Finance. Mr Ullianich is the Chair of the State Emergency Relief Fund Committee and was a member of the South Australian Rail Taskforce as the Treasury representative. He has been a Board member of the AustralAsia Railway Corporation, the South Australian Asset Management Corporation and Southern Group Insurance Corporation. He holds a Bachelor of Economics and is a Certified Practising Accountant (CPA).



Kenneth Williams

Mr Williams has more than 25 years' operational experience in corporate finance and treasury and financial risk management. He has diverse experience in mergers, acquisitions, divestments and corporate reconstructions. Mr Williams is a Board Member of Statewide Super, a Director of ASX-listed company AWE Limited, and Chairman of Havilah Resources Limited. His Board experience includes a broad range of risk management and investment committee responsibilities and he has extensive experience working with and serving on the Boards of large and small listed companies, private companies, not-for-profit organisations and superannuation funds under a range of regulatory regimes. He has held senior executive roles with Normandy Mining Limited and Qantas Airways Limited.



Peter Norde sustained a serious spinal injury in January 2016 that left him an incomplete quadriplegic, with limited movement in each limb. He says the treatment, care and support he has received through the LSA has brought confidence, hope and independence for him and his family.

That support started soon after he came out of a coma. He was provided with a new smartphone with voice recognition capability, allowing him to make calls. He now uses it every day.

Ramps and grab rails have since been installed at his 30-acre property south of Adelaide, and an electric bed allows him to move unassisted during the night. Plans are being finalised for a 15-metre pathway that will enable him to access the switch on his property's backup power generator.

A carer helps Peter with a range of everyday activities and a physiotherapist visits twice a week. He is undergoing lessons to learn how to drive a modified vehicle. Passing the driving test is one of his major goals, as is returning to part-time work as a high school counsellor, which he plans to do late in 2016.

“
...confidence, hope
and independence for
him and his family.”

The LSA Board oversees three committees, which cover specific areas of governance.

The LSA Board oversees three committees, which cover specific areas of governance.

The Audit Committee is responsible for providing assurance and assistance to the Board on the operation and effectiveness of the LSA's accounting, control, risk management, legislative compliance and internal and external accountability responsibilities.

Four Audit Committee meetings were held in 2015-16.

The Applications & Rules Committee is responsible for the processes and entry application to the scheme, as well as treatment, care and support entitlements. It also oversees decisions on financially substantive or novel applications, and the implementation and regular review of the LSS Rules.

Four Applications & Rules Committee meetings were held in 2015-16.

The Finance & Investment Committee is responsible for directing the development and implementation of the scheme's investment strategy and ensuring an acceptable return on the Fund's assets. It also oversees the implementation on insurance and reinsurance as directed by the Board.

Four Finance & Investment Committee meetings were held in 2015-16.

Programs, Research and Education

One of the LSA's functions is to facilitate programs, research and education relating to high-quality services for participants. In 2015-16, research grants were provided to six projects which address this aim, as well as our five specific research priorities, which are as follows:

- Participant Related
- Getting Life Chances Back
- Adjustment to Injury
- Quality of Life Outcomes
- Trends in Support
- Advancements in Technology
- Accommodation Options

The six research grants were provided to the following projects.

Molecular imaging of the spinal cord: Technology innovation for the diagnosis and treatment of spinal cord injury.

The South Australian Health and Medical Research Institute (SAHMRI), in partnership with the Neil Sachse Foundation, is studying innovative solutions to spinal cord injuries from motor vehicle accidents.

...innovative solutions to spinal cord injuries from motor vehicle accidents.

The project focuses on creating an innovative biological approach to spinal cord injury and will use SAHMRI's cyclotron, or particle accelerator, located in Adelaide.

Research will look at spinal cord inflammation and may lead to improved scanning of affected areas, better surgical intervention and improved patient outcomes.

The research team of Prof Julio Licinio, Dr Parbjit Takhar and Prof Brian Freeman has expertise in neuroscience and imaging, radiochemistry and spinal cord injury.



“

They are a real team
of experts. We are
not on our own.

In July 2015, John Stone was in a car accident as he travelled home to his farm north of Adelaide, sustaining a traumatic brain injury.

He was accepted into the scheme soon after his accident and has benefited from a range of support including physiotherapy, occupational therapy, provision of equipment, grab rails and modifications around the outside of his house to improve safety.

John's wife Hazel reflects on her initial fears following the accident and the progress he has made. "I was told all I could hope for was a nursing home – it was a question of nappies and lying on a bed.

Now he's walking, talking – sometimes too much! – and now I've got him back," she says.

"LSA supplied us with pathways to make our home safe, rails and equipment so that John can shower. But what's most important is that we have a back-up team – physios, OTs and our LSA Service Planners. They are a real team of experts. We are not on our own."

Choice and Control – Client and caregiver perspectives informing best practice

Researchers at the University of South Australia are looking to develop an understanding of the meaning of choice and control as it relates to scheme participants.

The project will focus on people who have acquired brain injury and spinal cord injury as a result of a motor vehicle accident, and will include the perspectives not only of participants but also of their caregivers and family members.

Learnings from this study will help to inform practice that can help to improve the lives of participants and ensure the best outcomes for them and their families.

The research team includes senior experienced and early career researchers in the University's School of Health Sciences, including Dr Mandy Stanley, Dr Shylie Mackintosh, Dr Gisela van Kessel, Dr Caroline Fryer, Assoc Prof Susan Hillier and Carolyn Murray.

...to improve the lives of participants and ensure the best outcomes for them and their families.

Tapping into technology for individuals with tetraplegia

Hampstead Rehabilitation Centre and the Royal Adelaide Hospital are studying technology available for individuals with tetraplegia, a spinal cord injury above the first thoracic vertebrae affecting the cervical spinal cord.

Tetraplegia results in reduced motor and sensory function of the upper and lower limbs, and independent access to technology can be difficult or sometimes impossible for people living with the condition.

The project will facilitate access to an all-in-one device, such as a tablet or smartphone, for people living with tetraplegia to explore the satisfaction and perspectives of its uses and benefits.

The research team is led by occupational therapist Kate Viner, with Dr Mandy Stanley and Hugh Stewart.

Supporting people with complex trauma injuries and their families to maximise participation through community mobility

A research project at Flinders University will look at supporting people with complex trauma injuries and their families to maximise participation through community mobility. It will focus on people with injuries including orthopaedic, amputee, spinal cord and traumatic brain injuries, who may no longer be able to drive.

The study aims to evaluate the effectiveness of a community mobility group intervention for these people, and their families, to positively impact health outcomes.

The research team includes Assoc Prof Stacey George, Dr Jacqui Liddle, Prof Maria Crotty and Dr Chris Barr.

A key outcome of the research will address the successful long-term health and lifestyle of injured people...

Development and preliminary trial of an on-line vocational program for people with spinal cord injury

Research at the University of Adelaide is looking to develop a preliminary trial of an online vocational program for adults with spinal cord injury.

The project has three aims: to examine facilitators of and barriers to workforce participation to people with spinal cord injury living in community-based housing, to examine the feasibility of online vocational rehabilitation programs, and to create a detailed picture of service delivery in vocational rehabilitation.

A key outcome of the research will address the successful long-term health and lifestyle of injured people, and help to ensure that participants living with spinal cord injury have a robust set of tools and information to successfully transition to vocational pursuits and career development.

Dr Diana Dorstyn, a lecturer in the School of Psychology, leads the research team.

Group-based education about brain injury-related “fatigue” for inpatients after Acquired Brain Injury (ABI) leads to enhanced development and improved quality of life

This Hampstead Rehabilitation Centre project is exploring education that addresses recognition of the signs of brain injury-related fatigue.

Dr Maggie Killington and occupational therapists Michael Snigg and Emma Campbell will undertake a clinical trial to investigate whether group-based education that addresses recognition of the signs of fatigue, causes of fatigue and self-management of fatigue following brain injury result in improved quality of life and self-efficacy.

The study will include 50 people inpatients in the Centre’s Acquired Brain Injury Unit.



Flexible and Mobile Workplace

The LSA offers flexible work practices which enable staff to have high mobility and maximum person-to-person time with participants.

Integral to increasing workplace mobility was the LSA's 90-Day Mobility @ the LSA Project, a Change @ SA Government initiative. Through the project, we transferred out corporate documents to the cloud, allowing staff to securely access documents from anywhere.

...we offer flexible working arrangements, including part-time hours and working-from-home options to all staff.

In order to attract and retain high-quality staff, and in line with the aim of being an employer of choice, we offer flexible working arrangements, including part-time hours and working-from-home options to all staff.

Geoffrey Eadie was leaving a medical appointment when he was hit by a car and his head connected with the windscreen. He sustained a traumatic brain injury with three skull fractures, significant hearing loss, fractured ribs and three fractures to his left foot.

Following his acceptance into the LSS, Geoffrey was given access to intensive rehabilitation support.

He says he has no doubt that his recovery would have taken far longer had it not have been for the scheme.

“My memory was really affected and I’ve found it very hard to concentrate, focus and read. I was depressed for a long while. I was moody and easily irritable. I have no doubt that my recovery happened due to the services and the support I’ve had. Without all the assistance, my recovery would have taken much longer.

“The road to recovery from a traumatic brain injury is long and these wonderful people do understand and help in ways that makes a huge difference. My deepest gratitude goes out to all of my helpers!”

Geoffrey is slowly returning to part-time work, on reduced hours, in a very supportive workplace.

“

...these wonderful people do understand and help in ways that makes a huge difference. My deepest gratitude goes out to all of my helpers!





Kym Sauerbier had just undergone surgery on his right knee when he lost his left leg in a motorbike accident in December 2014. He spent several weeks at Flinders Medical Centre followed by inpatient rehabilitation and a long period of outpatient rehabilitation for physiotherapy and trialling of prostheses.

“
The support is unbelievable. I would still be in a wheelchair and probably just have the basic services if it wasn't for the scheme.”

Kym is certain that if it wasn't for the support and services provided through the LSA, he would still be in a wheelchair. “The support is unbelievable. I would still be in a wheelchair and probably just have the basic services if it wasn't for the scheme. I have no doubt I would be in a dark place.”

Kym is getting more confident each day with his Linx prosthesis, which was fitted in December 2015.

He recalls an immediate improvement in his walking when he moved from his temporary prosthesis to the Linx, which has an inbuilt microprocessor knee unit to control movement. He has been able to wear the prosthesis for up to 15 hours a day.

Kym also benefits from physiotherapy, support for medical appointments and pharmaceuticals, and provision of a wheelchair for times when he is not wearing his prosthesis. He is able to drive an automatic vehicle and has bought a campervan, which he uses for regular visits to the country. He has even mastered kayaking on his own.

Kym's goals from here are to become stronger and more confident with his prosthesis and he is looking forward to returning to work.

LSA made significant enhancements to its participant management system, SALSA, during 2015-16, ensuring its capabilities continue to assist with delivering high quality support to participants. These include:

- functionality to help measure participant outcomes and better tailor support
- a searchable service provider database to assist with identifying available providers for a particular service
- a new invoice processing capability to improve payment and reporting capabilities
- trial of a service provider portal to assist with contract management and information sharing.

More than half of LSA's participants use an online, interactive portal to engage directly with their Service Planners and view their treatment care and support plans in real time.





White Ribbon Accreditation

As a part of the Department of Treasury and Finance's Gender Equality in Leadership Strategy, the LSA has joined many organisations in showing leadership, driving social change and taking active steps to prevent and respond to violence against women.

We have now been accredited by the White Ribbon Accreditation Program, which recognises workplaces as centres of respect and proactivity in relation to the safety of women. The program involves developing policies, practices, training and a workplace culture.

Workplace assessment is based on criteria set down by White Ribbon's independent assessors.

Reporting Requirements



Staffing

The sole employee of the LSA is the Chief Executive. The LSA staff are employees of the Department of Treasury and Finance (DTF) and are working for the LSA through an agreement with the Under Treasurer under Section 18 (2) of the Motor Vehicle Accidents (Lifetime Support Scheme) Act 2013. In 2015-16 all LSA staff continue to be outsourced from DTF to administer the LSS. On 30 June 2016 there was one additional temporary employee to backfill a potential staff absence. This contract ended on 30 June 2016.

Full time Equivalents (FTEs)

Full time Equivalents	18.1
-----------------------	------

Workforce Diversity

Gender

Gender	% Persons	% FTE
Male	21.05	22.10
Female	78.95	77.90

Cultural and Linguistic Diversity

Number of Employees	Male	Female	Total	% of Agency
Born overseas	0	6	6	31.58%
Who speak language(s) other than English at home	0	3	3	15.79%

No. of Employees by Age Bracket by Gender

Age Bracket	Male	Female	Total	% of Total
20-24	-	1	1	5.26
25-29	1	2	3	15.79
30-34	-	3	3	15.79
35-39	1	1	2	10.53
40-44	1	2	3	15.79
45-49	1	3	4	21.05
50-54	-	1	1	5.26
55-59	-	2	2	10.53
Total	4	15	19	100

Total Number of Employees with Disabilities

Male	Female	Total	% of Agency
0	1	1	5.26%

Types of Disability

Disability	Male	Female	Total	% of Agency
Disability requiring workplace Adaptation	0	0	0	0
Sensory	0	1	1	5.26%

Executives

Classification	Term Untenured	Total	
	Female	% of Total Executives	Female
SAES2	1	100	1
Total	1	100	1

Leave Management

Leave Type	Average Days per FTE
Sick Leave Taken	5.84
Family Carer's Leave	0.69
Miscellaneous Special Leave	5.55

Performance Development

Documented Review of Individual Performance Management

% Reviewed within the last 12 months	% Review older than 12 months	% Not reviewed
100	0	100

Leadership and Management Development

Training and Development

Total Training and development expenditure

Total cost \$77,000

Total Salary 3.95%

Work Health and Safety and Injury Management

The LSA operates under DTF's arrangements for Work Health and Safety and Injury Management. It is recognised that this is an area of primary importance and is to be integrated into all other operational processes and business management systems.

This is consistent with the Premier's Safety Statement, which provides further detail of the commitment to safety within the SA Public Sector.

The LSA recorded nil WHS prosecutions, notices and/or corrective action for the 2015-16 financial year.





Nick Gehlert was 27 when a tree fell onto the car in which he was a passenger and left him in the RAH's Intensive Care Unit in a coma. He sustained a traumatic brain injury, a broken jaw, cracked sternum, a torn AC joint in his shoulder and tachycardia – an abnormally fast heart rate.

Following inpatient rehabilitation, Nick has received a range of treatment, care and support services through the LSA, including dental surgery for his broken jaw and a heart rate monitor and oxygen saturation device to help with his tachycardia.

He also has received assistance with his ongoing medical appointments, gym membership for his rehabilitation, and garden maintenance.

Nick has made remarkable progress following his accident. He is now back at work full time, regained his driver's licence and no longer requires medication. He hopes to start playing football again next year.

“
He is now back at work full time, regained his driver's licence and no longer requires medication. He hopes to start playing football again next year.”

Reporting Against the Carers Recognition Act 2005

Although the LSA is not required to report on compliance with Section 6 of the Carers Recognition Act 2005, LSA's agreements with service providers include an obligation on the service providers to meet requirements of the Act. This ensures that service providers engaged by the LSA are accountable to the high standards set out within the Act.

Disability Access and Inclusion Plans

The LSA operated under the DTF's Disability Access and Inclusion plans during 2015-16.



Complaints and Disputes Policy

The LSA is committed to providing high-quality services for its participants and addressing issues that emerge. We have clear processes in place to respond to complaints and disputes, which are accessible from our website or our office.

In 2015-16, the LSA did not receive any complaints or disputes.

Freedom of Information

The LSA did not receive any Freedom of Information requests during the financial year.

Whistleblowers Protection Act 1993

The LSA used DTF's responsible officer for the purposes of the Whistleblowers Protection Act 1993 pursuant to Section 7 of the Public Sector Act 2009. There were no instances of disclosure of public interest information to a responsible officer of DTF under the WPA arising from the LSA.



A close-up photograph of a person wearing a dark, quilted jacket. The person is holding a white ceramic mug with both hands. A pair of sunglasses with blue lenses and green frames is tucked into the jacket's chest pocket. A patch on the jacket reads "BUILT" and "TE". The text "Financial Statements for the year ended 30 June 2016" is overlaid on the image in white.

Financial Statements
for the year ended
30 June 2016

Certification of the Financial Statements

We certify that the:

- financial statements of the Lifetime Support Authority of South Australia (LSA):
 - Are in accordance with the accounts and records of the LSA;
 - Comply with relevant Treasurer's Instructions;
 - Comply with relevant accounting standards; and
 - Present a true and fair view of the financial position of the LSA at the end of the financial year and the results of its operations and cash flows for the financial year.

- internal controls employed by the LSA over its financial reporting and its preparation of the financial statements have been effective throughout the financial year.



Tamara Tornic
 Acting Chief Executive
Lifetime Support Authority of SA
 16 September 2016



Sorana Dinmore
 Director, Corporate
Lifetime Support Authority of SA
 16 September 2016



Juliet Brown
 Chair
Lifetime Support Authority of SA
 16 September 2016

Statement of Comprehensive Income

For the year ended 30 June 2016

Expenses	Note	2016 \$'000	2015 \$'000
Participant treatment, care and support expenses	4	117 822	95 073
Duty on LSS Fund levy		14 377	13 956
Reinsurance		3 390	2 598
Employee benefits expenses	5	2 562	2 155
Service delivery and corporate expenses	7	1 540	1 358
Research, education and programs		595	-
Amortisation expense	9	122	49
Other expenses		55	-
Total expenses		140 463	115 189
Income			
Revenues from LSS Fund levy		145 080	141 078
Investment revenues	10	9 542	5 488
Other revenues	11	866	-
Total income		155 488	146 566
Net result from operating activities		15 025	31 377
Net result		15 025	31 377
Total comprehensive result		15 025	31 377

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

The above statement should be read in conjunction with the accompanying notes.

Statement of Financial Position

As at 30 June 2016

Current assets	Note	2016 \$'000	2015 \$'000
Cash and cash equivalents	12	937	2 457
Receivables	13	2 163	1 678
Total current assets		3 100	4 135
Non-current assets			
Receivables	13	809	-
Financial assets at fair value	14	292 943	165 435
Property, plant and equipment	15	24	98
Intangible assets	16	363	311
Total non-current assets		294 139	165 844
Total assets		297 239	169 979
Current liabilities			
Payables	18	3 738	1 904
Employee benefits	19	227	219
Provisions	20	8 559	7 239
Total current liabilities		12 524	9 362
Non-current liabilities			
Payables	18	29	12
Employee benefits	19	317	133
Provisions	20	194 418	85 546
Total non-current liabilities		194 764	85 691
Total liabilities		207 288	95 053
Net assets		89 951	74 926
Equity			
Retained earnings		89 951	74 926
Total equity		89 951	74 926

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

	Note
Unrecognised contractual commitments	21
Contingent assets and liabilities	22

The above statement should be read in conjunction with the accompanying notes.

Statement of Changes in Equity

For the year ended 30 June 2016

	Note	Retained Earnings \$'000	Total Equity \$'000
Balance at 30 June 2014		43 549	43 549
Net result for 2014-15		31 377	31 377
Total comprehensive result for 2014-15		31 377	31 377
Balance at 30 June 2015		74 926	74 926
Net result for 2015-16		15 025	15 025
Total comprehensive result for 2015-16		15 025	15 025
Balance at 30 June 2016		89 951	89 951

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

The above statement should be read in conjunction with the accompanying notes.

Statement of Cash Flows

For the year ended 30 June 2016

Cash flows from operating activities	Note	2016 \$'000	2015 \$'000
Cash outflows			
Participant treatment, care and support expenses		(5 384)	(1 941)
Duty on LSS Fund levy		(14 360)	(13 006)
Reinsurance		(3 547)	(2 597)
Employee benefits expenses		(2 354)	(1 706)
Service delivery and corporate expenses		(2 034)	(1 782)
Research education and programs		(595)	-
Payments for Paid Parental Leave Scheme		(6)	-
Cash (used in) operations		(28 280)	(21 032)
Cash inflows			
LSS Fund levy		144 813	140 928
Interest received		37	53
Other revenues		2	-
Receipts for Paid Parental Leave Scheme		8	-
Cash generated from operations		144 860	140 981
Net cash provided by operating activities	23	116 580	119 949
Cash flows from investing activities			
Cash outflows			
Purchase of property, plant and equipment		-	(147)
Purchase of intangibles		(100)	(273)
Purchase of investments		(118 000)	(160 000)
Net cash (used in) investing activities		(118 100)	(160 420)
Net (decrease) in cash and cash equivalents		(1 520)	(40 471)
Cash and cash equivalents at the beginning of the period		2 457	42 928
Cash and cash equivalents at the end of the period	12	937	2 457

Notes to and Forming Part of the Financial Statements

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1 — Objectives of the Lifetime Support Authority of South Australia

The Lifetime Support Authority of South Australia (LSA) is a not-for-profit Statutory Authority of the South Australian Government. The LSA was established on 1 July 2013 under section 7 of the *Motor Vehicle Accidents (Lifetime Support Scheme) Act 2013* (the Act).

The Board is the governing body of the LSA, and was appointed by the Governor effective from 8 October 2013.

The LSA is responsible for the administration of the Lifetime Support Scheme (LSS), which commenced on 1 July 2014.

The LSS provides necessary and reasonable treatment, care and support for people who suffer very serious injuries in motor vehicle accidents in South Australia, regardless of fault. People who sustain injuries that cause paraplegia or quadriplegia, brain injury, whole limb or multiple amputations, major burns or blindness qualify for support. The LSS is funded by the LSS Fund levy paid on motor vehicle registrations. The LSS is governed by the LSS Rules, which are made by the Governor on the recommendation of the LSA.

The functions of the LSA under the Act are to:

- Monitor the operation of the LSS.
- Provide advice to the Minister about the administration, efficiency and effectiveness of the LSS.
- Provide support and funding for programs that will provide high-quality services to participants in the LSS, and research and education in connection with services provided to participants in the LSS.
- Disseminate information about the LSS.
- Keep the LSS Rules under review.
- Be responsible for the LSS Fund.

2 — Summary of Significant Accounting Policies

2.1 Statement of Compliance

The LSA has prepared these financial statements in compliance with section 23 of the *Public Finance and Audit Act 1987*.

The financial statements are general purpose financial statements. The accounts have been prepared in accordance with relevant Australian Accounting Standards and comply with Treasurer's Instructions and Accounting Policy Statements promulgated under the provisions of the *Public Finance and Audit Act 1987*.

The LSA has applied Australian Accounting Standards that are applicable to not-for-profit entities, as the LSA is a not-for-profit entity.

Except for AASB 2015-7 which the LSA has early adopted early, Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective have not been adopted by the LSA for the period ending 30 June 2016. Refer to Note 3.

2.2 Basis of Preparation

The preparation of the financial statements requires:

- the use of certain accounting estimates and requires management to exercise its judgement in the process of applying the LSA's accounting policies. The areas involving a higher degree of judgement or where assumptions and estimates are significant to the financial statements are outlined in the applicable notes; and
- compliance with Accounting Policy Statements issued pursuant to section 41 of the *Public Finance and Audit Act 1987*. In the interest of public accountability and transparency the Accounting Policy Statements require the following note disclosures, which have been included in this financial report:
 - (a) revenues, expenses, financial assets and liabilities where the counterparty/transaction is with an entity within the SA Government as at reporting date, classified according to their nature;
 - (b) expenses incurred as a result of engaging consultants;
 - (c) board/committee member and remuneration information, where a board/committee member is entitled to receive income from membership other than direct out-of-pocket reimbursement; and
 - (d) employees whose normal remuneration is equal to or greater than the base executive remuneration level (within \$10 000 bandwidths) and the aggregate of the remuneration paid or payable or otherwise made available, directly or indirectly by the entity to those employees

2.2 Basis of Preparation (continued)

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

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

The financial statements have been prepared based on a 12 month period and presented in Australian currency.

The accounting policies set out below have been applied in preparing the financial statements for the year ended 30 June 2016.

2.3 Reporting entity

The LSA is a not-for-profit Statutory Authority of the South Australian Government. The LSA does not control any other entity and has no interest in unconsolidated structured entities.

2.4 Comparative information

The presentation and classification of items in the financial statements are consistent with prior periods except where specific accounting standards and/or Accounting Policy Statements have required a change.

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

2.5 Rounding

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

2.6 Taxation

The LSA is liable for payroll tax, fringe benefits tax and goods and services tax (GST). A nil tax rate is currently approved by the Treasurer for the calculation of income tax equivalent payments to the South Australian Government, consistent with the establishment of LSS Fund levy to be on a break-even basis.

The Department of Treasury and Finance (DTF) prepares the Business Activity Statement on behalf of the LSA under the grouping provisions of the GST legislation. Under these provisions, DTF is liable for the payments and entitled to the receipt of GST. As such, GST applicable to the LSA forms part of the financial statements of DTF.

2.7 Expenses

Expenses are recognised to the extent that it is probable that the flow of economic benefits from the LSA will occur and can be reliably measured.

Expenses have been aggregated according to their nature and have not been offset unless required or permitted by a specific accounting standard, or where offsetting reflects the substance of the transaction or other event.

The following are specific recognition criteria:

Participant treatment, care and support expenses

People very seriously injured in motor vehicle accidents from 1 July 2014 are accepted as participants of the LSS under the eligibility criteria provided in the LSS Rules. Participant treatment, care and support expenses relate to the necessary and reasonable benefits provided to participants, related to the motor vehicle injury and in line with criteria detailed in the LSS Rules, from date of acceptance into the LSS. Costs are recognised in the reporting period in which they are incurred, via the movement in the provision for Participant treatment, care and support or when the service has been provided.

Duty on LSS Fund levy

The Duty on LSS Fund levy is a duty payable to the South Australian Government equivalent to 11% of net LSS Fund levies collected by the LSA. The duty is payable on the levies collected monthly in arrears. Refer to Note 2.8 for further details of the LSS Fund levy.

Reinsurance

LSA had in place reinsurance programs throughout 2015-16 to limit the LSA's liability exposure for Participant treatment, care and support expenses according to the deductible and terms of the treaties. All panel reinsurers are contractually required to have a minimum security Standard and Poor's rating of "A-", which is monitored by the LSA's reinsurance broker. Premiums paid to reinsurers are recognised as an expense in accordance with the pattern of reinsurance received. Accordingly, a portion of reinsurance is treated at balance date as a prepayment.

Employee benefits expenses

Employee benefits expenses include all costs related to employment under the LSA's legislative responsibilities and under agreement with DTF including wages and salaries, non-monetary benefits and leave entitlements. These are recognised when incurred.

Superannuation

The amount charged to the Statement of Comprehensive Income represents the contributions made by the LSA to the superannuation plan in respect of current services of current LSA staff and assigned DTF staff. DTF centrally recognises the superannuation liability in the whole of government financial statements.

2.7 Expenses (continued)

Service delivery and corporate expenses

Service delivery and corporate expenses generally represent day-to-day running costs incurred in the normal operations of the LSA. These items are recognised as an expense in the reporting period in which they are incurred.

Research, Education and Programs

The LSA provides support and funding for research and education in connection with services provided to participants in the LSS pursuant to section 16(c) of the Act.

Depreciation and amortisation

All non-current assets, having a limited useful life, are systematically depreciated/ amortised over their useful lives in a manner that reflects the consumption of their service potential. Amortisation is used in relation to intangible assets such as software, while depreciation is applied to tangible assets.

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

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

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

Class of asset	Useful Life (Years)
Leasehold Improvements	Term of Lease
Internally Developed Software	5 Years

2.8 Income

Income is recognised to the extent that it is probable that the flow of economic benefits to or from the LSA will occur and can be reliably measured.

Income has been aggregated according to its nature and has not been offset unless required or permitted by a specific accounting standard, or where offsetting reflects the substance of the transaction or other event.

The following are specific recognition criteria:

Revenues from LSS Fund levy

Revenue from LSS Fund levy is the LSS Fund levy collected by the LSA.

Pursuant to section 44 of the Act, the LSS is funded by a levy applied to motor vehicle registration under the *Motor Vehicles Act 1959*. The levy is collected by the Registrar of Motor Vehicles on behalf of the LSA, and recognised as revenue by the LSA when it is received by the Registrar. The levy is exempt from GST under the operation of Division 81 of A New Tax System (Goods and Services Tax) Act 1999.

2.8 Income (continued)

Investment revenues

— *Interest income*

Interest income includes interest received on deposits held with the Treasurer. Interest revenue is recognised on a time proportionate basis that takes into account the effective yield on the financial asset.

— *Financial assets at fair value through profit or loss*

Financial assets at fair value through profit or loss are carried in the Statement of Financial Position at fair value with net changes in fair value presented as investment revenue in the Statement of Comprehensive Income.

2.9 Current and Non-Current Classification

Assets and liabilities are characterised as either current or non-current in nature. Assets and liabilities that are to be sold, consumed or realised as part of the normal operating cycle, even when they are not expected to be realised within twelve months after the reporting date, have been classified as current assets or current liabilities. All other assets and liabilities are classified as non-current. Where asset and liability line items combine amounts expected to be realised within 12 months and more than 12 months, the LSA has separately disclosed the amounts expected to be recovered or settled after more than 12 months.

2.10 Assets

Assets have been classified according to their nature and have not been offset unless required or permitted by a specific accounting standard, or where offsetting reflects the substance of the transaction or other event.

Cash and cash equivalents

Cash and cash equivalents in the Statement of Financial Position include cash at bank and deposits at call that are readily converted to cash and which are subject to insignificant risk of change in value.

Cash is measured at nominal value.

The LSA's physical cash balance is held within the Department of Treasury and Finance Operating Bank Account. The LSA's cash balance is managed in accordance with Treasurer's Instruction 6 *Deposit Accounts and Banking*.

2.10 Assets (continued)

Receivables

Receivables include accrued revenue related to the LSS Levy, prepayments and reinsurance recoveries.

The LSS Fund levy is received by the LSA two days in arrears of collection by the Registrar of Motor Vehicles. The receivable represents the amount collected by the Registrar to 30 June, but not yet received by the LSA.

Reinsurance recoveries are assessed on at least an annual basis. A receivable is recorded where the estimated participant treatment, care and support costs exceed the deductible in line with the terms of the relevant insurance contract(s) and is measured as the present value of the expected future cash flows.

Collectability of receivables is reviewed on an ongoing basis. An allowance for doubtful debts or provision for impairment is raised when there is objective evidence that the LSA will not be able to collect the amounts owed. Bad debts are written off when identified.

Financial assets at fair value

The LSA's financial assets consist of investments in unlisted unit trusts managed by Funds SA, the South Australian Government owned corporation which invests and manages funds of approved authorities. The LSA invests in Funds SA's untaxed multi-sector funds.

— *Recognition and Derecognition*

Financial assets are recognised initially at fair value. All purchases and sales of financial assets are recognised on the trade date, i.e. the date that the LSA commits to purchase the asset. Financial assets are derecognised when the right to receive cash flows from the financial assets has expired or has been transferred.

— *Subsequent Measurement*

Financial assets are subsequently recognised at fair value through profit or loss. Gains or losses on financial assets are recognised in the Statement of Comprehensive Income as Investment revenues (or Investment losses) and the related assets are recognised as Non-current assets in the Statement of Financial Position.

Financial assets are designated on the basis that they are a group of financial assets which are managed and have their performance evaluated on a fair value basis, and are valued at the fair value as reported by Funds SA. Refer also to the section *Fair value measurement* below.

2.10 Assets (continued)

Property, plant and equipment

Property, plant and equipment is stated at cost net of accumulated depreciation/amortisation and accumulated impairment losses, deemed to be fair value. Refer also to the section Fair value measurement below. The capitalisation threshold is \$10,000. Items of equipment purchased for participant treatment, care and support are expensed as incurred.

Intangible assets

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

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

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

Impairment

All non-current tangible and intangible assets are tested for indication of impairment at each reporting date. When there is an indication of impairment, the recoverable amount is estimated. An amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.

For revalued assets, an impairment loss is offset against the respective asset revaluation surplus (if any).

Fair value measurement

AASB 13 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.

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

- Level 1 Traded in active markets and is based on unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at measurement date.
- Level 2 Not traded in an active market and are derived from inputs (inputs other than quoted prices included within level 1) that are observable for the asset, either directly or indirectly.
- Level 3 Not traded in an active market and are derived from unobservable inputs.

The valuation processes and fair value changes are reviewed at each reporting date.

2.10 Assets (continued)

Non-financial assets

The carrying amount of non-financial assets with a fair value at the time of acquisition that was less than \$1 million or had an estimated useful life that was less than three years are deemed to approximate fair value. All items of property plant and equipment at Note 15 fall into this category and have not been revalued.

Otherwise, in determining fair value, the LSA would take into account the characteristics of the asset (e.g. condition and location of the asset and any restrictions on the sale or use of the asset) and the asset's highest and best use (that is physically possible, legally permissible, financially feasible).

The LSA's current use would be the highest and best use of the assets unless other factors suggested an alternative use is feasible within the next five years.

Financial assets/liabilities

The fair value of assets or liabilities traded in active markets is based on quoted market prices for identical assets or liabilities at balance date. The fair value of other financial assets or liabilities is determined using valuation techniques. These techniques maximises the use of observable market data where it is available. The LSA uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date.

Refer to Notes 14 and 25 for further disclosures regarding fair value measurement techniques and inputs for financial assets.

2.11 Liabilities

Liabilities have been classified according to their nature and have not been offset unless required or permitted by a specific accounting standard, or where offsetting reflects the substance of the transaction or other event.

Where a liability line item combines amounts expected to be settled within 12 months and more than 12 months, the LSA has separately disclosed the amounts expected to be settled after more than 12 months.

Payables

Payables include accrued expenses and employment on-costs. Accrued expenses represent goods and services provided by other parties during the period that are unpaid at the end of the reporting period and where an invoice has not been received.

All payables are measured at their nominal amount and are normally settled within 30 days from the date of the invoice or date the invoice is first received.

Employee benefits on-costs include payroll tax and superannuation contributions in respect of employee benefits.

Employee Benefits

These are liabilities for benefits accruing to employees as a result of services provided up to the reporting date that remain unpaid. Short-term employee benefits are measured at nominal amount and long-term employee benefits are measured at present value.

2.11 Liabilities (continued)

- *Salaries and wages, annual leave, skills and experience retention leave and sick leave*
The liability for salary and wages is measured as the amount unpaid at the reporting date at remuneration rates current at reporting date.

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

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

It is based on actuarial assumptions including expected future salary and wage levels, experience of employee departures and periods of service. These assumptions and the split between current and non-current are based on employee data from the DTF. Expected future payments are discounted using market yields at the end of the reporting period on government bonds with durations that match as closely as possible to the estimated future cash outflows.

Provisions

The LSA's provisions consist of liabilities for participant treatment, care and support expenses, valued by the LSS Actuary, Finity Consulting Pty Ltd, as at the end of the financial year.

The LSA's provisions are measured at the present value of the expected future payments for claims of the LSS incurred as at the date of valuation, including claims incurred but not yet reported, discounted for the time value of money, and take account of the risks specific to the liability. Refer to Note 20 for disclosures about the measurement of the provision.

2.12 Unrecognised contractual commitments and contingent assets and liabilities

Commitments include operating and remuneration commitments arising from contractual or statutory sources and are disclosed at their nominal value. Refer to Note 21.

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. Refer to Note 22.

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

3 — New and Revised Accounting Standards and Policies

Except for AASB 2015–7 which the LSA has early adopted, Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective, have not been adopted by the LSA for the period ending 30 June 2016. The LSA has assessed the impact of the new and amended standards and interpretations and considers there will be no impact on the accounting policies or the financial statements of the LSA.

4 — Participant Treatment, Care and Support Expenses

	2016 \$'000	2015 \$'000
Hospital	5 229	1 967
Rehabilitation	589	170
Equipment	508	78
Attendant Care	787	37
Other	517	36
	7 630	2 288
Movement in provision for participants' treatment, care and support (refer Note 20)	110 192	92 785
Total participant treatment care and support	117 822	95 073

5 — Employee Benefits Expenses

	2016 \$'000	2015 \$'000
Salaries and wages	1 558	1 384
Board and committee fees	362	367
Employment on-costs - superannuation	229	181
Employment on-costs - payroll tax	119	101
Long service leave	125	6
Annual leave	146	102
Skills and experience retention leave	2	4
Other employee related expenses	21	10
Total employee benefits expenses	2 562	2 155

Remuneration of employees	2016 Number of Employees	2015 Number of Employees
---------------------------	--------------------------------	--------------------------------

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

\$255 001 - \$265 000	-	1
\$295 001 - \$305 000	1	-
Total	1	1

The table includes all employees who received remuneration equal to or greater than the base executive remuneration level during the year. Remuneration reflects all costs of employment including salaries and wages, payment in lieu of leave, superannuation contributions, fringe benefits tax and any other salary sacrifice benefits. The employee reflected in the table is executive staff and total remuneration received by the employee for the year was **\$304 000** (2015: \$264 000).

6 — Remuneration of Board Members

Members that were entitled to receive remuneration for membership during the 2015-16 financial year were:

LSA Board	Applications and Rules Committee
Ms Juliet Brown (Chair)	Ms Arabella Branson (Chair)
Ms Melinda OLeary	Mr Joseph Ullianich
Mr Joseph Ullianich	Mr George Potter*
Mr Kenneth Williams	Ms Chloe Fox*
Mr George Potter*	
Ms Arabella Branson	
Ms Chloe Fox*	

Audit Committee	Finance and Investment Committee
Mr Joseph Ullianich (Chair)	Mr Kenneth Williams (Chair)
Ms Juliet Brown	Ms Juliet Brown
Mr Kenneth Williams	Ms Melinda OLeary
Mr George Potter*	

There were no changes to members.

The number of members whose remuneration received/receivable falls within the following bands:	2016 \$'000	2015 \$'000
\$1 - \$9 999		1
\$30 000 - \$39 999		1
\$40 000 - \$49 999	2	1
\$50 000 - \$59 999	4	4
\$90 000 - \$99 999	1	1
Total number of members	7	8

Remuneration of members reflects all costs of performing board/committee member duties including sitting fees, superannuation contributions, fringe benefits tax and any other salary sacrifice arrangements. The total remuneration received or receivable by members was **\$401 000** (2015: \$406 000).

Amounts paid to a superannuation plan for board/committee members was **\$35 000** (2015: \$35 000).

* In accordance with the Department of the Premier and Cabinet Circular No. 016, the LSA received an exemption for the remuneration of Government employees for board/committee duties during the financial year.

7 — Service Delivery and Corporate Expenses

	2016 \$'000	2015 \$'000
Professional fees	56	52
Information technology	370	96
Training and development	81	94
General administration and consumables	295	371
Accommodation and telecommunication	180	167
Consultants	15	37
Contractors and other outsourced services	56	71
Minor works maintenance and equipment	16	35
Service level agreement fees	273	249
Other expenses	198	186
Total service delivery and corporate expenses	1 540	1 358

The number and dollar amount of consultancies paid/payable (included in Service delivery and corporate expenses) that fell within the following bands:

	2016 Number	2015 Number	2016 \$'000	2015 \$'000
Below \$10 000	1	4	4	5
Above \$10 000	1	2	11	32
Total paid or payable to consultants engaged	2	6	15	37

8 — Auditor's Remuneration

	2016 \$'000	2015 \$'000
Audit fees paid or payable to the Auditor-General's Department	37	34
Total auditor's remuneration	37	34

Other services

No other services were provided by the Auditor-General's Department.

Auditor's remuneration costs are recognised in the Statement of Comprehensive Income and included in the balance of 'Service delivery and corporate expenses' (refer to Note 7).

9 — Amortisation

	2016 \$'000	2015 \$'000
Internally developed software	48	-
Leasehold improvements	74	49
Total amortisation expense	122	49

10 — Investment Revenues

	2016 \$'000	2015 \$'000
Interest income	34	53
Net gain on financial asset designated at fair value through profit or loss	9 508	5 435
Total investment revenues	9 542	5 488

11 — Other Revenues

	2016 \$'000	2015 \$'000
Service agreement for case management	57	-
Reinsurance recoveries	809	-
Total other revenues	866	-

12 — Cash & Cash Equivalents

	2016 \$'000	2015 \$'000
Deposits with the Treasurer	937	2 457
Total cash and cash equivalents	937	2 457

Interest rate risk

Deposits with the Treasurer are interest bearing and earn a variable interest rate. The carrying amount of cash and cash equivalents represents fair value.

13 — Receivables

	2016 \$'000	2015 \$'000
Current		
Accrued revenue	1 348	1 029
Prepayments*	815	649
Total current receivables	2 163	1 678
Non-current		
Reinsurance recoveries	809	-
Total non-current receivables	809	-
Total receivables	2 972	1 678

* \$769 000 (2015: \$612 000) of prepayments relates to reinsurance premium.

Interest rate and credit risk

Receivables are raised for all goods and services provided for which payment has not been received, are normally settled within 30 days, and are non-interest bearing.

It is not anticipated that counterparties will fail to discharge their obligations. The carrying amount of receivables approximates net fair value due to being receivable on demand. There is no concentration of credit risk.

Maturity Analysis of Receivables

Refer to Note 25

Categorisation of financial instruments and risk exposure information

Refer to Note 25

14 — Financial Assets at Fair Value

	2016 \$'000	2015 \$'000
Funds SA Untaxed Moderate Fund	292 943	165 435
Total financial assets at fair value	292 943	165 435

Categorisation of financial instruments and risk exposure information

Refer to Note 25

15 — Property, Plant and Equipment

	2016 \$'000	2015 \$'000
Leasehold improvements	147	147
Accumulated amortisation	(123)	(49)
Total leasehold improvements	24	98
Total property, plant and equipment	24	98

There were no indications of impairment of property, plant and equipment at 30 June 2016.

Reconciliation of property, plant and equipment

	Leasehold Improvements \$'000	Total \$'000
Movement of property, plant and equipment during 2015-16		
Carrying amount at the beginning of the year	98	98
Amortisation expense	(74)	(74)
Carrying amount at the end of the year	24	24

Movement of property, plant and equipment during 2014-15

Carrying amount at the beginning of the year	147	147
Amortisation expense	(49)	(49)
Carrying amount at the end of the year	98	98

16 — Intangible Assets

	2016 \$'000	2015 \$'000
Internally developed software - work in progress	-	311
Internally developed software	411	-
Accumulated amortisation	(48)	-
Total intangible assets	363	311

Reconciliation of intangible assets

	Internally Developed Software \$'000	Work in Progress \$'000	Total \$'000
Movement of intangible assets during 2015-16			
Carrying amount at the beginning of the year	-	311	311
Additions	-	100	100
Capital work in progress transfers	411	(411)	-
Amortisation expense	(48)	-	(48)
Carrying amount at the end of the year	363	-	363

Movement of intangible assets during 2014-15

Carrying amount at the beginning of the year	37	37
Additions	274	274
Carrying amount at the end of the year	311	311

The internally developed computer software relates to the LSA's participant management system (SALSA) with an estimated useful life of 5 years.

There were no indications of impairment for Intangible assets as at 30 June 2016.

17 — Fair Value Measurement (non-financial assets)

Fair value hierarchy

All non-financial assets are classified as Level 3 for fair value measurement, using significant unobservable inputs. The following is a reconciliation of movements:

	2016	2015
	\$'000	\$'000
Leasehold improvements		
Carrying amount at the beginning of the year	98	-
Additions	-	147
Amortisation expense	(74)	(49)
Total leasehold improvements	24	98

18 — Payables

	2016	2015
	\$'000	\$'000
Current		
Accrued expenses	3 702	1 875
Employment on-costs	36	29
Total current payables	3 738	1 904

Non-current

Employment on-costs	29	12
Total non-current payables	29	12
Total payables	3 767	1 916

As a result of an actuarial assessment performed for DTF, the proportion of long service leave taken as leave has changed from the 2015 rate (37%) to 40% and the average factor for the calculation of employer superannuation cost on-cost has also changed from the 2015 rate (of 10.3%) to 10.2%. These rates are used in the employment on-cost calculation. The net financial effect of the changes in the current financial year is an increase in the employment on-cost of \$1 000 and employee benefits expense of \$1 000.

Interest rate and credit risk

Employment on-costs are settled when the respective employee benefits that they relate to is discharged. All payables are non-interest bearing. The carrying amount of payables represents fair value due to the amounts being payable on demand.

18 — Payables (continued)

Maturity Analysis of Payables

Refer to Note 25

Categorisation of financial instruments and risk exposure information

Refer to Note 25

19 — Employee Benefits

Current	2016 \$'000	2015 \$'000
Accrued salaries and wages	49	17
Annual leave	161	121
Long service leave	12	78
Skills and experience retention leave	5	3
Total current employee benefits	227	219
Non-current		
Long service leave	317	133
Total non-current employee benefits	317	133
Total employee benefits	544	352

The actuarial assessment performed for DTF provides a basis for the measurement of long service leave liability. AASB 119 requires the use of the yield on long-term Commonwealth Government bonds as the discount rate for long service leave cash flows. This yield on long-term Commonwealth Government bonds decreased from 2015 (3%) to 2016 (2%).

The 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 in the current financial year is an increase in the long service leave liability of \$26 000. The impact on future periods is impracticable to estimate as the long service liability is calculated using a number of assumptions – a key assumption is the long-term discount rate.

The actuarial assessment left the salary inflation rate at 4% for long service leave liability and 3% for annual leave and skills, experience and retention leave liability. As a result, there is no net financial effect resulting from changes in the salary inflation rate.

20 — Provisions

Provision for participant treatment, care and support services

The liability for participant treatment, care and support is measured as the present value of the expected future payments. The present values after discounting are as follows:

	2016	2015
	\$'000	\$'000
Current		
Provision for participant treatment, care and support	8 559	7 239
Total current provision	8 559	7 239

Non-current

Provision for participant treatment, care and support	194 418	85 546
Total current provision	194 418	85 546
Total provisions	202 977	92 785

	2016	2015
	\$'000	\$'000
Not later than one year	8 559	7 239
Later than one year but not later than five years	37 846	18 062
Later than five years but not later than ten years	34 587	15 910
Later than ten years	121 985	51 574
Total	202 977	92 785

	2016	2015
	\$'000	\$'000
Movement in Provisions		
Movements in the provision for participant care and support during the financial year		
Carrying amount at the beginning of the year	92 785	-
Additions	110 192	92 785
Carrying amount at the end of the year	202 977	92 785

Sensitivity analysis for the valuation as at 30 June 2016

The liability represents the best estimate and is based on standard actuarial assessment. The table below shows sensitivities to some of the key actuarial assumptions used in the valuation. Significant uncertainty exists in the estimate due to the long-term nature of the liability, and the ultimate liability is subject to the outcomes of events yet to occur. These include, but are not limited to, factors such as the improvement in the injury severity of participants, mortality assumptions and levels of future treatment, care and support provided to participants.

20 — Provisions (continued)

	30 June 2016 Liability \$m	Effect on Liability \$m	Percentage Effect %
Central estimate of provisions	203.0		
Different long term gap assumptions			
a. One per cent per annum lower for all future years	239.6	36.6	18%
b. One per cent per annum higher for all future years	173.5	-29.5	-15%
Mortality assumptions			
a. One per cent per annum increase in mortality improvement	213.4	10.4	5%
b. One per cent per annum decrease in mortality improvement	190.8	-12.2	-6%
Other assumptions			
a. All participants with a brain injury decrease by 1 score on the CANS scale	161.3	-41.7	-21%
b. Long term attendant care rate (in 2016/17 dollars) is 10% higher (increased to \$59 per hour)	217.5	14.5	7%

Actuarial assumptions and methods

In determining the liability each participant is valued on an individual level based on their injury, age and expected future care needs. The following assumptions were used in determining the liability:

	2016	2015
Weighted mean term	Years	Years
Uninflated, undiscounted	22.0	21.1
Inflated, discounted	17.2	16.7
	2016	2015
Equivalent single rate (all future years)	%	%
Inflation rate	4.25	4.25
Investment return rate	6.25	6.25

20 — Provisions (continued)

Definitions

Inflated mean term

The inflated mean term represents the dollar weighted average period to payment of claims and is unaffected by discounting. It provides an indication of the timeframe over which the LSA must manage and control the cost of these claims.

Discounted mean term

The discounted mean term is based on the inflated and discounted cash flows weighted by the period to payment.

Inflation

Wage inflation is adopted as the base for the inflation of projected future payments and is set by reference to long term economic indicators. Inflation is with reference to wage inflation (a key driver of attendant care costs and rehabilitation type services). A rate of 3.5% (2015: 3.5%) p.a. has been adopted.

Inflation also includes an allowance for superimposed inflation, i.e. the growth in claims cost not explained by underlying inflation or other factors. This includes an allowance for:

- medical inflation costs to grow faster than underlying inflation (0.75% p.a. for all services plus an additional 0.5% p.a. for medical services for participants with a brain injury)
- attendant care costs to grow faster than underlying inflation (market supply and demand for services) by 0.75% p.a.

Discount rates

The adopted discount rate reflects the expected long term return for the LSA's portfolio of assets.

21 — Unrecognised Contractual Commitments

a — Capital commitments

Capital expenditure contracted for at the reporting date but not recognised as liabilities in the financial report.

	2016	2015
	\$'000	\$'000
No later than one year	-	18
Total capital commitments	-	18

b — Expenditure commitments

Expenditure commitments include contracts for services such as reinsurance and actuarial services. Commitments in existence at the reporting date but not recognised as liabilities are payable as follows:

	2016	2015
	\$'000	\$'000
No later than one year	3 787	1 107
Later than one year but not later than five years	88	353
Total other commitments	3 875	1 460

c — Operating lease commitments

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

	2016	2015
	\$'000	\$'000
No later than one year	20	10
Total operating lease commitments	20	10

At the reporting date, the LSA has an operating lease for office accommodation. Office accommodation is leased from the Department of Planning, Transport and Infrastructure. Rental is payable in arrears.

22 — Contingent Assets and Liabilities

The LSA is not aware of any contingent assets or liabilities, and has not made any guarantees.

23 — Cash Flow Reconciliation

	2016 \$'000	2015 \$'000
Reconciliation of cash and cash equivalents at the end of the reporting period		
Cash and cash equivalents disclosed in the Statement of Financial Position	937	2 457
Balance as per the Statement of Cash Flows	937	2 457
Reconciliation of net cash provided by operating activities to net cost of providing services		
Net cash provided by operating activities	116 580	119 949
Add non-cash items		
Amortisation expense	(122)	(49)
Unrealised gain/(loss) on financial assets	9 508	5 435
Movements in assets and liabilities		
Increase / (decrease) in receivables	1 294	628
(Increase) / decrease in payables	(1 851)	(1 544)
(Increase) / decrease in employee benefits	(192)	(257)
(Increase) / decrease in provisions	(110 192)	(92 785)
Net result from operating activities	15 025	31 377

24 — Transactions with SA Government

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

	Note	SA Government		Non-SA Government		Total	
		2016	2015	2016	2015	2016	2015
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Expenses							
Participant treatment care and support expenses	4	7 794	11 719	110 028	83 354	117 822	95 073
Duty on LSS Fund levy		14 377	13 956	-	-	14 377	13 956
Reinsurance		-	-	3 390	2 598	3 390	2 598
Employee benefits expenses	5	146	109	2 416	2 046	2 562	2 155
Service delivery and corporate expenses	7						
— Professional fees		-	-	56	52	56	52
— Information technology		-	-	370	108	370	108
— Training and development		-	-	81	91	81	91
— General administration and consumables		-	-	295	372	295	372
— Accommodation and telecommunication		164	-	16	167	180	167
— Consultants		-	-	15	37	15	37
— Contractors and other outsourced services		-	-	56	71	56	71
— Minor works maintenance and equipment		-	-	16	35	16	35
— Service level agreement fees		273	249	-	-	273	249
— Other		-	-	198	176	198	176
Research education programs		-	-	595	-	595	-
Amortisation expense	9	-	-	122	49	122	49
Service agreement for case management		-	-	55	-	55	-
Total expenses		22 754	26 033	117 709	89 156	140 463	115 189

24 — Transactions with SA Government (continued)

	Note	SA Government		Non-SA Government		Total	
		2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Income							
Revenues from LSS Fund levy		-	-	145 080	141 078	145 080	141 078
Investment revenues	10	9 542	5 488	-	-	9 542	5 488
Other revenue		-	-	866	-	866	-
Total income		9 542	5 488	145 946	141 078	155 488	146 566
Financial assets							
Receivables	13	-	-	2 972	1 678	2 972	1 678
Financial assets at fair value	14	292 943	165 435	-	-	292 943	165 435
Total financial assets		292 943	165 435	2 972	1 678	295 915	167 113
Financial liabilities							
Payables	18	3 252	1 566	515	350	3 767	1 916
Employee benefits	19	-	-	544	352	544	352
Provisions	20	11 900	9 768	191 077	83 017	202 977	92 785
Total financial liabilities		15 152	11 334	192 136	83 719	207 288	95 053

25 — Financial instruments / financial risk management

The LSA's principal financial instruments are outlined below. These financial instruments arise directly from the LSA's operations or are required to finance the LSA's operations. The LSA does not enter into or trade financial instruments, including derivative instruments, for speculative purposes.

The LSA's main risks arising from financial instruments are outlined below, together with its objectives, policies and processes for measuring and managing risk.

The Board has overall responsibility for the establishment and oversight of risk management and reviews and has approved policies for managing each of these risks. The LSA's *Investment Policy Statement* describes the governance framework within which the LSA's investments are managed and monitored.

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 Note 2 Summary of Significant Accounting Policies.

Refer table 25.2 for the carrying amounts of each of the categories of financial assets and liabilities.

25 — Financial instruments / financial risk management (continued)

Fair value measurement

AASB 7 Financial Instrument Disclosures requires disclosure of fair value measurement by level of the following fair value measurement hierarchy:

Level 1 quoted prices (unadjusted) in active markets for identical assets.

Level 2 inputs other than quoted prices included within level 1 that are observable for the asset either directly (as prices) or indirectly (derived from prices).

Level 3 inputs for the asset that are not based on observable market data (unobservable inputs)

The table below presents LSA's financial assets, consisting of investments in unlisted unit trusts managed by Funds SA, and measured and recognised at fair value.

Table 25.1 LSA Categories of Fair Value Measurement:

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Financial assets at fair value				
30 June 2016				
Funds SA Untaxed Moderate Fund	-	292 943	-	292 943
Financial assets at fair value				
30 June 2015				
Funds SA Untaxed Moderate Fund	-	165 435	-	165 435

Credit risk

Credit risk arises when there is the possibility of the LSA's debtors defaulting on their contractual obligations resulting in financial loss to the LSA. The LSA measures credit risk on a fair value basis and monitors risk on a regular basis.

The LSA has no concentration of credit risk. The LSA does not engage in high risk hedging for its financial assets.

The LSA has no financial assets past due.

The following table discloses the maturity analysis of financial assets and financial liabilities.

25 — Financial instruments / financial risk management (continued)

Table 25.2 LSA Categorisation and maturity analysis of financial assets and liabilities

Category of financial asset and financial liability	Note	2016 Carrying amount/ fair value	2016 Contractual Maturities			
			Current	Within 1 year	1-5 years	More than 5 years
		\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets						
Cash and cash equivalents	12	937	937	-	-	-
Receivables ^{1,2}	13	866	57	-	-	809
Financial assets at fair value ³	14	292 943	292 943	-	-	-
Total financial assets		294 746	293 937	-	-	809
Financial liabilities						
Payables ¹	18	2 485	2 485	-	-	-
Total financial liabilities		2 485	2 485	-	-	-

Category of financial asset and financial liability	Note	2015 Carrying amount/ fair value	2015 Contractual Maturities			
			Current	Within 1 year	1-5 years	More than 5 years
		\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets						
Cash and cash equivalents	12	2 457	2 457	-	-	-
Receivables ^{1,2}	13	5	5	-	-	-
Financial assets at fair value ³	14	165 435	165 435	-	-	-
Total financial assets		167,897	167,897	-	-	-
Financial liabilities						
Payables ¹	18	640	640	-	-	-
Total financial liabilities		640	640	-	-	-

25 — Financial instruments / financial risk management (continued)

- ¹ *Receivable and payable amounts disclosed here exclude amounts relating to statutory receivables and payables (eg 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 etc they would be excluded from the disclosure. The standard defines contract as enforceable by law. All amounts recorded are carried at cost (not materially different from amortised cost).*
- ² *Receivable amount disclosed here excludes prepayments. Prepayments are presented in Note 13 as trade and other receivables in accordance with paragraph 78(b) of AASB 101. However, prepayments are not financial assets as defined by AASB 132 as the future economic benefits of these assets is the receipt of goods and services rather than right to receive cash or another financial asset.*
- ³ *The LSA invests in Funds SA's untaxed multi-sector funds. The intention is to hold the investments on a long term basis, however, investments are available for a withdrawal at call.*

Liquidity risk

Liquidity risk arises where the LSA is unable to meet its financial obligations as they fall due. The continued existence of the LSA is dependent on State Government policy for the LSA's administration and programs. The LSA settles undisputed accounts within 30 days from the date of the invoice or date the invoice is first received. In the event of a dispute, payment is made 30 days from resolution.

The LSA's exposure to liquidity risk is insignificant based on past experience and current assessment of risk.

The carrying amount of financial liabilities recorded in Table 25.2 represent the LSA's maximum exposure to financial liabilities.

Market risk

Market risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The LSA's exposures to market risk are primarily associated with movement in the unit price of the investments with Funds SA. The LSA does not have direct exposure to foreign currency risk and its direct exposure to interest rate risk is insignificant based on a current assessment of risk.

The LSA does not trade in foreign currency, enter into transactions for speculative purposes, nor for hedging. The LSA does not undertake any hedging in relation to interest or foreign currency risk and manages its risk as per the Government's risk management strategy articulated in Treasurer's Instruction.

25 — Financial instruments / financial risk management (continued)

Sensitivity disclosure analysis

A sensitivity analysis for a movement in the unit price of the investments with Funds SA is provided in the table below. The sensitivity analysis uses historically based volatility information collected over a 10 year period, quoted at two standard deviations (i.e. 95% probability). A reasonably possible change is based on the percentage change in unit price multiplied by the redemption value as at 30 June 2016.

	Change in Unit Price		Impact on profit and loss		Impact on equity	
	2016 %	2015 %	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Funds SA Untaxed	20.3	24.7	59 467	40 862	59 467	40 862
Moderate Fund*	-6.8	-9.7	(19 920)	(16 047)	(19 920)	(16 047)

Capital Management

To provide for a financially responsible and sustainable LSS over the long term, the LSA aims to maintain an appropriate capital balance to act as a buffer against uncertainties in the value of outstanding claims liabilities and investment returns. Detailed financial modelling suggests that the LSS's funding position will be at its most vulnerable to these uncertainties in the earlier years of the LSS.

The LSA has adopted for the LSS a minimum probability of sufficiency of 65% (the chance that the capital of the LSS is expected to be adequate to cover actual outcomes) through a solvency margin in excess of actuarial provisions. As at 30 June 2016, the probability of sufficiency for the LSS was 69%.

The Board continually reviews the LSA's funding position, and assesses the policy on an annual basis to ensure it remains appropriate.

26 — Events after the reporting period

No circumstance has arisen that has affected or may significantly affect the LSA's operations since 30 June 2016

Actuarial Certificate



Actuarial and Insurance Consultants

Lifetime Support Authority of South Australia Actuarial Certificate Outstanding Claim Liabilities as at 30 June 2016

Finity Consulting Pty Limited ("Finity") has been requested by the Lifetime Support Authority of South Australia ("LSA") to undertake an actuarial review of the Lifetime Support Scheme ("LSS" or "the Scheme") as at 30 June 2016 under the *Motor Vehicle Accidents (Lifetime Support Scheme) Act 2013* ("the Act").

Data

We have relied on the accuracy and completeness of the data and other information (qualitative, quantitative, written and verbal) provided to us by LSA for the purpose of making our estimates. We have not independently verified or audited the data but we have reviewed it for general reasonableness and consistency. We have evaluated the information provided through inquiry, analysis and review, and nothing has come to our attention to indicate the information provided was materially misstated or would not afford reasonable ground upon which to base our estimates.

Basis of Our Estimates

We have calculated a central estimate of the outstanding claim liabilities, meaning that our assumptions have been selected to yield estimates which are not knowingly above or below the ultimate liabilities. Our estimates are discounted, i.e. they allow for the time value of money, they include allowance for future expenses incurred in the management of the outstanding claims and they are net of expected recoveries.

Where appropriate, our estimates have been prepared in accordance with the Actuaries Institute's Professional Standard 300 ("PS 300"). Some of the requirements of PS 300 are not applicable to our valuation and where this is the case we have specifically documented this in our report.

Australian Accounting Standard 137 (AASB 137) applies to the Scheme in preparing an estimate of the outstanding claims liability in its annual financial statements. We have prepared our estimate of outstanding claims to be consistent with this Accounting Standard's requirements.

Valuation Results and Provisions

The Scheme's outstanding claim liabilities are the value of payments to be made after 30 June 2016 in respect of injured persons eligible or expected to become eligible for Scheme participation whose injuries, under the provisions of the Act, arose on or before that date.

Our central estimate of the Scheme's outstanding claims liability as at 30 June 2016 is \$202.2 million. The Scheme has provided \$202.2 million in its financial statements as at 30 June 2016 for the net outstanding claim liabilities. These amounts are made up as follows:

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Actuarial and Insurance Consultants

Table 1 - Outstanding Claim Liabilities at 30 June 2016 – Lifetime Support Scheme

	Provision
	\$m
Gross Outstanding Claims Liability	203.0
Receivables	0.8
Provision for Outstanding Claims	202.2

In our opinion, this provision is established appropriately in accordance with relevant accounting and actuarial standards and includes a reasonable central estimate of the net liability including allowance for IBNR (Incurred But Not Reported), claim handling expenses and discounting for the time value of money.

Uncertainty

It is not possible to put a value on outstanding claim liabilities with certainty. We have prepared our estimates on the basis that they represent our current assessment of the likely future experience of the Scheme. However, deviations of the actual experience from our estimates are normal and to be expected.

There is a limitation upon the accuracy of the estimates in this certificate in that there is an inherent uncertainty in any estimate of outstanding claims. This is due to the fact that the ultimate liability for claims is subject to the outcome of events yet to occur. These include, but are not limited to, the mortality rate and participants' injury severity improvements within the Scheme, the number of participants accepted into the Scheme, future levels of care and support provided to participants and the behaviour of stakeholders such as LSS's management or service providers (including price adjustments).

In our judgement we have employed techniques and assumptions that are appropriate and we believe that conclusions presented herein are reasonable, given the information currently available.

Reports

Full details of the data, methodology, assumptions and results of our valuation are set out in our reports to LSA dated 30 August 2016.

Aaron Cutter

Gillian Harrex

Fellows of the Institute of Actuaries of Australia

30 August 2016

Independent Auditor's Report

INDEPENDENT AUDITOR'S REPORT



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Auditor-General's Department

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To the Chair of the Board Lifetime Support Authority of South Australia

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987* and section 21(2) of the *Motor Vehicle Accidents (Lifetime Support Scheme) Act 2013*, I have audited the accompanying financial report of the Lifetime Support Authority of South Australia for the financial year ended 30 June 2016. The financial report comprises:

- a Statement of Comprehensive Income for the year ended 30 June 2016
- a Statement of Financial Position as at 30 June 2016
- a Statement of Changes in Equity for the year ended 30 June 2016
- a Statement of Cash Flows for the year ended 30 June 2016
- notes, comprising a summary of significant accounting policies and other explanatory information
- a Certificate from the Chair, the Acting Chief Executive and the Director Corporate.

The Board's responsibility for the financial report

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

Auditor's responsibility

My responsibility is to express an opinion on the financial report based on the audit. The audit was conducted in accordance with the requirements of the *Public Finance and Audit Act 1987* and Australian Auditing Standards. The auditing standards require that the auditor comply with relevant ethical requirements and that the auditor plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the Board, as well as evaluating the overall presentation of the financial report.

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

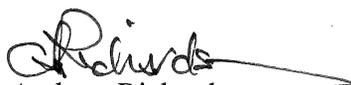
My report refers only to the financial statements described above and does not provide assurance over the integrity of publication of the financial report on the Lifetime Support Authority of South Australia's website nor does it provide an opinion on any other information which may have been hyperlinked to/from these statements.

Opinion

In my opinion, the financial report gives a true and fair view of the financial position of the Lifetime Support Authority of South Australia as at 30 June 2016, its financial performance and its cash flows for the year then ended in accordance with the Treasurer's Instructions promulgated under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards.

Significant inherent uncertainty – provision for participants' treatment, care and support services

Without qualification to the opinion expressed above, attention is drawn to notes 2.11 and 20 of the financial report. There is significant inherent uncertainty surrounding the estimate of the provision for participants' treatment, care and support services because of the long-term nature of the provision and limited participants' experience to date. This uncertainty will remain until sufficient participants' experience is available.



Andrew Richardson

Auditor-General

19 September 2016

Lifetime
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