



**Government  
of South Australia**

# **South Australian Fire and Emergency Services Commission 2019-20 Annual Report**

**South Australian Fire and Emergency Services Commission**

Level 6, 60 Waymouth Street, Adelaide SA 5000  
GPO Box 2706, Adelaide SA 5001

[www.safecom.sa.gov.au](http://www.safecom.sa.gov.au)

Contact phone number: 08 8115 3909

Contact email: [SAFECOMEnquiries@sa.gov.au](mailto:SAFECOMEnquiries@sa.gov.au)

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Date presented to Minister: 27 October 2020

To:

Hon Vincent Tarzia MP

Minister for Police, Emergency Services and Correctional Services

This annual report will be presented to Parliament to meet the statutory reporting requirements of the *Fire and Emergency Services Act 2005* and the requirements of Premier and Cabinet Circular *PC013 Annual Reporting*.

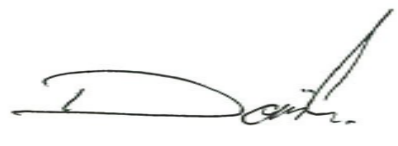
This report is verified to be accurate for the purposes of annual reporting to the Parliament of South Australia.

Submitted on behalf of the South Australian Fire and Emergency Services Commission by:

Dominic Lane

Chief Executive

Date 19/10/2020 Signature

A handwritten signature in black ink, appearing to read 'D. Lane', is written over a horizontal line.

## From the Chief Executive



I am pleased to submit the 2019-20 Annual Report for the South Australian Fire and Emergency Services Commission (SAFECOM), my second Annual Report since commencing in my role as Chief Executive.

SAFECOM provides corporate and operational support services that are integral in allowing the Emergency Service Sector (ESS) agencies, which include the South Australian Country Fire Service (CFS), South Australian Metropolitan Fire Service (MFS) and South Australian State Emergency Service (SES), to provide the frontline services that directly support and protect the community of South Australia.

2019-20 was a terrible and destructive bushfire season, with significant campaign fires at Yorketown, Duck Ponds, and Keilira; however it was the Cudlee Creek and Kangaroo Island bushfires which caused the most damage.

The Independent Bushfire Review into the SA 2019-20 bushfire season, led by Mr Mick Keelty AO, commended the remarkable efforts of the ESS, considering the conditions faced were the worst on record. The Review provided the State Government with 15 recommendations for improvement, based on 68 findings. As many actions as possible have been implemented prior to the 2020-21 bushfire season.

COVID-19 also presented challenges and significant praise goes to staff for adapting to flexible working arrangements, whilst still maintaining service delivery to our sector.

SAFECOM's role in South Australia's pandemic support included the State Emergency Information Call Centre Capability (SEICCC) establishment of the COVID-19 Information Line, and the Logistics Functional Support Group (LFSG) which supports the State's emergency management arrangements.

The new Emergency Services Headquarters continues to progress, which will provide the ESS with a state of the art, modern and resilient building housing an unprecedented command and control capabilities for the CFS, SES and MFS located on Richmond Road in Keswick.

The building will be earthquake-resilient, featuring backup power, water and wastewater storage and technology redundancies able to withstand major disasters such as earthquakes, floods and storms.

I would like to take this opportunity acknowledge and thank our previous Minister, the Hon Corey Wingard and the South Australian Government, and welcome our new Minister, the Hon Vincent Tarzia.

I wish also to thank the SAFECOM Board, SAFECOM staff, the Chief Officers of the CFS, MFS and SES, and their respective staff and volunteers for the dedication they commit to making South Australia not only a safer, but more resilient community.

**Dominic Lane**

**Chief Executive**

**SAFECOM**



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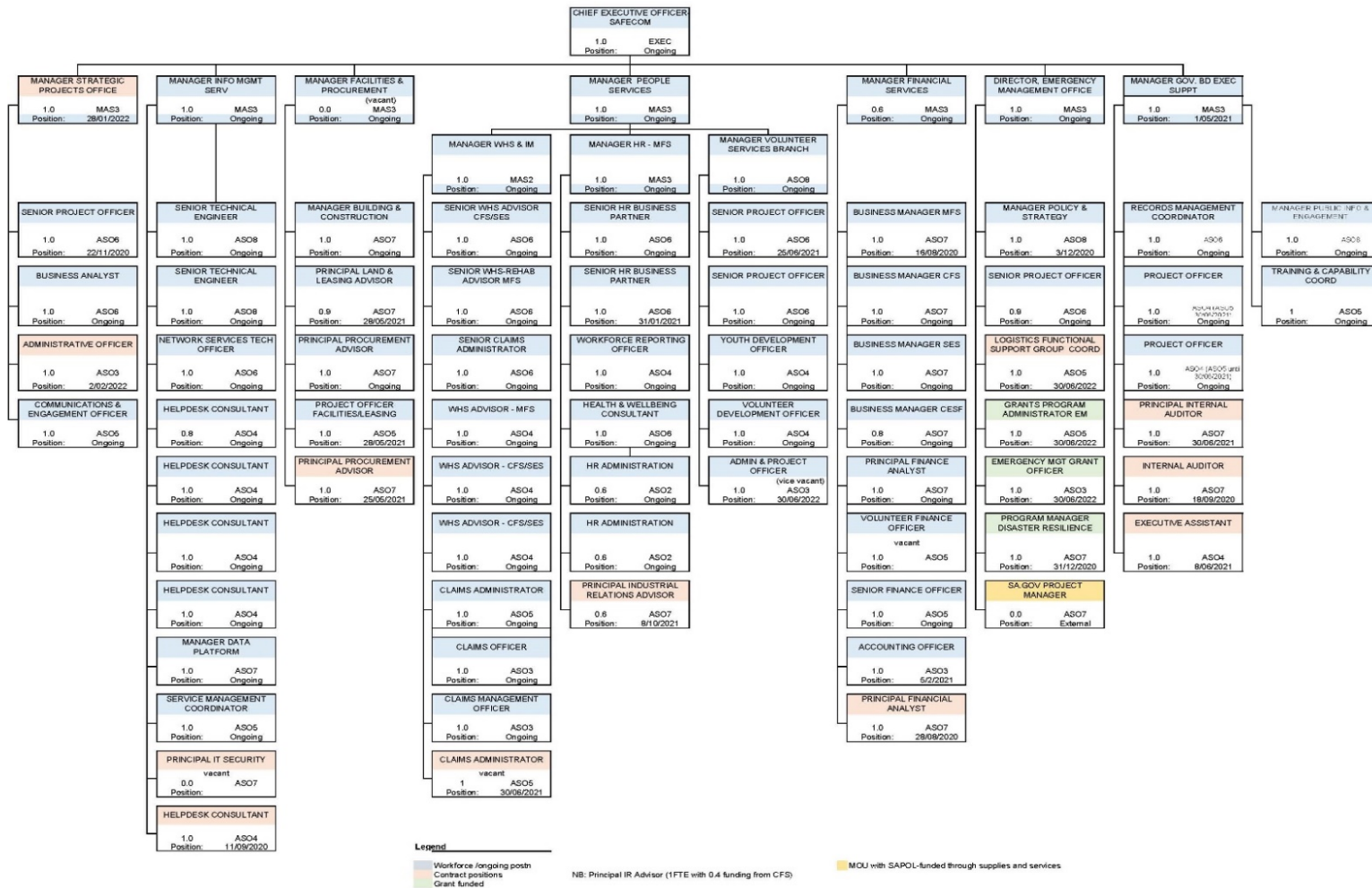
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## Overview: about the agency

### Our strategic focus

<b>Our Purpose</b>	The South Australian Emergency Services Sector (ESS), comprising the South Australian Fire and Emergency Services Commission (SAFECOM), South Australian Country Fire Service (CFS), South Australian Metropolitan Fire Service (MFS) and South Australian State Emergency Service (SES), protects South Australian lives, property and environment.
<b>Our Vision</b>	To support the vision of “we are safe in our homes, community and at work” from the South Australian Strategic Plan.
<b>Our Values</b>	The ESS plays an essential role in the safety of all South Australians. Funded wholly by the people of South Australia, the ESS has a responsibility to deliver benefits and cost efficiency to those it serves and returns an increasing value on their trusted investment.
<b>Our functions, objectives and deliverables</b>	<p>The primary role of the ESS is to prevent the loss of life, property, environment and infrastructure through reducing the impact of fires and other emergencies on our community. Not only is this achieved through an ongoing investment in emergency response equipment and trained personnel, but as importantly the ESS is committed to providing emergency warning systems and awareness materials that enable all South Australians to be as prepared and resilient to the dangers of fire and other emergencies as possible.</p> <p>SAFECOM provides corporate and operational support services that are integral in allowing the ESS agencies to provide the frontline services that directly support and protect the community of South Australia.</p> <p>SAFECOM is governed by the SAFECOM Board which comprises the SAFECOM Chief Executive (Presiding Member), the Chief Officers of the three ESS agencies, nominees of the United Firefighters Union, CFS Volunteer Association and SES Volunteer Association, and two independent members appointed by the Minister for Police, Emergency Services and Correctional Services.</p>

## Our organisational structure



*As sourced from SAFECOM Workforce Plan 2019-20 – approved by SAFECOM Board June 2020*

## **Changes to the agency**

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

## **Our Minister**



The Hon Vincent Tarzia MP is the Minister for Police, Emergency Services and Correctional Services.

## **Legislation administered by the agency**

*Fire and Emergency Services Act 2005*

## **Other related agencies (within the Minister's area/s of responsibility)**

SA Country Fire Service (CFS)

SA Metropolitan Fire Service (MFS)

SA State Emergency Service (SES)

## The agency's performance

### Performance at a glance

SAFECOM “provides governance” to the ESS through the SAFECOM Board and the ESS governance structure.

SAFECOM “enables change” within the ESS through the establishment of the State Projects Office, which has taken carriage of a number of key projects, including Alert SA, the new Emergency Services Headquarters, Automatic Vehicle Location and Better Protection of Critical Assets.

SAFECOM “supports delivery” through the functional lead model, which consists of People, Finance, ICT, Capability, Public Information and Warnings and Governance.

Alert SA was launched 10 December 2019, providing timely, accurate and relevant hazard and warning information from the CFS and MFS data feeds. Alert SA provides bushfire incident updates, alerts and warnings, fire danger ratings and total fire bans for the community. Users are able to create Watch Zones and receive notifications for those Watch Zones.

In the summer of 2019-20 bushfires devastated many parts of South Australia, resulting in the loss of three lives. On 28 January 2020, the Premier, the Hon Steven Marshall MP and the Minister for Police and Emergency Services, the Hon Corey Wingard MP announced an Independent Review to assist in planning for the 2020-21 bushfire season.

SAFECOM provided the project management support, enabling the timely delivery of the Review to enact improvements for the upcoming 2020-21 bushfire season.

SAFECOM administered the Commonwealth Government's Volunteer Firefighters Financial Support Program, which is designed to help volunteer firefighters and SES volunteers who have dedicated considerable personal time to respond to this season's extraordinary bushfires and incurred a financial loss of income as a result.

Following the Major Emergency declaration of COVID-19, the State Emergency Information Call Centre Capability (SEICCC) was activated and has maintained operation of the COVID-19 Information Line for South Australia. As at 30 June 2020, over 50,000+ calls were taken, with a number of South Australian public sector staff assisting efforts under the Office of the Commissioner for Public Sector Employment (OCPSE) Public Sector Mobilisation Policy.

SAFECOM implemented an Ex Gratia Payment Direction to enable CFS and SES volunteers to have the same entitlements to additional compensation, that paid firefighters have upon their cessation of entitlements under the *Return to Work Act 2004*.

SAFECOM also provided administrative support to the *Fire and Emergency Services (Miscellaneous) Amendments Bill 2020* which passed both houses of Parliament.

**Agency contribution to whole of Government objectives**

<b>Key objective</b>	<b>Agency's contribution</b>
More jobs	<p>The Volunteer Services Branch works directly with the CFS brigades and SES units to develop local level targeted recruitment strategies which attract, recruit and retain high quality emergency services volunteers to meet current and future workforce needs. The recruitment strategies are supported by a range of recruitment resources, which promote the different type of roles available within the ESS.</p>
Lower costs	<p>Emergency service volunteers play a vital role in our community. The ability to respond to and recover from emergencies does and will continue to rely heavily on the services provided by these volunteers. They make an enormous contribution to the community through volunteering and assist in building a strong and resilient South Australia.</p> <p>With a workforce of approximately 14,000 volunteers, the true value of volunteering is hard to justify. In the absence of volunteers, equivalent services would have to be provided by paid staff.</p> <p>SAFECOM Procurement continues to deliver value through the collaborative ESS contracts.</p>
Better Services	<p>The Alert SA App had a rapid uptake from its launch. As of the end of June 2020, there has been a total of 194,435 App downloads with 3,349,119 notifications sent to users.</p> <p>The SEICCC COVID-19 Information Line continues to provide a central point of contact, delivering critical information to the South Australian public.</p>

**Agency specific objectives and performance**

<b>Agency objectives</b>	<b>Indicators</b>	<b>Performance</b>
Launch the new Alert SA mobile application to the community.	200,000 downloads within the first two years of launch.	<p>The App has almost reached its two-year KPI of 200,000 downloads, demonstrating the community's trust in its usefulness and reliability.</p> <p>South Australia experienced a number of catastrophic bushfire periods in the 2019-20 bushfire season, gathering peak loads for the Alert SA App as the South Australian community sought information.</p>
Complete project to research and scope the establishment of a business sector to build capacity of business in emergencies and support emergency services volunteering.	Completion of research and report for the ESS consideration.	The research was completed, and a report delivered for the ESS consideration. Whilst a formal business network was not established, it did highlight future deliverables around the 2019-20 fire season and the impact it has on employers of volunteers.
Complete the roll out of the volunteer finance training package for CFS and SES volunteers.	Completion of the roll out of the volunteer finance training package for CFS and SES volunteers.	<p>Implemented the Local Funds Reporting System which is now available to the CFS and SES volunteers.</p> <p>Completed the roll out of volunteer finance training materials for CFS and SES volunteers.</p>



Agency objectives	Indicators	Performance
Roll out procurement training programs tailored for ESS staff.	Completion of resources and delivery of training aimed at ESS personnel, and the types of procurement activities unique to the ESS.	SAFECOM delivered procurement training aimed at both financial delegates approving, and operational staff undertaking procurement activities.
Implement a Contract Management Database for the Sector.	Registration of contracting activity in a centralised electronic database.	SAFECOM intends to utilise the across government tool which will be implemented as part of the wider across government procurement reforms.
Implement <i>Stronger Together: SA's Disaster Resilience Strategy 2019-24</i> .	<p>Cabinet approval to release.</p> <p>Inclusion of <i>Stronger Together</i> as key strategic document for 2019-20 Disaster Resilience Grants.</p> <p>Inclusion of <i>Stronger Together</i> in SA Government Climate Change Strategy.</p>	<p>Cabinet approved release of <i>Stronger Together</i> in November 2019.</p> <p>19 projects aligned to the key focus areas and/or cross-cutting themes of <i>Stronger Together</i> received grants in the 2019-20 Disaster Resilience Grants.</p> <p><i>Stronger Together</i> and disaster resilience is a key element of the SA Government Climate Change Strategy.</p> <p>SAFECOM received a Highly Commended Government Award in Resilient Australia Awards for <i>Stronger Together</i>.</p>
Deliver South Australia's Emergency Management Communication and Engagement Framework.	SEMC (State Emergency Management Committee) endorses Framework and agrees that the Resilience Recovery and Engagement Sub-committee will have oversight of implementation.	During the meeting on 5 August 2020 SEMC endorsed the Framework and agreed that the Resilience Recovery and Engagement Sub-committee would have oversight of implementation.

Agency objectives	Indicators	Performance
Implement the National Disaster Risk Reduction Framework in South Australia.	<p>Negotiate National Partnership Agreement on Disaster Risk Reduction.</p> <p>Coordinate SA's contribution to the first National Action Plan for the National Disaster Risk Reduction Framework.</p> <p>Develop Disaster Risk Reduction Grants Program policy, procedures and guidelines.</p>	<p>National Partnership Agreement on Disaster Risk Reduction signed in March 2020.</p> <p>SA section of National Action Plan identifies six key strategic initiatives including development of the ESS State Control Centre.</p> <p>A South Australian Disaster Resilience and Risk Reduction Model to align implementation of <i>Stronger Together: SA's Disaster Resilience Strategy 2019-24</i> and the National Disaster Risk Reduction Framework and associated EM (emergency management) sector consultation plan developed.</p> <p>Disaster Risk Reduction Grants Program policy, procedures and guidelines developed.</p>
Develop an Emergency Risk Management Framework on behalf of the State Emergency Management Committee.	SEMC endorses Emergency Risk Management Framework.	South Australian Emergency and Strategic Risk Management Framework covering both emergency (hazard-based) and strategic risk endorsed by SEMC in September 2020.

Agency objectives	Indicators	Performance
Acquit all state funded 2019-20 Disaster Resilience Grants.	Projects acquitted and Commonwealth reporting completed.	Acquitted 45% of Commonwealth and State funded 2019-20 Disaster Resilience grants. Bushfires and COVID-19 caused project delays, variations and delayed reporting to Commonwealth.
Effective delivery of State Logistics Functional Support Group capability.	Meet demand and requests for service as per State emergency management arrangements.	Effectively met requests for service and required staffing levels for both the State Emergency Committee (SEC) and LOGSCC (Logistics State Control Centre) for extended duration activations including 2019-20 Bushfires and COVID-19.

### Corporate performance summary

This information is addressed in the Financial Performance section of this report. Individual KPIs for each of the ESS agencies (CFS, MFS and SES) will be available in their respective Annual Reports, as published on the agencies' websites.

### Employment opportunity programs

Program name	Performance
Nil.	N/A.

## Agency performance management and development systems

Performance management and development system	Performance
Planned Review and Development Program	<ul style="list-style-type: none"> <li>• The <i>ESS Planned Review and Development (PRD) Guideline</i> was approved by ESS Executive in July 2018 to support sector wide implementation of performance management and development consistent with guidelines established by the Commissioner for Public Sector Employment.</li> <li>• The PRD program was successfully implemented as follows:</li> <li>• Training program tailored to the ESS requirements to educate all staff developed.</li> <li>• 18 sessions scheduled with 346 employees attending.</li> <li>• Approximately 95% of participants provided feedback on the program with over 88% providing positive feedback, and most participants thought the training was very beneficial, enhancing their understanding, skills and knowledge of performance management purpose, practices and purpose.</li> <li>• A Post-Implementation Review of the program was prepared to assess the overall program outcomes and identify improvement opportunities for the ESS Executive consideration.</li> <li>• A range of recommendations were proposed. These were considered by the ESS Executive who supported the continuation of the face to face PRD training program to capture new managers and employees and those requiring a refresher.</li> </ul> <p>As at 3 December 2019, 71% of SAFECOM employees participated in a formal PRD.</p> <p>As at 30 June 2020, 26% of SAFECOM employees participated in a formal PRD. COVID-19 and SAFECOM's involvement in mobilisation activities impacted on these results.</p>

## Work health, safety and return to work programs

Program name	Performance
Support the ESS to continuously improve their work, health and safety (WHS) systems	<p>Services delivered include:</p> <ul style="list-style-type: none"> <li>• WHS leadership providing expert advice to ESS agencies on WHS policies, procedures, training, doctrines and other systems and tools.</li> <li>• WHS internal auditing and governance reporting.</li> <li>• Workplace inspections to over 150 CFS Brigades, MFS Stations and SES Units.</li> <li>• Health monitoring programs.</li> <li>• Monitoring of incident reporting systems and conduct of independent WHS investigations.</li> <li>• WHS training and awareness sessions to paid and volunteer groups.</li> <li>• Expert advice to WHS Committees, volunteer committees, national committees and working groups.</li> </ul> <p>WHS operational support in activation of the State Control Centre, incident management teams and State On-Call Roster.</p>
Support the ESS to continuously improve their injury management systems (IM)	<p>Services provided included the full range of workers compensation claims management services to paid staff and volunteers of the ESS agencies:</p> <ul style="list-style-type: none"> <li>• Fulfilling the role of the ESS as self-insured Crown employers under the Return to Work Act 2014 ensuring determined claims paid income support, medical expenses and other entitlements, assessment for return to work (RTW) services and monitoring of:</li> <li>• RTW plans, effective case management to ensure all parties engaged and informed of RTW progress.</li> <li>• Managing additional compensation claims resulting from Employment Awards and Enterprise Bargaining Agreements.</li> </ul>
Employee Assistance Program (EAP) for volunteers and staff, including Critical Incident Response for volunteers	<p>Since 2017 SAFECOM has contracted with a panel of three external providers to deliver the Employee Assistance Program (EAP) for staff, volunteers and their families, and the critical incident stress response for volunteers following a potentially traumatic event.</p> <p>During the 2019-20 financial year 178 new referrals have been processed to the panel, and 269 Critical Incident Stress group sessions have been delivered. The majority of these were conducted during the 2019-20 fire season.</p>

<p>Mental Health First Aid Training for volunteers and staff of SAFECOM, CFS and SES</p>	<p>The Mental Health First Aid Training has been funded through the Natural Disaster Resilience Program (NDRP), CFS and SES since 2017, and ceased in February 2020.</p> <p>A Project Officer was employed to coordinate the program and deliver the training with other internal accredited trainers.</p> <p>A total of 27 workshops were delivered to 357 people, comprising of CFS and SES volunteers, SAFECOM, CFS and SES staff and SAFECOM Peer Support Officers.</p> <p>CFS and SES are currently planning for the delivery of future workshops over the next twelve months.</p>
<p>Volunteer Peer Support Program</p>	<p>The SAFECOM Volunteer Peer Support Program has recruited another six SES volunteers who have been inducted, bringing the total of peers to 26. However, since the fire season and due to extenuating circumstances, five peers have resigned from the group.</p> <p>Training has continued to be delivered under the current COVID-19 restrictions.</p> <p>Recruitment and retention of peers remains a priority.</p> <p>During the fire season the Peer Support Officers are on stand-by to be deployed to the Staging Area of a fire to offer Psychological First Aid to firefighters and the Incident Management Team.</p> <p>Peer support attended the Yorketown fire for two days, the Cudlee Creek fire for five days and the Kangaroo Island Complex fires from 28 December 2019 through to 24 February 2020.</p> <p>In March 2020, the three-month anniversary of the major fires, all captains in the Kangaroo Island Brigades and the Hills brigades received a welfare check and a reminder about the welfare services available.</p>
<p>Major Campaign Deployment and follow up welfare check of volunteers and staff</p>	<p>The Peer Support Team have been very active with supporting the Critical Incident Stress Group Sessions and the telephone follow up calls during the deployment to Queensland, NSW, Kangaroo Island and Cudlee Creek fires.</p> <p>As a response to the QLD/NSW deployment, from October 2019 to December 2019, the peers conducted 750 phone call welfare checks for the majority of the volunteers who were deployed interstate.</p>

Staff welfare checks and counselling support	<p>Staff welfare checks and counselling support continues pre and post fire season and are available for CFS and SES regional and Headquarters (HQ) staff.</p> <p>HQ staff groups were offered a group session following the fire season. Five sessions were conducted. Three sessions were cancelled due to COVID-19 restrictions in March/April.</p>
Stress, Trauma and Suicide Prevention sessions for volunteers	<p>A 90-minute interactive education session has been developed for volunteers and their partners and is mostly delivered by the Health and Wellbeing Consultant and experienced peer support officers on training nights. These sessions include discussion on suicide prevention.</p> <p>Twelve sessions across the state have been delivered in the past financial year.</p>
Stress Prevention and Management (SPAM) 24/7 rostered helpline for volunteers and staff	<p>The Stress Prevention and Management (SPAM) Helpline publications were updated and distributed to all regional offices, Group Officers, Brigades and Units and are available online.</p> <p>The SPAM helpline has received in excess of 460 calls during the past financial year and has four facilitators who are rostered on-call, one week in every month. The facilitators are managing the calls in addition to their usual employment.</p>
Development of online information and links to other services	<p>During the fire season and COVID-19 restrictions, mental health information, resources including a mental health directory have been continually updated and placed online.</p>
SES Wellbeing and Resilience Program for staff	<p>Wellbeing and resilience information is now available on the ESS Intranet and on the SES Volunteer Portal.</p>

<b>Workplace injury claims</b>	<b>Current year 2019-20</b>	<b>Past year 2018-19</b>	<b>% Change (+ / -)</b>
Total new workplace injury claims	1	0	0.00%
Fatalities	0	0	0.00%
Seriously injured workers*	0	0	0.00%
Significant injuries (where lost time exceeds a working week, expressed as frequency rate per 1000 FTE)	14.49	0.00	0.00%

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

<b>Workplace injury claims Emergency Services Sector</b>	<b>Current year 2019-20</b>	<b>Past year 2018-19</b>	<b>% Change (+ / -)</b>
Total new workplace injury claims	211	200	5.50%
Fatalities	1	1	0.00%
Seriously injured workers*	1	0	0.00%
Significant injuries (where lost time exceeds a working week, expressed as frequency rate per 1000 FTE)	3.00	34.90	-91.40%

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

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

<b>Work health and safety regulations Emergency Services Sector</b>	<b>Current year 2019-20</b>	<b>Past year 2018-19</b>	<b>% Change (+ / -)</b>
Number of notifiable incidents ( <i>Work Health and Safety Act 2012, Part 3</i> )	9	12	-33%
Number of provisional improvements, improvement and prohibition notices ( <i>Work Health and Safety Act 2012 Sections 90, 191 and 195</i> )	0	1	-100%



<b>Return to work costs** SAFECOM</b>	<b>Current year 2019-20</b>	<b>Past year 2018-19</b>	<b>% Change (+ / -)</b>
Total gross workers compensation expenditure (\$)	\$41,129	\$20,470	101%
Income support payments – gross (\$)	\$22,017	\$0	0%

*\*\*before third party recovery*

Data for previous years is available at:

<b>Return to work costs** Emergency Services Sector</b>	<b>Current year 2019-20</b>	<b>Past year 2018-19</b>	<b>% Change (+ / -)</b>
Total gross workers compensation expenditure (\$)	\$7,018,643	\$8,215,984	-15%
Income support payments – gross (\$)	\$2,643,097	\$3,847,911	-31%

### Executive employment in the agency

<b>Executive classification</b>	<b>Number of executives</b>
EXEC0D	1

Data for previous years is available at: [Data SA](#)

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

## Financial performance

### Financial performance at a glance

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

<b>Statement of Comprehensive Income</b>	<b>2019-20 Budget \$000s</b>	<b>2019-20 Actual \$000s</b>	<b>Variation \$000s</b>	<b>2018-19 Actual \$000s</b>
Total Income	13,440	18,991	5,551	23,929
Total Expenses	18,473	21,192	2,719	20,322
<b>Net Result</b>	<b>(5,033)</b>	<b>(2,201)</b>	<b>2,832</b>	<b>(3,607)</b>
Other comprehensive income	-	161	161	-
<b>Total Comprehensive Result</b>	<b>(5,033)</b>	<b>(2,040)</b>	<b>2 993</b>	<b>(3,607)</b>

<b>Statement of Financial Position</b>	<b>2019-20 Budget \$000s</b>	<b>2019-20 Actual \$000s</b>	<b>Variation \$000s</b>	<b>2018-19 Actual \$000s</b>
Current assets	1,192	6,036	4,844	8,264
Non-current assets	3,440	3,820	380	4,382
<b>Total assets</b>	<b>4,632</b>	<b>9,856</b>	<b>5,224</b>	<b>12,646</b>
Current liabilities	4,900	3,329	(1,571)	3,848
Non-current liabilities	3,270	2,621	(649)	2,852
<b>Total liabilities</b>	<b>8,170</b>	<b>5,950</b>	<b>(2,220)</b>	<b>6,700</b>
<b>Net assets</b>	<b>3,538</b>	<b>3,906</b>	<b>368</b>	<b>5,946</b>
<b>Equity</b>	<b>3,538</b>	<b>3,906</b>	<b>368</b>	<b>5,946</b>

### Consultants disclosure

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

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

<b>Consultancies</b>	<b>Purpose</b>	<b>\$ Actual payment</b>
All consultancies below \$10,000 each - combined	Various	\$56,915

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

<b>Consultancies</b>	<b>Purpose</b>	<b>\$ Actual payment</b>
GHD Pty Ltd	Per and poly-fluoroalkyl (PFAS) Contamination Testing	\$431,847
Metrix Consulting	National Fire Danger Rating System Evaluation	\$57,550
Safe Select	Psychological Testing & Assessment	\$48,327
Quark & Associates	Pt Augusta Fire Station Review	\$43,192
Liquid Pacific	Valuation of Assets	\$39,341
Chandler Macleod	Independent Review into the 2019/20 Bushfire Season	\$30,870
Deloitte	Consulting Services	\$30,134
University of Adelaide	Heatwave Forecast & Warning Decision Support	\$30,000
Earnest & Young	Tax Advice	\$18,154
FYFE Pty Ltd	Site Contamination Audit	\$16,735
Kirsa Environmental	PFAS Site Contamination Audit	\$11,350
	<b>Total</b>	<b>\$757,500</b>

Data for previous years is available at: [Data SA](#)

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

**Contractors disclosure**

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

**Contractors with a contract value below \$10,000**

<b>Contractors</b>	<b>Purpose</b>	<b>\$ Actual payment</b>
All contractors below \$10,000 each - combined	Various	\$131,812

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

<b>Contractors</b>	<b>Purpose</b>	<b>\$ Actual payment</b>
Oakton Services	Emerald Support	\$427,795
Babcock Pty Ltd	Engineering Support Services	\$619,800
PC Australia	Air Tanker Mix	\$495,282
Bureau of Meteorology	Fire Weather Briefing & Support Services	\$287,315
Tree Crew	Emergency Advanced Response	\$88,417
Jeff McDonald	Install and Repair of Radios & Chargers etc	\$84,619
Protexion Consulting Pty Ltd	Air Operations Activity for Fire Danger Season	\$74,286
Paul's Tree & Garden	Removal of Burning Trees	\$74,009
Operational Support Services	Air Operations/Active Standby	\$55,558
Bushfire and Natural Hazards	Mitigation Exercise Trial	\$50,000
Perspective	Budget Review Advisory Services	\$50,000
Booth Transport	Transportation Hire	\$48,862
Phil Richards	Air Attack Supervisor for the Fire Danger Season	\$44,574
James Blackmore	Air Attack Supervisor for the Fire Danger Season	\$34,223

<b>Contractors</b>	<b>Purpose</b>	<b>\$ Actual payment</b>
Neil Ackland	Air Operations for the Fire Danger Season	\$29,253
Metrix Consulting	System Evaluation	\$24,725
Oil Response	Audit of State Equipment	\$21,466
Aither Pty Ltd	Bushfire Risk Management Visualisation Initiative	\$18,168
Wardy IT Solutions	Data Analytics Technology Platform	\$18,000
Remediation & Contracting	Reflush of Appliances	\$17,177
T&J Jenkins	Air Operations for the Fire Danger Season	\$13,867
David Gordon Smith	CSRD Community Engagement Database – Facility to Update Statistics	\$12,500
Making Working Absolution Human (MWAH)	Diversity & Inclusion Engagement	\$11,160
Attard Psychology Pty Ltd	Develop Simulations for use in Workshops.	\$10,235
	Total	<b>\$2,611,291</b>

Data for previous years is available at: [Data SA](#)

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

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

## Risk management

### Risk and audit at a glance

SAFECOM has an established framework of sound corporate governance, including an effective risk management framework, internal control environment, an independent Audit and Risk Committee and a dedicated internal audit and risk management function.

### Fraud detected in the agency

Category/nature of fraud	Number of instances
Nil.	Nil.

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

### Strategies implemented to control and prevent fraud

SAFECOM maintains a governance structure and internal controls that are designed to prevent, detect and minimise the impact of fraud including:

- Fraud, corruption, misconduct and maladministration policy, procedure and control plan in place.
- Financial and human resources policies and procedures.
- An Audit and Risk Committee that reports to the SAFECOM Board.
- Regular financial monitoring and reporting.

Data for previous years is available at: [Data SA](#)

### Public interest disclosure

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

0

Data for previous years is available at: [Data SA](#)

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

## Reporting required under any other act or regulation

Act or Regulation	Requirement
<i>Fire and Emergency Services Act 2005</i>	<p><b>Division 7 – Accounts, audits and reports</b></p> <p>Section 22 – Annual reports</p> <p>(1) The Commission must, on or before 31 October in each year, provide to the Minister a report on the activities of the ESS during the preceding financial year (and need not provide a report under the <i>Public Sector Act 2009</i>).</p>

Attached as part of the Annual Report.

Act or Regulation	Requirement
<i>Freedom of Information Act 1991</i>	<p><b>Part 2 – Publication of certain information</b></p> <p>Section 9 – Publication of information concerning agencies</p> <p>(1) The responsible Minister for a State Government agency must, at intervals of not more than 12 months, cause an up-to-date information statement to be published in a manner prescribed by regulation.</p> <p>(1a) An agency (other than a State Government agency) must, at intervals of not more than 12 months, cause an up-to-date information statement to be published in a manner prescribed by regulation.</p>

Available on SAFECOM website [here](#)

Act or Regulation	Requirement
<i>Disability Inclusion Act 2018</i>	<p><b>Part 5 – Disability access and inclusions plans</b></p> <p>17 – Annual report on operation of disability access and inclusion plan</p>

Act or Regulation	Requirement
	<p>(1) Each state authority must, on or before 31 October in each year, report to the Chief Executive on the operation of its disability access and inclusion plan during the preceding financial year (including a summary of the extent to which the disability access and inclusion plan has been implemented by the state authority).</p> <p>(2) The Chief Executive must, on or before 31 December in each year, provide to the Minister a report summarising the reports received under subsection (1) in respect of the preceding financial year.</p> <p>(3) A report under subsection (2) may be combined with a report under section 14(1) annual report on operation of State Disability Inclusion Plan.</p>

### Reporting required under the *Carers' Recognition Act 2005*

Nil.



## Public complaints

### Number of public complaints reported

Complaint categories	Sub-categories	Example	Number of Complaints 2019-20
Professional behaviour	Staff attitude	Failure to demonstrate values such as empathy, respect, fairness, courtesy, extra mile; cultural competency	0
Professional behaviour	Staff competency	Failure to action service request; poorly informed decisions; incorrect or incomplete service provided	0
Professional behaviour	Staff knowledge	Lack of service specific knowledge; incomplete or out-of-date knowledge	0
Communication	Communication quality	Inadequate, delayed or absent communication with customer	0
Communication	Confidentiality	Customer's confidentiality or privacy not respected; information shared incorrectly	0
Service delivery	Systems/technology	System offline; inaccessible to customer; incorrect result/information provided; poor system design	0
Service delivery	Access to services	Service difficult to find; location poor; facilities/ environment poor standard; not accessible to customers with disabilities	0
Service delivery	Process	Processing error; incorrect process used; delay in processing application; process not customer responsive	0
Policy	Policy application	Incorrect policy interpretation; incorrect policy applied; conflicting policy advice given	0
Policy	Policy content	Policy content difficult to understand; policy unreasonable or disadvantages customer	0

<b>Complaint categories</b>	<b>Sub-categories</b>	<b>Example</b>	<b>Number of Complaints 2019-20</b>
Service quality	Information	Incorrect, incomplete, out dated or inadequate information; not fit for purpose	0
Service quality	Access to information	Information difficult to understand, hard to find or difficult to use; not plain English	0
Service quality	Timeliness	Lack of staff punctuality; excessive waiting times (outside of service standard); timelines not met	0
Service quality	Safety	Maintenance; personal or family safety; duty of care not shown; poor security service/ premises; poor cleanliness	0
Service quality	Service responsiveness	Service design doesn't meet customer needs; poor service fit with customer expectations	0
No case to answer	No case to answer	Third party; customer misunderstanding; redirected to another agency; insufficient information to investigate	0
		<b>Total</b>	<b>0</b>

<b>Additional Metrics</b>	<b>Total</b>
Number of positive feedback comments	0
Number of negative feedback comments	0
Total number of feedback comments	0
% complaints resolved within policy timeframes	0

Data for previous years is available at:

<b>Service Improvements resulting from complaints or consumer suggestions over 2019-20</b>
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N/A
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## **Appendix: Audited financial statements 2019-20**



Level 9  
State Administration Centre  
200 Victoria Square  
Adelaide SA 5000  
Tel +618 8226 9640  
Fax +618 8226 9688  
ABN 53 327 061 410  
audgensa@audit.sa.gov.au  
www.audit.sa.gov.au

## 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 the emergency services sector for the financial year ended 30 June 2020.

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

The financial report comprises:

- a Statement of Comprehensive Income for the year ended 30 June 2020
- a Statement of Financial Position as at 30 June 2020
- a Statement of Changes in Equity for the year ended 30 June 2020
- a Statement of Cash Flows for the year ended 30 June 2020
- notes, comprising significant accounting policies and other explanatory information
- a Statement of Administered Comprehensive Income for the year ended 30 June 2020
- a Statement of Administered Financial Position as at 30 June 2020
- a Statement of Administered Cash Flows for the year ended 30 June 2020
- 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 South Australian Fire and Emergency Services Commission. The *Public Finance and Audit Act 1987* establishes the independence of the Auditor-General. In conducting the audit, the relevant ethical requirements of APES 110 *Code of Ethics for Professional Accountants* (including Independence Standards) have been met.

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

## **Responsibilities of the 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 Australian Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of the financial report that gives a true and fair view and that is free from material misstatement, whether due to fraud or error.

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* section 21(2) of the *Fire and Emergency Services Act 2005*, I have audited the financial report of South Australian Fire and Emergency Services Commission for the financial year ended 30 June 2020.

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

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

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my



opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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
- 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 2020

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

**Financial Statements**

For the year ended 30 June 2020



**South Australian Fire and Emergency Services Commission**  
**Certification of Financial Statements**  
*for the year ended 30 June 2020*

---

We certify that the attached general-purpose financial statements for the South Australian Fire and Emergency Services Commission:

- comply with relevant Treasurer's Instructions issued under section 41 of the *Public Finance and Audit Act 1987*, and relevant Australian Accounting Standards
- are in accordance with the accounts and records of the South Australian Fire and Emergency Services Commission
- present a true and fair view of the financial position of the South Australian Fire and Emergency Services Commission as at 30 June 2020 and the results of its operations and cash flows for the financial year.

We certify that the internal controls employed by the South Australian Fire and Emergency Services Commission for the financial year over its financial reporting and its preparation of the general purpose financial statements have been effective throughout the reporting period.



Dominic Lane  
Presiding Officer  
South Australian Fire and Emergency Services  
Commission Board  
18 September 2020



Dominic Lane  
Chief Executive  
18 September 2020



Iolanda Calabrese  
Manager Financial Services  
18 September 2020

**South Australian Fire and Emergency Services Commission**  
**Statement of Comprehensive Income**  
*for the year ended 30 June 2020*

		Consolidated		SAFECOM Entity	
		2020	2019	2020	2019
	Note	\$'000	\$'000	\$'000	\$'000
<b>Income</b>					
Contribution from the Community					
Emergency Services Fund	2.1	302 970	280 394	14 403	17 811
Fees and charges	2.2	9 667	8 870	666	650
Grants and contributions	2.3	7 914	6 347	1 670	2 488
Intra-government transfers	2.4	21 451	6 552	2 101	2 918
Interest	2.5	89	213	20	54
Donated assets	2.6	42	99	-	-
Net gain from disposal of non-current assets	4.4	-	30	-	-
Other	2.7	3 526	1 222	131	8
<b>Total income</b>		<b>345 659</b>	<b>303 727</b>	<b>18 991</b>	<b>23 929</b>
<b>Expenses</b>					
Employee benefits	3.3	154 728	205 590	8 534	8 364
Supplies and services	4.1	109 295	91 565	8 420	6 926
Depreciation and amortisation	4.2	24 964	21 505	637	234
Grants and subsidies	4.3	3 798	5 225	2 331	4 798
Borrowing costs	4.5	114	-	1	-
Net loss from disposal of non-current assets	4.4	242	-	-	-
Other	4.6	1 662	-	1 269	-
<b>Total expenses</b>		<b>294 803</b>	<b>323 885</b>	<b>21 192</b>	<b>20 322</b>
<b>Net result</b>		<b>50 856</b>	<b>(20 158)</b>	<b>(2 201)</b>	<b>3 607</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		(14)	6	-	-
<b>Total other comprehensive income</b>		<b>71 470</b>	<b>6</b>	<b>161</b>	<b>-</b>
<b>Total comprehensive result</b>		<b>122 326</b>	<b>(20 152)</b>	<b>(2 040)</b>	<b>3 607</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**  
*for the year ended 30 June 2020*

	Note	Consolidated		SAFEKOM Entity	
		2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
<b>Current assets</b>					
Cash and cash equivalents	6.1	37 185	34 591	3 074	7 599
Receivables	6.2	13 816	7 766	2 962	665
Other financial assets	6.3	2 246	2 461	-	-
Non-current assets classified as held for sale	6.4	742	742	-	-
<b>Total current assets</b>		<b>53 989</b>	<b>45 560</b>	<b>6 036</b>	<b>8 264</b>
<b>Non-current assets</b>					
Property, plant and equipment	5.1	445 030	363 026	940	1 968
Intangible assets	5.4	3 371	2 632	2 880	2 414
<b>Total non-current assets</b>		<b>448 401</b>	<b>365 658</b>	<b>3 820</b>	<b>4 382</b>
<b>Total assets</b>		<b>502 390</b>	<b>411 218</b>	<b>9 856</b>	<b>12 646</b>
<b>Current liabilities</b>					
Payables	7.1	15 699	22 377	1 975	2 661
Employee benefits	3.4	25 608	22 957	1 279	1 133
Financial liabilities	7.2	1 640	-	18	-
Provisions	7.3	7 719	13 921	57	54
<b>Total current liabilities</b>		<b>50 666</b>	<b>59 255</b>	<b>3 329</b>	<b>3 848</b>
<b>Non-current liabilities</b>					
Payables	7.1	5 300	5 806	196	217
Employee benefits	3.4	33 744	36 904	2 113	2 370
Provisions	7.3	65 180	88 189	304	265
Financial liabilities	7.2	4 110	-	8	-
<b>Total non-current liabilities</b>		<b>108 334</b>	<b>130 899</b>	<b>2 621</b>	<b>2 852</b>
<b>Total liabilities</b>		<b>159 000</b>	<b>190 154</b>	<b>5 950</b>	<b>6 700</b>
<b>Net assets</b>		<b>343 390</b>	<b>221 064</b>	<b>3 906</b>	<b>5 946</b>
<b>Equity</b>					
Retained earnings		207 068	156 212	3 745	5 946
Asset revaluation surplus		136 330	64 846	161	-
Investment market value reserve		(8)	6	-	-
<b>Total equity</b>		<b>343 390</b>	<b>221 064</b>	<b>3 906</b>	<b>5 946</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 2020*

	Consolidated			
	Investments market value reserve	Asset Revaluation surplus	Retained earnings	Total equity
	\$'000	\$'000	\$'000	\$'000
Balance at 1 July 2018	-	64 846	176 286	241 132
Changes in accounting policy on adoption of AASB 9	-	-	84	84
<b>Restated balance at 1 July 2018</b>	<b>-</b>	<b>64 846</b>	<b>176 370</b>	<b>241 216</b>
<b>Net result for 2018-19</b>	-	-	(20 158)	(20 158)
Changes in fair value of investments classified as fair value through other comprehensive income	6	-	-	6
<b>Total comprehensive result for 2018-19</b>	<b>6</b>	<b>-</b>	<b>(20 158)</b>	<b>(20 152)</b>
<b>Balance at 30 June 2019</b>	<b>6</b>	<b>64 846</b>	<b>156 212</b>	<b>221 064</b>
<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>

	SAFECOM Entity			
	Investments market value reserve	Asset Revaluation surplus	Retained earnings	Total equity
	\$'000	\$'000	\$'000	\$'000
Balance at 1 July 2018	-	-	2 339	2 339
<b>Net result for 2018-19</b>	-	-	3 607	3 607
<b>Total comprehensive result for 2018-19</b>	<b>-</b>	<b>-</b>	<b>3 607</b>	<b>3 607</b>
<b>Balance at 30 June 2019</b>	<b>-</b>	<b>-</b>	<b>5 946</b>	<b>5 946</b>
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>

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 2020*

	Note	Consolidated		SAFECOM Entity	
		2020 (Outflows) Inflows \$'000	2019 (Outflows) Inflows \$'000	2020 (Outflows) Inflows \$'000	2019 (Outflows) Inflows \$'000
<b>Cash flows from operating activities</b>					
<b>Cash inflows</b>					
Contributions from CESF		302 970	280 394	14 403	17 811
Intra-government charges		21 451	10 048	2 101	5 287
Receipts from fees and charges		4 164	8 410	50	539
Receipts from grants and contributions		7 914	2 827	-	119
Interest received		89	213	20	54
GST recovered from the ATO		13 003	9 817	2 578	3 050
Receipts for paid parental leave scheme		195	64	27	7
Other receipts		3 484	1 406	117	7
<b>Cash generated from operations</b>		<b>353 270</b>	<b>313 179</b>	<b>19 296</b>	<b>26 874</b>
<b>Cash outflows</b>					
Employee benefit payments		(185 266)	(168 896)	(8 597)	(8 066)
Payments for supplies and services		(129 172)	(101 348)	(11 708)	(9 870)
Payments of grants and subsidies		(3 798)	(5 201)	(2 331)	(4 798)
Payments for paid parental leave scheme		(186)	(61)	(27)	(4)
Interest paid		(114)	-	(1)	-
<b>Cash used in operations</b>		<b>(318 536)</b>	<b>(275 506)</b>	<b>(22 664)</b>	<b>(22 738)</b>
<b>Net cash provided by / (used in) operating activities</b>	8.2	<b>34 734</b>	<b>37 673</b>	<b>(3 368)</b>	<b>4 136</b>
<b>Cash flows from investing activities</b>					
<b>Cash inflows</b>					
Proceeds from the sale of property, plant and equipment	4.4	605	428	-	-
<b>Cash generated from investing activities</b>		<b>605</b>	<b>428</b>	<b>-</b>	<b>-</b>
<b>Cash outflows</b>					
Purchase of property, plant and equipment		(31 193)	(27 268)	(1 136)	(2 903)
Purchase of investments		201	449	-	-
<b>Cash used in investing activities</b>		<b>(30 992)</b>	<b>(26 819)</b>	<b>(1 136)</b>	<b>(2 903)</b>
<b>Net cash provided by / (used in) investing activities</b>		<b>(30 387)</b>	<b>(26 391)</b>	<b>(1 136)</b>	<b>(2 903)</b>
<b>Cash flows from financing activities</b>					
<b>Cash outflows</b>					
Repayment of leases		(1 753)	-	(21)	-
<b>Cash used in financing activities</b>		<b>(1 753)</b>	<b>-</b>	<b>(21)</b>	<b>-</b>
<b>Net cash provided by / (used in) financing activities</b>		<b>(1 753)</b>	<b>-</b>	<b>(21)</b>	<b>-</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>		<b>2 594</b>	<b>11 282</b>	<b>(4 525)</b>	<b>1 233</b>
Cash and cash equivalents at the beginning of the reporting period		34 591	23 309	7 599	6 366
<b>Cash and cash equivalents at the end of the reporting period</b>	6.1	<b>37 185</b>	<b>34 591</b>	<b>3 074</b>	<b>7 599</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 2020*

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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 2020*

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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 2020

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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 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 10.4 as 'Trust Funds'.

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

The financial statements incorporate the assets and liabilities of all entities comprising the Emergency Services Sector as at 30 June 2020 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.

#### 1.1. 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

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

The financial statements 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.

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 2020*

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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).

**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 2020 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 and SASES. 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 2020*

**1.4. Budget performance**

The budget performance table compares SAFECOM's outcomes against budget information presented to Parliament (2019-20 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 2020 \$'000	SAFECOM Actual 2020 \$'000	Variance \$'000
<b>Statement of Comprehensive Income</b>	<b>Note</b>			
<b>Income</b>				
Contribution from the Community Emergency Services Fund	a	12 489	14 403	1 914
Fees and charges		666	666	-
Grants and contributions		-	1 670	1 670
Interest		24	20	(4)
Donated assets			-	-
Intra-government transfers	b	110	2 101	1 991
Other		151	131	(20)
<b>Total income</b>		<b>13 440</b>	<b>18 991</b>	<b>5 551</b>
<b>Expenses</b>				
Employee benefits		8 078	8 534	456
Supplies and services	c	3 748	8 420	4 672
Depreciation and amortisation		867	637	(230)
Grants and subsidies	d	5 780	2 331	(3 449)
Borrowing costs		-	1	1
Other	e	-	1 269	1 269
<b>Total expenses</b>		<b>18 473</b>	<b>21 192</b>	<b>2 719</b>
<b>Net result</b>		<b>(5 033)</b>	<b>(2 201)</b>	<b>2 832</b>
<b>Other comprehensive income</b>				
Changes in asset revaluation surplus	f	-	161	161
<b>Total comprehensive result</b>		<b>(5 033)</b>	<b>(2 040)</b>	<b>2 993</b>

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 Primarily relates to receipt of funding during the year for the sector's Emerald system, legal costs and Independent Review into the 2019-20 South Australian Bushfire Season.
- b Actual revenue was higher as a result of the matching state funding received for the Commonwealth National Partnership on Disaster Risk Reduction grant and recovery of funds for the State Emergency Information Call Centre Capability (SEICCC) COVID-19 costs.
- c Supplies and Services actuals were higher as a result of additional costs for the Emerald system, legal costs, Independent Review into the 2019/20 South Australian Bushfire Season, SEICCC activation for COVID-19 and Emergency Alert.
- d Grants expenditure was under-budget due to unspent grant programs for which carryovers will be sought.

**South Australian Fire and Emergency Services Commission**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2020*

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**1.4. Budget performance (continued)**

e The cost in actual relates to the part write-off of Alert SA.

f The movement is the result of an independent asset revaluation undertaken in 2019-20.

		Original budget 2020 \$'000	Actual 2020 \$'000	Variance \$'000
	Note			
<b>Investing Expenditure Summary</b>				
Total existing projects	g	144	1 094	950
Total annual programs		-	41	41
<b>Total investing expenditure</b>		<b>144</b>	<b>1 135</b>	<b>991</b>

g Actual is higher due to Alert SA investment expenditure for which a budget carryover was sought and approved in 2019-20.

**1.5. 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 2019-20 were:

- Additional expenditure to keep personnel safe while maintaining service delivery to the community.
- Additional expenditure to support the South Australian response to the COVID-19 pandemic.
- Increased leave liabilities as a result of cancellation of leave (SA Metropolitan Fire Service).
- Reduced capital expenditure due to supplier business restrictions.
- Increased expected credit losses on fees and charges resulting from the impact of the COVID-19 pandemic on businesses.

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.

**1.6. 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).



**South Australian Fire and Emergency Services Commission**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2020*

**2. Income**

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

	Consolidated		SAFECOM Entity	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
Community Emergency Services Fund	302 970	280 394	14 403	17 811
<b>Total Contributions from the Community Emergency Services Fund</b>	<b>302 970</b>	<b>280 394</b>	<b>14 403</b>	<b>17 811</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.

For details on the expenditure associated with the operational funding and capital funding refer notes 1.4, 4.1, 4.3, and 5.1.

**2.2. Revenues from fees and charges**

	Consolidated		SAFECOM Entity	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
Fire alarm attendance fees	2 798	2 489	-	-
Fire alarm monitoring fees	2 701	2 530	-	-
Incident cost recoveries	2 404	1 911	-	-
Rent of premises	569	695	-	-
Salary recovery	666	650	666	650
Fire safety fees	475	558	-	-
Other recoveries	54	37	-	-
<b>Total revenues from fees and charges</b>	<b>9 667</b>	<b>8 870</b>	<b>666</b>	<b>650</b>

Income from fees and charges is derived from the provision of goods and services to other SA Government agencies and to the public. This revenue is recognised upon delivery of the service to the client or by reference to the stage of completion.

**2.3. Grants and contributions**

	Consolidated		SAFECOM Entity	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
Commonwealth Government	3 075	3 913	1 670	2 488
Private industry and local government	4 839	2 434	-	-
<b>Total grants and contributions</b>	<b>7 914</b>	<b>6 347</b>	<b>1 670</b>	<b>2 488</b>

Contributions are recognised as an asset and income when the Sector obtains control of the contributions or obtains the right to receive the contributions and the income recognition criteria are met.

Commonwealth Government grant funding for SAFECOM relates to the Natural Partnership Agreement on Disaster Risk Reduction. Commonwealth Government grant funding for Consolidated relates to the Natural Partnership Agreement on Disaster Risk Reduction and contributions towards the provision of fire and emergency services to Commonwealth properties. Private industry funding for Consolidated mainly relates to contributions towards aerial firefighting costs.

**South Australian Fire and Emergency Services Commission**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2020*

**2.4. Intra-government transfers**

	Consolidated		SAFECOM Entity	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
State government	21 451	6,552	2 101	2 918
<b>Total Intra-government transfers</b>	<b>21 451</b>	<b>6 552</b>	<b>2 101</b>	<b>2 918</b>

Intra-government transfers are recognised as income on receipt.

**2.5. Interest**

	Consolidated		SAFECOM Entity	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
Dividend Income	5	6	-	-
Interest on deposit accounts	84	207	20	54
<b>Total interest revenues</b>	<b>89</b>	<b>213</b>	<b>20</b>	<b>54</b>

**2.6. Donated assets**

	Consolidated		SAFECOM Entity	
	2020	2019	2020	2019
Donated assets	42	99	-	-
<b>Total Donated assets</b>	<b>42</b>	<b>99</b>	<b>-</b>	<b>-</b>

In 2018-19 the SES received donated shares. These shares are not held for trading.

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

SES and CFS 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.

**2.7. Other income**

	Consolidated		SAFECOM Entity	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
Sundry revenues	1 421	817	106	8
Salary recoveries	63	15	6	-
Rent received	36	46	-	-
Insurance recoveries	15	68	-	-
Donations	27	26	-	-
Groups/Brigades/Units fundraising	1 868	26	-	-
Other	96	224	19	-
<b>Total other income</b>	<b>3 526</b>	<b>1 222</b>	<b>131</b>	<b>8</b>

**South Australian Fire and Emergency Services Commission**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2020*

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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 Chief Officers of MFS, CFS and SES, 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, MFS, CFS and SES. 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 \$2.3 million in 2019-20 and \$2.26 million in 2018-19.

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	
	2020	2019	2020	2019
Compensation	\$'000	\$'000	\$'000	\$'000
Salaries and other short-term employee benefits	2 100	2 052	471	418
Post-employment benefits	210	208	44	37
<b>Total compensation</b>	<b>2 310</b>	<b>2 260</b>	<b>515</b>	<b>455</b>

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

There are no material transactions or balances to disclose with key management personnel or related parties.



**South Australian Fire and Emergency Services Commission**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2020*

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**3.2. Board and committee members**

Members of boards and committees during 2019-20 were:

**South Australian Fire and Emergency Services**

**Commission Board**

D Lane\*  
 C J Adlam (Max)  
 C J Beattie\*  
 S J Caracoussis  
 C A King (retired 30 October 2019)  
 M J Morgan\*  
 P J Decure (appointed 31 October 2019)  
 M S Jones\* (appointed 01 October 2019)  
 S St Alban  
 J Tucker  
 D F Barry\*  
 A De Piaz\*  
 P M Fletcher\*  
 W A Hicks ESM  
 J D Lindner  
 C Thomas\*  
 G H Nettleton\* (term expired 05 July 2019)

**South Australian Fire and Emergency Services**

**Commission Audit and Risk Committee**

A Chia  
 C A King (term expired 30 October 2019)  
 J Tucker  
 P J Decure (appointed 01 April 2020)

**South Australian Metropolitan Fire Service**

**Disciplinary Committee**

L D P Holland  
 P L Kilsby\* (term expired 26 March 2020)  
 R Thompson (appointed 26 March 2020)  
 S J Smithson\*  
 J L Virgo\* (term expired 31 January 2020)  
 B Robertson (appointed 01 February 2020)

**State Bushfire Coordination Committee**

A Allen\*  
 N G Bamford\*  
 G P Benham\*  
 F Crisci\*  
 J S Crocker\*  
 C B Daniels  
 A De Piaz\*  
 C Gibson\*  
 F J Gill\*  
 W R McIntosh  
 M S Jones (appointed 08 October 2019)\*  
 J Nairn\*  
 G H Nettleton (ceased 14 June 2019)\*  
 E Petrenas\*  
 J Psyridis\*  
 N Rea  
 S A Reardon  
 M C Roche  
 W B Thorley  
 P R White  
 S Barone\*  
 D Colliar\*  
 J Crampton\*  
 J B Drew\*  
 F Dunstan\*  
 K M Egan\*  
 J Frizenschaf\*  
 D S Gilbertson  
 H L Greaves  
 M M Healy  
 T M W Kelly  
 D Leblond\*  
 J D Lindner  
 C W Patterson\*  
 J Slocombe\*  
 E M Sommerville  
 M R Sutton\*  
 I Tanner\*

\* 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**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2020*

**3.2. Board and committee members (continued)**

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

	Consolidated		SAFECOM Entity	
	2020	2019	2020	2019
\$nil	45	44	11	12
\$1 - \$19 999	9	8	2	1
\$20 000 - \$39 999	5	5	5	5
<b>Total</b>	<b>59</b>	<b>57</b>	<b>18</b>	<b>18</b>

The total remuneration received or receivable by members was Consolidated \$161 000 (2019: \$164 000) and SAFECOM \$147 000 (2019: \$153 000). Remuneration of members includes 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	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
Salaries and wages	132 908	121 021	6 652	5 885
Workers compensation	(23 606)	34 285	79	30
Employment on-costs - superannuation	17 213	17 111	747	766
Additional compensation	2 052	(1 329)	20	(70)
Annual leave	15 462	15 068	550	640
Payroll tax	8 262	8 053	370	368
Long service leave	658	9 335	(71)	535
Skills and experience retention leave	1 209	1 429	45	53
Board fees	148	150	134	139
Other employment related expenses	422	467	8	18
<b>Total employee benefits expenses</b>	<b>154 728</b>	<b>205 590</b>	<b>8 534</b>	<b>8 364</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.



**South Australian Fire and Emergency Services Commission**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2020*

**3.3. Employee benefits expenses (continued)**

**Executive remuneration**

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

	<b>Consolidated</b>		<b>SAFECOM Entity</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	<b>Number</b>	<b>Number</b>	<b>Number</b>	<b>Number</b>
\$151 000 to \$154 000*	N/A	22	N/A	-
\$154 001 to \$174 000	137	110	1	-
\$174 001 to \$194 000	50	27	-	-
\$194 001 to \$214 000	17	3	-	-
\$214 001 to \$234 000	7	2	-	-
\$234 001 to \$254 000	3	2	-	-
\$254 001 to \$274 000	1	-	-	-
\$274 001 to \$294 000	2	1	-	-
\$294 001 to \$314 000	1	3	-	1
\$374 001 to \$394 000	1	-	1	-
<b>Total number of executives / employees</b>	<b>219</b>	<b>170</b>	<b>2</b>	<b>1</b>

\* This band has been included for the purposes of reporting comparative figures based on the executive base level remuneration 2018-19.

The total remuneration received by these employees for the year was SAFECOM entity \$0.532 million (2019: \$0.3 million) and consolidated \$38.73 million (2019: \$28.85 million). The table includes all employees who received remuneration equal to or greater than the base executive remuneration level during the year. Remuneration of employees reflects all costs of employment including salaries and wages, payments in lieu of leave, superannuation contributions, salary sacrifice benefits and fringe benefits and any FBT paid or payable in respect of those benefits.

**South Australian Fire and Emergency Services Commission**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2020*

**3.4. Employee benefits liability**

	Consolidated		SAFECOM Entity	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
<b>Current</b>				
Accrued salaries and wages	4 234	3 249	219	136
Annual leave	15 811	14 451	798	723
Skills and experience retention leave	2 093	1 860	76	82
Long service leave	3 470	3 397	186	192
<b>Total current employee benefits</b>	<b>25 608</b>	<b>22 957</b>	<b>1 279</b>	<b>1 133</b>
<b>Non-current</b>				
Long service leave	33 744	36 904	2 113	2 370
<b>Total non-current employee benefits</b>	<b>33 744</b>	<b>36 904</b>	<b>2 113</b>	<b>2 370</b>
<b>Total employee benefits</b>	<b>59 352</b>	<b>59 861</b>	<b>3 392</b>	<b>3 503</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. In the unusual event where salary and wages, annual leave and skills and experience retention liability are payable later than 12 months, the liability will be measured at present value.

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 11.1.

**South Australian Fire and Emergency Services Commission**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2020*

**4. Expenses**

Employee benefits expenses are disclosed in note 3.3

**4.1. Supplies and services**

	Consolidated		SAFECOM Entity	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
Government radio network	18 315	16 681	-	-
Aerial support costs	19 795	13 536	-	-
Vehicles	14 541	9 553	22	-
Operational costs	11 644	5 551	174	26
Consultancy, contractor and legal fees	7 294	5 607	1 647	1 189
Property Costs	6 831	6 535	152	9
Travel and training	5 237	4 398	89	128
Computing costs	5 366	4 283	1 240	555
Communications	4 917	5 275	1 751	2 305
Uniforms and protective clothing	3 363	6 227	1	1
Accommodation	2 817	2 025	993	438
Shared Services SA fees	1 937	1 799	1 910	1 791
Repairs and maintenance	1 010	1 161	23	37
Insurance premiums	764	574	9	9
Short term leases	190	-	-	-
Low-value leases	129	-	12	-
Operating lease payments	-	2 725	-	130
Other expenses	5 145	5 635	397	308
<b>Total supplies and services</b>	<b>109 295</b>	<b>91 565</b>	<b>8 420</b>	<b>6 926</b>

**Accommodation**

Most of the Emergency Services Sector's accommodation is provided by the Department of Planning, Transport and Infrastructure (DPTI) under Memoranda of Administrative Arrangement (MoAA) issued in accordance with Government-wide accommodation policies. MoAA do not meet the definition of lease set out in AASB 16.

In prior years expenses associated with MoAA have been classified as operating lease payments. Expenses associated with MoAA have been re-classified as accommodation expenses for both the current year and the comparative. Further details about this re-classification is set out in note 9.1.

**Other**

Audit fees paid/payable to the Auditor-General's Department (AGD) relating to work performed under the *Public Finance and Audit Act* were \$204 000 (2019: \$201 000) for the sector and \$113 000 (2019: \$113 000) for SAFECOM. These costs are recognised in 'other expenses' above. No other services were provided by the Auditor-General's Department.

**South Australian Fire and Emergency Services Commission**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2020*

**4.1 Supplies and services (continued)**

**Operating Leases**

Operating lease payments (less any lease incentives) are recognised on a straight-line basis over the lease term. Operating lease payments do not include payments associated with accommodation MoAA. This information is provided for 2018-19 only, as AASB 16 Leases does not distinguish between operating and finance leases for lessees.

	Consolidated		SAFECOM Entity	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
Operating lease minimum payments	-	2 725	-	130
<b>Total operating lease payments</b>	<b>-</b>	<b>2 725</b>	<b>-</b>	<b>130</b>

**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			
	2020	2020	2019	2019	2020	2020	2019	2019
	No.	\$'000	No.	\$'000	No.	\$'000	No.	\$'000
Below \$10 000	17	57	8	27	3	5	1	3
\$10 000 or above	12	754	7	1 217	2	49	1	10
<b>Total</b>	<b>29</b>	<b>811</b>	<b>15</b>	<b>1 244</b>	<b>5</b>	<b>54</b>	<b>2</b>	<b>13</b>



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**4.2. Depreciation and amortisation expense**

	<b>Consolidated</b>		<b>SAFECOM Entity</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Depreciation</b>				
Vehicles	12 460	11 949	-	-
Buildings	6 178	5 436	4	3
Communications	2 381	2 380	15	25
Plant and equipment	1 119	1 110	20	20
Computers	313	475	73	112
Right-of-use land	1	-	-	-
Right-of-use buildings	931	-	-	-
Right-of-use vehicles	895	-	21	-
<b>Total depreciation</b>	<b>24 278</b>	<b>21 350</b>	<b>133</b>	<b>160</b>
<b>Amortisation</b>				
Computer software	686	155	504	74
<b>Total amortisation</b>	<b>686</b>	<b>155</b>	<b>504</b>	<b>74</b>
<b>Total depreciation and amortisation</b>	<b>24 964</b>	<b>21 505</b>	<b>637</b>	<b>234</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:

<b>Class of asset</b>	<b>Consolidated Useful life (years)</b>	<b>SAFECOM Entity Useful life (years)</b>
Buildings	40-50	40
Vehicles	15-20	15
Communications equipment	10	N/A
Plant and equipment	10	10
Computer equipment	5	5
Intangibles	5	5
ROU assets	Remaining term of lease	Remaining term of lease

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.

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**4.3. Grants and subsidies**

	Consolidated		SAFECOM Entity	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
Recurrent grants	3 798	5 225	2 331	4 798
<b>Total grants and subsidies</b>	<b>3 798</b>	<b>5 225</b>	<b>2 331</b>	<b>4 798</b>

**4.4. Net gain / loss from disposal of non-current assets**

	Consolidated		SAFECOM Entity	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
<b>Land and buildings</b>				
Proceeds from disposal	-	-	-	-
Less net book value of assets disposed	(220)	-	-	-
<b>Net gain / (loss) from disposal of land and buildings</b>	<b>(220)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Vehicles</b>				
Proceeds from disposal	601	417	-	-
Less net book value of assets disposed	(627)	(388)	-	-
<b>Net gain / (loss) from disposal of vehicles</b>	<b>(26)</b>	<b>29</b>	<b>-</b>	<b>-</b>
<b>Plant and equipment</b>				
Proceeds from disposal	4	11	-	-
Less net book value of assets disposed	-	(10)	-	-
<b>Net gain / (loss) from disposal of plant and equipment</b>	<b>4</b>	<b>1</b>	<b>-</b>	<b>-</b>
<b>Total assets</b>				
Total proceeds from disposal	605	428	-	-
Less net book value of assets disposed	(847)	(398)	-	-
<b>Total net gain / (loss) from disposal of non-current assets</b>	<b>(242)</b>	<b>30</b>	<b>-</b>	<b>-</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.

**4.5. Borrowing costs**

	2020	2019	2020	2019
	Consolidated	Consolidated	SAFECOM Entity	SAFECOM Entity
	\$'000	\$'000	\$'000	\$'000
Interest expense on lease liabilities	114	-	1	-
<b>Total borrowing costs</b>	<b>114</b>	<b>-</b>	<b>1</b>	<b>-</b>

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**4.6. Other expenses**

	Consolidated		SAFECOM Entity	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
CWIP partial write off	1 662	-	1 269	-
<b>Total other expenses</b>	<b>1 662</b>	<b>-</b>	<b>1 269</b>	<b>-</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.

	<b>Consolidated</b>		<b>SAFECOM Entity</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Land</b>				
Land at fair value	82 059	65 891	-	-
<b>Total land</b>	<b>82 059</b>	<b>65 891</b>	<b>-</b>	<b>-</b>
<b>Buildings</b>				
Buildings at fair value	135 540	141 192	14	30
Accumulated depreciation	(4 394)	(29 615)	(2)	(18)
<b>Total buildings</b>	<b>131 146</b>	<b>111 577</b>	<b>12</b>	<b>12</b>
<b>Vehicles</b>				
Vehicles at fair value	168 180	192 847	-	-
Accumulated depreciation	(8 486)	(64 004)	-	-
<b>Total vehicles</b>	<b>159 694</b>	<b>128 843</b>	<b>-</b>	<b>-</b>
<b>Communication (Comms.) equipment</b>				
Communication equipment at fair value	15 113	21 838	122	148
Accumulated depreciation	(1 623)	(9 106)	(10)	(25)
<b>Total communication equipment</b>	<b>13 490</b>	<b>12 732</b>	<b>112</b>	<b>123</b>
<b>Computer equipment</b>				
Computer equipment at fair value	1 712	2 542	469	673
Accumulated depreciation	(163)	(1 800)	(39)	(348)
<b>Total computer equipment</b>	<b>1 549</b>	<b>742</b>	<b>430</b>	<b>325</b>
<b>Plant and equipment</b>				
Plant and equipment at fair value	11 303	11 766	54	228
Accumulated depreciation	(746)	(4 784)	(13)	(189)
<b>Total plant and equipment</b>	<b>10 557</b>	<b>6 982</b>	<b>41</b>	<b>39</b>
<b>Capital work in progress</b>				
Capital work in progress at cost	40 858	36 259	319	1 469
<b>Total capital work in progress</b>	<b>40 858</b>	<b>36 259</b>	<b>319</b>	<b>1 469</b>
<b>Right-of-use buildings</b>				
Right-of-use buildings at cost	5 162	-	-	-
Accumulated depreciation	(931)	-	-	-
<b>Total right-of-use buildings</b>	<b>4 231</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Right-of-use vehicles</b>				
Right-of-use vehicles at cost	2 201	-	46	-
Accumulated depreciation	(821)	-	(20)	-
<b>Total right-of-use vehicles</b>	<b>1 380</b>	<b>-</b>	<b>26</b>	<b>-</b>
<b>Right-of-use land</b>				
Right-of-use land at cost	67	-	-	-
Accumulated depreciation	(1)	-	-	-
<b>Total right-of-use land</b>	<b>66</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total property, plant and equipment</b>	<b>445 030</b>	<b>363 026</b>	<b>940</b>	<b>1 968</b>



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**5.1. Property, plant and equipment by asset class (continued)**

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 11.2.

**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 and are subject to regular revaluation.

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

**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</b>								
Carrying amount at 1 July 2019	65 891	111 577	128 843	12 732	742	6 982	36 259	363 026
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
Other	-	-	-	-	-	-	-	-
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>

**Reconciliation of property, plant and equipment during 2018-19**

	Land	Buildings	Vehicles	Comms. equipment	Computer equipment	Plant & equipment	Capital work in progress	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Consolidated</b>								
Carrying amount at 1 July 2018	65 049	113 406	129 172	14 072	1 127	6 655	30 418	359 899
Acquisitions	690	-	21	-	-	37	26 519	27 267
Disposals	-	-	(388)	-	-	(10)	-	(398)
Transfers from capital WIP	152	3 607	11 987	1 040	90	1 410	(20 687)	(2 401)
Assets received free of charge	-	-	-	-	-	-	-	-
Depreciation	-	(5 436)	(11 949)	(2 380)	(475)	(1 110)	-	(21 350)
Capital WIP - expensed in current period	-	-	-	-	-	-	9	9
Other	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
<b>Carrying amount at 30 June 2019</b>	<b>65 891</b>	<b>111 577</b>	<b>128 843</b>	<b>12 732</b>	<b>742</b>	<b>6 982</b>	<b>36 259</b>	<b>363 026</b>

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

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

	Buildings	Vehicles	Comms. equipment	Computer equipment	Plant & equipment	Capital work in progress	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>SAFECOM</b>							
Carrying amount at 1 July 2019	12	-	123	325	39	1 469	1 968
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)	(73)	(20)	-	(112)
<b>Carrying amount at 30 June 2020</b>	<b>12</b>	<b>-</b>	<b>112</b>	<b>430</b>	<b>41</b>	<b>319</b>	<b>914</b>

**Reconciliation of property, plant and equipment during 2018-19**

	Buildings	Vehicles	Comms. equipment	Computer equipment	Plant & equipment	Capital work in progress	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>SAFECOM</b>							
Carrying amount at 1 July 2018	15	-	-	358	59	1 172	1 604
Acquisitions	-	-	-	-	-	2 903	2 903
Transfers from capital WIP	-	-	148	79	-	(2 606)	(2 379)
Depreciation	(3)	-	(25)	(112)	(20)	-	(160)
<b>Carrying amount at 30 June 2019</b>	<b>12</b>	<b>-</b>	<b>123</b>	<b>325</b>	<b>39</b>	<b>1 469</b>	<b>1 968</b>

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

Property, plant and equipment leased by the Emergency Services Sector is recorded at cost. Additions to leased property, plant and equipment during 2019-20 were \$2.080 million

Short-term leases of 12 months or less and low value leases where the underlying asset value is less than \$10,000 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

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 11.3. Expenses related to leases, including depreciation and interest expenses, are disclosed in note 4. Cash outflows related to leases are disclosed in note 8.2.

**Impairment**

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

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**5.4. Intangible assets**

	Consolidated		SAFECOM Entity	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
<b>Computer software</b>				
Computer software at cost	6 356	4 932	5 421	4 451
Accumulated amortisation	(2 985)	(2 300)	(2 541)	(2 037)
<b>Total computer software</b>	<b>3 371</b>	<b>2 632</b>	<b>2 880</b>	<b>2 414</b>
<b>Total intangible assets</b>	<b>3 371</b>	<b>2 632</b>	<b>2 880</b>	<b>2 414</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.

**Reconciliation 2019-20**

	Consolidated Computer software \$'000	SAFECOM Entity Computer software \$'000
Carrying amount at 1 July 2019	2 632	2 414
Transfers between asset classes	267	-
Write off	-	-
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>

**Reconciliation 2018-19**

	Consolidated Computer software \$'000	SAFECOM Entity Computer software \$'000
Carrying amount at 1 July 2018	385	109
Additions	-	-
Write off	-	-
Transfers from capital WIP	2 402	2 379
Amortisation	(155)	(74)
<b>Carrying amount at 30 June 2019</b>	<b>2 632</b>	<b>2 414</b>



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**6. Financial assets**

**6.1. Cash and cash equivalents**

	Consolidated		SAFECOM Entity	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
Cash on hand	11	12	-	-
Deposits with the Treasurer	29 969	29 434	3 074	7 599
Cash at bank	7	36	-	-
Cash at bank - Groups/Brigades/Units	6 305	4 283	-	-
Short-term deposits - Groups/Brigades/Units	801	754	-	-
Short-term deposits	92	72	-	-
<b>Total cash and cash equivalents</b>	<b>37 185</b>	<b>34 591</b>	<b>3 074</b>	<b>7 599</b>

Cash is measured at nominal amounts.

**Deposits with the Treasurer**

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

**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.

**6.2. Receivables**

	Consolidated		SAFECOM Entity	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
<b>Current</b>				
Receivables	7 070	3 124	741	54
Less allowance for doubtful debts	(3)	(15)	-	-
Prepayments	494	434	3	4
Accrued revenues	4 268	1 400	1 673	5
GST input tax recoverable	1 987	2 823	545	602
<b>Total current receivables</b>	<b>13 816</b>	<b>7 766</b>	<b>2 962</b>	<b>665</b>
<b>Total receivables</b>	<b>13 816</b>	<b>7 766</b>	<b>2 962</b>	<b>665</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.

Other than as recognised in the allowance for doubtful debts, 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.

Refer to note 11.3 for further information on risk management.

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.

The net amount of GST payable to the ATO is included as part of receivables.

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**6.2 Receivables (continued)**

**Allowance for impairment loss on receivables**

	Consolidated		SAFECOM Entity	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
Carrying amount at beginning of the period	15	15	-	-
Amounts written off	(16)	(2)	-	-
Increase in the allowance recognised in profit or loss	4	2	-	-
<b>Carrying amount at the end of the period</b>	<b>3</b>	<b>15</b>	<b>-</b>	<b>-</b>

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

**6.3. Other financial assets**

	Consolidated		SAFECOM Entity	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
<b>Current</b>				
Medium Term Deposits - Groups/Brigades/Units	2 155	2 356	-	-
<i>Investments</i>				
Listed equity instruments	91	105	-	-
<b>Total current other financial assets</b>	<b>2 246</b>	<b>2 461</b>	<b>-</b>	<b>-</b>
<b>Total other financial assets</b>	<b>2 246</b>	<b>2 461</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 11.3.

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**6.4. Non-current assets classified as held for sale**

	Consolidated		SAFECON Entity	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
Land	742	742	-	-
<b>Total non-current assets classified as held for sale</b>	<b>742</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 2020 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 11.2 (i.e. there was no change to valuation technique).



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**7. Liabilities**

Employee benefits liabilities are disclosed in note 3.4

**7.1. Payables**

	<b>Consolidated</b>		<b>SAFECOM Entity</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Current</b>				
Creditors	825	1 792	2	274
Accrued expenses	9 675	15 985	1 756	2 195
Paid parental leave scheme payable	12	3	3	3
Employment on-costs	5 187	4 597	214	189
<b>Total current payables</b>	<b>15 699</b>	<b>22 377</b>	<b>1 975</b>	<b>2 661</b>
<b>Non-current</b>				
Creditors	9	8	-	-
Employment on-costs	5 291	5 798	196	217
<b>Total non-current payables</b>	<b>5 300</b>	<b>5 806</b>	<b>196</b>	<b>217</b>
<b>Total payables</b>	<b>20 999</b>	<b>28 183</b>	<b>2 171</b>	<b>2 878</b>

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.

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

**Employment on-costs**

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

SAFECOM 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 from the 2019 rate (41%) to 42%. The average factor for the calculation of employer superannuation on-costs has remained the same as the 2019 rate (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.

**Paid Parental Leave Scheme**

Paid Parental Leave Scheme payable represents amounts which SAFECOM has received from the Commonwealth Government to forward onto eligible employees via SAFECOM's standard payroll processes. That is, SAFECOM is acting as a conduit through which the payment to eligible employees is made on behalf of the Family Assistance Office.

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**7.2. Financial liabilities**

	Consolidated		SAFECOM Entity	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
<b>Current</b>				
Lease liabilities	1 640	-	18	-
<b>Total current financial liabilities</b>	<b>1 640</b>	<b>-</b>	<b>18</b>	<b>-</b>
<b>Non-current</b>				
Lease liabilities	4 110	-	8	-
<b>Total non-current financial liabilities</b>	<b>4 110</b>	<b>-</b>	<b>8</b>	<b>-</b>
<b>Total financial liabilities</b>	<b>5 750</b>	<b>-</b>	<b>26</b>	<b>-</b>

The Emergency Services Sector measures financial liabilities including borrowings/debt at amortised cost.

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



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**7.3. Provisions**

	<b>Consolidated</b>		<b>SAFECOM Entity</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Current</b>				
Provision for workers' compensation	7 109	13 410	54	50
Additional compensation	610	511	3	4
<b>Total current provisions</b>	<b>7 719</b>	<b>13 921</b>	<b>57</b>	<b>54</b>
<b>Non-current</b>				
Provision for workers' compensation	47 685	72 190	71	53
Additional compensation	17 495	15 999	233	212
<b>Total non-current provisions</b>	<b>65 180</b>	<b>88 189</b>	<b>304</b>	<b>265</b>
<b>Total provisions</b>	<b>72 899</b>	<b>102 110</b>	<b>361</b>	<b>319</b>
<b>Movement in provisions</b>				
	<b>Consolidated</b>		<b>SAFECOM Entity</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Workers' compensation</b>				
Carrying amount at the beginning of the period	85 600	57 079	103	103
Additional provision recognised	-	34 285	-	30
Reductions resulting from re-measurement	(23 606)	-	79	-
Reductions arising from payments	(7 201)	(5 764)	(57)	(30)
<b>Carrying amount at the end of the period</b>	<b>54 793</b>	<b>85 600</b>	<b>125</b>	<b>103</b>
<b>Additional compensation</b>				
Carrying amount at the beginning of the period	16 510	18 365	216	286
Additional provision recognised	2 051	-	20	-
Reductions resulting from re-measurement	-	(1 330)	-	(70)
Reductions arising from payments	(457)	(525)	-	-
<b>Carrying amount at the end of the period</b>	<b>18 104</b>	<b>16 510</b>	<b>236</b>	<b>216</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 2020 provided by a consulting actuary engaged through the Office of the Commissioner for the Public Sector. The provision is for the estimated cost of ongoing payments to workers as required under current legislation.

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

The provision increased significantly in 2019 based observed increases in cancer claims and that those claims tended to receive the maximum benefit payable. Claims experience during 2020 has seen a large reduction in the average outstanding claim size and this has resulted in a significantly lower provision for 2020.

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**7.2. Provisions (continued)**

**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 2020 provided by a consulting actuary engaged through the Office of the Commissioner for the Public Sector. The provision is for the estimated cost of ongoing payments to workers as required under current arrangements.

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.

**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**

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.

	Consolidated		SAFECOM Entity	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
<b>Leases</b>				
Buildings	869	-	-	-
Vehicles	799	-	20	-
<b>Total cash outflow for leases</b>	<b>1 668</b>	<b>-</b>	<b>20</b>	<b>-</b>

	Consolidated		SAFECOM Entity	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
<b>Reconciliation of cash and cash equivalents at the end of the reporting period</b>				
Cash and cash equivalents disclosed in the Statement of Financial Position	37 185	34 591	3 074	7 599
Balance as per Statement of Cash Flows	37 185	34 591	3 074	7 599

**Reconciliation of net cash provided by / (used in) operating activities to net cost of providing services**

Net cash provided by / (used in) operating activities	34 734	37 673	(3 368)	4 136
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**Add / (less) non-cash items**

Depreciation and amortisation	(24 964)	(21 505)	(637)	(234)
Donated assets	42	99	-	-
Intangible write off	(1 662)	-	(1 269)	-
Net gain/(loss) from disposal of non-current assets	(242)	30	-	-

**Movement in assets and liabilities**

Increase/(decrease) in receivables	6 050	2 086	2 297	106
(Increase)/decrease in payables	7 178	(4 045)	707	(129)
(Increase)/decrease in employee benefits	509	(7 830)	111	(342)
(Increase)/decrease in provisions	29 211	(26 666)	(42)	70
<b>Net result</b>	<b>(50 856)</b>	<b>20 158</b>	<b>2 201</b>	<b>(3 607)</b>



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**9. Changes in accounting policy**

**9.1. AASB 16 Leases**

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

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

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

**Impact on retained earnings**

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

	<b>Consolidated</b>	<b>SAFECOM</b>
	<b>as at 1 July</b>	<b>Entity</b>
	<b>2019</b>	<b>as at 1 July</b>
	<b>\$'000</b>	<b>2019</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Closing retained earnings 30 June 2019 – AASB 117</b>	<b>156 212</b>	<b>5 946</b>
<b><u>Assets</u></b>		
Property, plant and equipment	5 404	28
<b><u>Liabilities</u></b>		
Lease liabilities	5 404	28
<b>Opening retained earnings 1 July 2019 - AASB 16</b>	<b>156 212</b>	<b>5 946</b>

SAFECOM disclosed in its 2018-19 financial report total undiscounted operating lease commitments of \$11.3 million under AASB 117.

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

These MoAA do not meet the definition of lease set out either in AASB 16 or in the former standard AASB 117. Accordingly, the 2018-19 undiscounted operating lease commitments should have been disclosed as \$8.0 million under AASB 117. There is no material difference between the revised operating lease commitments when discounted and the financial liabilities recognised as at 1 July 2019.

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

The misclassification did not impact on the Statement of Comprehensive Income or the Statement of Financial Position in prior years. This misclassification impacted items within the supplies and services expenses line. Note 4.1 applies the correct classification for both the current and comparative years.

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

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

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#### **9.1 AASB 16 Leases (continued)**

##### **Accounting policies on transition**

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

- to apply AASB 16 retrospectively. The cumulative effect of initially applying the Standard was recognised at 1 July 2019. Comparatives have not been restated.
- at 1 July 2019 AASB 16 was applied only to contracts that were previously identified as containing a lease under AASB 117 and related interpretations.
- the initial measurement of lease liability was the present value of the remaining lease payments discounted using the relevant incremental borrowing published by the Department of Treasury and Finance rate as at 1 July 2019 based on the SA Government's cost of borrowing. The average weighted incremental borrowing rate for this purpose was 1.5%.
- the initial measurement of right-of-use assets has been calculated as an amount equal to the lease liability on transition adjusted for prepaid or accrued lease payments and lease incentive liabilities.
- the initial measurement of lease liabilities and right-of-use assets excludes all leases that ended by 30 June 2020, except for vehicles leased from SAFA.

##### **Ongoing accounting policies**

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

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

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

#### **9.2. AASB 15 Revenue from Contracts with Customers**

AASB 15 *Revenue from Contracts with Customers* establishes a revenue recognition model for revenue arising from contracts with customers. It requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. AASB 15 supersedes AASB 111 *Construction contracts*, AASB 118 *Revenue* and related Interpretations and applies to all revenue arising from contracts with customers.

##### **Impact on retained earnings**

On transition, there was no impact on retained earnings.



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**9.3. AASB 1058 Income of Not-for-Profit Entities**

AASB 1058 *Income of Not-for-Profit Entities* establishes new income recognition requirements for not-for-profit entities. Its requirements apply where the consideration to acquire an asset, including cash, is significantly less than fair value principally to the entity to further its objectives. AASB 1058 also contains requirements for the receipt of volunteer services. AASB 1058 supersedes income recognition requirements in AASB 1004 *Contributions*, AASB 118 *Revenue* and AASB 111 *Construction Contracts*. However, elements of AASB 1004 remain in place, primarily in relation to restructures of administrative arrangements and other contributions and distributions by owners.

**Accounting policies on transition**

On transition, there was no impact on retained earnings.

**9.4. Presentation of Financial Statements**

Treasurer's Instructions (Accounting Policy Statements) issued on 01 June 2020 removed the previous requirement for financial statements to be prepared using the net cost of services format. The net cost of services is the total cost of services less any revenue retained by public authorities involved in the provision of services but does not include items classified as revenues from and payments to the South Australian Government.

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

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**10. Outlook**

**10.1. 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:

	<b>Consolidated</b>		<b>SAFECOM Entity</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Within one year	9 184	12 606	-	-
<b>Total capital commitments</b>	<b>9 184</b>	<b>12 606</b>	<b>-</b>	<b>-</b>

These capital commitments are for property and vehicles and PABX system.

**Expenditure commitments**

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

	<b>Consolidated</b>		<b>SAFECOM Entity</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Within one year	17 984	8 713	5 715	1 413
Later than one year but not later than five years	9 621	6 461	4 493	407
<b>Total expenditure commitments</b>	<b>27 605</b>	<b>15 174</b>	<b>10 208</b>	<b>1 820</b>

Consolidated expenditure commitments relate primarily to accommodation, aerial firefighting (SACFS), fire appliance modifications (SAMFS) and Emergency Alert national emergency warning system (SAFECOM).

**Operating lease commitments**

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

	<b>Consolidated</b>		<b>SAFECOM Entity</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Within one year	-	2 237	-	126
Later than one year but not later than five years	-	3 805	-	81
Later than five years	-	1 904	-	-
<b>Total operating lease commitments</b>	<b>-</b>	<b>7 946</b>	<b>-</b>	<b>207</b>

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

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**10.2. Contingent assets and liabilities**

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

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 Entity*

SAFECOM entity has sought damages from a supplier for an alleged breach of contract. The outcome of the claim cannot be reliably determined at this stage.

**Contingent liabilities**

*SAFECOM Entity*

A supplier has taken legal action against SAFECOM entity for an intellectual property claim. The outcome of the claim cannot be reliably determined at this stage.

*SAFECOM Consolidated*

CFS is aware of a contingent liability of \$0.117 million in relation to two transactions that are possible obligations but the obligation to pay is uncertain.

A supplier has taken legal action against SAFECOM entity for an intellectual property claim. The outcome of the claim cannot be reliably determined at this stage.

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

SAFECOM entity has assessed the impact of new and changed Australian Accounting Standards Board Standards and Interpretations not yet effective.

**AASB 1059 Service Concession Arrangements: Grantors**

AASB 1059 prescribes the accounting for certain arrangements in which an operator provides public services on behalf of a public sector grantor involving a service concession arrangement. This standard applies to reporting periods beginning on or after 1 January 2020. SAFECOM entity has assessed its arrangements where operators provide services and has concluded that none of these will be within the scope of AASB 1059.

**10.4. Trust funds**

	<b>Consolidated</b>		<b>SAFECOM Entity</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Cash at bank	158	189	-	-
<b>Total trust funds</b>	<b>158</b>	<b>189</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 2019-20, total income earned by the Council was \$39 000 (2019: \$42 000) and expenses incurred totalled \$76 000 (2019: \$1 000).



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**10.5. COVID-19 pandemic outlook for the Emergency Services Sector**

The COVID-19 pandemic will continue to impact the operations of Emergency Services Sector in 2020-21. 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 employee expenses are likely to be incurred in addressing cancelled leave (SA Metropolitan Fire Service).
- Additional expenditure may be incurred due to supplier business restrictions.
- Expected credit losses may continue at elevated levels until economic conditions improve.

**10.6. Events after the reporting period**

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

**11. Measurement and risk**

**11.1. 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 Employee Benefits* requires the use of the yield on long-term Commonwealth Government bonds as the discount rate in the measurement of the long service leave liability. The yield on long-term Commonwealth Government bonds has decreased from 2019 (1.25%) to 2020 (1.00%).

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

The net financial effect of the changes to actuarial assumptions in the current financial year is a decrease in the long service leave liability of \$2.3 million and employee benefits expense of \$2.6 million. 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.

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**11.2. Fair value**

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

**Initial recognition**

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

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

**Revaluation**

Property, plant and equipment 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 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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**11.2. 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.

During 2020 and 2019, 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 2020**

	Note	Consolidated			SAFECOM Entity	
		Level 2	Level 3	Total	Level 3	Total
		\$'000	\$'000	\$'000	\$'000	\$'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>

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**11.2. Fair value (continued)**

**Fair value classification – non-financial assets at 30 June 2019**

	Note	Consolidated			SAFECOM Entity	
		Level 2	Level 3	Total	Level 3	Total
		\$'000	\$'000	\$'000	\$'000	\$'000
<b>Recurring fair value measurements</b>						
Land	5.1	14 046	51 845	65 891	-	-
Buildings	5.1	22 728	88 849	111 577	12	12
Vehicles	5.1	-	128 843	128 843	-	-
Communication (Comms.) equipment	5.1	-	12 732	12 732	123	123
Computer equipment	5.1	-	742	742	325	325
Plant and equipment	5.1	-	6 982	6 982	39	39
<b>Total recurring fair value measurements</b>		<b>36 774</b>	<b>289 993</b>	<b>326 767</b>	<b>499</b>	<b>499</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>742</b>	<b>-</b>	<b>742</b>	<b>-</b>	<b>-</b>
<b>Total fair value measurements</b>		<b>37 516</b>	<b>289 993</b>	<b>327 509</b>	<b>499</b>	<b>499</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 2020.

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, an adjustment was applied 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 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. Plant and equipment have not been revalued in accordance with APS 116.D. The carrying value of these items are deemed to approximate fair value.

**South Australian Fire and Emergency Services Commission**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2020*

**11.2. Fair value (continued)**

**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>
Opening balance at the beginning of the period	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	16 164	19 514	30 256	2 615	991	1 945	71 485
<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>

**Reconciliation of Level 3 recurring fair value measurement at 30 June 2019**

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

Opening balance at the beginning of the period	51 692	92 741	129 172	14 072	1 127	6 655	295 459
Acquisitions	-	-	-	-	-	37	37
Capitalised asset transfers	153	743	12 008	1 040	90	1 400	15 434
Disposals	-	-	(388)	-	-	-	(388)
Gains/(losses) for the period recognised in net result:							
Depreciation	-	(4 635)	(11 949)	(2 380)	(475)	(1 110)	(20 549)
Total gains/(losses) recognised in net result	-	(4 635)	(11 949)	(2 380)	(475)	(1 110)	(20 549)
<b>Closing balance at the end of the period</b>	<b>51 845</b>	<b>88 849</b>	<b>128 843</b>	<b>12 732</b>	<b>742</b>	<b>6 982</b>	<b>289 993</b>



**South Australian Fire and Emergency Services Commission**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2020*

**11.2. Fair value (continued)**

**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</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>
Opening balance at the beginning of the period	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)
Total gains/(losses) recognised in net result	(4)	(15)	(73)	(20)	(112)
Gains/(losses) for the period recognised in other comprehensive income (OCI):					
Revaluation increments/(decrements)	4	4	131	22	161
Total gains/(losses) recognised in OCI	4	4	131	22	161
<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>

**Reconciliation of Level 3 recurring fair value measurement at 30 June 2019**

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

<b>SAFECOM Entity</b>	<b>Buildings</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>
Opening balance at the beginning of the period	15	-	358	59	432
Capitalised asset transfers	-	148	79	-	227
Gains/(losses) for the period recognised in net result:					
Depreciation	(3)	(25)	(112)	(20)	(160)
Total gains/(losses) recognised in net result	(3)	(25)	(112)	(20)	(160)
<b>Closing balance at the end of the period</b>	<b>12</b>	<b>123</b>	<b>325</b>	<b>39</b>	<b>499</b>

**South Australian Fire and Emergency Services Commission**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2020*

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**11.3. Financial instruments**

**Financial risk management**

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

The 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. SAFECOM 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 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 consolidated is nil. The expected credit loss for government debtors for SAFECOM is nil.

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.

Receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include the failure of a debtor to enter into a payment plan with Emergency Services Sector and a failure to make contractual payments for a period of greater than 180 days past due.



**South Australian Fire and Emergency Services Commission**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2020*

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**11.3. Financial instruments (continued)**

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.

The allowance was recognised when there was objective evidence that a receivable was impaired. The allowance for impairment was recognised in other expenses for specific debtors and debtors assessed on a collective basis for which such evidence existed.

No impairment losses were recognised in relation to contract assets during the year.

**Market risk**

SAFECOM does not trade in foreign currency, 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.

**South Australian Fire and Emergency Services Commission**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2020*

**11.3. Financial instruments (continued)**

**Categorisation of financial assets and liabilities**

Category of financial asset and financial liability	Note	Carrying amount / fair value \$'000	2020 Contractual maturities Consolidated		Carrying amount / fair value \$'000	2020 Contractual maturities SAFECOM Entity	
			Within 1 year \$'000	More than 5 years \$'000		Within 1 year \$'000	More than 5 years \$'000
<b>Financial assets</b>							
<b>Cash and cash equivalents</b>							
Cash and cash equivalents	6.1	37 185	37 185	-	3 074	3 074	-
<b>Financial assets at amortised cost</b>							
Receivables	6.2	11 332	11 332	-	2 414	2 414	-
Other financial assets	6.3	2 246	2 246	-	-	-	-
<b>Total financial assets</b>		<b>50 763</b>	<b>50 763</b>	<b>-</b>	<b>5 488</b>	<b>5 488</b>	<b>-</b>
<b>Financial liabilities</b>							
<b>Financial liabilities at amortised cost</b>							
Payables	7.1	10 509	10 500	9	1 758	1 758	-
Financial liabilities	7.2	5 750	1 640	4 110	26	18	8
<b>Total financial liabilities</b>		<b>16 259</b>	<b>12 140</b>	<b>4 119</b>	<b>1 784</b>	<b>1 776</b>	<b>8</b>

**South Australian Fire and Emergency Services Commission**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2020*

**11.3. Financial instruments (continued)**

**Categorisation of financial assets and liabilities**

Category of financial asset and financial liability	Note	Carrying amount / fair value \$'000	2019 Contractual maturities Consolidated		Carrying amount / fair value \$'000	2019 Contractual maturities SAFECOM Entity	
			Within 1 year \$'000	More than 5 years \$'000		Within 1 year \$'000	More than 5 years \$'000
<b>Financial assets</b>							
<b>Cash and cash equivalents</b>							
Cash and cash equivalents	6.1	34 591	34 591	-	7 598	7 598	-
<b>Financial assets at amortised cost</b>							
Receivables	6.2	4 409	4 409	-	55	55	-
<b>Financial assets classified as fair value through other comprehensive income</b>							
Other financial assets	6.3	105	105	-	-	-	-
		2 356	2 356	-	-	-	-
<b>Total financial assets</b>		<b>41 461</b>	<b>41 461</b>	<b>-</b>	<b>7 653</b>	<b>7 653</b>	<b>-</b>
<b>Financial liabilities</b>							
Payables	7.1	16 876	16 868	8	2 469	2 469	-
<b>Total financial liabilities</b>		<b>16 876</b>	<b>16 868</b>	<b>8</b>	<b>2 469</b>	<b>2 469</b>	<b>-</b>

**Receivables and payables**

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

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

# **Community Emergency Services Fund**

## **Financial Statements**

For the year ended 30 June 2020

**Community Emergency Services Fund**  
**Statement of Administered Comprehensive Income**  
*for the year ended 30 June 2020*

	Note	2020 \$'000	2019 \$'000
<b>Administered income</b>			
Levy sources	A2.1	328 655	319 784
Fees and charges	A2.2	472	457
Interest	A2.3	600	1 425
Other	A2.4	-	30
<b>Total administered income</b>		<b>329 727</b>	<b>321 696</b>
<b>Administered expenses</b>			
Contributions to SA Government administrative units	A3.1	334 571	308 957
Grants and subsidies	A3.2	2 513	6 231
Other	A3.3	8 452	7 976
<b>Total administered expenses</b>		<b>345 536</b>	<b>323 164</b>
<b>Net result</b>		<b>(15 809)</b>	<b>(1 468)</b>
<b>Total comprehensive result</b>		<b>(15 809)</b>	<b>(1 468)</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 2020*

	Note	2020 \$'000	2019 \$'000
<b>Administered current assets</b>			
Cash and cash equivalents	A4.1	13 668	32 053
Receivables	A4.2	1 263	1 707
<b>Total current assets</b>		<b>14 931</b>	<b>33 760</b>
<b>Administered current liabilities</b>			
Payables	A5.1	615	3 635
<b>Total current liabilities</b>		<b>615</b>	<b>3 635</b>
<b>Net assets</b>		<b>14 316</b>	<b>30 125</b>
<b>Administered equity</b>			
Retained earnings		14 316	30 125
<b>Total equity</b>		<b>14 316</b>	<b>30 125</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 2020*

		2020 (Outflows) Inflows \$'000	2019 (Outflows) Inflows \$'000
<b>Cash flows from operating activities</b>	<b>Note</b>		
<b>Cash inflows</b>			
Receipts from levy sources		329 040	319 548
Fees and charges		474	456
Interest received		657	1 485
Other receipts		-	30
<b>Cash generated from operations</b>		<b>330 171</b>	<b>321 519</b>
<b>Cash outflows</b>			
Payments to SA Government administrative units		(338 111)	(305 417)
Payments of grants and subsidies		(2 480)	(6 865)
Other payments		(7 965)	(7 980)
<b>Cash used in operations</b>		<b>(348 556)</b>	<b>(320 262)</b>
<b>Net cash provided by / (used in) operating activities</b>	<b>A6.1</b>	<b>(18 385)</b>	<b>1 257</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>		<b>(18 385)</b>	<b>1 257</b>
Cash and cash equivalents at the beginning of the reporting period		32 053	30 796
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>A4.1</b>	<b>13 668</b>	<b>32 053</b>

The accompanying notes form part of these financial statements.

**Community Emergency Services Fund**  
**Notes to the administered financial statements**  
*for the year ended 30 June 2020*

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**NOTES TO THE FINANCIAL STATEMENTS**

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**Community Emergency Services Fund**  
**Notes to the administered financial statements**  
*for the year ended 30 June 2020*

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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 its 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 falls within the portfolio responsibilities of the Treasurer.



**Community Emergency Services Fund**  
**Notes to the administered financial statements**  
*for the year ended 30 June 2020*

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**A1.3. Budget performance**

The budget performance table compares the fund outcomes against budget information presented to Parliament (2019-20 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 2020 \$'000	Actual 2020 \$'000	Variance \$'000
<b>Statement of Comprehensive Income</b>			
<b>Income</b>			
Levy sources	323 043	328 655	5 612
Fees and charges	437	472	35
Interest	1 500	600	(900)
<b>Total administered income</b>	<b>324 980</b>	<b>329 727</b>	<b>4 747</b>
<b>Expenses</b>			
Contributions to SA Government administrative units	311 230	334 571	23 341
Grants and subsidies	5 626	2 513	(3 113)
Other	8 344	8 452	108
<b>Total administered expenses</b>	<b>325 200</b>	<b>345 536</b>	<b>20 336</b>
<b>Net result</b>	<b>(220)</b>	<b>(15 809)</b>	<b>(15 589)</b>
<b>Total comprehensive result</b>	<b>(220)</b>	<b>(15 809)</b>	<b>(15 589)</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 2019-20 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 the administered financial statements**  
*for the year ended 30 June 2020*

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**A2. Income**

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

	2020	2019
	\$'000	\$'000
Fixed property collections	155 006	146 209
Fixed property remissions	118 518	119 484
Mobile collections	45 386	44 225
Government concessions	6 120	6 336
Mobile remissions	3 625	3 530
<b>Total revenues from levy sources</b>	<b>328 655</b>	<b>319 784</b>

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

	2020	2019
	\$'000	\$'000
Certificate sales and from other entities within the SA Government	472	457
<b>Total revenue from fees and charges</b>	<b>472</b>	<b>457</b>

Income from fees and charges is derived from the provision of goods and services to other SA Government agencies and to the public. This revenue is recognised upon delivery of the service to the client or by reference to the stage of completion.

**A2.3. Interest revenues**

	2020	2019
	\$'000	\$'000
Interest on deposit accounts - from entities within the SA Government	600	1 425
<b>Total interest revenues</b>	<b>600</b>	<b>1 425</b>

**A2.4. Other income**

	2020	2019
	\$'000	\$'000
Other sundry revenue	-	30
<b>Total other income</b>	<b>-</b>	<b>30</b>

**Community Emergency Services Fund**  
**Notes to the administered financial statements**  
*for the year ended 30 June 2020*

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**A3. Expenses**

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

	2020	2019
	\$'000	\$'000
South Australian Metropolitan Fire Service	152 424	148 348
South Australian Country Fire Service	113 145	93 151
South Australian Police	22 696	22 142
South Australian State Emergency Service	22 998	21 084
South Australian Fire and Emergency Services Commission	14 403	17 811
Department for Environment and Water	5 952	3 540
South Australian Ambulance Service	1 219	1 189
South Australian Police - Government radio network	777	758
Attorney-General's Department - State Rescue Helicopter Service	722	704
South Australian Ambulance Service - Government radio network	235	230
<b>Total contributions to SA Government administrative units</b>	<b>334 571</b>	<b>308 957</b>

**A3.2. Grants and subsidies**

	2020	2019
	\$'000	\$'000
Surf Life Saving South Australia	858	4 316
Volunteer Marine Rescue	1 262	1 532
Shark Beach Patrol	393	383
<b>Total grants and subsidies</b>	<b>2 513</b>	<b>6 231</b>

**A3.3. Other expenses**

	2020	2019
	\$'000	\$'000
Revenue SA - collection costs	6 695	6 262
Department of Planning, Transport and Infrastructure - collection costs	1 089	1 061
Administration costs	668	653
<b>Total other expenses</b>	<b>8 452</b>	<b>7 976</b>

**Community Emergency Services Fund**  
**Notes to the administered financial statements**  
*for the year ended 30 June 2020*

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**A4. Financial assets**

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

	2020	2019
	\$'000	\$'000
Deposits with the Treasurer	13 668	32 053
<b>Total cash and cash equivalents</b>	<b>13 668</b>	<b>32 053</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. The carrying amount of cash and cash equivalents approximates fair value.

**A4.2. Receivables**

	2020	2019
	\$'000	\$'000
<b>Current</b>		
Receivables from entities within the SA Government	1 263	1 707
<b>Total current receivables</b>	<b>1 263</b>	<b>1 707</b>
<b>Total receivables</b>	<b>1 263</b>	<b>1 707</b>

All receivable amounts disclosed above are expected to be recovered within 12 months after reporting date.

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



**Community Emergency Services Fund**  
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**A5. Liabilities**

**A5.1. Payables**

	2020	2019
	\$'000	\$'000
<b>Current</b>		
Creditors	615	3 635
<b>Total current payables</b>	<b>615</b>	<b>3 635</b>
<b>Total payables</b>	<b>615</b>	<b>3 635</b>

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**  
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**A6. Other disclosures**

**A6.1. Cash flow reconciliation**

	2020	2019
	\$'000	\$'000
<b>Reconciliation of cash and cash equivalents at the end of the reporting period</b>		
Cash and cash equivalents disclosed in the Statement of Administered Financial Position	13 668	32 053
Balance as per the Statement of Administered Cash Flows	13 668	32 053
<b>Reconciliation of net cash provided by / (used in) operating activities to net cost of providing services</b>		
Net cash provided by/(used in) operating activities	(18 385)	1 257
<b>Movement in assets and liabilities</b>		
Increase/(decrease) in receivables	(444)	177
(Increase)/decrease in payables	3 020	(2 902)
<b>Net result</b>	<b>(15 809)</b>	<b>(1 468)</b>

**Community Emergency Services Fund**  
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**A7. Changes in accounting policy**

**A7.1. AASB 1058 Income of Not-for-Profit Entities**

AASB 1058 *Income of Not-for-Profit Entities* establishes new income recognition requirements for not-for-profit entities. Its requirements apply where the consideration to acquire an asset, including cash, is significantly less than fair value principally to the entity to further its objectives. AASB 1058 also contains requirements for the receipt of volunteer services. AASB 1058 supersedes income recognition requirements in AASB 1004 *Contributions*, AASB 118 *Revenue* and AASB 111 *Construction Contracts*. However, elements of AASB 1004 remain in place, primarily in relation to restructures of administrative arrangements and other contributions and distributions by owners.

**Accounting policies on transition**

On transition, there was no impact on retained earnings.

**A7.2. Presentation of Financial Statements**

Treasurer's Instructions (Accounting Policy Statements) issued on 01 June 2020 removed the previous requirement for financial statements to be prepared using the net cost of services format. The net cost of services is the total cost of services less any revenue retained by public authorities involved in the provision of services but does not include items classified as revenues from and payments to the South Australian Government.

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

**Community Emergency Services Fund**  
**Notes to the administered financial statements**  
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**A8. Measurement and risk**

**A8.1. 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 *Risk Management Policy Statement* issued by the Premier and Treasurer 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.

In the comparative period, there was no impairment recognised under the incurred loss model due to the nature of CESF's debtors being government debtors.

Refer to note 11.3 in SAFECOM's financial statements for further information on impairment of financial instruments.

**Market risk**

CESF has non-interest-bearing assets (receivables) and liabilities (payables) and interest-bearing assets (cash at bank and investments). 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.

Refer to table A8.1 for the carrying amounts of each of the following categories of financial assets and liabilities: receivables and payables held at cost.

CESF does not recognise any financial assets or financial liabilities at fair value. The carrying value of receivables and payables is a reasonable approximation of their fair values due to the short-term nature of these (refer notes A4.2 and A5.1). Refer to note 9.2 of SAFECOM's financial statements for further information on adoption of AASB 9 in the current year.



**Community Emergency Services Fund**  
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**A8.1. Financial instruments (continued)**

**Table A8.1 Categorisation and maturity analysis of financial assets and liabilities**

Category of financial asset and financial liability	Note	Carrying amount / fair value \$'000	2020 Contractual maturities			
			Current \$'000	Within 1 year \$'000	1-5 years \$'000	More than 5 years \$'000
<b>Financial assets</b>						
Cash and cash equivalents	A4.1	13 668	13 668	-	-	-
<b>Total financial assets</b>		<b>13 668</b>	<b>13 668</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Financial liabilities</b>						
Payables <sup>(1)</sup>	A5.1	41	41	-	-	-
<b>Total financial liabilities</b>		<b>41</b>	<b>41</b>	<b>-</b>	<b>-</b>	<b>-</b>

Category of financial asset and financial liability	Note	Carrying amount / fair value \$'000	2019 Contractual maturities			
			Current \$'000	Within 1 year \$'000	1-5 years \$'000	More than 5 years \$'000
<b>Financial assets</b>						
Cash and cash equivalents	A4.1	32 053	32 053	-	-	-
Receivables <sup>(1)(2)</sup>		57	57	-	-	-
<b>Total financial assets</b>		<b>32 110</b>	<b>32 110</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Financial liabilities</b>						
Payables <sup>(1)</sup>	A5.1	3 548	3 548	-	-	-
<b>Total financial liabilities</b>		<b>3 548</b>	<b>3 548</b>	<b>-</b>	<b>-</b>	<b>-</b>

- (1) Receivable and payable amounts disclosed here exclude amounts relating to statutory receivables and payables (for example, Commonwealth, State and Local Government taxes, fees and charges; AGD audit fees).
- (2) Receivables amount disclosed here excludes prepayments. Prepayments are presented in A4.2 as trade and other receivables in accordance with paragraph 78(b) of AASB 101 *Presentation of Financial Statements*. However, prepayments are not financial assets as defined in AASB 132 *Financial Instruments: Presentation* as the future economic benefit of these assets is the receipt of goods and services rather than the right to receive cash or another financial asset.