

Appendix: Audited financial statements 2019-20



Our ref: A20/159

25 September 2020

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Commissioner G Stevens
Commissioner of Police
South Australia Police
GPO Box 1539
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Dear Commissioner Stevens

Audit of South Australia Police for the year to 30 June 2020

We have completed the audit of your accounts for the year ended 30 June 2020. Two key outcomes from the audit are the:

- 1 Independent Auditor's Report on your agency's financial report
- 2 audit management letters recommending you address identified weaknesses.

1 Independent Auditor's Report

We are returning the financial statements for South Australia Police, with the Independent Auditor's Report. This report is unmodified.

My annual report to Parliament indicates that we have issued an unmodified Independent Auditor's Report on your financial statements.

2 Audit management letters

During the year, we sent you audit management letters detailing the weaknesses we noted and improvements we considered you need to make including matters we considered in forming our collective opinion on financial controls required by the *Public Finance and Audit Act 1987*.

Significant matters related to use of the iEngage performance management system; use of the leave mismatch query tool; and controls over workers compensation and additional compensation payments.

We have received responses to our letters and will follow these up in the 2020-21 audit.

I have also included summary comments about these matters in my annual report. These identify areas we assessed as not meeting a sufficient standard of financial management, accounting and control.

What the audit covered

Our audits meet statutory audit responsibilities under the *Public Finance and Audit Act 1987* and the Australian Auditing Standards.

Our audit covered the principal areas of the agency's financial operations and included test reviews of systems, processes, internal controls and financial transactions. Some notable areas were:

- payroll
- workers compensation and additional compensation
- cash
- expiation revenue
- revenue from fees and charges
- expenditure
- fixed assets.

Particular attention was given to the valuation of liabilities for employee benefits, workers compensation and additional compensation, and first year adoption of AASB 16 *Leases*. We concluded that the financial report was prepared in accordance with the financial reporting framework in this respect.

Opportunities for improvement

Similar to prior years, we identified the need for strengthened analysis over the calculation of employee benefit liabilities and associated on-costs. For example, we identified errors in the hourly rates used for part-time employees; the annual salary used for inactive employees; and the calculation of allowances. All of these errors were identified by us in the prior year.

While calculations were performed by Shared Services SA, it is important that South Australia Police checks all information used in financial reporting to ensure it is accurate and complete prior to use.

I would like to thank the staff and management of your agency for their assistance during this year's audit.

Yours sincerely



Andrew Richardson

Auditor-General

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To the Commissioner of Police South Australia Police

Opinion

I have audited the financial report of South Australia Police 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 Australia Police 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 June 2020
- a Schedule of Expenses and Income attributable to Administered Items for the year ended June 2020
- Notes, comprising significant accounting policies and other explanatory information for administered items
- a Certificate from the Commissioner of Police and the Director, Business Service.

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 Australia Police. 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 Commissioner of Police for the financial report

The Commissioner of Police 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.

Auditor's responsibilities for the audit of the financial report

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987*, I have audited the financial report of South Australia Police 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 Australia Police's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Commissioner of Police
- 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 communicated with the Commissioner of Police 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 identified during the audit.



Andrew Richardson

Auditor-General

25 September 2020

South Australia Police (SAPOL)

Financial Statements

For the year ended 30 June 2020

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

We certify that the attached general purpose financial statements for the South Australia Police:

- 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 Australia Police; and
- present a true and fair view of the financial position of the South Australia Police 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 Australia Police for the financial year over its financial reporting and its preparation of the general purpose financial statements have been effective throughout the reporting period.



Grant Stevens
Commissioner of Police
18 September 2020



Stephen Johninke
Director, Business Service
18th September 2020

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

		2020	2019
	Note	\$'000	\$'000
Income			
Appropriation	2.1	839 139	829 381
Fees and charges	2.2	35 413	24 534
Commonwealth - sourced grants and funding	2.3	3 562	1 946
Interest	2.4	1	3
Resources received free of charge	2.5	3 649	2 778
Net gain from disposal of property, plant and equipment	2.6	151	158
Intra-government transfers	2.7	95 822	70 205
Other income	2.8	9 671	4 508
Total income		987 408	933 513
Expenses			
Employee benefits expenses	3.3	836 310	749 707
Supplies and services	4.1	158 641	153 475
Depreciation and amortisation	4.2	44 155	28 034
Write down of non-current assets		20	130
Impairment loss on non-current assets		31	-
Cash alignment transfers		-	9 743
Borrowing costs	4.3	1 762	-
Total expenses		1 040 919	941 089
Net result		(53 511)	(7 576)
Other comprehensive income			
Changes in property, plant and equipment asset revaluation surplus		-	(5 499)
Total comprehensive result		(53 511)	(13 075)

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

South Australia Police
Statement of Financial Position
as at 30 June 2020

	Note	2020 \$'000	2019 \$'000
Current assets			
Cash and cash equivalents	6.1	189 913	182 985
Receivables	6.2	16 502	7 905
Inventories	5.6	268	226
Non-current assets classified as held for sale	5.7	10 001	10 156
Total current assets		216 684	201 272
Non-current assets			
Receivables	6.2	3 891	2 960
Capital works in progress	5.5	11 083	10 392
Property, plant and equipment	5.1	400 443	325 340
Intangible assets	5.4	23 094	25 887
Total non-current assets		438 511	364 579
Total assets		655 195	565 851
Current liabilities			
Payables	7.1	45 898	35 057
Employee benefits	3.4	97 364	75 102
Provisions	7.3	16 655	11 963
Financial liabilities	7.2	12 872	-
Other current liabilities	7.4	5 214	5 431
Total current liabilities		178 003	127 553
Non-current liabilities			
Payables	7.1	24 094	22 907
Employee benefits	3.4	212 388	216 766
Provisions	7.3	139 447	109 517
Financial liabilities	7.2	65 108	-
Other non-current liabilities	7.4	3 488	3 171
Total non-current liabilities		444 525	352 361
Total liabilities		622 528	479 914
Net assets		32 667	85 937
Equity			
Contributed capital		85 220	85 220
Asset revaluation surplus		141 517	141 517
Retained earnings		(194 070)	(140 800)
Total equity		32 667	85 937

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

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

	Contributed capital \$'000	Asset revaluation surplus \$'000	Retained earnings \$'000	Total equity \$'000
Balance at 1 July 2018	85 220	147 016	(133 224)	99 012
Net result for 2018-19	-	-	(7 576)	(7 576)
Gain/loss on revaluation of property plant and equipment during 2018-19	-	(5 276)		(5 276)
Net income or expense relating to non-current assets classified as held for sale	-	(223)	-	(223)
Total comprehensive result for 2018-19	-	(5 499)	(7 576)	(13 075)
Balance at 30 June 2019	85 220	141 517	(140 800)	85 937
Changes in accounting policy on adoption of AASB15, 16 and 1058	-	-	(236)	(236)
Prior period adjustment	-	-	477	477
Adjusted balance at 1 July 2019	85 220	141 517	(140 559)	86 178
Net result for 2019-20	-	-	(53 511)	(53 511)
Total comprehensive result for 2019-20	-	-	(53 511)	(53 511)
Balance at 30 June 2020	85 220	141 517	(194 070)	32 667

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

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

		2020 \$'000 (Outflows) Inflows	2019 \$'000 (Outflows) Inflows
Cash flows from operating activities	Note		
Cash inflows			
Appropriation		839 139	829 191
Fees and charges		30 254	27 390
Interest received		1	3
GST recovered from the ATO		13 355	12 063
Intra-government transfers		95 822	68 493
Other receipts		12 817	14 324
Cash generated from operations		991 388	951 464
Cash outflows			
Employee benefits payments		(777 715)	(728 700)
Payments for supplies and services		(168 231)	(164 038)
Cash alignment transfers		-	(9 743)
Interest paid		(1 762)	-
Cash used in operations		(947 708)	(902 481)
Net cash provided by / (used in) operating activities	8.2	43 680	48 983
Cash flows from investing activities			
Cash inflows			
Proceeds from the sale of property, plant and equipment		473	229
Cash generated from investing activities		473	229
Cash outflows			
Purchase of property, plant and equipment		(21 066)	(20 167)
Cash used in investing activities		(21 066)	(20 167)
Net cash provided by / (used in) investing activities		(20 593)	(19 938)
Cash flows from financing activities			
Cash outflows			
Repayment of leases		(16 159)	-
Cash generated from financing activities		(16 159)	-
Net cash provided by / (used in) financing activities		(16 159)	-
Net increase / (decrease) in cash and cash equivalents		6 928	29 045
Cash and cash equivalents at the beginning of the period		182 985	153 940
Cash and cash equivalents at the end of the period	6.1	189 913	182 985

The accompanying notes form part of these financial statements.

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

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South Australia Police

Notes to and forming part of the financial statements

for the year ended 30 June 2020

1 About the South Australia Police

South Australia Police (SAPOL) is a not-for-profit government department of the State of South Australia. SAPOL is established pursuant to the *Public Sector Act 2009* as an administrative unit acting on behalf of the Crown.

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

Administered financial statements relating to administered resources are presented separately as part of this report.

1.1. Basis of preparation

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

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

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

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

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

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

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

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

1.2. Objectives and programs

The objective of SAPOL is to prevent crime, uphold the law, preserve the peace, assist the public in emergency situations, coordinate and manage responses to emergencies, regulate road use and prevent vehicle collisions.

- **Public Safety** – Provides visible and available police services, working in partnership with the community and other agencies. SAPOL helps make South Australia a safer place to live, visit and do business through police response and assistance, management and emergency response, management and coordination across the state.
- **Crime and Criminal Justice Services** – SAPOL's crime prevention and reduction and support of the criminal justice system contribute to the achievement of South Australia's strategic priorities. To prevent crime and reduce offending, SAPOL works in partnership with the community and other agencies for an accessible and effective criminal justice system.
- **Road Safety** – Policing for safer roads and road use across the state. SAPOL road safety services include the regulation of road use, education and vehicle collision prevention. Police work in partnership with the community and other agencies to achieve better road safety outcomes for all South Australians and those visiting the state.

The tables on the following pages presents expenses and income attributable to each program. Resources allocated to programs in 2019-20 take into account organisational reform.

Expenses and income by program

	Public Safety		Crime and Criminal Justice Services	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
Income				
Appropriation	322 086	322 714	440 601	427 908
Fees and charges	18 445	17 118	4 575	4 042
Commonwealth - sourced grants and funding	1 164	657	1 854	1 001
Interest	-	1	-	1
Resources received free of charge	1 192	938	1 900	1 429
Net gain from disposal of property, plant and equipment	47	56	77	72
Intra-government transfers	34 550	24 777	15 221	2 582
Other income	3 054	1 531	5 022	2 291
Total income	380 538	367 792	469 250	439 326
Expenses				
Employee benefits expenses	330 735	301 109	399 404	355 877
Supplies and services	52 871	54 052	74 294	70 795
Depreciation and amortisation	17 185	12 278	20 034	11 145
Write down of non-current assets	6	51	10	61
Net loss from disposal of non-current assets	10	-	16	-
Cash alignment transfers	-	3 289	-	5 012
Borrowing costs	354	-	923	-
Total expenses	401 161	370 779	494 681	442 890
Net result	(20 623)	(2 987)	(25 431)	(3 564)

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

1.2. Objectives and Programs (continued)

Expenses and income by program

	Road Safety		Total	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
Income				
Appropriation	76 452	78 759	839 139	829 381
Fees and charges	12 393	3 374	35 413	24 534
Commonwealth - sourced grants and funding	544	288	3 562	1 946
Interest	1	1	1	3
Resources received free of charge	557	411	3 649	2 778
Net gain from disposal of property, plant and equipment	27	30	151	158
Intra-government transfers	46 051	42 846	95 822	70 205
Other income	1 595	686	9 671	4 508
Total income	137 620	126 395	987 408	933 513
Expenses				
Employee benefits expenses	106 171	92 721	836 310	749 707
Supplies and services	31 476	28 628	158 641	153 475
Depreciation and amortisation	6 936	4 611	44 155	28 034
Write down of non-current assets	4	18	20	130
Net loss from disposal of non-current assets	5	-	31	-
Cash alignment transfers	-	1 442	-	9 743
Borrowing costs	485	-	1 762	-
Total expenses	145 077	127 420	1 040 919	941 089
Net result	(7 457)	(1 025)	(53 511)	(7 576)

1.3. Impact of COVID-19 pandemic on SAPOL

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

- SAPOL's response to the pandemic has required the redirection of significant resources from across the organisation. Response activities continue and include:
 - Staffing the Police Operations Centre (operational 16/7);
 - Providing executive support to SA Health and liaison officers to the State Control Centre Health (operational 16/7);
 - Establishing and maintaining checkpoints across the State and at Adelaide airport to regulate cross border travel (operational 24/7);
 - Providing a policing and security overlay at hotels used by SA Health for supervised quarantine (operational 24/7);
 - Undertaking compliance checking of persons required to self-quarantine (operational 16/7);
 - Undertaking compliance checking regarding restrictions to non-essential business, public activities and gatherings (operational 16/7);
 - Establishing an on-line platform to manage cross border travel applications and staff a Central Assessment Unit to administer approvals (operational 16/7);

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

1.3. Impact of COVID-19 pandemic on SAPOL (continued)

- The changes to SAPOL's operational activities has required additional personal protective equipment and additional cleaning (eg facilities and operational equipment, including daily preventative procedures (examples include firearms, body worn video equipment, workstations and vehicles))
- SAPOL has incurred significant unbudgeted COVID-19 expenditure in employee benefits (estimated \$3.2 million) and supplies and services (estimated \$3.4 million) expenditure, including travel and accommodation, vehicles, equipment, temporary facilities, cleaning, IT and communications (including implementation of further work from home capability across SAPOL)
- As part of the COVID-19 response, annual leave was cancelled during the period 9 April 2020 to 13 May 2020 and this led to a higher annual leave liability in 2019-20.

1.4. Budget performance

The budget performance table compares SAPOL'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	Actual 2020 \$'000	Variance \$'000
Statement of Comprehensive Income	Note			
Income				
Appropriation		838 858	839 139	281
Fees and charges		28 610	35 413	6 803
Interest		-	1	1
Commonwealth - sourced grants and funding		2 034	3 562	1 528
Net gain from disposal of property, plant and equipment		-	151	151
Resources received free of charge		-	3 649	3 649
Intra-government transfers		81 756	95 822	14 066
Other income		5 118	9 671	4 553
Total income		956 376	987 408	31 032
Expenses				
Employee benefits expenses	a	770 672	836 310	65 638
Supplies and services		160 828	158 641	(2 187)
Depreciation and amortisation		26 738	44 155	17 417
Write down of non-current assets		-	20	20
Impairment loss on non-current assets		(973)	31	1 004
Borrowing costs		-	1 762	1 762
Total expenses		957 265	1 040 919	83 654
Net result		(889)	(53 511)	(52 622)
Total comprehensive result		(889)	(53 511)	(52 622)

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.

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

1.4. Budget performance (continued)

		Original budget 2020 \$'000	Actual 2020 \$'000	Variance \$'000
Investing expenditure summary	Note			
Total major projects	b	12 722	2 930	(9 792)
Total annual programs	c	9 496	17 790	8 294
Total investing expenditure		22 218	20 720	(1 498)

- a) The \$65.638 million increase includes \$34.4 million net impact of movement in employee liabilities for additional compensation for certain work-related injuries or illnesses/workers compensation resulting from the actuarial calculations, that were outside SAPOL's control, and higher police costs resulting from outcomes of the *SA POLICE: Interim Administrative Arrangement* (which includes backpay from 2018-19) of \$28.1 million.
- b) Major projects - the 2019-20 original budget includes the Police Records Management System Stages 2 – 4 project (\$4.153 million), Firearms Control System (\$3.903 million) and Umuwa Police Station-Multi Agency facility project (\$1.712 million), and was adjusted during the year to take account of approved adjustments for carryover of budgets to later financial years to reflect anticipated expenditure profiles. The actual spend of \$2.930 million is below the approved revised budget of \$7.726 million due to delays in the projects, partly attributable to the impact of redirecting resources to the COVID-19 pandemic response. SAPOL will seek carryover of committed under expenditure balances with the Department of Treasury and Finance (DTF) as part of the budget carryover process.
- c) Annual programs – SAPOL actual spend of \$17.790 million was above the approved revised budget of \$14.361 million due to lower than budgeted spend on supplies and services in 2019-20 which was redirected to purchase additional equipment.

1.5. Significant transactions with government related entities

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

- Cars leased by SAPOL are leased from Fleet SA, and the majority of accommodation is leased from Department of Planning, Transport and Infrastructure (DPTI).
- Insurance services are provided by SAICORP and Shared Services SA provide a range of transactional and financial services to government agencies.
- Appropriation funding was received from DTF (note 2.1).

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

2. Income

The most significant amounts of income received relate to SAPOL's appropriation, contributions from the Community Road Safety Fund and contributions from the Community Emergency Services Fund. This income is all received from other SA Government departments, which assists SAPOL in providing their services to the community.

2.1. Appropriation

	2020 \$'000	2019 \$'000
Appropriation from Consolidated Account pursuant to the <i>Appropriation Act</i>	839 139	829 381
Total appropriation	839 139	829 381

Appropriation

Appropriations are recognised on receipt.

Total appropriations consist of \$817.052 million (2019: \$820.063 million) for operational funding and \$22.087 million (2019: \$9.318 million) for capital projects. The original amount appropriated to SAPOL under the annual *Appropriation Act* was not varied.

2.2. Fees and charges

	2020 \$'000	2019 \$'000
Police security services	11 794	10 973
Road Safety Development	10 495	-
Firearms licence and registration fees	5 762	5 474
Police information requests	2 515	2 393
Prosecution and other court fees	1 474	1 365
Hoon legislation recoveries	1 426	1 147
Escorts - wide load/other	1 129	2 361
Other fees	818	821
Total fees and charges	35 413	24 534

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.

SAPOL recognised \$10.495 million in revenue from the CTP Insurance Regulator for road safety development programs.

South Australia Police
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2.3. Commonwealth - sourced grants and funding

	2020	2019
	\$'000	\$'000
Commonwealth - sourced grants and funding	3 562	1 946
Total Commonwealth - sourced grants and funding	3 562	1 946

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

During 2019-20 SAPOL recovered costs associated with resources provided at the request of the Commonwealth Government in relation to:

- Australian Criminal Intelligence Commission (ACIC) - Jurisdictional criminal history referrals
- Australian Firearms Information Network
- Operation Midrealm
- NCIS program
- ANZCTC Drill Exercise and Training Consumable Program
- Child exploitation
- APY Lands Umuwa
- Home and Community Care

Grants which have conditions of expenditure still to be met as at reporting date were \$0.057 million relating to ANZCTC Drill Exercise and Training Consumable Program and Home and Community Care. In 2018-19, \$0.024 million had conditions of expenditure still to be met which related to ANZCTC Drill Exercise and Training Consumable Program.

Conditions attached to these grants require any unspent funds to be returned to the Commonwealth.

2.4. Interest

	2020	2019
	\$'000	\$'000
Interest on deposit accounts	1	3
Total interest revenues	1	3

2.5. Resources received free of charge

	2020	2019
	\$'000	\$'000
Services received free of charge - Shared Services SA	3 644	2 778
Donations	5	-
Total resources received free of charge	3 649	2 778

Resources received free of charge relates to goods and/or services being provided free of charge including from other agencies within the SA Government. Contributions of services are recognised only when a fair value can be determined reliably and the services would be purchased if they had not been donated.

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2.6. Net gain from the disposal of property, plant and equipment

	2020 \$'000	2019 \$'000
Land and buildings		
Proceeds from disposal	316	-
Less carrying amount of assets disposed	(300)	-
Net gain from disposal of land and buildings	16	-
Vehicles		
Proceeds from disposal	157	229
Less carrying amount of assets disposed	(22)	(64)
Net gain from disposal of vehicles	135	165
Computing and communication equipment		
Less carrying amount of assets disposed	-	(7)
Net (loss) from disposal of computing and communication equipment	-	(7)
Total assets		
Proceeds from disposal	473	229
Less carrying amount of assets disposed	(322)	(71)
Total net gain from disposal of assets	151	158

2.7. Intra-government transfers

	2020 \$'000	2019 \$'000
Contributions from the Community Road Safety Fund	43 353	42 296
DTF Contingency Fund - Other	28 084	1 712
Contributions from the Community Emergency Services Fund	23 473	22 900
DTF Contingency Fund - TVSP reimbursement	599	1 903
Other intra-government transfers	313	1 394
Total Intra-government transfers	95 822	70 205

The other intra-government transfer comprises:

2019-20

- \$0.191 million for the Rural Highway Saturation Program from DPTI (2019: \$0.186 million)
- \$0.065 million National Motor Vehicle Theft Reduction program from DPTI & Attorney General's Department (2019: \$0.065 million)
- \$0.028 million Duggan review – funding for the administrative support from Department of the Premier and Cabinet (DPC) (2019: \$0.052 million)
- \$0.017 million for Home & Community Care from the Department of Human Services (2019: \$0.017 million)
- \$0.012 million SA Fixated Threat Assessment Centre (FTAC) (2019: \$0)

2018-19

- \$0.579 million for a traffic training and promotion program from the Motor Accident Commission
- \$0.313 million for SE Freeway project from DPTI
- \$0.145 million for Thebarton Heritage Works (Compass House Brickworks and Stair Replacement from DPTI
- \$0.037 million for COMCEN – Installation of Gallagher Systems from DPC

South Australia Police
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2.8. Other income

	2020	2019
	\$'000	\$'000
Employee benefits recoveries	4 806	1 347
Goods and services recoveries	2 183	1 092
Contributed (donated) asset revenue	1 015	505
Sundry receipts	386	657
Rent revenue	246	264
Other sundry revenues	1 035	643
Total other income	9 671	4 508

Recoveries include employee benefits recoveries (i.e. where employees are seconded to other agencies or Commonwealth programs and SAPOL continues to provide the ongoing salary for the employees) and goods and services (that is, where SAPOL incurs expenditure on goods and services and later recovers the expenditure).

3. Board, committees and employees

The SA Police Executive Leadership Team (ELT) support the Commissioner of Police and the Deputy Commissioner of Police to achieve the aims of the SAPOL corporate business plan. This includes providing leadership and direction within their respective service areas, and contributing to the overall performance of SAPOL.

3.1. Key management personnel

Key management personnel of SAPOL include:

- Minister for Police, Emergency Services and Correctional Services
- Commissioner of Police *
- Deputy Commissioner of Police
- Assistant Commissioner, Crime Service
- Assistant Commissioner, Governance and Capability Service
- Assistant Commissioner, Human Resources Service
- Assistant Commissioner, Metropolitan Operations Service
- Assistant Commissioner, Operations Support Service
- Assistant Commissioner, Security & Emergency Management Service
- Assistant Commissioner, State Operations Service
- Director, Business Service
- Director, Information Systems & Technology Service

Total compensation for key management personnel was \$4.145 million in 2019-20 and \$4.417 million in 2018-19

The compensation detailed below excludes the salary and other benefits of the Minister for Police, Emergency Services and Correctional 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 DTF) under section 6 the *Parliamentary Remuneration Act 1990*.

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3.1. Key management personnel (continued)

	2020	2019
	\$'000	\$'000
Compensation		
Salaries and other short term employee benefits	3 465	3 422
Post-employment benefits	680	600
Termination benefits	-	395
Total	4 145	4 417

* Although the Commissioner of Police's salary is funded from 'Recurrent Expenditure – Special Acts' which is an administered item his remuneration has been included in the figures above.

Transactions with key management personnel and other related parties

SAPOL had no material transactions or balances with key management personnel outside normal day-to-day operations to disclose.

3.2. Tribunal members

The Police Review Tribunal hears appeals arising from a selection of decisions for positions between the rank of Senior Constable and Senior Sergeant.

Tribunal remuneration

Mr Swain, David Reappointed 6/04/2020
 Mr Field, Frederick

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

	2020	2019
\$0 - \$19 999	2	2
Total number of members	2	2

The total remuneration received or receivable by members was \$0.021 million (2019: \$0.019 million). Remuneration of members includes sitting fees, superannuation contributions, salary sacrifice benefits, fringe benefits and related fringe benefits tax.

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3.3. Employee benefits expenses

	2020	2019
	\$'000	\$'000
Salaries and wages	571 064	518 817
Employment on-costs - superannuation	81 128	71 344
Annual leave	76 971	64 600
Workers compensation	38 376	28 728
Employment on-costs - other	36 974	34 666
Additional compensation	15 441	(13 380)
Police Service Leave	11 119	300
Long service leave	3 760	42 187
Other employment related expenses	686	754
Targeted voluntary separation packages	484	1 371
Skills and experience retention leave	307	320
Total employee benefits	836 310	749 707

Police service leave accrued expenditure in 2019-20 includes liability adjustment for the 5th year anniversary of Police service leave entitlements.

Employment on-costs – superannuation

The superannuation employment on-cost charge represents SAPOL's contributions to superannuation plans in respect of current services of current employees.

Executive remuneration

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

	2020	2019
	No.	No.
\$151 000 - \$154 000*	N/A	106
\$154 001 - \$174 000	577	260
\$174 001 - \$194 000	140	77
\$194 001 - \$214 000	49	49
\$214 001 - \$234 000	50	41
\$234 001 - \$254 000	20	10
\$254 001 - \$274 000	6	4
\$274 001 - \$294 000	7	7
\$294 001 - \$311 000	4	3
\$314 001 - \$334 000	4	2
\$334 001 - \$354 000	-	1
\$374 001 - \$394 000	2	2
\$674 001 - \$694 000	-	1
Total	859	563

Police	850	549
Public Servant	9	14
Total	859	563

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

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, fringe benefits tax and any other salary sacrifice benefits. The total remuneration received by these employees for the year is \$151.8 million (2019: \$99.6 million).

South Australia Police
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3.3. Employee benefits expenses (continued)

Targeted voluntary separation packages

The number of employees who received a TVSP during the reporting period was 8 (2019: 21).

	2020	2019
	\$'000	\$'000
Amount paid to separated employees:		
Targeted voluntary separation packages	484	1 371
Leave paid to separated employees	100	486
Recovery from the DTF	(599)	(1 903)
Net return to SAPOL	(15)	(46)

3.4. Employee benefits liability

	2020	2019
	\$'000	\$'000
Current		
Annual leave	52 067	37 178
Accrued salaries and wages	24 343	19 357
Long service leave	16 315	16 630
Police service leave	3 752	1 052
Skills and experience retention leave	534	509
Leave bank	353	376
Total current employee benefits	97 364	75 102
Non-current		
Long service leave	202 337	215 151
Police service leave	8 489	1 591
Leave bank	1 562	24
Total non-current employee benefits	212 388	216 766
Total employee benefits	309 752	291 868

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.

Salary and wages, annual leave, skills and experience retention leave (SERL) 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 SERL liability in full is expected to be payable within 12 months and is measured at the undiscounted amount expected to be paid.

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

South Australia Police
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3.4. Employee benefits liability (continued)

Long service leave

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

Leave bank

Leave Bank Fund is a departmentally sponsored sickness and accident 'safety net' type scheme for police officers. It operates in circumstances where injury or illness has exhausted a member's own sick leave and supplements it from a bank of donated annual leave days. Members become eligible for benefits once they have contributed one day of their first allocated annual leave. Ongoing, members donate one day of their annual leave when called upon.

4. Expenses

Employee benefits expenses are disclosed in note 3.3.

4.1. Supplies and services

	2020	2019
	\$'000	\$'000
Accommodation	33 694	36 511
Communication and computing	34 433	31 234
Administration	21 123	19 248
Motor vehicle related	19 050	26 437
Employee programs & housing subsidies	11 914	11 325
Minor equipment	6 744	3 665
CTP Regulator funded Road Safety Campaigns	5 862	-
Utilities	5 253	5 582
Shared Services SA	3 776	2 799
Helicopter costs	1 843	1 724
Insurance	1 831	1 907
Uniforms	1 695	1 766
Legal costs	1 554	1 599
Collection costs	749	805
Consultants	327	263
Other	8 793	8 610
Total supplies and services	158 641	153 475

South Australia Police
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4.1. Supplies and services (continued)

Accommodation

Most of SAPOL's accommodation is provided by the Department of Planning, Transport and Infrastructure 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.

Insurance

SAPOL is a participant in the SA Government's Insurance Program. SAPOL pays an insurance premium through South Australian Insurance Corporation (SAICORP), a Division of South Australian Government Financing Authority (SAFA). SAPOL is responsible for the payment of claim amounts up to an agreed amount (the deductible). SAICORP provides the balance of the funding for claims in excess of the deductible.

Consultants

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

	2020 Number	2020 \$'000	2019 Number	2019 \$'000
\$10 000 to \$49 999	4	102	5	263
\$50 000 or above	2	225	-	-
Total	6	327	5	263

Other

Audit fees paid/payable to the Auditor-General's Department (AGD) relating to work performed under the *Public Finance and Audit Act 1987* were \$0.345 million (2019: \$0.355 million). No other services were provided by the Auditor-General's Department.

South Australia Police
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4.2. Depreciation and amortisation

	2020 \$'000	2019 \$'000
Depreciation		
Right-of-use buildings	7 876	-
Right-of-use vehicles	6 650	-
Right-of-use plant and equipment	1 426	-
Total depreciation for right-of-use assets	15 952	-
Buildings and improvements	6 500	6 531
Computing and communications equipment	4 278	4 576
Internally generated computer software	4 076	3 508
Accommodation and leasehold improvements	2 849	2 818
Other computer software	2 799	3 017
Vehicles	1 266	1 185
Transport vessels	890	973
Aircraft	458	324
Other	5 087	5 102
Total depreciation and amortisation for PPE	28 203	28 034
Total depreciation and amortisation	44 155	28 034

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

Class of asset	Useful life (years)
Buildings and improvements	1 - 60
Vehicles and transport vessels	1 - 10
Aircraft	3 - 35
Computing & communications equipment	1 - 10
Sub class:	
<i>Radio masts</i>	1 - 60
Other	2 - 20
Sub class:	
<i>Generators</i>	2 - 38
Accommodation and leasehold improvements	Remaining life of lease
Intangible assets	1 - 10
Right-of-use assets	Remaining life of lease

SAPOL undertook a desktop valuation of its assets as at 30 June 2020, results were deemed immaterial, therefore having no future impact on the depreciable value.

Review of accounting estimates

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

South Australia Police
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4.3. Borrowing costs

	2020	2019
	\$'000	\$'000
Interest paid/payable on borrowing costs:		
Interest expense on lease liabilities	1 762	-
Total borrowing costs	1 762	-

5. Non-financial assets

SAPOL's non-financial assets predominantly relate to land and buildings, these land and buildings house a variety of police stations and facilities used to facilitate the safety of a wider community across South Australia.

5.1. Property, plant and equipment by asset class

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

	2020	2019
	\$'000	\$'000
Land and buildings		
Land at fair value	71 092	71 086
Buildings at fair value	183 826	182 983
Accumulated depreciation at the end of the period	(6 481)	-
Total land and buildings	248 437	254 069
Accommodation and leasehold improvements		
Accommodation and leasehold improvements at fair value	33 921	32 229
Accumulated depreciation at the end of the period	(2 857)	-
Total accommodation and leasehold improvements	31 064	32 229
Computing and communications equipment		
Computing and communications equipment at cost (deemed fair value)	64 200	58 985
Accumulated depreciation at the end of the period	(50 944)	(47 064)
Total computing and communications equipment	13 256	11 921
Vehicles		
Vehicles at cost (deemed fair value)	9 305	7 575
Accumulated depreciation at the end of the period	(5 744)	(4 980)
Total vehicle	3 561	2 595
Transport vessels		
Transport vessels at fair value	981	940
Accumulated depreciation at the end of the period	(891)	-
Total transport vessels	90	940

South Australia Police
Notes to and forming part of the financial statements
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5.1. Property, plant and equipment by asset class (continued)

	2020 \$'000	2019 \$'000
Other property plant and equipment		
Other at cost (deemed fair value)	63 010	57 108
Accumulated depreciation at the end of the period	(41 084)	(37 111)
Total other	21 926	19 997
Aircraft		
Aircraft at fair value	4 381	3 589
Accumulated depreciation at the end of the period	(459)	-
Total aircraft	3 922	3 589
Right-of-use buildings		
Right-of-use buildings at cost	73 135	-
Accumulated depreciation	(7 876)	-
Total right-of-use buildings	65 259	-
Right-of-use vehicles		
Right-of-use vehicles at cost	15 429	-
Accumulated depreciation	(5 479)	-
Total right-of-use vehicles	9 950	-
Right-of-use plant and equipment		
Right-of-use plant and equipment at cost	4 404	-
Accumulated depreciation	(1 426)	-
Total right-of-use plant and equipment	2 978	-
Total property, plant and equipment	400 443	325 340

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

Property, plant and equipment excluding right-of-use assets is recorded at fair value. Detail about SAPOL's approach to fair value is set out in note 11.2.

Plant and equipment includes \$64.107 million of fully depreciated plant and equipment still in use.

South Australia Police
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5.2. Property, plant and equipment owned by SAPOL

Impairment

Property, plant and equipment owned by SAPOL 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.

Reconciliation 2019-20

2020	Land	Buildings & improv'ts	Accommodation and leasehold improv'ts	Computing & comms equipment	Vehicles	Transport vessels
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying amount at 1 July 2019	71 086	182 983	32 229	11 921	2 595	940
Additions	-	-	1 000	-	-	-
Transfers from capital works in progress	21	998	684	5 479	1 844	40
Depreciation and amortisation	-	(6 500)	(2 849)	(4 278)	(1 266)	(890)
Donated assets	-	-	-	60	410	-
Asset recognised through stocktake	-	-	-	74	-	-
Disposals	-	-	-	-	(22)	-
Transfers to assets held for sale	(15)	(136)	-	-	-	-
Carrying amount at 30 June 2020	71 092	177 345	31 064	13 256	3 561	90

Reconciliation 2019-20

2020	Other	Aircraft	Total property plant and equipment	Capital works in progress	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying amount at 1 July 2019	19 997	3 589	325 340	10 392	335 732
Additions	-	-	1 000	20 720	21 720
Transfers from capital works in progress	6 417	791	16 274	(20 104)	(3 830)
Depreciation and amortisation	(5 087)	(458)	(21 328)	-	(21 328)
Donated assets	545	-	1 015	-	1 015
Asset recognised through stocktake	68	-	142	-	142
Disposals	-	-	(22)	-	(22)
Assets written off	(14)	-	(14)	-	(14)
Transfers to assets held for sale	-	-	(151)	-	(151)
Other Movement	-	-	-	75	75
Carrying amount at 30 June 2020	21 926	3 922	322 256	11 083	333 339

South Australia Police
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5.2. Property, plant and equipment owned by SAPOL (continued)

Reconciliation 2018-19

2019	Land	Buildings & improv'ts	Accommodation and leasehold improv'ts	Computing & comms equipment	Vehicles	Transport vessels
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying amount at 1 July 2018	63 047	198 561	34 982	14 128	2 590	1 999
Additions	-	-	100	-	-	-
Net revaluation increment/(decrement)	7 953	(13 318)	(153)	-	-	(86)
Transfers from capital works in progress	-	4 269	118	2 380	1 139	-
Depreciation and amortisation	-	(6 531)	(2 818)	(4 576)	(1 185)	(973)
Donated assets	-	-	-	-	95	-
Disposals	-	-	-	(7)	(64)	-
Assets written off	-	-	-	(4)	-	-
Other Movements	86	2	-	-	20	-
Carrying amount at 30 June 2019	71 086	182 983	32 229	11 921	2 595	940

Reconciliation 2018-19

2019	Other	Aircraft	Total property plant and equipment	Capital works in progress	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying amount at 1 July 2018	22 421	2 555	340 283	16 251	356 534
Additions	-	-	100	20 033	20 133
Revaluation increment/(decrement)	-	328	(5 276)	-	(5 276)
Transfers from capital works in progress	2 661	1 030	11 597	(26 016)	(14 419)
Depreciation and amortisation	(5 102)	(324)	(21 509)	-	(21 509)
Donated assets	126	-	221	-	221
Disposals	-	-	(71)	-	(71)
Assets written off	(109)	-	(113)	-	(113)
Other Movement	-	-	108	124	232
Carrying amount at 30 June 2019	19 997	3 589	325 340	10 392	335 732

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5.3. Property, plant and equipment leased by SAPOL

Property, plant and equipment leased by SAPOL is recorded at cost. Additions to leased property, plant and equipment during 2019-20 were \$6.997 million.

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

SAPOL has a limited number of leases:

- 1061 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 1 year (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.
- 24 building leases are held with Department of Planning, Transport and Infrastructure (DPTI) but are not governed by Premier and Cabinet Circular PC018, with rental payments in arrears. Building lease terms range from 1 year to 12 years. No contingent rental provisions exist within the lease agreements but do have an option to renew the leases at the end of their term.
- A building lease held with Pyne Close Investments Pty Ltd is non-cancellable, with rental payments monthly in arrears.
- A building lease held with Plenary Justice (SA) Pty Ltd is non-cancellable, with rental payments quarterly in arrears.
- A plant and equipment lease held with NEC IT Services Australia Pty Ltd is non-cancellable, with rental payments monthly in arrears.
- A plant and equipment lease held with Aviair Pty Ltd is non-cancellable, with rental payments monthly in arrears.

The lease liabilities related to the right-of-use assets are disclosed in note 7.2. SAPOL'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 SAPOL has been assessed for impairment. There was no indication of impairment. No impairment loss or reversal of impairment loss was recognised.

South Australia Police
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5.4. Intangible assets

	2020 \$'000	2019 \$'000
Computer software		
Internally developed computer software	50 164	46 599
Accumulated amortisation	(32 469)	(28 391)
Purchased computer software	25 947	25 688
Accumulated amortisation	(20 548)	(18 009)
Total other computer software	23 094	25 887

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

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

The internally developed computer software includes software modules of SAPOL's Project Shield which are operational. SAPOL will continue to recognise software associated with Project Shield as it becomes operational.

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

Reconciliation 2019-20

2020	Internally developed computer software \$'000	Purchased computer software \$'000	Total \$'000
Carrying amount at 1 July 2019	18 208	7 679	25 887
Transfers from capital works in progress	3 563	267	3 830
Amortisation	(4 076)	(2 799)	(6 875)
Asset recognised through stocktake	-	283	283
Impairment loss	-	(31)	(31)
Carrying amount at 30 June 2020	17 695	5 399	23 094

Reconciliation 2018-19

2019	Internally developed computer software \$'000	Purchased computer software \$'000	Total \$'000
Carrying amount at 1 July 2018	8 415	9 311	17 726
Transfers from capital works in progress	13 302	1 117	14 419
Amortisation	(3 508)	(3 017)	(6 525)
Donated assets	-	284	284
Assets written off	(1)	(16)	(17)
Carrying amount at 30 June 2019	18 208	7 679	25 887

South Australia Police
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5.5. Capital works in progress

	2020	2019
	\$'000	\$'000
Property, plant and equipment in progress at cost	11 083	10 392
Total capital works in progress	11 083	10 392

5.6. Inventories

	2020	2019
	\$'000	\$'000
Current inventories		
Inventories held for distribution at cost	268	226
Total inventories	268	226

Inventories held for distribution at no or nominal consideration are measured at cost and adjusted when applicable for any loss of service potential. Inventories held for sale are measured at the lower of cost or their net realisable value.

Cost of inventories

The cost recognised as an expense for raw materials and consumables is \$0.022 million. The net change in inventories held for distribution for the period is \$0.042 million (\$0.054 million).

5.7. Non-current assets classified as held for sale

	2020	2019
	\$'000	\$'000
Land	9 865	10 150
Buildings and improvements	136	-
Vehicles	-	6
Total non-current assets classified as held for sale	10 001	10 156

Reconciliation of non-current assets classified as held for sale movement

Carrying amount at the beginning of the period	10 156	10 384
Assets written off	(6)	-
Disposals	(300)	-
Transfers from land	15	-
Transfers from building	136	-
Transfers from vehicles	-	(5)
Net revaluation increment/(decrement)	-	(223)
Total non-current assets classified as held for sale	10 001	10 156

Non-current assets classified as held for sale represents land, buildings and vehicles which have been declared surplus to SAPOL's requirements.

SAPOL has measured the assets held for sale at the lower of its carrying amount and fair value less costs to sell. Detail about SAPOL's approach to fair value is set out in note 11.2.

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.

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6. Financial assets

6.1. Cash and cash equivalents

	2020	2019
	\$'000	\$'000
Deposits with the Treasurer	189 606	182 679
Imprest account/cash on hand	307	306
Total cash and cash equivalents	189 913	182 985

Deposits with the Treasurer

SAPOL has two deposit accounts with the Treasurer:

- a general operating account; and
- an Accrual Appropriation Excess Funds Account.

Although SAPOL controls the money in the Accrual Appropriation Excess Funds Account, its use must be approved by the Treasurer. SAPOL does not earn interest on its deposits with the Treasurer. The balance of the Accrual Appropriation Excess Funds Account is \$157.595 million (2019: \$129.201 million).

6.2. Receivables

	2020	2019
	\$'000	\$'000
Current		
Trade receivables		
From government entities	10 302	1 505
From non-government entities	1 029	840
Less impairment loss on receivables	(18)	(19)
Total trade receivables	11 313	2 326
GST input tax recoverable	2 036	2 990
Prepayments	891	1 894
Accrued revenue	1 976	389
Workers compensation and additional compensation recoveries	286	306
Total current receivables	16 502	7 905
Non-current		
Workers compensation and additional compensation recoveries	3 891	2 960
Total non-current receivables	3 891	2 960
Total receivables	20 393	10 865

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6.2. Receivables (continued)

Trade receivables arise in the normal course of selling goods and services to other government agencies and to the public. Trade 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.

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

Refer to note 11.3 for further information on risk management.

The increase in current trade receivables from government entities and accrued revenue includes \$10.495 million raised to the CTP Insurance Regulator for road safety development programs.

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

Impairment of receivables

	2020	2019
	\$'000	\$'000
Carrying amount at the beginning of the period	19	23
Impact from changes in accounting treatment	(6)	-
Amounts recovered during the year	(1)	(2)
Increase/(Decrease) in the allowance recognised in profit or loss	6	(2)
Carrying amount at the end of the period	18	19

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

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7. Liabilities

Employee benefits liabilities are disclosed in note 3.4

7.1. Payables

	2020	2019
	\$'000	\$'000
Current		
Trade payables	24 954	20 718
Employment on-costs	18 188	11 925
Accrued expenses	2 640	2 354
Paid Parental Leave Scheme payable	116	60
Total current payables	45 898	35 057
Non-current		
Employment on-costs	24 094	22 907
Total non-current payables	24 094	22 907
Total payables	69 992	57 964

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

Employment on-costs

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

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

As a result of an actuarial assessment performed by the DTF, the average factor for the calculation of employer superannuation cost on-costs has remained at 9.8%. The average proportion of long service leave taken as leave over the past 3 years increased from the 2019 rate (53.76%) to 57.88% for police and decreased from the 2019 rate (56.33%) to 53.83% for non-police. These rates are used in the employment on-cost calculation. The net financial effect of the changes in the current financial year was deemed to be immaterial.

Paid parental leave scheme

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

South Australia Police
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7.2. Financial Liabilities

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

	2020 \$'000	2019 \$'000
Current		
Lease building	6 609	-
Lease vehicle	5 396	-
Lease property plant and equipment	867	-
Total current lease liabilities	12 872	-
Non-current		
Lease building	60 501	-
Lease vehicle	4 607	-
Total non-current lease liabilities	65 108	-
Total lease liabilities	77 980	-

7.3. Provisions

	2020 \$'000	2019 \$'000
Current		
Workers compensation	14 413	10 301
Additional compensation	1 736	1 394
Death in course of employment	29	32
Civil actions against police	477	236
Total current provisions	16 655	11 963
Non-current		
Workers compensation	80 260	63 883
Additional compensation	59 187	45 634
Total non-current provisions	139 447	109 517
Total provisions	156 102	121 480
Workers compensation		
Carrying amount at the beginning of the period	74 184	59 710
Increase/(decrease) resulting from re-measurement	38 371	28 738
Reduction due to payments	(17 882)	(14 264)
Carrying amount at the end of the period	94 673	74 184
Additional compensation		
Carrying amount at the beginning of the period	47 028	61 452
Increase/(decrease) resulting from re-measurement	15 441	(13 380)
Reduction due to payments	(1 546)	(1 044)
Carrying amount at the end of the period	60 923	47 028

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7.3. Provisions (continued)

	2020 \$'000	2019 \$'000
Death in course of employment		
Carrying amount at the beginning of the period	32	35
Reduction due to payments	(3)	(3)
Carrying amount at the end of the period	29	32
Civil actions against police		
Carrying amount at the beginning of the period	236	-
Increase/(decrease) in the provision due to revision of estimates	533	370
Reduction due to payments	(292)	(134)
Carrying amount at the end of the period	477	236

Workers compensation

SAPOL, as a self-insurer, is responsible for the payment of workers compensation claims.

A liability has been reported to reflect unsettled workers compensation claims. The workers compensation provision is based on an actuarial assessment of the outstanding liability as at 30 June 2020 provided by a consulting actuary engaged through the Office of the Commissioner for Public Sector Employment. The liability was calculated in accordance with Australian Accounting Standard AASB 137 'Provisions, Contingent Liabilities and Contingent Assets' as the present value of the expenditures expected to be required to settle obligations incurred as at 30 June. No risk margin is included in this estimate.

The increase in the workers compensation liability in 2020 was impacted by:

- significant increases across the workers compensation scheme in the amount of payments for income support, medical benefits and other payments (particularly legal expenses) for non-seriously injured workers (net of claim payments).
- a change in the assumed inflation indices, future inflation and discount rates since the previous valuation in 2019. This resulted in a \$8.352 million increase.

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

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

Following changes to the Police Officers Award, SAPOL has recognised an Additional Compensation provision from 30 June 2018.

The Additional Compensation provision provides continuing benefits to workers who have suffered eligible work-related injuries and illnesses and whose entitlements have ceased under the statutory workers compensation scheme. Eligible injuries are injuries sustained in circumstances which involved, or appeared to involve, the commission of a criminal offence, or which arose from a dangerous situation. If an employee is deemed seriously injured under the *Return to Work Act 2014* (RTW Act), the Additional Compensation provisions under the Award do not apply.

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 by the Office of the Commissioner for Public Sector Employment. The liability was calculated in accordance with Australian Accounting Standard AASB 137 'Provisions, Contingent Liabilities and Contingent Assets' as the present value of the expenditures expected to be required to settle obligations incurred as at 30 June. The liability comprises an estimate for known claims and an estimate of incurred but not reported (IBNR) applications. No risk margin is included in the estimate.

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7.3. Provisions (continued)

The increase in additional compensation liability in 2020 was impacted by:

- a change in the average outstanding claim size based on the profile of the claimants and their recent payment history and also an increase in the number of successful applications. This resulted in a \$6.348 million increase (net of claim payments).
- a change in the assumed inflation indices, future inflation and discount rates since the previous valuation in 2019. This resulted in a \$7.547 million increase.

Key assumptions in the estimate include:

- application frequency
- the probability of applications becoming successful claims
- projections of annual claim payments
- rates of benefit continuance
- retirement age and mortality rates.

There is a significant 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 the limited claims history and the evolving nature of the interpretation of, and evidence required to meet, eligibility criteria.

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

Civil actions against Police

Liabilities are reported to reflect unsettled actions against SAPOL.

Death in course of employment

A liability was reported to recognise those claims where an employee has died out of or in the course of employment.

7.4. Other liabilities

	2020 \$'000	2019 \$'000
Current		
Unearned revenue	4 665	4 932
Accommodation incentive	549	499
Total current other liabilities	5 214	5 431
Non-current		
Accommodation incentive	3 488	3 171
Total non-current other liabilities	3 488	3 171
Total other liabilities	8 702	8 602

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8. Other disclosures

8.1. Equity

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.

With implementation of AASB16 *Leases*, \$0.236 million is recognised in the Statement of Changes in Equity relating to a DPTI contract which required a retrospective recognition for the lease of 5 Talisman Ave, Edwardstown. All other contracts were recognised with an effective date of 1 July 2019.

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.

Cash flow reconciliation

	2020 \$'000	2019 \$'000
Leases		
Buildings	(7 501)	-
Vehicles	(6 838)	-
Plant and equipment	(3582)	-
Total cash outflow leases	(17 921)	-
	2020 \$'000	2019 \$'000
Reconciliation of cash and cash equivalents at the end of the reporting period		
Cash and cash equivalents disclosed in the Statement of Financial Position	189 913	182 985
Balance as per the Statement of Cash Flows	189 913	182 985
Reconciliation of net cash provided by / (used in) operating activities to net result		
Net cash provided by/(used in) operating activities	43 680	48 983
Add / (less) non-cash items		
Depreciation and amortisation	(44 155)	(28 034)
Donated assets	1 015	505
Gain/loss from disposal of non-current assets	151	158
Write off of non-current assets	(20)	(130)
Impairment loss	(31)	-
Capital accruals	1 379	(44)
Movement in assets and liabilities		
Increase/(decrease) in receivables	9 528	(2 171)
Increase/(decrease) in inventories	42	(54)
(Increase)/decrease in payables	(12 494)	(3 736)
(Increase)/decrease in other liabilities	(100)	(4 490)
(Increase)/decrease in employee benefits	(17 884)	(18 245)
(Increase)/decrease in provisions	(34 622)	(318)
Net result	(53 511)	(7 576)

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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 SAPOL's retained earnings as at 1 July 2019 is as follows:

	as at 1 July 2019 \$'000
<u>Assets</u>	
Property, plant and equipment	87 411
<u>Liabilities</u>	
Financial liabilities	87 738
Other liabilities (accommodation incentive liabilities)	<u>(92)</u>
Opening retained earnings 1 July 2019 - AASB 16	<u><u>(236)</u></u>

SAPOL disclosed in its 2018-19 financial report total undiscounted operating lease commitments of \$92.557 million under AASB 117.

South Australia Police
Notes to and forming part of the financial statements
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9.1. AASB 16 Leases (continued)

SAPOL 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 \$92.557 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.

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. SAPOL has adopted the following accounting policies:

- 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 liabilities and right-of-use assets excludes all leases that ended by 30 June 2020, except for vehicles leased from SAFA.
- At transition lease liabilities were measured at the present value of the remaining lease payments discounted at SAPOL's incremental borrowing rate as at 1 July 2019. The average weighted incremental borrowing rate for this purpose was 1.47%. Right-of-use assets were measured at either:
 - their carrying amount as if AASB 16 was applied since the commencement date discounted using SAPOL's incremental borrowing rate at the date of initial application
 - an amount equal to the lease liability adjusted by the amount of any prepaid or accrued lease payments.
- The cumulative effect of initially applying the Standard was recognised at 1 July 2019. Comparatives have not been restated.

South Australia Police
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9.1. AASB 16 Leases (continued)

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 SAPOL'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.
- SAPOL, 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. Presentation of financial statements

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

Presentation of the Statement of Comprehensive Income on an 'income and expense' basis allows information to be presented in such a way that eliminates potential confusion as to the source of funding for SAPOL. 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 commitments arising from contractual or statutory sources and are disclosed at their nominal value.

Capital commitments

	2020	2019
	\$'000	\$'000
Within one year	692	882
Later than one year but not longer than five years	-	295
Total capital commitments	692	1 177

SAPOL's capital commitments are for major capital commitments which includes motorcycle replacement and NEC System Service.

Expenditure commitments

	2020	2019
	\$'000	\$'000
Within one year	28 850	21 927
Later than one year but not longer than five years	79 830	77 293
Later than five years	298 598	326 479
Total expenditure commitments	407 278	425 699

Major expenditure commitments include memoranda of administrative arrangements with the Department of Planning, Transport and Infrastructure for accommodation.

Operating lease commitments

	2020	2019
	\$'000	\$'000
Within one year	-	14 916
Later than one year but not longer than five years	-	34 745
Later than five years	-	42 896
Total operating lease commitments	-	92 557

Operating lease commitments are 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.

Contingent assets

SAPOL is not aware of any contingent assets.

Contingent liabilities

Rewards for unsolved murders

As at 30 June 2020 the value of outstanding rewards for unsolved murders was \$38.6 million (2019: \$38.8 million). No provision has been made in the financial statements for this amount as considerable doubt exists as to the amount and timing of rewards that will actually be paid.

10.3. Impact of standards and statements not yet effective

SAPOL 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. SAPOL 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. COVID-19 pandemic outlook for SAPOL

The COVID-19 pandemic will continue to impact on the operations of SAPOL in 2020-21. The key expected impacts are difficult to quantify and are influenced by the timing of when the State returns to business as usual post COVID-19. However key expected impacts are increases to employee benefits and supplies and services expenditure associated with maintaining a safe work environment, and responding to the pandemic.

10.5. Events after reporting period

SAPOL are not aware of any events after reporting period.

11. Measurement and risk

11.1. Long service leave liability – measurement

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

The actuarial assessment performed by the DTF 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 across government.

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%).

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 including the change in salary inflation rate from 4% in 2019 to 2.5% in 2020, is a decrease in the long service leave liability of \$24.430 million and a decrease in employee benefits expense of \$24.430 million. The impact on future periods is impracticable to estimate as the long service leave liability is calculated using a number of demographical and financial assumptions – including the long-term discount rate.

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

11.2. Fair value

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

Initial recognition

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

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

Revaluation

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

The revaluation process is reviewed by SAPOL 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.

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11.2. Fair value (continued)

Fair value hierarchy

SAPOL 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 an active market and are derived from inputs (inputs other than quoted prices included within level 1) that are observable for the asset, either directly or indirectly.
- Level 3 – not traded in an active market and are derived from unobservable inputs.

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

During 2020 and 2019, SAPOL 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

		Level 2	Level 3	Total
	Note	\$'000	\$'000	\$'000
Recurring fair value measurements				
Land	5.1	71 092	-	71 092
Buildings & improvements	5.1	-	177 345	177 345
Accommodation and leasehold improvements	5.1	-	31 064	31 064
Computing & communications equipment	5.1	-	13 256	13 256
Transport vessels	5.1	90	-	90
Vehicles	5.1	-	3 561	3 561
Other	5.1	-	21 926	21 926
Aircraft	5.1	3 922	-	3 922
Total recurring fair value measurements		75 104	247 152	322 256
Non-recurring fair value measurements				
Land held for sale	5.7	9 865	-	9 865
Buildings held for sale	5.7		136	136
Total non-recurring fair value measurements		9 865	136	10 001
Total fair value measurement		84 969	247 288	332 257

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11.2. Fair value (continued)

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

		Level 2	Level 3	Total
		\$'000	\$'000	\$'000
Recurring fair value measurements				
Land	5.1	71 086	-	71 086
Buildings & improvements	5.1	-	182 983	182 983
Accommodation and leasehold improvements	5.1	-	32 229	32 229
Computing & communications equipment	5.1	-	11 921	11 921
Transport vessels	5.1	940	-	940
Vehicles	5.1	-	2 595	2 595
Other	5.1	-	19 997	19 997
Aircraft	5.1	3 589	-	3 589
Total recurring fair value measurements		75 615	249 725	325 340
Non-recurring fair value measurements				
Land held for sale	5.7	10 150	-	10 150
Vehicles held for sale	5.7	-	6	6
Total non-recurring fair value measurements		10 150	6	10 156
Total fair value measurement		85 765	249 731	335 496

Land and buildings

An independent valuation of land and buildings was performed by a Certified Practising Valuer from Liquid Pacific, as at 30 June 2019.

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, adjustments were 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.

The valuation used estimates about construction materials that would be required to replace the buildings, information about current construction costs were derived from building costs guides, internal records such as procurement documents, and the estimated useful life due to age and condition of the building.

SAPOL undertook a desktop valuation of its assets as at 30 June 2020, any movements were deemed immaterial.

Plant and equipment

All items of plant and equipment with a fair value at the time of acquisition less than \$1.500 million and an estimated useful life less than three years has not been revalued in accordance with APS 116.D. The carrying value of these items are deemed to approximate fair value.

South Australia Police
Notes to and forming part of the financial statements
as at 30 June 2020

11.2. Fair value (continued)

Reconciliation of level 3 recurring fair value measurements as at 30 June 2020

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

	Buildings and improv'ts	Accommodation and leasehold improv'ts	Computing & comms equipment	Vehicles	Other
2020	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance at the beginning of the period	182 983	32 229	11 921	2 595	19 997
Additions	-	1 000	-	-	-
Asset - recognised through stocktake	-	-	74	-	67
Transfers from capital work in progress	998	684	5 479	1 844	6 417
Capitalised subsequent expenditure					
Classified as held for sale	(136)			-	
Donated assets	-	-	60	410	546
Disposals/written off	-	-	-	(22)	(14)
Gains/(losses) for the period recognised in net result:					
Depreciation and amortisation	(6 500)	(2 849)	(4 278)	(1 266)	(5 087)
Total gains/(losses) recognised in net result	(6 500)	(2 849)	(4 278)	(1 266)	(5 087)
Carrying amount at the end of the period	177 345	31 064	13 256	3 561	21 926

Reconciliation of level 3 recurring fair value measurements as at 30 June 2019

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

	Buildings and improv'ts	Accommodation and leasehold improv'ts	Computing & comms equipment	Vehicles	Other
2019	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance at the beginning of the period	198 561	34 982	14 128	2 590	22 421
Transfers from capital work in progress	4 269	118	2 380	1 139	2 661
Donated assets	-	-	-	95	126
Other	2	100	-	20	-
Disposals/written off	-	-	(11)	(64)	(109)
Gains/(losses) for the period recognised in net result:					
Depreciation and amortisation	(6 531)	(2 818)	(4 576)	(1 185)	(5 102)
Revaluation increment/(decrement)	(13 318)	(153)	-	-	-
Total gains/(losses) recognised in net result	(19 849)	(2 971)	(4 576)	(1 185)	(5 102)
Carrying amount at the end of the period	182 983	32 229	11 921	2 595	19 997

South Australia Police
Notes to and forming part of the financial statements
as at 30 June 2020

11.3. Financial instruments

Financial risk management

Risk management is managed by SAPOL's Financial Management Services Branch (FMSB) and SAPOL's 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*.

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

Liquidity risk

SAPOL is funded principally from appropriation by the SA Government. SAPOL works with DTF to determine the cash flows associated with its Government approved program of work and to ensure funding is provided through SA Government budgetary processes to meet the expected cash flows.

Refer to notes 1.2 and 2.1 for further information.

Credit risk

SAPOL has policies and procedures in place to ensure that transactions occur with customers with appropriate credit history.

No collateral is held as security and no credit enhancements relate to financial assets held by SAPOL.

Impairment of financial assets

Trade Receivables

Loss allowances for receivables are not measured and recognised using the simplified expected credit loss approach prescribed in AASB 9. Instead, SAPOL undertakes a comprehensive review of all outstanding debtors on a case-by-case basis with a view to collectability of monies owed. That is – a model akin to the 'incurred loss' approach for impairment losses for trade receivables is still applied as SAPOL reviews all non-SAG debtors.

Receivables from non-government debtors comprise a large number of small balances. A listing is maintained of debtors where recoveries are unlikely and a provision for doubtful debts is created.

SAPOL receives the Debtors Management Report monthly from the Accounts Receivable (AR) Invoicing Team at Shared Services SA (SSSA). As per the arrangement between the two agencies, SSSA initially undertake recovery actions via monthly statements, phone calls and demand letters to customers that have overdue SAPOL invoices, where the debt is less than 180 days overdue.

Once SSSA have exhausted all avenues for recovery, receivables aged greater than 180 days are referred back to SAPOL for action. Once a debtor has been referred to the agency, the matter is appraised and either managed internally or progressed to a mercantile debt collection agency for recovery.

There are currently two trade debtors who have outstanding invoices which are overdue more than 180 days and for which SAPOL considers that there is no possibility of recovery, as the debtor is deceased or the debt is small and uneconomical to action any further. The impairment amounts to \$5,893.65.

There are currently two trade debtors who have outstanding invoices which are overdue more than 180 days and for which SAPOL considers that there is little possibility of recovery, as the matters are going through the Civil Magistrates Court. The provision amounts to \$6,294.00.

There are currently three trade debtors who did have outstanding invoices which were overdue more than 180 days and were previously included in a provision for doubtful debts. The debtors are now repaying in instalments. The provision amount to be reversed is \$605.00.

Credit loss of Government debtors is considered to be nil based on the nature of counterparties and external credit ratings. Nonetheless inter-agency receivables are assessed individually and confirmed with the relevant public authority to ensure agreement between the public authorities on the quantum of the debt.

South Australia Police
Notes to and forming part of the financial statements
as at 30 June 2020

11.3. Financial instruments (continued)

Market risk

SAPOL does not trade in foreign currency, nor enter into transactions for speculative purposes, nor for hedging. SAPOL 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.

Exposure to interest rate risk may arise through its interest bearing liabilities, including borrowings. As at 30 June 2020, SAPOL had no borrowings.

Categorisation of financial instruments

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

Classification of Financial Instruments

SAPOL measures all financial instruments at amortised cost.

South Australia Police
Notes to and forming part of the financial statements
as at 30 June 2020

11.3. Financial instruments (continued)

Category of financial asset and financial liability	Note	2020 Carrying amount/Fair Value \$'000	2020 Contractual maturities		
			Within 1 year \$'000	1-5 years \$'000	More than 5 years \$'000
Financial assets					
Cash and cash equivalents					
Cash and cash equivalents	6.1	189 913	189 913	-	-
Loans and receivables					
Receivables ⁽¹⁾⁽²⁾	6.2	12 630	12 260	370	-
Total financial assets		202 543	202 173	370	-
Financial liabilities					
Financial liabilities at cost					
Payables ⁽¹⁾	7.1	23 732	23 732	-	-
Lease liabilities	7.2	77 980	12 872	65 108	-
Total financial liabilities		101 712	36 604	65 108	-

Category of financial asset and financial liability	Note	2019 Carrying amount/Fair Value \$'000	2019 Contractual maturities		
			Within 1 year \$'000	1-5 years \$'000	More than 5 years \$'000
Financial assets					
Cash and cash equivalents					
Cash and cash equivalents	6.1	182 985	182 985	-	-
Loans and receivables					
Receivables ⁽¹⁾⁽²⁾	6.2	2 321	1 875	446	-
Total financial assets		185 306	184 860	446	-
Financial liabilities					
Financial liabilities at cost					
Payables ⁽¹⁾	7.1	19 459	19 459	-	-
Total financial liabilities		19 459	19 459	-	-

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

South Australia Police (SAPOL)

Administered Financial Statements

For the year ended 30 June 2020

South Australia Police
Statement of Administered Comprehensive Income
for the year ended 30 June 2020

Statement of Administered Comprehensive Income

		2020	2019
	Note	\$'000	\$'000
Administered income			
Appropriation	5.1	551	576
Fees, fines and charges	5.2	76 173	75 103
Total administered income		76 724	75 679
 Administered expenses			
Employee benefits expenses	6.1	491	478
Supplies and services	7.1	2 713	2 477
Intra-government transfers		9 756	10 281
Payments to the consolidated account		63 774	61 677
Total administered expenses		76 734	74 913
 Net result		(10)	766
 Net result and total comprehensive result		(10)	766

The accompanying notes form part of these financial statements.

South Australia Police
Statement of Administered Financial Position
as at 30 June 2020

Statement of Administered Financial Position

		2020	2019
	Note	\$'000	\$'000
Administered current assets			
Cash and cash equivalents	8.1	14 285	13 430
Receivables	8.2	226	249
Total current assets		14 511	13 679
Total assets		14 511	13 679
Administered current liabilities			
Payables		4 852	4 410
Other liabilities	9.1	9 055	8 655
Total current liabilities		13 907	13 065
Total liabilities		13 907	13 065
Net assets		604	614
Administered equity			
Retained earnings		604	614
Total equity		604	614

The accompanying notes form part of these financial statements.

South Australia Police
Statement of Administered Cash Flows
for the year ended June 2020

Statement of Administered Cash Flows

		2020 \$'000	2019 \$'000
		Inflows (Outflows)	Inflows (Outflows)
Cash flows from operating activities	Note		
Cash inflows			
Appropriations		551	576
Fees, fines and charges		76 196	75 078
Exhibit monies		397	-
Unclaimed property		3	-
Cash generated from operations		77 147	75 654
Cash outflows			
Employee benefits payments		(491)	(478)
Supplies and services		(2 764)	(2 452)
Intra-government transfers		(9 761)	(10 399)
Payments to the consolidated account		(63 276)	(63 324)
Exhibit monies		-	(477)
Unclaimed property		-	(63)
Cash used in operations		(76 292)	(77 193)
Net cash provided by / used in operations	10.1	855	(1 539)
Net increase / decrease in cash and cash equivalents		855	(1 539)
Cash and cash equivalents at the beginning of the period		13 430	14 969
Cash and cash equivalents at the end of the period	8.1	14 285	13 430

The accompanying notes form part of these financial statements.

South Australia Police
Schedule of Expenses and Income attributable to Administered Items
for the year ended June 2020

Schedule of Expenses and Income attributable to Administered Items

Activities - refer note A2	Victims of Crime				Public Private Partnership (PPP)			
	Expiation Fees		Levy		Special Acts			
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
Administered income								
Appropriation	-	-	-	-	490	517	-	-
Fees, fines and charges	63 774	62 412	9 568	10 086	-	-	2 713	2 477
Total administered income	63 774	62 412	9 568	10 086	490	517	2 713	2 477
Administered expenses								
Employee benefits expenses	-	-	-	-	491	478	-	-
Supplies and services	-	-	-	-	-	-	2 713	2 477
Intra-government transfers	-	-	9 568	10 086	-	-	-	-
Payments to the consolidated account	63 774	61 452	-	-	-	-	-	-
Total administered expenses	63 774	61 452	9 568	10 086	491	478	2 713	2 477
Net result	-	960	-	-	(1)	39	-	-

Activities - refer note A2	Firearms Safety					
	Training Levy		Other		Total	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
Administered income						
Appropriation	-	-	61	59	551	576
Fees, fines and charges	118	128	-	-	76 173	75 103
Total administered income	118	128	61	59	76 724	75 679
Administered expenses						
Employee benefits expenses	-	-	-	-	491	478
Supplies and services	-	-	-	-	2 713	2 477
Intra-government transfers	118	128	70	67	9 756	10 281
Payments to the consolidated account	-	-	-	225	63 774	61 677
Total administered expenses	118	128	70	292	76 734	74 913
Net result	-	-	(9)	(233)	(10)	766

South Australia Police
Schedule of Assets and Liabilities attributable to Administered Items
as at 30 June 2020

Schedule of Assets and Liabilities attributable to Administered Items

Activities - refer note A2	Unclaimed		Exhibit Monies		Expiation Fees		Victims of		Special Acts	
	Property						Crime Levy			
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Administered current assets										
Cash and cash equivalents	350	347	8 705	8 308	3 833	3 335	793	798	72	74
Total current assets	350	347	8 705	8 308	3 833	3 335	793	798	72	74
Total assets	350	347	8 705	8 308	3 833	3 335	793	798	72	74
Administered current liabilities										
Payables	-	-	-	-	3 833	3 335	793	798	-	-
Other liabilities	350	347	8 705	8 308	-	-	-	-	-	-
Total current liabilities	350	347	8 705	8 308	3 833	3 335	793	798	-	-
Total liabilities	350	347	8 705	8 308	3 833	3 335	793	798	-	-
Net assets	-	-	-	-	-	-	-	-	72	74

Activities - refer note A2	Public Partnership (PPP)		Private Firearms Safety Training Levy		Other		Total	
	2020	2019	2020	2019	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Administered current assets								
Cash and cash equivalents	-	-	-	28	532	540	14 285	13 430
Receivables	226	249	-	-	-	-	226	249
Total current assets	226	249	-	28	532	540	14 511	13 679
Total assets	226	249	-	28	532	540	14 511	13 679
Administered current liabilities								
Payables	226	249	-	28	-	-	4 852	4 410
Other liabilities	-	-	-	-	-	-	9 055	8 655
Total current liabilities	226	249	-	28	-	-	13 907	13 065
Total liabilities	226	249	-	28	-	-	13 907	13 065
Net assets	-	-	-	-	532	540	604	614

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

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

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

A1. Basis of preparation and accounting policies

The basis of preparation for the administered financial statements is the same as the basis outlined in note 1.1. SAPOL applies the same accounting policies to the administered financial statements as set out in the notes to SAPOL's financial statements.

Departures from SAPOL's 'basis of preparation'

Income from expiation fees, Victims of Crime Levy and firearms safety training levy are recognised on a cash basis. All other elements of SAPOL's Statement of Administered Comprehensive Income and Statement of Administered Financial Position have been prepared on an accrual basis.

A2. Objectives/Activities of SAPOL's administered items

SAPOL's administered items are structured to contribute to these main activities:

Unclaimed property

SAPOL holds unclaimed monies and proceeds from disposal of found properties. These monies are held for a period of six months and are then passed to government. SAPOL treats these items in accordance with *Police Regulations 2014*.

Exhibit monies

SAPOL holds exhibit property being items confiscated at the time of an offence (that is, items found at a crime scene or which were part of a theft). These items are held as an exhibit which may be presented to the court as evidence at the time the offence is heard. The court may decide that the items are returned or confiscated and passed to the government.

Expiation fees

SAPOL, as a central processing agency of expiation notices, collects expiation revenue arising from expiation notices issued by police officers and other authorised officers. SAPOL treats the collected expiation revenue pursuant to the requirements of the *Expiation of Offences Act 1996*. Monies collected are paid into the consolidated account. This includes collection of expiation revenue relating to a zero-tolerance approach to Protect SA's Fruit Fly Free Status under the *Plant Health Act 2009*.

Victims of Crime Levy

SAPOL, as a central processing agency of expiation notices, collects Victims of Crime expiation revenue arising from the expiation of offences included on expiation notices issued by police officers and other authorised officers. SAPOL treats the collected Victims of Crime Levy revenue pursuant to the requirements of the *Victims of Crime Act 2001*. Monies collected are paid into the Victims of Crime Fund operated by the Attorney-General's Department. These are shown as intra-government transfers in the Statement of Administered Comprehensive Income.

Special Acts

SAPOL receives separate appropriation for the payment of salaries in relation to the Commissioner of Police. Funding is provided under 'Recurrent Expenditure - Special Acts'. Employee related expenditure in administered items reflects cash payments only. The liabilities are recorded as SAPOL controlled items.

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

A2. Objectives/Activities of SAPOL's administered items (continued)

Public Private Partnership

In May 2005 Cabinet approved the execution of a 25-year service contract with Plenary Justice Pty Ltd (Plenary) for regional police stations for SAPOL and courts for the Courts Administration Authority (CAA).

In June 2005 the Minister of Infrastructure signed a project agreement.

The public private partnership (PPP) includes court facilities at Port Lincoln, Victor Harbor, Berri and Port Pirie.

Under the PPP agreement, SAPOL is responsible for paying lease payments to Plenary for sites occupied by both SAPOL and CAA. SAPOL invoices CAA for the sites that they occupy.

Only the income and expenditure associated with the sites occupied by CAA are recognised as administration items. The resulting revenue is not off-set against expenditure.

Firearms Safety Training Levy

SAPOL collects the Firearms Safety Training Levy as part of firearms licence fees. The Firearms Safety Training Levy is transferred to TAFE SA. The levy subsidises compulsory Firearms Safety Training, run by TAFE SA that all applicants for firearms licences must undertake before being issued with their firearms licence.

Other

SAPOL receives appropriation with respect to a grant payment for a Community Service Obligation payment to South Australian Water Corporation. The Community Service Obligation payment covers the cost of water and sewage rates forgone on emergency service-related properties.

SAPOL has no control over the use of the funds listed above.

A3. Impact of COVID-19 pandemic on the administered activities

The COVID-19 pandemic has impacted on the administered activities of SAPOL. The key impacts in 2019-20 were:

- Lower than budgeted expiation and Victim of Crime Levy revenue as a result of fewer vehicles on the roads during the period March to June 2020 as a result of COVID-19.

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

A4. Budget performance

The budget performance table compares the department's outcomes against budget information presented to Parliament (2019-20 Budget Paper 4, Volume 3). 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
Note				
Statement of Comprehensive Income				
Income				
		544	551	7
Appropriations				
Fees, fines and charges	a	100 467	76 173	(24 294)
Total income		101 011	76 724	(24 287)
Expenses				
Employee benefits expense		483	491	8
Supplies and services		2 844	2 713	(131)
Intra-government transfers		13 129	9 756	(3 373)
Payments to the consolidated account	b	84 555	63 774	(20 781)
Total expenses		101 011	76 734	(24 277)
Net result and total comprehensive result				
		-	(10)	(10)

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) The 2019-20 original budget was revised downwards during the year for approved adjustments, mainly due to a volume adjustment based on expiated revenue detections being lower overall. The actual income of \$76.173 million was lower than the approved revised budget of \$82.290 million and significantly influenced by COVID-19 with fewer vehicles on the roads during the period March to June 2020.
- b) The 2019-20 original budget was revised downward during the year for approved adjustments, mainly due to volume adjustment as a result of expiated revenue detection being lower overall. The actual payments of \$63.774 million was lower than the approved (similar to above note) revised budget of \$69.355 million and significantly influenced by COVID-19 with fewer vehicles on the roads during the period March to June 2020.

SAPOL has no budget or actual investing expenditure under Administered Items.

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

A5. Income

A5.1 Appropriations

	2020	2019
	\$'000	\$'000
Revenues from appropriations		
Appropriations from consolidated account pursuant to the <i>Police Act 1998</i>	490	517
Appropriations from consolidated account pursuant to the <i>Appropriation Act</i>	61	59
Total revenues from appropriations	551	576

Appropriations are recognised on receipt.

The total appropriation consists of operational funding. The original amount appropriated to SAPOL administered items under the annual *Appropriation Act* was not varied and no additional funds were received from the Treasurer via the Governor's Appropriation Fund.

A5.2 Fees, fines and charges

	2020	2019
	\$'000	\$'000
Expiation revenue	63 774	62 412
Victims of Crime Levy	9 568	10 086
PPP cost recovery *	2 713	2 477
Firearms Safety Training Levy	118	128
Total fees, fines and charges	76 173	75 103

* This amount includes cost recovery from the CAA for PPP lease payments (refer to note A2)

A6. Employee Benefits Expense

A6.1 Employee benefits

	2020	2019
	\$'000	\$'000
Salaries and wages	491	478
Total employee benefits	491	478

The total salaries and wages paid was funded from the consolidated account pursuant to the *Police Act 1998*.

A7. Expenses

The below expenses relate to PPP lease payments paid by SAPOL on behalf of CAA. The expenditure is offset by cost recovery from CAA. Refer to note A5.2

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

A7.1 Supplies and services

	2020	2019
	\$'000	\$'000
PPP lease payments	2 713	2 477
Total supplies and services	2 713	2 477

A8. Financial assets

A8.1 Cash and cash equivalents

	2020	2019
	\$'000	\$'000
Deposits with the Treasurer	14 285	13 430
Total cash and cash equivalents	14 285	13 430

A8.2 Receivables

	2020	2019
	\$'000	\$'000
Current		
Receivables	226	249
Total current receivables	226	249
Total receivables	226	249

A9. Liabilities

A9.1 Other liabilities

	2020	2019
	\$'000	\$'000
Current		
Exhibit monies held	8 705	8 308
Unclaimed property held for SA Government	350	347
Total current other liabilities	9 055	8 655
Total other liabilities	9 055	8 655

All payable amounts disclosed above are expected to be paid within 12 months after reporting date.

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

A10. Other disclosures

A10.1 Cash flow reconciliations

	2020 \$'000	2019 \$'000
Reconciliation of cash and cash equivalents at the end of the reporting period		
Cash and cash equivalents disclosed in the Statement of Administered Financial Position	14 285	13 430
Balance as per the Statement of Administered Cash Flows	14 285	13 430
Reconciliation of net cash provided by / (used in) operating activities to net result		
Net cash provided by/(used in) operating activities	855	(1 539)
Movement in assets and liabilities		
Increase/(decrease) in receivables	(23)	25
(Increase)/decrease in payables	(442)	(28)
(Increase)/decrease in other liabilities	(400)	2 308
Net result	(10)	766

A11. Outlook

A11.1 COVID-19 pandemic outlook

The COVID-19 pandemic will continue to impact the administered activities of SAPOL in 2020-21. The key expected impacts are difficult to quantify and are influenced by the timing of when the State returns to business as usual post COVID-19. However key expected impacts are:

- Lower expiation and Victim of Crime Levy revenue as a result of fewer vehicles on the roads.