

# South Australian Fire and Emergency Services Commission

Financial report  
for the year ended  
30 June 2021



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**To the Presiding Officer  
South Australian Fire and Emergency Services Commission Board**

## Opinion

I have audited the financial report of the South Australian Fire and Emergency Services Commission and the consolidated entity comprising the South Australian Fire and Emergency Services Commission and its controlled entities for the financial year ended 30 June 2021.

In my opinion, the accompanying financial report gives a true and fair view of the financial position of the South Australian Fire and Emergency Services Commission and its controlled entities as at 30 June 2021, their financial performance and their cash flows for the year then ended in accordance with relevant Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards.

The consolidated financial report comprises:

- a Statement of Comprehensive Income for the year ended 30 June 2021
- a Statement of Financial Position as at 30 June 2021
- a Statement of Changes in Equity for the year ended 30 June 2021
- a Statement of Cash Flows for the year ended 30 June 2021
- notes, comprising significant accounting policies and other explanatory information
- a Statement of Administered Comprehensive Income for the year ended 30 June 2021
- a Statement of Administered Financial Position as at 30 June 2021
- a Statement of Administered Cash Flows for the year ended 30 June 2021
- notes, comprising significant accounting policies and other explanatory information for administered items
- a Certificate from the Presiding Officer, the Chief Executive and the Manager Financial Services.

## Basis for opinion

I conducted the audit in accordance with the *Public Finance and Audit Act 1987* and Australian Auditing Standards. My responsibilities under those standards are further

described in the 'Auditor's responsibilities for the audit of the financial report' section of my report. I am independent of the South Australian Fire and Emergency Services Commission and its controlled entities. The *Public Finance and Audit Act 1987* establishes the independence of the Auditor-General. In conducting the audit, the relevant ethical requirements of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* have been met.

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

### **Responsibilities of the Chief Executive and the Board for the financial report**

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

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

The South Australian Fire and Emergency Services Commission Board is responsible for overseeing the entity's financial reporting process.

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

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987* and section 21(2) of the *Fire and Emergency Services Act 2005*, I have audited the financial report of the South Australian Fire and Emergency Services Commission for the financial year ended 30 June 2021.

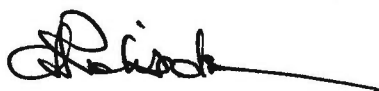
My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an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

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

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the South Australian Fire and Emergency Services Commission's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Chief Executive
- conclude on the appropriateness of the Chief Executive's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify the opinion. My conclusion is based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

I communicate with the Chief Executive and Board about, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during the audit.



Andrew Richardson

**Auditor-General**

24 September 2021

**South Australian Fire and Emergency Services  
Commission  
(SAFECOM)**

**Financial Statements**

For the year ended 30 June 2021

**South Australian Fire and Emergency Services Commission**  
**Certification of Financial Statements**  
*for the year ended 30 June 2021*

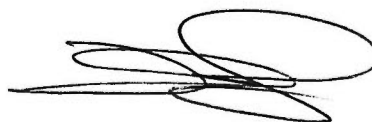
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We certify that the:

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



Julia Waddington-Powell  
Presiding Officer and Chief Executive  
South Australian Fire and Emergency Services  
Commission Board  
17 September 2021



Julia Waddington-Powell  
Chief Executive  
South Australian Fire and Emergency Services  
Commission  
17 September 2021



Julie Best  
Manager Financial Services  
17 September 2021

**South Australian Fire and Emergency Services Commission**  
**Statement of Comprehensive Income**  
*for the year ended 30 June 2021*

	Note	Consolidated		SAFECOM Entity	
		2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
<b>Income</b>					
Contributions from the Community Emergency Services Fund	2.1	293 123	302 970	17 823	14 403
Fees and charges	2.2	5 551	8 565	-	-
Grants and contributions	2.3	5 429	7 914	1 670	1 670
SA Government grants, subsidies and transfers	2.4	19 869	21 468	8 841	2 101
Interest revenues	2.5	20	89	1	20
Other income	2.6	2 787	4 651	953	797
<b>Total income</b>		<b>326 779</b>	<b>345 657</b>	<b>29 288</b>	<b>18 991</b>
<b>Expenses</b>					
Employee benefits expenses	3.3	184 561	154 728	8 965	8 534
Supplies and services	4.1	103 579	109 295	13 217	8 420
Depreciation and amortisation	4.2	26 967	24 964	817	637
Grants and subsidies		2 590	3 798	1 803	2 331
Borrowing costs		197	114	-	1
Net loss from disposal of non-current assets	4.3	885	240	-	-
Other expenses	4.4	776	1 662	-	1 269
<b>Total expenses</b>		<b>319 555</b>	<b>294 801</b>	<b>24 802</b>	<b>21 192</b>
<b>Net result</b>		<b>7 224</b>	<b>50 856</b>	<b>4 486</b>	<b>(2 201)</b>
<b>Other comprehensive income</b>					
<i>Items that will not be reclassified to net result</i>					
Changes in asset revaluation surplus	5.1	-	71 484	-	161
Gains or losses recognised directly in equity		15	(14)	-	-
<b>Total other comprehensive income</b>		<b>15</b>	<b>71 470</b>	<b>-</b>	<b>161</b>
<b>Total comprehensive result</b>		<b>7 239</b>	<b>122 326</b>	<b>4 486</b>	<b>(2 040)</b>

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

**South Australian Fire and Emergency Services Commission**  
**Statement of Financial Position**  
*as at 30 June 2021*

	Note	Consolidated		SAFECOM Entity	
		2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
<b>Current assets</b>					
Cash and cash equivalents	6.1	40 264	37 185	10 744	3 074
Receivables	6.2	8 468	13 816	806	2 962
Other financial assets	6.3	2 008	2 246	-	-
Non-current assets classified as held for sale	6.4	500	742	-	-
<b>Total current assets</b>		<b>51 240</b>	<b>53 989</b>	<b>11 550</b>	<b>6 036</b>
<b>Non-current assets</b>					
Property, plant and equipment	5.1	465 268	445 030	967	940
Intangible assets	5.4	2 676	3 371	2 386	2 880
<b>Total non-current assets</b>		<b>467 944</b>	<b>448 401</b>	<b>3 353</b>	<b>3 820</b>
<b>Total assets</b>		<b>519 184</b>	<b>502 390</b>	<b>14 903</b>	<b>9 856</b>
<b>Current liabilities</b>					
Payables	7.1	23 691	15 699	2 380	1 975
Employee liabilities	3.4	27 608	25 608	1 372	1 279
Financial liabilities	7.2	2 063	1 640	11	18
Provisions	7.3	7 509	7 719	59	57
<b>Total current liabilities</b>		<b>60 871</b>	<b>50 666</b>	<b>3 822</b>	<b>3 329</b>
<b>Non-current liabilities</b>					
Payables	7.1	5 303	5 300	202	196
Employee liabilities	3.4	33 571	33 744	2 146	2 113
Financial liabilities	7.2	11 352	4 110	8	8
Provisions	7.3	57 458	65 180	333	304
<b>Total non-current liabilities</b>		<b>107 684</b>	<b>108 334</b>	<b>2 689</b>	<b>2 621</b>
<b>Total liabilities</b>		<b>168 555</b>	<b>159 000</b>	<b>6 511</b>	<b>5 950</b>
<b>Net assets</b>		<b>350 629</b>	<b>343 390</b>	<b>8 392</b>	<b>3 906</b>
<b>Equity</b>					
Retained earnings		214 292	207 068	8 231	3 745
Asset revaluation surplus		136 330	136 330	161	161
Investment market value reserve		7	(8)	-	-
<b>Total equity</b>		<b>350 629</b>	<b>343 390</b>	<b>8 392</b>	<b>3 906</b>

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



**South Australian Fire and Emergency Services Commission**  
**Statement of Changes in Equity**  
*for the year ended 30 June 2021*

	Note	Consolidated			Total equity
		Investments market value reserve	Asset Revaluation surplus	Retained earnings	
		\$'000	\$'000	\$'000	\$'000
<b>Balance at 1 July 2019</b>		6	64 846	156 212	221 064
<b>Net result for 2019-20</b>		-	-	50 856	50 856
Gain on revaluation of land and buildings during 2019-20		-	35 677	-	35 677
Gain on revaluation of vehicles during 2019-20		-	30 256	-	30 256
Gain on revaluation of plant and equipment during 2019-20		-	5 551	-	5 551
Gains or losses recognised directly in equity		(14)	-	-	(14)
<b>Total comprehensive result for 2019-20</b>		<b>(14)</b>	<b>71 484</b>	<b>50 856</b>	<b>122 326</b>
<b>Balance at 30 June 2020</b>		<b>(8)</b>	<b>136 330</b>	<b>207 068</b>	<b>343 390</b>
<b>Net result for 2020-21</b>		-	-	7 224	7 224
Gains or losses recognised directly in equity		15	-	-	15
<b>Total comprehensive result for 2020-2021</b>		<b>15</b>	<b>-</b>	<b>7 224</b>	<b>7 239</b>
<b>Balance at 30 June 2021</b>		<b>7</b>	<b>136 330</b>	<b>214 292</b>	<b>350 629</b>

	Note	SAFECOM Entity			Total equity
		Investments market value reserve	Asset Revaluation surplus	Retained earnings	
		\$'000	\$'000	\$'000	\$'000
<b>Balance at 1 July 2019</b>		-	-	5 946	5 946
<b>Net result for 2019-20</b>		-	-	(2 201)	(2 201)
Gain on revaluation of land and buildings during 2019-20		-	4	-	4
Gain on revaluation of plant and equipment during 2019-20		-	157	-	157
<b>Total comprehensive result for 2019-20</b>		<b>-</b>	<b>161</b>	<b>(2 201)</b>	<b>(2 040)</b>
<b>Balance at 30 June 2020</b>		<b>-</b>	<b>161</b>	<b>3 745</b>	<b>3 906</b>
<b>Net result for 2020-21</b>		-	-	4 486	4 486
<b>Total comprehensive result for 2020-2021</b>		<b>-</b>	<b>-</b>	<b>4 486</b>	<b>4 486</b>
<b>Balance at 30 June 2021</b>		<b>-</b>	<b>161</b>	<b>8 231</b>	<b>8 392</b>

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

**South Australian Fire and Emergency Services Commission**  
**Statement of Cash Flows**  
*for the year ended 30 June 2021*

	Note	Consolidated		SAFECOM Entity	
		2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
<b>Cash flows from operating activities</b>					
<b>Cash inflows</b>					
Contributions from CESF		293 123	302 970	17 823	14 403
SA Government grants, subsidies and transfers		26 943	21 451	11 107	2 101
Receipts from fees and charges		5 551	4 164	-	50
Receipts from grants and contributions		5 429	7 914	1 670	-
Interest received		20	89	1	20
GST recovered from the ATO		14 622	13 003	3 541	2 578
Receipts for paid parental leave scheme		93	195	30	27
Other receipts		3 862	3 484	972	117
<b>Cash generated from operations</b>		<b>349 643</b>	<b>353 270</b>	<b>35 144</b>	<b>19 296</b>
<b>Cash outflows</b>					
Employee benefit payments		(190 305)	(185 266)	(8 796)	(8 597)
Payments for supplies and services		(120 968)	(129 172)	(16 492)	(11 708)
Payments of grants and subsidies		(2 590)	(3 798)	(1 803)	(2 331)
Payments for paid parental leave scheme		(84)	(186)	(30)	(27)
Interest paid		(197)	(114)	-	(1)
<b>Cash used in operations</b>		<b>(314 144)</b>	<b>(318 536)</b>	<b>(27 121)</b>	<b>(22 664)</b>
<b>Net cash provided by / (used in) operating activities</b>	8.1	<b>35 499</b>	<b>34 734</b>	<b>8 023</b>	<b>(3 368)</b>
<b>Cash flows from investing activities</b>					
<b>Cash inflows</b>					
Proceeds from the sale of property, plant and equipment	4.3	810	610	-	-
Proceeds from sale of investments		253	201	-	-
<b>Cash generated from investing activities</b>		<b>1 063</b>	<b>811</b>	<b>-</b>	<b>-</b>
<b>Cash outflows</b>					
Purchase of property, plant and equipment		(31 568)	(31 193)	(332)	(1 136)
Payments for the disposal of property		(52)	(5)	-	-
<b>Cash used in investing activities</b>		<b>(31 620)</b>	<b>(31 198)</b>	<b>(332)</b>	<b>(1 136)</b>
<b>Net cash used in investing activities</b>		<b>(30 557)</b>	<b>(30 387)</b>	<b>(332)</b>	<b>(1 136)</b>
<b>Cash flows from financing activities</b>					
<b>Cash outflows</b>					
Repayment of principal portion of leases		(1 863)	(1 753)	(21)	(21)
<b>Cash used by financing activities</b>		<b>(1 863)</b>	<b>(1 753)</b>	<b>(21)</b>	<b>(21)</b>
<b>Net cash used in financing activities</b>		<b>(1 863)</b>	<b>(1 753)</b>	<b>(21)</b>	<b>(21)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>		<b>3 079</b>	<b>2 594</b>	<b>7 670</b>	<b>(4 525)</b>
Cash and cash equivalents at the beginning of the reporting period		37 185	34 591	3 074	7 599
<b>Cash and cash equivalents at the end of the reporting period</b>	6.1	<b>40 264</b>	<b>37 185</b>	<b>10 744</b>	<b>3 074</b>

The accompanying notes form part of the financial statements.

**South Australian Fire and Emergency Services Commission**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2021*

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**South Australian Fire and Emergency Services Commission**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2021*

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# South Australian Fire and Emergency Services Commission

## Notes to and forming part of the financial statements

### for the year ended 30 June 2021

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#### 1. About the South Australian Fire and Emergency Services Commission

The South Australian Fire and Emergency Services Commission (SAFECOM) is established under the *Fire and Emergency Services Act 2005* (the Act). SAFECOM is a not-for-profit body corporate and agency of the Crown, established under the Act.

The Act also defines the Emergency Services Sector as consisting of the:

- South Australian Fire and Emergency Services Commission
- South Australian State Emergency Service (SASES)
- South Australian Country Fire Service (SACFS)
- South Australian Metropolitan Fire Service (SAMFS).

SAFECOM does not control any other entity and has no interest in unconsolidated structured entities.

Transactions and balances relating to administered resources are not recognised as SAFECOM income, expenses, assets and liabilities. As administered, the activities of the Community Emergency Services Fund (the fund) items are significant in relation to SAFECOM's overall financial performance and position and therefore are disclosed in the administered financial statements (schedule of administered items) at the back of the controlled general purpose financial statements. Except as otherwise disclosed, administered items are accounted for on the same basis and using the same accounting policies as for SAFECOM items.

The SASES administers, but does not control, certain activities on behalf of the Australian Council of State and Territory Emergency Services. It is accountable for the transactions relating to those trust activities but does not have the discretion, for example, to deploy the resources for the achievement of the SASES's own objectives.

Transactions and balances relating to the trust assets are not recognised as SASES's income, expenses, assets and liabilities, but are disclosed in note 9.4 as 'Trust Funds'.

The accrual basis of accounting and applicable accounting standards has been adopted.

#### 1.1. Basis of preparation

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

- section 23 of the *Public Finance and Audit Act 1987* (PFAA).
- Treasurer's Instructions and Accounting Policy Statements promulgated under the provisions of the *Public Finance and Audit Act 1987*.
- relevant Australian Accounting Standards

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

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

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

**South Australian Fire and Emergency Services Commission**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2021*

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**1.1. Basis of preparation (continued)**

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

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

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

Cash flows are included in the Statement of Cash Flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the ATO is classified as part of operating cash flows.

GST receivables/payables associated with administered items transactions are included in SAFECOM statements.

SAFECOM is not subject to Income Tax. SAFECOM is liable for Payroll Tax, Fringe Benefits Tax (FBT) and Goods and Services Tax (GST).

Significant accounting policies are set out throughout these notes.

**1.2. Principles of consolidation**

Section 21 of the Act requires the Commission to have consolidated statements of account for the Emergency Services Sector to be prepared in respect of each financial year.

The financial statements incorporate the assets and liabilities of all entities comprising the Emergency Services Sector as at 30 June 2021 and the results of these entities for the year then ended. The effects of all transactions between entities in the consolidated entity are eliminated in full.

**1.3. Objectives and Programs**

**Objectives**

SAFECOM has the following objectives:

- to develop and maintain a strategic and policy framework as well as sound corporate governance across the Emergency Services Sector
- to provide adequate support services to the emergency services organisations and to ensure the effective allocation of resources within the Emergency Services Sector
- to ensure relevant statutory compliance by the emergency services organisations
- to build a safer community through integrated emergency service delivery
- to undertake a leadership role in the emergency management
- to report regularly to the Minister about relevant issues.

**Programs**

In achieving its objectives, SAFECOM provides strategic and corporate support services to the SACFS, SAMFS, SASES and emergency management initiatives across the state, administering a range of joint state and Commonwealth Government grant funded initiatives. These services are classified under one program titled "Fire and Emergency Services Strategic Services and Business Support".

**South Australian Fire and Emergency Services Commission**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2021*

**1.4. Impact of COVID-19 pandemic on the Emergency Services Sector**

The COVID-19 pandemic has impacted on the operations of the Emergency Services Sector and the impacts are included under the relevant disclosure notes. The key impacts in 2020-21 were:

- Additional expenditure to keep personnel safe while maintaining service delivery to the community (SAFECOM: \$0.017 million, Consolidated: \$0.595 million)
- Additional expenditure to support the South Australian response to the COVID-19 pandemic. (SAFECOM: \$2.774 million, Consolidated: \$6.009 million)
- Reduced capital expenditure and delays in supplier delivery time frames due to supplier business restrictions.

The Emergency Services Sector has considered the possible impact of the COVID-19 pandemic on property, plant and equipment valuations and has concluded that there is no observable evidence of what that impact would be at this stage.

**1.5. Budget performance**

The budget performance table compares SAFECOM's outcomes against budget information presented to Parliament (2020-21 Budget Paper 4). The budget amounts have not been adjusted to reflect revised budgets or administrative restructures. The budget process is not subject to audit.

		Original budget 2021 \$'000	SAFECOM Actual 2021 \$'000	Variance 2021 \$'000
<b>Statement of Comprehensive Income</b>	<b>Note</b>			
<b>Income</b>				
Contribution from the Community Emergency Services Fund		16 930	17 823	893
Fees and charges	a	683	-	(683)
Grants and contributions	b	3 340	1 670	(1 670)
Interest		24	1	(23)
SA Government grants, subsidies and transfers	c	4 758	8 841	4 083
Other	a	155	953	798
<b>Total income</b>		<b>25 890</b>	<b>29 288</b>	<b>3 398</b>
<b>Expenses</b>				
Employee benefits		8 114	8 965	851
Supplies and services	d	9 963	13 217	3 254
Depreciation and amortisation		886	817	(69)
Grants and subsidies	e	8 592	1 803	(6 789)
Borrowing costs		1	-	(1)
Other		122	-	(122)
<b>Total expenses</b>		<b>27 678</b>	<b>24 802</b>	<b>(2 876)</b>
<b>Net result</b>		<b>(1 788)</b>	<b>4 486</b>	<b>6 274</b>
<b>Total comprehensive result</b>		<b>(1 788)</b>	<b>4 486</b>	<b>6 274</b>

**South Australian Fire and Emergency Services Commission**  
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**1.5. Budget performance (continued)**

The following are brief explanations of variances between original budget and actual amounts. Explanations are provided for variances where the variance exceeds the greater of 10% of the original budgeted amount and 5% of original budgeted total expenses.

- (a) Actual income has been reclassified from fees and charges revenue to other income.
- (b) Actual Income is lower than budgeted due to timing in the receipt of funding for the Commonwealth National Partnership on Disaster Risk Reduction Program.
- (c) Actual income is higher than the budgeted as a result of the matching state funding received for the Commonwealth National Partnership on Disaster Risk Reduction and recovery of funds for the State Emergency Information Call Centre Capability (SEICCC) COVID-19 costs.
- (d) Supplies and Services actual expenditure is higher than budgeted primarily as a result of expenditure incurred for the SA Health SEICCC COVID-19 response and the Emerald system.
- (e) Actual expenditure for grant funding is lower than budgeted due to reduced expenditure for the Commonwealth National Partnership on Disaster Risk Reduction and Natural Disaster Resilience Program for which a carryover will be sought to 2021-22.

		Original budget 2021 \$'000	SAFECOM Actual 2021 \$'000	Variance 2021 \$'000
	Note			
<b>Investing expenditure summary</b>				
Total new projects	a	1 600	-	1 600
Total existing projects		328	336	(8)
<b>Total investing expenditure</b>		<b>1 928</b>	<b>336</b>	<b>1 592</b>

**1.6. Significant transactions with government entities**

Significant transactions with the SA Government are identifiable throughout this financial report.

The following transactions were significant for SAFECOM consolidated entities:

- Contributions from the Community Emergency Services Fund (refer note 2.1).
- Payments of \$18.315 million to the Attorney-General's Department for the Government Radio Network.

The following transactions were significant for SAFECOM:

- Contributions from the Community Emergency Services Fund (refer note 2.1).



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**2. Income**

**2.1. Contributions from the Community Emergency Services Fund**

	Consolidated		SAFECOM Entity	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Community Emergency Services Fund	293 123	302 970	17 823	14 403
<b>Total contributions from the Community Emergency Services Fund</b>	<b>293 123</b>	<b>302 970</b>	<b>17 823</b>	<b>14 403</b>

Contributions from Community Emergency Services Fund are recognised as revenues when SAFECOM obtains control over the funding. Control over contributions is normally obtained upon receipt.

**2.2. Revenues from fees and charges**

	Consolidated		SAFECOM Entity	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Fire alarm attendance fees	1 754	2 798	-	-
Fire alarm monitoring fees	2 804	2 701	-	-
Incident cost recoveries	340	2 404	-	-
Facilities hire fees	113	187	-	-
Fire safety fees	540	475	-	-
<b>Total revenues from fees and charges</b>	<b>5 551</b>	<b>8 565</b>	<b>-</b>	<b>-</b>

Revenue from fees and charges is recognised from contracts with customers.

Fees and charges revenue is recognised at a point in time when SAFECOM satisfies performance obligations by transferring the promised goods or services to its customers.

The Emergency Services Sector recognises revenue from contracts with customers from the following major sources:

**Fire alarm attendance and fire safety fees**

The Emergency Services Sector provides a range of fire alarm attendance and fire safety services to customers and charge prescribed fees for these services as regulated under the *Fire and Emergency Services Act 2005*. Revenue for these services is recognised in arrears once the relevant deliverables have been provided to the customer in line with the Emergency Services Sector legislated responsibilities and internal policies.

The Emergency Services Sector is a referral agency under the Planning, Development and Infrastructure Regulations 2017 and receive revenue from customers for undertaking development assessments in designated bushfire prone areas under the Planning and Design Code.

Payments for development assessments are received in advance upon referral of the development application to the Emergency Services Sector from the Attorney-General's Department or direct from the customer. The Emergency Services Sector is required to undertake an assessment of the development and provide statutory advice to the relevant parties. Revenue is recognised in arrears once statutory advice has been provided.

**South Australian Fire and Emergency Services Commission**  
**Notes to and forming part of the financial statements**  
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**2.2 Revenues from fees and charges (continued)**

**Fire alarm monitoring fees**

The Emergency Services Sector undertake fire alarm monitoring services for customers and charge prescribed fees for these services as regulated under the *Fire and Emergency Services Act 2005*. Customers are charged an annual fee for this service and generally pay upfront in the first quarter of the financial year. Revenue is recognised for monitoring services over the time services are provided, with all services delivered by 30 June at the end of the financial year.

**Incident cost recoveries**

The Emergency Services Sector provides support to other jurisdictions that request it when an emergency incident occurs. The terms of deployment are managed under the Arrangement for Interstate Assistance Framework by the National Resource Sharing Centre under the Australian and New Zealand National Council for Fire and Emergency Services (AFAC).

The inputs of the request are outlined in an operating plan and may include personnel, firefighting equipment and supplies, and consumables. Payment is made by the jurisdiction who received the assistance in arrears once performance obligations have been met and total costs of assistance have been assessed. Revenue is recognised in arrears once the emergency event has concluded and all assistance outlined in the operating plan has been ceased.

**2.3. Grants and contributions**

	Consolidated		SAFECOM Entity	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Commonwealth Government	2 917	3 075	1 670	1 670
Private industry and local government	2 512	4 839	-	-
<b>Total grants and contributions</b>	<b>5 429</b>	<b>7 914</b>	<b>1 670</b>	<b>1 670</b>

Commonwealth Government grants and funding are recognised as income on receipt.

Commonwealth grants and funding are usually subject to terms and conditions set out in the contract correspondence or legislation however there were no sufficiently specific performance obligations.

Commonwealth Government grant funding for SAFECOM relates to the National Partnership Agreement on Disaster Risk Reduction. Commonwealth Government grant funding for Consolidated relates to the National Partnership Agreement on Disaster Risk Reduction and contributions towards the provision of fire and emergency services to Commonwealth properties under the Memorandum of Understanding for the Provision of Fire Services.

Private industry and local government funding for Consolidated mainly relates to contributions towards aerial firefighting costs which are recognised as income on receipt.

**South Australian Fire and Emergency Services Commission**  
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**2.4. SA Government grants, subsidies and transfers**

	Consolidated		SAFECOM Entity	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Intra-government transfers	6 268	19 346	4 758	110
NDRP - State Contribution	1 349	1 325	1 349	1 318
COVID 19 Support - SA Health	2 922	797	2 734	673
COVID 19 Support - SAPOL	3 100	-	-	-
Capital Program	6 230	-	-	-
<b>Total SA Government grants subsidies and transfers</b>	<b>19 869</b>	<b>21 468</b>	<b>8 841</b>	<b>2 101</b>

SA Government grants, subsidies and transfers are recognised as income on receipt.

Capital Program is related to the funding from DTF for accelerated station and unit upgrades, appliances and vehicle replacements and purchase of land for the Strathalbyn Unit.

**2.5. Interest**

	Consolidated		SAFECOM Entity	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Dividend Income	7	5	-	-
Interest on deposit accounts	13	84	1	20
<b>Total interest revenues</b>	<b>20</b>	<b>89</b>	<b>1</b>	<b>20</b>

Reductions in the Reserve Bank of Australia cash rate during 2020-21 have resulted in a decrease in interest received on deposit accounts.

**South Australian Fire and Emergency Services Commission**  
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**2.6. Other income**

	<b>Consolidated</b>		<b>SAFECOM Entity</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Sundry revenues	674	1 421	45	106
Salary recoveries	741	729	683	672
Rental income	365	382	-	-
Insurance recoveries	159	15	-	-
Donations	17	27	-	-
Groups/Brigades/Units fundraising	412	1 868	-	-
Recoveries from legal cases	225	-	225	-
Donated Asset	-	42	-	-
Other	194	167	-	19
<b>Total other income</b>	<b>2 787</b>	<b>4 651</b>	<b>953</b>	<b>797</b>

Other income is generally recorded as income on receipt, except for rental income. Sundry revenue is mainly comprised of reimbursements which are recognised on receipt.

SACFS received an appliance that was donated and is fully operational within Region 1.

SASES and SACFS volunteer members give a significant number of hours to providing front line emergency response services to the community and in other support roles. A value for volunteers is not recognised in the financial statements as the recognition criteria of AASB 1058 *Income of Not-For-Profit Entities* has not been met.

**Rental income**

Rental income consists of operating lease income as lessor. The Consolidated entity receives revenue from long term lease agreements with tenants for land controlled by the Minister for Police, Emergency Services and Correctional Services. Payment is made by the tenant on a monthly basis in advance and revenue is recognised on a time proportionate basis over the lease period.

**South Australian Fire and Emergency Services Commission**  
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**3. Board, committees and employees**

**3.1. Key Management Personnel**

The Consolidated key management personnel includes the Minister, the Chief Executive of SAFECOM, the members of the SAFECOM Board, the Chief Officers of SAMFS, SACFS and SASES, and four members of the Executive Teams, who have responsibility for the strategic direction and management of the agencies.

Key management personnel of SAFECOM include the Minister, the members of the SAFECOM Board and the Chief Executive, who have responsibility for the strategic direction and management of the agency.

The compensation detailed below for Consolidated includes salaries and other benefits for all key management personnel paid by SAFECOM, SAMFS, SACFS and SASES. The compensation detailed below for SAFECOM includes salaries and other benefits for the Chief Executive of SAFECOM and non-government Board members paid by SAFECOM.

Total compensation for consolidated key management personnel was \$2.9 million in 2020-21 and \$2.3 million in 2019-20.

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

	Consolidated		SAFECOM Entity	
	2021	2020	2021	2020
Compensation	\$'000	\$'000	\$'000	\$'000
Salaries and other short-term employee benefits	2 382	2 100	447	471
Post-employment benefits	252	210	43	44
Termination benefits	222	-	27	-
<b>Total compensation</b>	<b>2 856</b>	<b>2 310</b>	<b>517</b>	<b>515</b>

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

SAFECOM did not enter into any transactions with key management personnel or their close family during the reporting period that were not consistent with normal procurement arrangements.

**South Australian Fire and Emergency Services Commission**  
**Notes to and forming part of the financial statements**  
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**3.2. Board and committee members**

Members of boards and committees during 2020-21 were:

**South Australian Fire and Emergency Services**

**Commission Board**

D Lane\* (term expired 7 May 2021)  
M-A Healy\* (appointed 10 May 2021)  
C J Adlam (Max)  
C J Beattie\*  
S J Caracoussis  
M J Morgan\*  
P J Decure  
M S Jones\*  
S St Alban  
J Tucker  
D F Barry\*  
A De Piaz\* (term expired 15 November 2020)  
P M Fletcher\*  
W A Hicks ESM  
J D Lindner

C Thomas\*  
G Cornish\* (appointed 18 January 2021)

**South Australian Fire and Emergency Services  
Commission Risk and Performance Committee**

Aaron Chia  
J Tucker  
P J Decure

**South Australian Metropolitan Fire Service  
Disciplinary Committee**

L D P Holland  
R Thompson\*  
S J Smithson\*  
B Robertson\*

**State Bushfire Coordination Committee**

A Allen\*  
N G Bamford\*  
J S Crocker\*  
A De Piaz\* (term expired 13 November 2020)  
C Gibson\* (term expired 13 November 2020)  
F J Gill\*  
W R McIntosh  
M S Jones\*  
J Nairn\*  
J Psyridis\* (term expired 13 November 2020)  
C B Daniels\* (term expired 13 November 2020)  
S A Reardon (term expired 13 November 2020)  
M C Roche (term expired 13 November 2020)  
W B Thorley (term expired 13 November 2020)  
P R White  
E C Jenke (term expired 9 April 2021)  
A Walsh (appointed 14 November 2020)  
B Loughlin\* (appointed 14 November 2020)  
G V Brown\* (appointed 14 November 2020)  
J Moyle (appointed 14 November 2020)  
M Ashley (appointed 14 November 2020)  
M J Blason (appointed 14 November 2020)  
P Button\* (appointed 14 November 2020)  
R A Cadd (appointed 14 November 2020)  
K M Egan\*  
S Barone\* (term expired 13 November 2020)  
D Colliar\* (term expired 13 November 2020)

G P Benham\*  
J Crampton\* (term expired 13 November 2020)  
J B Drew\*  
F Dunstan\* (term expired 13 November 2020)  
J Frizenschaf\* (term expired 13 November 2020)  
D S Gilbertson  
H L Greaves  
M M Healy (term expired 13 November 2020)  
T M W Kelly (term expired 13 November 2020)  
D Leblond\*  
J D Lindner  
C W Patterson\* (term expired 13 November 2020)  
J Slocombe\* (term expired 13 November 2020)  
M R Sutton\*  
I Tanner\* (term expired 13 November 2020)  
N Rea (term expired 20 January 2021)  
E Petrenas\*  
B A Swaffer (appointed 14 November 2020)  
D Ezis\* (appointed 14 November 2020)  
D Kowalski\* (appointed 14 November 2020)  
G Venditto\* (appointed 14 November 2020)  
M Anolak\* (appointed 14 November 2020)  
M S Martin\* (appointed 14 November 2020)  
P Merry (appointed 14 November 2020)  
T Moffat\* (appointed 14 November 2020)  
F Crisci\*  
E M Sommerville\* (term expired 13 November 2020)

\* In accordance with the Premier and Cabinet's Circular Number 016, government employees did not receive any remuneration for board/committee duties during the financial year.

**South Australian Fire and Emergency Services Commission**  
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**3.2. Board and committee members (continued)**

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

	Consolidated		SAFECOM Entity	
	2021	2020	2021	2020
The number of members whose remuneration received/receivable falls within the following bands:	Number of members	Number of members	Number of members	Number of members
\$0 - \$19 999	67	54	13	13
\$20 000 - \$39 999	6	5	5	5
<b>Total number of members</b>	<b>73</b>	<b>59</b>	<b>18</b>	<b>18</b>

The total remuneration received or receivable by members was Consolidated \$159 000 (2020: \$161 000) and SAFECOM \$150 000 (2020: \$147 000). Remuneration of members includes all costs of performing board and committee member duties including sitting fees, superannuation contributions, salary sacrifice benefits, fringe benefits and related fringe benefits tax.

For the purposes of this table, travel allowances and other expenses paid to members have not been included as remuneration as it is considered to be reimbursement of direct out-of-pocket expenses incurred by relevant members.

**3.3. Employee benefits expenses**

	Consolidated		SAFECOM Entity	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Salaries and wages	134 850	132 908	6 669	6 652
Workers compensation	(1 248)	(23 606)	174	79
Employment on-costs - superannuation	19 200	17 213	762	747
Additional compensation	2 664	2 052	7	20
Annual leave	16 005	15 462	619	550
Payroll tax	8 593	8 262	386	370
Long service leave	2 772	658	148	(71)
Skills and experience retention leave	1 200	1 209	54	45
Board fees	145	148	137	134
Other employment related expenses	380	422	9	8
<b>Total employee benefits</b>	<b>184 561</b>	<b>154 728</b>	<b>8 965</b>	<b>8 534</b>

**Employment on costs - superannuation**

The superannuation employment on-cost charge represents SAFECOM's contributions to superannuation plans in respect of current services of current employees. There are no liabilities for payments to beneficiaries recognised by SAFECOM as they have been assumed by the respective superannuation schemes.

**South Australian Fire and Emergency Services Commission**  
**Notes to and forming part of the financial statements**  
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**3.3. Employee benefits expenses (continued)**

**Employee remuneration**

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

	Consolidated		SAFECOM Entity	
	2021	2020	2021	2020
	Number	Number	Number	Number
\$154 001 - \$174 000	152	137	2	1
\$174 001 - \$194 000	43	50	-	-
\$194 001 - \$214 000	16	17	-	-
\$214 001 - \$234 000	4	7	-	-
\$234 001 - \$254 000	6	3	-	-
\$254 001 - \$274 000	4	1	-	-
\$274 001 - \$294 000	3	2	-	-
\$294 001 - \$314 000	-	1	-	-
\$314 001 - \$334 000	1	-	-	-
\$354 001 - \$374 000	1	-	1	-
\$374 001 - \$394 000	-	1	-	1
<b>Total</b>	<b>230</b>	<b>219</b>	<b>3</b>	<b>2</b>

The total remuneration received by these employees for the year was SAFECOM entity \$0.692 million (2020: \$0.532 million) and Consolidated \$40.65 million (2020: \$38.73 million). The table includes all employees who received normal remuneration equal to or greater than the base executive remuneration level during the year. Remuneration of employees reflects all costs of employment including salaries and wages, payments in lieu of leave, superannuation contributions, terminations benefits, salary sacrifice benefits, fringe benefits and related FBT.



**South Australian Fire and Emergency Services Commission**  
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**3.4. Employee benefits liability**

	Consolidated		SAFECOM Entity	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
<b>Current</b>				
Accrued salaries and wages	4 966	4 234	214	219
Annual leave	17 077	15 811	874	798
Skills and experience retention leave	2 218	2 093	96	76
Long service leave	3 347	3 470	188	186
<b>Total current employee benefits</b>	<b>27 608</b>	<b>25 608</b>	<b>1 372</b>	<b>1 279</b>
<b>Non-current</b>				
Long service leave	33 571	33 744	2 146	2 113
<b>Total non-current employee benefits</b>	<b>33 571</b>	<b>33 744</b>	<b>2 146</b>	<b>2 113</b>
<b>Total employee benefits - liability</b>	<b>61 179</b>	<b>59 352</b>	<b>3 518</b>	<b>3 392</b>

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

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

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

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

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

**Long service leave**

The liability for long service leave is measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the project unit credit method. Details about the measurement of long service leave liability is provided in note 10.1.

**South Australian Fire and Emergency Services Commission**  
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**4. Expenses**

Employee benefits expenses are disclosed in note 3.3.

**4.1. Supplies and services**

	Consolidated		SAFECOM Entity	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Government radio network	18 963	18 315	-	-
Aerial support costs	11 992	19 795	-	-
Vehicles	12 145	14 542	20	22
Operational costs	8 818	11 625	8	155
Consultancy, contractor and legal fees	9 435	7 313	2 956	1 666
Property Costs	7 513	7 840	169	175
Travel and training	3 434	5 237	42	89
Computing costs	5 883	5 366	1 434	1 240
Communications	8 458	4 917	4 974	1 751
Uniforms and protective clothing	4 193	3 363	1	1
Accommodation	3 798	2 817	1 135	993
Shared Services SA fees	1 991	1 937	1 969	1 910
Insurance premiums	784	764	10	9
Short term leases	517	190	-	-
Low-value leases	227	129	41	12
Other expenses	5 428	5 145	458	397
<b>Total supplies and services</b>	<b>103 579</b>	<b>109 295</b>	<b>13 217</b>	<b>8 420</b>

**Accommodation**

The Emergency Services Sector hold accommodation agreements with the Department of Infrastructure and Transport (DIT) under Memoranda of Administrative Arrangement (MoAA) for a number of sites, issued in accordance with Government-wide accommodation policies. MoAA do not meet the definition of a lease and are accordingly expensed.

SAFECOM recognises lease payments associated with short-term leases (12 months or less) and low value leases (less than \$15 000) as an expense on a straight-line basis over the lease term. Lease commitments for short-term leases is similar to short term lease expenses disclosed.

**Other**

Audit fees paid/payable to the Auditor-General's Department (AGD) relating to work performed under the *Public Finance and Audit Act* were \$218 000 (2020: \$204 000) for the sector and \$126 000 (2020: \$113 000) for SAFECOM. These costs are recognised in 'other expenses' above. No other services were provided by the Auditor-General's Department.

**Consultants**

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

	Consolidated				SAFECOM Entity			
	2021	2021	2020	2020	2021	2021	2020	2020
	No.	\$'000	No.	\$'000	No.	\$'000	No.	\$'000
Below \$10 000	9	44	17	57	3	24	3	5
\$10 000 or above	11	909	12	754	3	99	2	49
<b>Total paid / payable to the consultants engaged</b>	<b>20</b>	<b>953</b>	<b>29</b>	<b>811</b>	<b>6</b>	<b>123</b>	<b>5</b>	<b>54</b>

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**4.2. Depreciation and amortisation expense**

	Consolidated		SAFECOM Entity	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
<b>Depreciation</b>				
Vehicles	13 268	12 460	-	-
Buildings	6 884	6 178	4	4
Communications equipment	2 385	2 381	15	15
Plant and equipment	1 285	1 119	21	20
Computer equipment	297	313	68	73
Right-of-use land	1	1	-	-
Right-of-use plant and equipment	470	-	-	-
Right-of-use buildings	677	931	-	-
Right-of-use vehicles	857	895	21	21
<b>Total depreciation</b>	<b>26 124</b>	<b>24 278</b>	<b>129</b>	<b>133</b>
<b>Amortisation</b>				
Computer software	843	686	688	504
<b>Total amortisation</b>	<b>843</b>	<b>686</b>	<b>688</b>	<b>504</b>
<b>Total depreciation and amortisation</b>	<b>26 967</b>	<b>24 964</b>	<b>817</b>	<b>637</b>

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.

**Useful life**

Depreciation and amortisation are calculated on a straight-line basis. Property, plant and equipment and intangible assets depreciation and amortisation are calculated over the estimated useful life as follows:

Class of asset	Consolidated	SAFECOM Entity
	Useful life (years)	Useful life (years)
Buildings	1-44	4
Vehicles	1-30	N/A
Communications equipment	1-10	8
Plant and equipment	1-20	1-12
Computer equipment	2-10	3-9
Computer software	5	5
ROU assets	1 - 77	1-3

The amortisation period and the amortisation method for intangible assets is reviewed on an annual basis.

**Review of accounting estimates**

Assets' residual values, useful lives and amortisation methods are reviewed and adjusted if appropriate, on an annual basis. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for prospectively by changing the time period or method, as appropriate, which is a change in accounting estimate.

SAFECOM revalued its vehicles and buildings as at 1 November 2019.

**South Australian Fire and Emergency Services Commission**  
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**4.3. Net gain / loss from disposal of non-current assets**

	Consolidated		SAFECOM Entity	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
<b>Land and buildings</b>				
Proceeds from disposal	-	-	-	-
Costs of disposal	(4)	-	-	-
Less net book value of assets disposed	-	(220)	-	-
<b>Net gain / (loss) from disposal of land and buildings</b>	<b>(4)</b>	<b>(220)</b>	-	-
<b>Vehicles</b>				
Proceeds from disposal	809	601	-	-
Less net book value of assets disposed	(1 595)	(627)	-	-
<b>Net gain / (loss) from disposal of vehicles</b>	<b>(786)</b>	<b>(26)</b>	-	-
<b>Plant and equipment</b>				
Proceeds from disposal	1	9	-	-
Costs of disposal	(48)	(5)	-	-
Less net book value of assets disposed	(6)	-	-	-
<b>Net gain / (loss) from disposal of plant and equipment</b>	<b>(53)</b>	<b>4</b>	-	-
<b>Intangibles</b>				
Proceeds from disposal	-	-	-	-
Less net book value of assets disposed	(46)	-	-	-
<b>Net gain / (loss) from disposal of intangibles</b>	<b>(46)</b>	-	-	-
<b>Total assets</b>				
Proceeds from disposal	810	610	-	-
Costs of disposal	(52)	(5)	-	-
Less net book value of assets disposed	(1 647)	(847)	-	-
<b>Net gain / (loss) on disposal of owned assets</b>	<b>(889)</b>	<b>(242)</b>	-	-
<b>Gain / (loss) on modification of right-of-use assets</b>	<b>4</b>	<b>2</b>		
<b>Net gain / (loss) from disposal of non-current assets</b>	<b>(885)</b>	<b>(240)</b>	-	-

Gains/losses on disposal are recognised at the date at which control of the asset is passed to the buyer and are determined after deducting the cost of the asset from the proceeds at that time. When revalued assets are sold, the revaluation surplus is transferred to retained earnings.

**4.4. Other expenses**

	Consolidated		SAFECOM Entity	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Impairment loss	242	-	-	-
CWIP partial write off	534	1 662	-	1 269
<b>Total other expenses</b>	<b>776</b>	<b>1 662</b>	-	<b>1 269</b>

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**5. Non-financial assets**

**5.1. Property, plant and equipment by asset class**

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

	Consolidated		SAFECOM Entity	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
<b>Land</b>				
Land at fair value	82 704	82 059	-	-
<b>Total land</b>	<b>82 704</b>	<b>82 059</b>	-	-
<b>Buildings</b>				
Buildings at fair value	145 438	135 540	14	14
Accumulated depreciation	(11 278)	(4 394)	(6)	(2)
<b>Total buildings</b>	<b>134 160</b>	<b>131 146</b>	<b>8</b>	<b>12</b>
<b>Vehicles</b>				
Vehicles at fair value	190 565	168 180	-	-
Accumulated depreciation	(21 733)	(8 486)	-	-
<b>Total vehicles</b>	<b>168 832</b>	<b>159 694</b>	-	-
<b>Communication (Comms.) equipment</b>				
Communication equipment at fair value	15 526	15 113	122	122
Accumulated depreciation	(4 008)	(1 623)	(25)	(10)
<b>Total communication equipment</b>	<b>11 518</b>	<b>13 490</b>	<b>97</b>	<b>112</b>
<b>Computer equipment</b>				
Computer equipment at fair value	1 852	1 712	469	469
Accumulated depreciation	(462)	(163)	(107)	(39)
<b>Total computer equipment</b>	<b>1 390</b>	<b>1 549</b>	<b>362</b>	<b>430</b>
<b>Plant and equipment</b>				
Plant and equipment at fair value	12 645	11 303	55	54
Accumulated depreciation	(2 030)	(746)	(35)	(13)
<b>Total plant and equipment</b>	<b>10 615</b>	<b>10 557</b>	<b>20</b>	<b>41</b>
<b>Capital work in progress</b>				
Capital work in progress at cost	42 746	40 858	461	319
<b>Total capital work in progress</b>	<b>42 746</b>	<b>40 858</b>	<b>461</b>	<b>319</b>
<b>Right-of-use buildings</b>				
Right-of-use buildings at cost	4 493	5 162	-	-
Accumulated depreciation	(1 294)	(931)	-	-
<b>Total right-of-use buildings</b>	<b>3 199</b>	<b>4 231</b>	-	-
<b>Right-of-use vehicles</b>				
Right-of-use vehicles at cost	2 574	2 201	52	46
Accumulated depreciation	(1 385)	(821)	(33)	(20)
<b>Total right-of-use vehicles</b>	<b>1 189</b>	<b>1 380</b>	<b>19</b>	<b>26</b>
<b>Right-of-use plant and equipment</b>				
Right-of-use plant and equipment at cost	9 320	-	-	-
Accumulated depreciation	(470)	-	-	-
<b>Total right-of-use plant and equipment</b>	<b>8 850</b>	-	-	-
<b>Right-of-use land</b>				
Right-of-use land at cost	67	67	-	-
Accumulated depreciation	(2)	(1)	-	-
<b>Total right-of-use land</b>	<b>65</b>	<b>66</b>	-	-
<b>Total property, plant and equipment</b>	<b>465 268</b>	<b>445 030</b>	<b>967</b>	<b>940</b>

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**5.2. Property, plant and equipment owned by the Emergency Services Sector**

Property, plant and equipment with a value equal to or in excess of \$10 000 is capitalised, otherwise it is expensed.

Property, plant and equipment is recorded at fair value. Detail about the Emergency Services Sector's approach to fair value is set out in note 10.2.

**Impairment**

Property, plant and equipment owned by the Emergency Services Sector has not been assessed for impairment as they are non-cash generating assets, that are specialised in nature and held for continual use of their service capacity.

Revaluation of property, plant and equipment is undertaken on a regular cycle as detailed in Note 11.2. If at any time management considers that the carrying amount of an asset materially differs from its fair value, then the asset will be revalued regardless of when the last valuation took place.

**Reconciliation of property, plant and equipment during 2020-21**

	Land	Buildings	Vehicles	Comms. equipment	Computer equipment	Plant & equipment	Capital work in progress	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Consolidated Carrying amount 1 July 2020</b>	82 059	131 146	159 694	13 490	1 549	10 557	40 858	<b>439 353</b>
Acquisitions	-	-	-	-	-	40	39 020	39 060
Disposals	-	-	(1 595)	-	-	(6)	-	(1 601)
Transfers from capital WIP	645	9 898	24 001	413	138	1 309	(36 598)	(194)
Depreciation	-	(6 884)	(13 268)	(2 385)	(297)	(1 285)	-	(24 119)
CWIP write off	-	-	-	-	-	-	(534)	(534)
<b>Carrying amount at 30 June 2021</b>	<b>82 704</b>	<b>134 160</b>	<b>168 832</b>	<b>11 518</b>	<b>1 390</b>	<b>10 615</b>	<b>42 746</b>	<b>451 965</b>

**Reconciliation of property, plant and equipment during 2019-20**

	Land	Buildings	Vehicles	Comms. equipment	Computer equipment	Plant & equipment	Capital work in progress	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Consolidated Carrying amount 1 July 2019</b>	65 891	111 577	128 843	12 732	742	6 982	36 259	<b>363 026</b>
Acquisitions	-	-	-	-	-	-	31 193	31 193
Disposals	(1)	(219)	(627)	-	-	-	(1 662)	(2 509)
Transfers from capital WIP	6	6 746	13 648	524	129	2 722	(24 932)	(1 157)
Donated asset	-	-	34	-	-	-	-	34
Depreciation	-	(6 178)	(12 460)	(2 381)	(313)	(1 119)	-	(22 451)
Revaluation increment	16 163	19 514	30 256	2 615	991	1 945	-	71 484
Transfers between asset classes	-	(294)	-	-	-	27	-	(267)
<b>Carrying amount at 30 June 2020</b>	<b>82 059</b>	<b>131 146</b>	<b>159 694</b>	<b>13 490</b>	<b>1 549</b>	<b>10 557</b>	<b>40 858</b>	<b>439 353</b>

**South Australian Fire and Emergency Services Commission**  
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**5.2. Property, plant and equipment owned by the Emergency Services Sector (continued)**

**Reconciliation of property, plant and equipment during 2020-21**

	Land	Buildings	Vehicles	Comms. equipment	Computer equipment	Plant & equipment	Capital work in progress	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>SAFECOM</b>								
Carrying amount 1 July 2020	-	12	-	112	430	41	319	914
Acquisitions	-	-	-	-	-	-	336	336
Transfers from capital WIP	-	-	-	-	-	-	(194)	(194)
Depreciation and amortisation	-	(4)	-	(15)	(68)	(21)	-	(108)
<b>Carrying amount at 30 June 2021</b>	<b>-</b>	<b>8</b>	<b>-</b>	<b>97</b>	<b>362</b>	<b>20</b>	<b>461</b>	<b>948</b>

**Reconciliation of property, plant and equipment during 2019-20**

	Land	Buildings	Vehicles	Comms. equipment	Computer equipment	Plant & equipment	Capital work in progress	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>SAFECOM</b>								
Carrying amount 1 July 2019	-	12	-	123	326	39	1 469	1 969
Acquisitions	-	-	-	-	-	-	1 136	1 136
Disposals	-	-	-	-	-	-	(1 269)	(1 269)
Transfers from capital WIP	-	-	-	-	47	-	(1 017)	(970)
Revaluation increment	-	4	-	4	131	22	-	161
Depreciation	-	(4)	-	(15)	(74)	(20)	-	(113)
<b>Carrying amount at 30 June 2020</b>	<b>-</b>	<b>12</b>	<b>-</b>	<b>112</b>	<b>430</b>	<b>41</b>	<b>319</b>	<b>914</b>

**5.3. Property, plant and equipment leased by the Emergency Services Sector**

Right-of-use property, plant and equipment assets leased by the Emergency Services Sector as lessee are recorded at cost and there was no indication of impairment of right-of-use assets. Additions to leased property, plant and equipment during 2020-21 were \$2.080 million.

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

The Emergency Services Sector has a limited number of leases:

- 200 motor vehicle leases with the South Australian Government Financing Authority (SAFA). Motor vehicle leases are non-cancellable, with rental payments monthly in arrears. Motor vehicle lease terms can range from 3 years (60,000km) up to 5 years (100,000km). No contingent rental provisions exist within the lease agreements and no options exist to renew the leases at the end of their term.
- 16 Commercial leases for land and buildings used for the purpose of operational and administrative activities

There were no new lease(s) entered into in 2020-21 for plant and equipment.

The lease liabilities related to the right-of-use assets are disclosed in note 7.2. Emergency Services Sector's maturity analysis of its lease liabilities is disclosed in note 10.3. Expenses related to leases, including depreciation and interest expenses, are disclosed in notes 4.2 and 7.2. Cash outflows related to leases are disclosed in note 8.2. SAFECOM has not committed to any lease arrangements that have not commenced from 1 July.

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**5.4. Intangible assets**

	Consolidated		SAFECOM Entity	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
<b>Computer software</b>				
Computer software at cost	6 436	6 356	5 616	5 421
Accumulated amortisation	(3 760)	(2 985)	(3 230)	(2 541)
<b>Total computer software</b>	<b>2 676</b>	<b>3 371</b>	<b>2 386</b>	<b>2 880</b>
<b>Total intangible assets</b>	<b>2 676</b>	<b>3 371</b>	<b>2 386</b>	<b>2 880</b>

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

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

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

**Reconciliation 2020-21**

	Consolidated Computer software \$'000	SAFECOM Entity Computer software \$'000
<b>Carrying amount 1 July 2020</b>	3 371	2 880
Write off	(46)	-
Transfers from capital WIP	194	194
Amortisation	(843)	(688)
<b>Carrying amount at 30 June 2021</b>	<b>2 676</b>	<b>2 386</b>

**Reconciliation 2019-20**

	Consolidated Computer software \$'000	SAFECOM Entity Computer software \$'000
<b>Carrying amount 1 July 2019</b>	2 632	2 414
Transfers between asset classes	267	-
Transfers from capital WIP	1 158	970
Amortisation	(686)	(504)
<b>Carrying amount at 30 June 2020</b>	<b>3 371</b>	<b>2 880</b>



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**6. Financial assets**

**6.1. Cash and cash equivalents**

	Consolidated		SAFECOM Entity	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Operating account with the Treasurer	32 398	29 969	10 744	3 074
Cash on hand	10	11	-	-
Cash at bank	8	7	-	-
Cash at bank - Groups/Brigades/Units	6 226	6 305	-	-
Short-term deposits - Groups/Brigades/Units	1 516	801	-	-
Short-term deposits	106	92	-	-
<b>Total cash and cash equivalents</b>	<b>40 264</b>	<b>37 185</b>	<b>10 744</b>	<b>3 074</b>

Cash is measured at nominal amounts.

**Deposits with the Treasurer**

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

The Emergency Services Sector has one operating account held with the Treasurer. This account is interest bearing.

**Cash at bank – Groups/Brigades/Units**

Accounts held at Brigade, Group and Unit level comprising of proceeds from fundraising, donations and other local activities.

**Short term deposits**

Short-term deposits are made for varying periods of between one day and three months. The deposits are lodged with various financial institutions at their respective short-term deposit rates.

**Interest rate risk**

Cash on hand is non-interest bearing. SAFECOM does not earn interest on its deposits with the Treasurer. The carrying amount of cash and cash equivalents represent fair value.

**6.2. Receivables**

	Consolidated		SAFECOM Entity	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
<b>Current</b>				
Receivables	4 154	7 070	82	741
Less allowance for doubtful debts	(7)	(3)	-	-
Prepayments	1 136	494	147	3
Accrued revenues	122	4 268	55	1 673
GST input tax recoverable	3 063	1 987	522	545
<b>Total current receivables</b>	<b>8 468</b>	<b>13 816</b>	<b>806</b>	<b>2 962</b>
<b>Total receivables</b>	<b>8 468</b>	<b>13 816</b>	<b>806</b>	<b>2 962</b>

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

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**6.2 Receivables (continued)**

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

The net amount of GST recoverable from the ATO is included as part of receivables.

Refer to note 10.3 for further information on risk management.

**Allowance for impairment loss on receivables**

	Consolidated		SAFECOM Entity	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
<b>Carrying amount at the beginning of the period</b>	3	15	-	-
Amounts written off	(45)	(16)	(20)	-
Increase in the allowance recognised in profit or loss	49	4	20	-
<b>Carrying amount at the end of the period</b>	<b>7</b>	<b>3</b>	<b>-</b>	<b>-</b>

Impairment losses relate to contract with customers external to the SA Government.

Refer to note 10.3 for details regarding credit risk and the methodology for determining impairment.

**6.3. Other financial assets**

	Consolidated		SAFECOM Entity	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
<b>Current</b>				
Medium Term Deposits - Groups/Brigades/Units	1 902	2 155	-	-
<i>Investments</i>				
Listed equity instruments	106	91	-	-
<b>Total current financial assets</b>	<b>2 008</b>	<b>2 246</b>	<b>-</b>	<b>-</b>
<b>Total other financial assets</b>	<b>2 008</b>	<b>2 246</b>	<b>-</b>	<b>-</b>

Medium-term deposits are made for varying periods of between three months and twelve months. The deposits are lodged with various financial institutions at their respective medium-term deposit rates.

The equity instruments are carried at fair value.

During the current year, the investments were designated at fair value through other comprehensive income with all changes in fair value being taken to the investment reserve. These investments are not subject to impairment testing.

On disposal of these equity investments, any related balance within the investment reserve will be reclassified to retained earnings. Dividends arising from these investments will be recognised in the statement of comprehensive income.

For further information on risk management refer to note 10.3.

**South Australian Fire and Emergency Services Commission**  
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**6.4. Non-current assets classified as held for sale**

	Consolidated		SAFECOM Entity	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Land	500	742	-	-
<b>Total non-current assets classified as held for sale</b>	<b>500</b>	<b>742</b>	<b>-</b>	<b>-</b>

A tender to sell surplus SACFS land at Port Lincoln during 2011 failed to be realised, and as at 30 June 2021 the property continues to remain on the market for sale.

Non-current assets (or disposal groups) are classified as held for sale and stated at the lower of their carrying amount and fair value less costs to sell if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable, and the asset's sale is expected to be completed one year from the date of classification.

The Sector has measured the land and buildings held for sale at fair value less costs to sell because the assets' fair value less costs to sell is lower than its carrying amount.

An independent site valuation was provided by a Certified Practising Valuer for the property upon its classification as held for sale. The valuation was based on recent market transactions for similar unrestricted land and buildings in the area and includes adjustment for factors specific to the land and building such as size and location. This valuation was in accordance with the valuation principles and technique outlined in note 10.2 (i.e. there was no change to valuation technique).

**South Australian Fire and Emergency Services Commission**  
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**7. Liabilities**

Employee benefits liabilities are disclosed in note 3.4.

**7.1. Payables**

	Consolidated		SAFECOM Entity	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
<b>Current</b>				
Creditors	531	863	140	2
Accrued expenses	17 466	9 637	2 005	1 756
Paid parental leave scheme payable	19	12	3	3
Employment on-costs	5 675	5 187	232	214
<b>Total current payables</b>	<b>23 691</b>	<b>15 699</b>	<b>2 380</b>	<b>1 975</b>
<b>Non-current</b>				
Creditors	9	9	-	-
Employment on-costs	5 294	5 291	202	196
<b>Total non-current payables</b>	<b>5 303</b>	<b>5 300</b>	<b>202</b>	<b>196</b>
<b>Total payables</b>	<b>28 994</b>	<b>20 999</b>	<b>2 582</b>	<b>2 171</b>

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

The net amount of GST recoverable from the ATO is included as part of receivables. However, if a net GST payable arises then this amount would be disclosed in this Payables note.

**Employment on-costs**

Employment on-costs include payroll tax and superannuation contributions and are settled when the respective employee benefits that they relate to is discharged.

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

The actuarial assessment performed by the Department of Treasury and Finance (DTF), has resulted in the percentage, the proportion of long service leave taken as leave has changed to 42% from the 2020 rate of (41%) The average factor for the calculation of employer superannuation on-costs has changed to 10.1% to the 2019-2020 rate of (9.8%). These rates are used in the employment on-cost calculation. The net financial effect of the changes in the current financial year is not material. The estimated impact on future periods is not expected to be materially different to the effect on the current period as shown above.

The net financial effect of the changes in the current financial year is not material. The estimated impact on future periods is not expected to be materially different to the effect on the current period as shown above.

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**Notes to and forming part of the financial statements**  
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**7.2. Financial liabilities**

	Consolidated		SAFECOM Entity	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
<b>Current</b>				
Lease liabilities	2 063	1 640	11	18
<b>Total current financial liabilities</b>	<b>2 063</b>	<b>1 640</b>	<b>11</b>	<b>18</b>
<b>Non-current</b>				
Lease liabilities	11 352	4 110	8	8
<b>Total non-current financial liabilities</b>	<b>11 352</b>	<b>4 110</b>	<b>8</b>	<b>8</b>
<b>Total financial liabilities</b>	<b>13 415</b>	<b>5 750</b>	<b>19</b>	<b>26</b>

The Emergency Services Sector measures lease liabilities at discounted future lease payments using either the interest rate implicit in the lease or the Department of Treasury and Finance's incremental borrowing rate. There were no defaults or breaches throughout the year.

Interest expense paid on lease liabilities during 2020-21 was \$211 000 (2019-20: \$240 000). The Department does not capitalise borrowing costs.

All material cash outflows are reflected in the lease liabilities disclosed above.

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**7.3. Provisions**

	Consolidated		SAFECOM Entity	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
<b>Current</b>				
Provision for workers compensation	6 299	7 109	56	54
Additional compensation	1 210	610	3	3
<b>Total current provisions</b>	<b>7 509</b>	<b>7 719</b>	<b>59</b>	<b>57</b>
<b>Non-current</b>				
Provision for workers compensation	37 902	47 685	94	71
Additional compensation	19 556	17 495	239	233
<b>Total non-current provisions</b>	<b>57 458</b>	<b>65 180</b>	<b>333</b>	<b>304</b>
<b>Total provisions</b>	<b>64 967</b>	<b>72 899</b>	<b>392</b>	<b>361</b>

**Movement in workers compensation provisions**

	Consolidated		SAFECOM Entity	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
<b>Workers compensation</b>				
Carrying amount at the beginning of the period	54 794	85 600	125	103
Additional provision recognised	405	-	175	-
Reductions resulting from re-measurement	(1 653)	(23 606)	-	79
Reductions arising from payments	(9 345)	(7 201)	(150)	(57)
<b>Carrying amount at the end of the period</b>	<b>44 201</b>	<b>54 794</b>	<b>150</b>	<b>125</b>

**Additional compensation**

	Consolidated		SAFECOM Entity	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
<b>Carrying amount at the beginning of the period</b>				
Carrying amount at the beginning of the period	18 105	16 510	236	216
Additional provision recognised	4 829	2 051	6	20
Reductions resulting from re-measurement	(383)	-	-	-
Reductions arising from payments	(1 785)	(457)	-	-
<b>Carrying amount at the end of the period</b>	<b>20 766</b>	<b>18 105</b>	<b>242</b>	<b>236</b>

**Workers Compensation**

A provision has been reported to reflect unsettled workers compensation claims. The workers compensation provision is based on an actuarial assessment of the outstanding liability as at 30 June 2021 provided by a consulting actuary engaged through the Office of the Commissioner for Public Sector Employment. The provision was calculated in accordance with *AASB 137 Provisions, Contingent Liabilities and Contingent Assets* as the present value of the expenditures expected to be required to settle obligations incurred as at 30 June. No risk margin is included in this estimate.

The Emergency Services Sector is responsible for the payment of workers compensation claims.

Presumptive workers compensation coverage for firefighters for a range of cancers came into effect in 2013. The workers compensation provision includes an actuarial assessment of firefighter cancer claims. However, the actuarial

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**7.3 Provisions (continued)**

assessment is sensitive to changes in assumptions and there is a significant degree of uncertainty associated with estimating future claim and expense payments.

The workers compensation provision across the sector has decreased in 2021 primarily due to an observed reduction in the number of known and incurred but not reported cancer claims and a reduction in the average claim size for non-seriously injured workers cancer claims, as well as a reduction in the average claim cost.

**Additional Compensation for Certain Work-Related Injuries or Illnesses (Additional Compensation provision)**

Additional compensation was introduced in 2018 and provides continuing benefits to workers who have suffered eligible work-related injuries and whose entitlements have ceased under the statutory workers compensation scheme.

The additional compensation provision is based on an actuarial assessment of the outstanding liability as at 30 June 2021 provided by a consulting actuary engaged through the Office of the Commissioner for the Public Sector. The liability was calculated in accordance with *AASB 137 Provisions, Contingent Liabilities and Contingent Assets* as the present value of the expenditures expected to be required to settle obligations incurred as at 30 June. No risk margin is included in the estimate.

The Emergency Services Sector is responsible for the payment of additional compensation claims.

There is a degree of uncertainty associated with this estimate. In addition to the general uncertainties associated with estimating future claim and expense payments, the additional compensation provision is impacted by a short claim's history and the evolving nature of the interpretation of, and evidence required to meet, eligibility criteria.

Given these uncertainties, the actual cost of Additional Compensation claims may differ materially from the estimate. The assumptions used will continue to be refined to reflect emerging experience.

**8. Other disclosures**

**8.1. Equity**

**Asset revaluation surplus**

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

**Investment reserve**

The reserve is used to record all changes in fair value of investments classified as fair value through other comprehensive income.

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**8.2. Cash flow reconciliation**

Cash flows are included in the Statement of Cash Flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the ATO is classified as part of operating cash flows.

Total cash outflows for leases for the Emergency Services Sector and SAFECOM was \$2.804m (2020: \$2.186m) and \$41 000 (2020: \$34 000) respectively.

	<b>Consolidated</b>		<b>SAFECOM Entity</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Reconciliation of cash and cash equivalents at the end of the reporting period</b>				
Cash and cash equivalents disclosed in the Statement of Financial Position	40 264	37 185	10 744	3 074
Balance as per the Statement of Cash Flows	40 264	37 185	10 744	3 074
<b>Reconciliation of net cash provided by operating activities to net cost of providing services</b>				
Net cash provided by / (used in) operating activities	35 499	34 734	8 023	(3 368)
<b>Add / (less) non-cash items</b>				
Depreciation and amortisation	(26 967)	(24 964)	(817)	(637)
Donated assets	-	42	-	-
Impairment Loss	(242)	-	-	-
Intangible write off	-	(1 662)	-	(1 269)
Net gain/(loss) from disposal of non-current assets	(885)	(242)	-	-
<b>Movement in assets and liabilities</b>				
Increase/(decrease) in receivables	(5 348)	6 050	(2 156)	2 297
(Increase)/decrease in payables	( 938)	7 178	(407)	707
(Increase)/decrease in employee benefits	(1 827)	509	(126)	111
(Increase)/decrease in provisions	7 932	29 211	(31)	(42)
<b>Net result</b>	<b>7 224</b>	<b>50 856</b>	<b>4 486</b>	<b>(2 201)</b>



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**9. Outlook**

**9.1. Unrecognised contractual commitments**

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

**Capital commitments**

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

	Consolidated		SAFECOM Entity	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Within one year	21 766	9 184	-	-
Later than one year but not later than five years	5 062	-	-	-
<b>Total capital commitments</b>	<b>26 828</b>	<b>9 184</b>	<b>-</b>	<b>-</b>

These capital commitments are for Fraser fire and rescue build appliances, aerial appliances, property and vehicles.

**Expenditure commitments**

Expenditure contracted for at the reporting date but not recognised as liabilities in the financial report, are payable as follows:

	Consolidated		SAFECOM Entity	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Within one year	17 562	17 984	2 210	5 715
Later than one year but not later than five years	7 331	9 621	2 760	4 493
Later than five years	1 057	-	-	-
<b>Total expenditure commitments</b>	<b>25 950</b>	<b>27 605</b>	<b>4 970</b>	<b>10 208</b>

Consolidated expenditure commitments relate primarily to aerial firefighting (SACFS), Emergency Alert national emergency warning system (SAFECOM), and protective firefighting equipment (SAMFS).

SAFECOM's expenditure commitments are for agreements for:

- Memoranda of Administrative Arrangements with DIT for accommodation
- Emergency Alert Phase 4 Project
- Emerald ongoing support.

The above commitments figures do not include the cost of the new Emergency Services Headquarters that parts of the sector will be relocating to in late 2021 as the agreement is not yet finalised.

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**9.2. Contingent assets and liabilities**

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

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

**Contingent assets**

*SAFECOM Consolidated*

Emergency Services Sector is not aware of any contingent assets.

*SAFECOM Entity*

SAFECOM is not aware of any contingent assets.

**Contingent liabilities**

*SAFECOM Consolidated*

Emergency Services Sector is not aware of any contingent assets.

*SAFECOM Entity*

SAFECOM is not aware of any contingent liabilities.

**9.3. Impact of Standards and Statements not yet implemented**

SAFECOM has assessed the impact of the new and amended Australian Accounting Standards and Interpretations not yet implemented and changes to the Accounting Policy Statements issued by the Treasurer. There are no Accounting Policy Statements that are not yet in effect.

Amending Standard AASB 2020-3 *Amendments to Australian Accounting Standards – Annual Improvements 2018-2020 and Other Amendments* will apply from 1 July 2022 and Amending Standard AASB 2021-2 *Amendments to Australian Accounting Standards - Disclosure of Accounting Policies and Definition of Accounting Estimates* will apply from 1 July 2023. Although applicable to the Department, these amending standards are not expected to have an impact on the Department's general purpose financial statements. The Department will update its policies, procedures and work instructions, where required, to reflect the additional clarification requirements.

Amending Standard AASB 2020-1 *Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current* will apply from 1 July 2023. The Department continues to assess liabilities eg LSL and whether or not the Department has a substantive right to defer settlement. Where applicable these liabilities will be classified as current.

**9.4. Trust funds**

	Consolidated		SAFECOM Entity	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Cash at bank	221	158	-	-
<b>Total trust funds</b>	<b>221</b>	<b>158</b>	<b>-</b>	<b>-</b>

The trust funds represent funds held by the Australian Council of State Emergency Services. The funds will be utilised to meet expenses incurred by each of the State Emergency Services Headquarters in Australia. SASES will administer these funds until they are fully expended. In 2020-21, total income earned by the Council was \$60 000 (2020: \$39 000) and no expenses incurred (2020: \$76 000).

# South Australian Fire and Emergency Services Commission

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#### 9.5. COVID-19 pandemic outlook for the Emergency Services Sector

The COVID-19 pandemic will continue to impact the operations of Emergency Services Sector in 2021-22. The key expected impacts are:

- Further significant outbreaks of the COVID-19 pandemic in South Australia would see greater response measures with associated additional expenses.
- Additional assistance to SA Health, SAPOL and other SA Government agencies in response to the COVID-19 pandemic.
- Additional expenditure to keep personnel and volunteers safe while maintain service delivery to the community
- Delays in the delivery of capital and ICT programs and increased capital expenditure due to supplier business restrictions and demand.
- Additional employee expenses are likely to be incurred in addressing cancelled leave (SAMFS).

#### 9.6. Events after the reporting period

There were no events after the reporting period affecting the financial statements.

### 10. Measurement and risk

#### 10.1. Long service leave

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

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

*AASB 119* requires the use of the yield on long-term Commonwealth Government bonds as the discount rate in the measurement of the long service leave liability. The yield on long-term Commonwealth Government bonds has increased from 2020 (1.00%) to 1.5% in 2021.

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

The net financial effect of the changes to actuarial assumptions in the current financial year is a decrease in the long service leave liability and employee benefits expense of \$1.672m (SAFECOM \$91 000). The impact on future periods is impracticable to estimate as the long service leave liability is calculated using a number of assumptions - a key assumption is the long-term discount rate.

The actuarial assessment performed by DTF left the salary inflation rate at 2.50% for long service leave liability. As a result, there is no net financial effect resulting from changes in the salary inflation rate.

Current long service leave reflects the portion of leave expected to be settled within the next 12 months, based on the average proportion of long service leave taken or paid over the last 3 years.

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**10.2. Fair value**

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

**Initial recognition**

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

Where assets are acquired at no value, or minimal value, they are recorded at fair value in the Statement of Financial Position.

**Revaluation**

Property, plant and equipment, other than right of use assets, are subsequently measured at fair value after allowing for accumulated depreciation.

The revaluation process is reviewed by SAFECOM each year.

Non-current tangible assets are valued at fair value, and revaluation of non-current assets or a group of assets is only performed when the fair value at the time of acquisition is greater than \$1.5 million and estimated useful life is greater than three years.

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

Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amounts of the assets and the net amounts are restated to the revalued amounts of the asset.

The 2019 valuation highlighted a possibility of the COVID-19 pandemic impacting the determined fair values. However there is no observable evidence that can reliably quantify the impact at the reporting date.

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**10.2. Fair Value (continued)**

**Fair value hierarchy**

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

- Level 1: traded in active markets and is based on unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at measurement date.
- Level 2: not traded in 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 active market and are derived from unobservable inputs.

SAFECOM's policy is to recognise transfers into and out of fair value hierarchy levels as at the end of the reporting period.

During 2021 and 2020, SAFECOM had no valuations categorised into level 1; there were no transfers of assets between level 1 and 2 fair value hierarchy levels and there were no changes in valuation technique.

**Fair value classification – non-financial assets at 30 June 2021**

	Note	Consolidated			SAFECOM Entity	
		Level 2 \$'000	Level 3 \$'000	Total \$'000	Level 3 \$'000	Total \$'000
<b>Recurring fair value measurements</b>						
Land	5.1	1 202	81 502	82 704	-	-
Buildings	5.1	-	134 160	134 160	8	8
Vehicles	5.1	-	168 832	168 832	-	-
Communication (Comms.) equipment	5.1	-	11 518	11 518	97	97
Computer equipment	5.1	-	1 390	1 390	362	362
Plant and equipment	5.1	-	10 615	10 615	20	20
<b>Total recurring fair value measurements</b>		<b>1 202</b>	<b>408 017</b>	<b>409 219</b>	<b>487</b>	<b>487</b>
<b>Non-recurring fair value measurements</b>						
Land held for sale	6.4	-	500	500	-	-
<b>Total non-recurring fair value measurements</b>		<b>-</b>	<b>500</b>	<b>500</b>	<b>-</b>	<b>-</b>
<b>Total fair value measurements</b>		<b>1 202</b>	<b>408 517</b>	<b>409 719</b>	<b>487</b>	<b>487</b>

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**10.2. Fair value (continued)**

**Fair value classification – non-financial assets at 30 June 2020**

	Note	Consolidated			SAFECOM Entity	
		Level 2 \$'000	Level 3 \$'000	Total \$'000	Level 3 \$'000	Total \$'000
<b>Recurring fair value measurements</b>						
Land	5.1	1 202	80 857	82 059	-	-
Buildings	5.1	-	131 146	131 146	12	12
Vehicles	5.1	-	159 694	159 694	-	-
Communication (Comms.) equipment	5.1	-	13 490	13 490	112	112
Computer equipment	5.1	-	1 549	1 549	430	430
Plant and equipment	5.1	-	10 557	10 557	41	41
<b>Total recurring fair value measurements</b>		<b>1 202</b>	<b>397 293</b>	<b>398 495</b>	<b>595</b>	<b>595</b>
<b>Non-recurring fair value measurements</b>						
Land held for sale	6.4	-	742	742	-	-
<b>Total non-recurring fair value measurements</b>		<b>-</b>	<b>742</b>	<b>742</b>	<b>-</b>	<b>-</b>
<b>Total fair value measurements</b>		<b>1 202</b>	<b>398 035</b>	<b>399 237</b>	<b>595</b>	<b>595</b>

**Land and Buildings**

An independent valuation of land and buildings was performed by a Certified Practising Valuer from Liquid Pacific, as at 1 November 2019. The Emergency Services Sector did not revalue land and buildings related to peppercorn leased sites. These have been recognised at their carrying amounts from 30 June 2019. The land and buildings values at revaluation were considered relevant for 30 June 2021

Fair value of land has been determined using the market approach. The valuation was based on recent market transactions for similar land in the area and includes adjustment for factors specific to the land such as size and location. For land classified as restricted in use, fair value was determined by applying an adjustment to reflect the restriction.

The fair value of buildings was determined using current replacement cost, due to there not being an active market. The current replacement cost considered the need for ongoing provision of government services, specialised nature and restricted use of the assets, their size, condition and location.

**Plant and equipment**

All items of plant and equipment that had a fair value at the time of acquisition less than \$1.5 million and had an estimated useful life that less than three years have not been revalued in accordance with APS 116.D. The carrying value of these items is deemed to approximate fair value.

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**10.2. Fair value (continued)**

**Reconciliation of level 3 recurring fair value measurement at 30 June 2021**

The following table is a reconciliation of fair value measurements using significant unobservable inputs (level 3).

<b>Consolidated</b>	<b>Land</b>	<b>Buildings</b>	<b>Vehicles</b>	<b>Comms. equipment</b>	<b>Computer equipment</b>	<b>Plant &amp; equipment</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Opening balance at the beginning of the period</b>	80 857	131 146	159 694	13 490	1 549	10 557	397 293
Acquisitions	-	-	-	-	-	40	40
Capitalised asset transfers	645	9 898	24 001	413	138	1 309	36 404
Disposals	-	-	(1 595)	-	-	(6)	(1 601)
Gains/(losses) for the period recognised in net result:							
Depreciation	-	(6 884)	(13 268)	(2 385)	(297)	(1 285)	(24 119)
Total gains/(losses) recognised in net result	-	(6 884)	(13 268)	(2 385)	(297)	(1 285)	(24 119)
<b>Closing balance at the end of the period</b>	<b>81 502</b>	<b>134 160</b>	<b>168 832</b>	<b>11 518</b>	<b>1 390</b>	<b>10 615</b>	<b>408 017</b>

**Reconciliation of Level 3 recurring fair value measurement at 30 June 2020**

The following table is a reconciliation of fair value measurements using significant unobservable inputs (level 3).

<b>Consolidated</b>	<b>Land</b>	<b>Buildings</b>	<b>Vehicles</b>	<b>Comms. equipment</b>	<b>Computer equipment</b>	<b>Plant &amp; equipment</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Opening balance at the beginning of the period</b>	51 845	88 849	128 843	12 732	742	6 982	289 993
Capitalised asset transfers	6	6 746	13 648	524	129	2 722	23 775
Donated Asset	-	-	34	-	-	-	34
Transfer to Level 3	12 843	22 461	-	-	-	-	35 304
Transfers between asset classes	-	(27)	-	-	-	27	-
Disposals	(1)	(219)	(627)	-	-	-	(847)
Gains/(losses) for the period recognised in net result:							
Depreciation	-	(6 178)	(12 460)	(2 381)	(313)	(1 119)	(22 451)
Total gains/(losses) recognised in net result	-	(6 178)	(12 460)	(2 381)	(313)	(1 119)	(22 451)
Gains/(losses) for the period recognised in other comprehensive income (OCI):							
Revaluation increments/(decrements)	16 164	19 514	30 256	2 615	991	1 945	71 485
Total gains/(losses) recognised in OCI	<b>16 164</b>	<b>19 514</b>	<b>30 256</b>	<b>2 615</b>	<b>991</b>	<b>1 945</b>	<b>71 485</b>
<b>Closing balance at the end of the period</b>	<b>80 857</b>	<b>131 146</b>	<b>159 694</b>	<b>13 490</b>	<b>1 549</b>	<b>10 557</b>	<b>397 293</b>

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**10.2. Fair value (continued)**

**Reconciliation of level 3 recurring fair value measurement at 30 June 2021**

The following table is a reconciliation of fair value measurements using significant unobservable inputs (level 3).

<b>SAFECOM Entity</b>	<b>Buildings \$'000</b>	<b>Comms. equipment \$'000</b>	<b>Computer equipment \$'000</b>	<b>Plant &amp; equipment \$'000</b>	<b>Total \$'000</b>
<b>Opening balance at the beginning of the period</b>	12	112	430	41	595
Gains/(losses) for the period recognised in net result:					
Depreciation	(4)	(15)	(68)	(21)	(108)
<b>Total gains/(losses) recognised in net result</b>	<b>(4)</b>	<b>(15)</b>	<b>(68)</b>	<b>(21)</b>	<b>-</b>
<b>Closing balance at the end of the period</b>	<b>8</b>	<b>97</b>	<b>362</b>	<b>20</b>	<b>487</b>

**Reconciliation of Level 3 recurring fair value measurement at 30 June 2020**

The following table is a reconciliation of fair value measurements using significant unobservable inputs (level 3).

<b>SAFECOM Entity</b>	<b>Buildings \$'000</b>	<b>Comms. equipment \$'000</b>	<b>Computer equipment \$'000</b>	<b>Plant &amp; equipment \$'000</b>	<b>Total \$'000</b>
<b>Opening balance at the beginning of the period</b>	12	123	325	39	499
Capitalised asset transfers	-	-	47	-	47
Gains/(losses) for the period recognised in net result:					
Depreciation	(4)	(15)	(73)	(20)	(112)
<b>Total gains/(losses) recognised in net result</b>	<b>(4)</b>	<b>(15)</b>	<b>(73)</b>	<b>(20)</b>	<b>(112)</b>
Gains/(losses) for the period recognised in other comprehensive income (OCI):					
Revaluation increments/(decrements)	4	4	131	22	161
<b>Total gains/(losses) recognised in OCI</b>	<b>4</b>	<b>4</b>	<b>131</b>	<b>22</b>	<b>161</b>
<b>Closing balance at the end of the period</b>	<b>12</b>	<b>112</b>	<b>430</b>	<b>41</b>	<b>595</b>



## **South Australian Fire and Emergency Services Commission**

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#### **10.3. Financial Instruments**

##### **Financial risk management**

Risk management is managed by SAFECOM corporate services section and risk management policies are in accordance with the *SA Government Risk Management Guide* and the principles established in the Australian Standard *Risk Management Principles and Guidelines*.

The exposure of SAFECOM to financial risk (liquidity risk, credit risk and market risk) is low due to the nature of the financial instruments held. There have been no changes in risk exposure since the last reporting period.

##### **Liquidity risk**

Liquidity risk arises from the possibility that SAFECOM is unable to meet its financial obligations as they fall due. SAFECOM is funded principally from the Fund. SAFECOM works with the Fund to determine the cash flows associated with its government approved program of work to ensure funding meets the expected cash flows.

Refer to notes 7.1 and 7.2 for further information

##### **Credit risk**

SAFECOM has minimal concentration of credit risk. SAFECOM has policies and procedures in place to ensure that transactions occur with customers with appropriate credit history. No collateral is held as security and no credit enhancements relate to financial assets held by SAFECOM..

##### **Impairment of financial assets**

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

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

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

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

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

The expected credit loss for government debtors for the emergency services sector is nil. The expected credit loss for government debtors for SAFECOM is nil. This is based on the external credit ratings and nature of the counterparties.

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

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

The following table provides the information about the exposure to credit risk and ECL for non-government debtors for the consolidated entity.

**South Australian Fire and Emergency Services Commission**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2021*

**10.3. Financial instruments (continued)**

2021	Debtor gross carrying amount \$'000	Loss %	Lifetime expected losses \$'000
Current (not past due)	2 436	0.06%	1
1-30 days past due	121	0.30%	-
31-60 days past due	14	0.61%	1
61-90 days past due	17	2.69%	-
More than 90 days past due	283	1.93%	6
<b>Loss allowance</b>	<b>2 871</b>		<b>8</b>

**Cash and debt instruments**

The Emergency Services Sector considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties and therefore the expected credit loss is nil.

All of the Emergency Services Sector's debt investments at amortised cost are considered to have low credit risk and the consideration of expected credit loss was limited to 12 months expected losses. The expected credit loss is nil.

**Market risk**

SAFECOM does not trade in foreign currency, nor enter into transactions for speculative purposes, nor for hedging. SAFECOM 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 TI 23 *Management of Foreign Currency Exposures*.

SAFECOM has non-interest-bearing assets (cash on hand and receivables) and liabilities (payables) and interest-bearing assets (cash at bank and investments). SAFECOM's exposure to market risk and cash flow interest risk is minimal. There is minimal exposure to foreign currency or other price risks.

**Categorisation of financial instruments**

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

**Classification of financial assets and liabilities**

The Emergency Services Sector (consolidated) and SAFECOM measure all financial instruments at cost other than lease liabilities at amortised cost. All financial assets and liabilities carrying amount equals their fair value as at 30 June 2021 and are expected to be settled within one year excluding financial liabilities.

Maturity analysis for financial liabilities is presented below using the undiscounted cash flows.

	Consolidated	
	2021	2020
	\$'000	\$'000
<b>Lease Liabilities</b>		
within 1 year	2 055	1 620
1 to 5 years	4 766	4 102
More than 5 years	8 195	-
<b>Total lease liabilities (undiscounted)</b>	<b>15 016</b>	<b>5 722</b>

**Community Emergency Services Fund  
(CESF)**

**Administered Financial Statements**

For the year ended 30 June 2021

**Community Emergency Services Fund**  
**Statement of Administered Comprehensive Income**  
*for the year ended 30 June 2021*

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	Note	2021 \$'000	2020 \$'000
<b>Administered income</b>			
Levy sources	A2.1	339 448	328 655
Fees and charges	A2.2	571	472
Interest	A2.3	26	600
<b>Total administered income</b>		<b>340 045</b>	<b>329 727</b>
<b>Administered expenses</b>			
Contributions to SA Government administrative units	A3.1	325 451	334 571
Grants and subsidies	A3.2	6 141	2 513
Other	A3.3	8 649	8 452
<b>Total administered expenses</b>		<b>340 241</b>	<b>345 536</b>
<b>Net result</b>		<b>(196)</b>	<b>(15 809)</b>
<b>Total comprehensive result</b>		<b>(196)</b>	<b>(15 809)</b>

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

**Community Emergency Services Fund**  
**Statement of Administered Financial Position**  
*as at 30 June 2021*

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	Note	2021 \$'000	2020 \$'000
<b>Administered current assets</b>			
Cash and cash equivalents	A4.1	12 732	13 668
Receivables	A4.2	2 013	1 263
<b>Total current assets</b>		<b>14 745</b>	<b>14 931</b>
<b>Administered current liabilities</b>			
Payables	A5.1	625	615
<b>Total current liabilities</b>		<b>625</b>	<b>615</b>
<b>Net assets</b>		<b>14 120</b>	<b>14 316</b>
<b>Administered equity</b>			
Retained earnings		14 120	14 316
<b>Total equity</b>		<b>14 120</b>	<b>14 316</b>

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

**Community Emergency Services Fund**  
**Statement of Administered Cash Flows**  
*for the year ended 30 June 2021*

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	2021	2020
	\$'000	\$'000
<b>Cash flows from operating activities</b>		
<b>Cash inflows</b>		
Receipts from levy sources	338 698	329 040
Fees and charges	571	474
Interest received	26	657
<b>Cash generated from operations</b>	<b>339 295</b>	<b>330 171</b>
<b>Cash outflows</b>		
Payments to SA Government administrative units	(325 451)	(338 111)
Payments of grants and subsidies	(6 172)	(2 480)
Other payments	(8 608)	(7 965)
<b>Cash used in operations</b>	<b>(340 231)</b>	<b>(348 556)</b>
<b>Net cash used in operations</b>	<b>(936)</b>	<b>(18 385)</b>
	<b>(936)</b>	<b>(18 385)</b>
<b>Net decrease in cash and cash equivalents</b>		
<b>Cash and cash equivalents at the beginning of the period</b>	<b>13 668</b>	<b>32 053</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>12 732</b>	<b>13 668</b>

The accompanying notes form part of these financial statements.

**Community Emergency Services Fund**  
**Notes to and forming part of the financial statements**  
*For the year ended 30 June 2021*

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**NOTES TO THE FINANCIAL STATEMENTS**

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**Community Emergency Services Fund**  
**Notes to and forming part of the financial statements**  
*For the year ended 30 June 2021*

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**A1. About the Community Emergency Services Fund**

**A1.1. Basis of preparation and accounting policies**

The basis of preparation for the Community Emergency Services Fund (CESF) is the same as outlined in SAFECOM's financial statements. The fund applies the same accounting policies as set out in the notes of SAFECOM's financial statements.

**A1.2. Establishment, objectives and funding arrangements**

**Establishment**

The Community Emergency Services Fund (CESF) was established pursuant to the *Emergency Services Funding Act 1998* (the Act).

**Objectives**

CESF is the primary source of funding for the State Government's key emergency services agencies: the SA Metropolitan Fire Service (MFS), SA Country Fire Service (CFS), SA State Emergency Service (SES) and SA Fire and Emergency Services Commission (SAFECOM). CESF also provides funding to other State Government agencies and Non-Government Organisations for the provision of emergency services and related activities, and collection and administration costs, as allowed under section 28(4) the Act.

**Funding arrangements**

Under section 28(3) the Act, funds collected through the Emergency Services Levy (fixed and mobile property) for both private and Government property owners, Government contributions for concessions and remissions to property owners and interest earned on cash balances are paid into CESF. The administration, collection and policy-setting of the Emergency Services Levy (ESL) falls within the portfolio responsibilities of the Treasurer.



**Community Emergency Services Fund**  
**Notes to and forming part of the financial statements**  
*For the year ended 30 June 2021*

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**A1.3. Budget performance**

The budget performance table compares the funds outcomes against budget information presented to Parliament (2020-21 Budget Paper 4). The budget amounts have not been adjusted to reflect revised budgets or administrative restructures. The budget process is not subject to audit.

	<b>Original budget 2021 \$'000</b>	<b>Actual 2021 \$'000</b>	<b>Variance \$'000</b>
<b>Statement of Comprehensive Income</b>			
<b>Income</b>			
Levy sources	336 461	339 448	2 987
Fees and charges	441	571	130
Interest	1 500	26	(1 474)
<b>Total administered income</b>	<b>338 402</b>	<b>340 045</b>	<b>1 643</b>
<b>Expenses</b>			
Contributions to SA Government administrative units	325 047	325 451	404
Grants and subsidies	8 517	6 141	(2 376)
Other	8 509	8 649	140
<b>Total administered expenses</b>	<b>342 073</b>	<b>340 241</b>	<b>( 1 832)</b>
<b>Net result</b>	<b>(3 671)</b>	<b>(196)</b>	<b>3 475</b>
<b>Total comprehensive result</b>	<b>(3 671)</b>	<b>(196)</b>	<b>3 475</b>

Explanations are provided for variances where variance exceeds the greater of 10% of the original budgeted amount and 5% of the original budgeted total expenses.

In 2020-21 there were no variances that exceeded the greater of 10% of the original budget amount and 5% of original budgeted total expenses.

**Community Emergency Services Fund**  
**Notes to and forming part of the financial statements**  
*For the year ended 30 June 2021*

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**A2. Income**

**A2.1. Revenues from levy sources**

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
Fixed property collections	164 205	155 006
Fixed property remissions	119 233	118 518
Mobile collections	46 523	45 386
Government concessions	6 461	6 120
Mobile remissions	3 026	3 625
<b>Total revenues from levy sources</b>	<b>339 448</b>	<b>328 655</b>

Various SA Government entities administer revenue from levy sources on behalf of the fund, remitting revenue to the fund once collected. The fund recognises revenue when it obtains the right to receive which is generally when the revenue has been collected by the administering entity.

**A2.2. Revenues from fees and charges**

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
Certificate sales and other from entities with SA Govt	571	472
<b>Total revenue from fees and charges</b>	<b>571</b>	<b>472</b>

Revenue SA administers certificate sales on behalf of the fund, remitting revenue to the fund once collected. The fund recognises revenue when it obtains the right to receive which is generally when the revenue has been collected by the administering entity.

**A2.3. Interest revenues**

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
Interest on deposit accounts - from entities within the SA Government	26	600
<b>Total interest</b>	<b>26</b>	<b>600</b>

Reductions in the Reserve Bank of Australia cash rate during 2020-21 have resulted in a decrease in interest received on deposit accounts.

**Community Emergency Services Fund**  
**Notes to and forming part of the financial statements**  
*For the year ended 30 June 2021*

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**A3. Expenses**

**A3.1. Contributions to SA Government administrative units**

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
South Australian Metropolitan Fire Service	164 213	152 424
South Australian Country Fire Service	88 174	113 145
South Australian Police	23 263	22 696
South Australian State Emergency Service	22 913	22 998
South Australian Fire and Emergency Services Commission	17 823	14 403
Department for Environment and Water	6 039	5 952
South Australian Ambulance Service	1 249	1 219
South Australian Police - Government radio network	796	777
Attorney-General's Department - State Rescue Helicopter Service	740	722
South Australian Ambulance Service - Government radio network	241	235
<b>Total contributions to SA Government administrative units</b>	<b>325 451</b>	<b>334 571</b>

**A3.2. Grants and subsidies**

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
Surf Life Saving South Australia	4 414	858
Volunteer Marine Rescue	1 293	1 262
Shark Beach Patrol	434	393
<b>Total grants and subsidies</b>	<b>6 141</b>	<b>2 513</b>

**A3.3. Other expenses**

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
Revenue SA - collection costs	6 849	6 695
Department of Infrastructure and Transport - collection costs	1 117	1 089
Administration costs	683	668
<b>Total other expenses</b>	<b>8 649</b>	<b>8 452</b>

**Community Emergency Services Fund**  
**Notes to and forming part of the financial statements**  
*For the year ended 30 June 2021*

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**A4. Financial assets**

**A4.1. Cash and cash equivalents**

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
Deposits with the Treasurer	12 732	13 668
<b>Total cash and cash equivalents</b>	<b>12 732</b>	<b>13 668</b>

Cash is measured as nominal amounts.

**Deposits with the Treasurer**

One operating account is held with the Treasurer. This account is interest bearing.

**Interest rate risk**

Deposits with the Treasurer earn a floating-point interest rate based on daily bank deposit rates. Due to unusually low interest rates throughout the year there was no interest received on deposits with the Treasurer for a significant portion of 2020-21. The carrying amount of cash and cash equivalents approximates fair value.

**A4.2. Receivables**

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Current</b>		
Receivables from entities within the SA Government	2 013	1 263
<b>Total current receivables</b>	<b>2 013</b>	<b>1 263</b>
 <b>Total receivables</b>	 <b>2 013</b>	 <b>1 263</b>

All receivable amounts are recorded at amortised cost and non-interest bearing. All amounts are expected to be recovered within 12 months of reporting date.

Receivables are raised for outstanding levy and certificate sales revenue received by other SA Government entities yet to be remitted to the fund at 30 June.

**Community Emergency Services Fund**  
**Notes to and forming part of the financial statements**  
*For the year ended 30 June 2021*

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**A5. Liabilities**

**A5.1. Payables**

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Current</b>		
Creditors	625	615
<b>Total current payables</b>	<u><b>625</b></u>	<u><b>615</b></u>
<b>Total payables</b>	<u><u><b>625</b></u></u>	<u><u><b>615</b></u></u>

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

**Community Emergency Services Fund**  
**Notes to and forming part of the financial statements**  
*For the year ended 30 June 2021*

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**A6. Other disclosures**

**A6.1. Cash flow reconciliation**

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Reconciliation of cash and cash equivalents at the end of the reporting period</b>		
Cash and cash equivalents disclosed in the Statement of Financial Position	12 732	13 668
Balance as per the Statement of Cash Flows	12 732	13 668
<b>Reconciliation of net cash provided by / (used in) operating activities to net result</b>		
Net cash provided by/(used in) operating activities	(936)	(18 385)
<b>Movement in assets and liabilities</b>		
Increase/(decrease) in receivables	750	(444)
(Increase)/decrease in payables	(10)	3 020
<b>Net result</b>	<b>(196)</b>	<b>(15 809)</b>

**Community Emergency Services Fund**  
**Notes to and forming part of the financial statements**  
*For the year ended 30 June 2021*

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**A7. Measurement and risk**

**A7.1. Financial instruments**

**Financial risk management**

Risk management is managed by SAFECOM corporate services section and the Fund risk management policies are in accordance with the *SA Government Risk Management Guide* and the principles established in the Australian Standard *Risk Management Principles and Guidelines*.

The exposure of CESF to financial risk (liquidity risk, credit risk and market risk) is low due to the nature of the financial instruments held. There have been no changes in risk exposure since the last reporting period.

**Liquidity risk**

CESF is funded principally from Emergency Services Levy contributions, government concessions and remissions, and interest. The payments from CESF are referred by the Economic and Finance Committee, pursuant to the Act, and approved by the Minister for Emergency Services. CESF is an Administered item and cash flows associated with its approved payments and budgeted receipts are managed to ensure funding is available to meet the expected cash flows. Refer to note A5.1 for further information.

**Credit risk**

CESF has minimal concentration of credit risk. The fund is dependent on funds collected through the Emergency Services Levy (fixed and mobile property). CESF does not engage in high risk hedging for its financial assets. No collateral is held as security and no credit enhancements relate to financial assets held by CESF.

**Impairment of financial assets**

The expected credit loss of government debtors is considered to be nil based on the external credit ratings and nature of the counterparties. All of CESF's debtors at balance date were government debtors. The expected credit loss is nil.

**Market risk**

CESF has non-interest-bearing assets (receivables) and liabilities (payables) and interest-bearing assets (cash at bank). CESF's exposure to market risk and cash flow interest risk is minimal. There is minimal exposure to foreign currency or other price risks.

CESF does not trade in foreign currency, enter into transactions for speculative purposes, nor for hedging. CESF 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 TI 23 *Management of Foreign Currency Exposures*.

**Categorisation of financial instruments**

Details of the significant accounting policies and methods adopted including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised with respect to each class of financial asset, financial liability and equity instrument are disclosed in note A1.1

CESF financial assets and liabilities, receivables and payables are held at cost therefore their carrying is a reasonable approximation of their fair values due to the short-term nature of these (refer notes A4.2 and A5.1).

All financial assets and liabilities are expected to be settled within 1 year.