



SOUTH AUSTRALIA POLICE
KEEPING SA SAFE

South Australia Police

2016-17 Annual Report

South Australia Police

100 Angas Street, Adelaide SA 5000
GPO Box 1539, Adelaide SA 5001

www.police.sa.gov.au

Contact phone number (08) 7322 3833

Contact email cynthia.manners@police.sa.gov.au

ISSN 1833-850X

Date presented to Minister: 29 September 2017

To:

The Hon. Chris Picton

Minister for Police

Minister for Correctional Services

Minister for Emergency Services

Minister for Road Safety

Minister Assisting the Minister for Health

Minister Assisting the Minister for Mental Health and Substance Abuse

This annual report is presented to Parliament to meet the statutory reporting requirements of the *Police Act 1998*, *Police Regulations 2014* and *Public Sector Act 2009* and meets the requirements of Premier and Cabinet Circular *PC013 Annual Reporting*.

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

Submitted on behalf of the South Australia Police by:

Grant Stevens

Commissioner of Police



Signature

29/9/2017

Date

Contents

Contents	3
Section A: Reporting required under the <i>Public Sector Act 2009</i>, the <i>Public Sector Regulations 2010</i> and the <i>Public Finance and Audit Act 1987</i>	4
Agency purpose or role	4
Objectives	4
Key strategies and their relationship to SA Government objectives	4
Agency programs and initiatives and their effectiveness and efficiency	5
Legislation administered by the agency	5
Organisation of the agency	6
Other agencies related to this agency (within the Minister's area/s of responsibility)	6
Employment opportunity programs	6
Agency performance management and development systems	7
Occupational health, safety and rehabilitation programs of the agency and their effectiveness	7
Fraud detected in the agency	9
Strategies implemented to control and prevent fraud	9
Whistle-blowers' disclosure	9
Executive employment in the agency	10
Consultants	10
Financial performance of the agency	11
Other information requested by the Minister(s) or other significant issues affecting the agency or reporting pertaining to independent functions	13
Section B: Reporting required under any other act or regulation	14
Controlled Substances Act 1984	14
Evidence Act 1929	16
Hydroponic Industry Control Act 2009	16
Liquor Licence Act 1997	17
Protective Security Act 2007	17
Road Traffic Act 1961	18
Shop Theft (Alternative Enforcement Act) 2000	19
Summary Offences Act 1953	19
Reporting required under the <i>Carers' Recognition Act 2005</i>	23
Section C: Reporting of public complaints as requested by the Ombudsman	25
Summary of complaints by subject	25
Complaint outcomes	25
Appendix: Audited financial statements 2016-17	26

Section A: Reporting required under the *Public Sector Act 2009*, the *Public Sector Regulations 2010* and the *Public Finance and Audit Act 1987*

Agency purpose or role

The purpose of South Australia Police is to reassure and protect the community in relation to crime and disorder by the provision of services to uphold the law, preserve the peace, prevent crime, assist the public in emergency situations, coordinate and manage responses to emergencies, regulate road use and prevent vehicle collisions.

Objectives

- A visible, responsive police service for all South Australians.

Key strategies and their relationship to SA Government objectives

Key strategy	SA Government objective
To be accessible, innovative and efficient in the use of our resources, and responsive in the delivery of our frontline services regardless of the circumstances.	South Australia Strategic Plan Target 17 State-wide crime rates, Target 19 Repeat Offending and Target 22 Road Safety.

Agency programs and initiatives and their effectiveness and efficiency

Program name	Indicators of performance/effectiveness/efficiency	Comments
Public Safety	Level of Community Confidence in policing services.	2016-17 result 89.3%, above the national average.
	Percentage Grade 1 taskings in the metropolitan area responded to within 15 minutes.	2016-17 result 90.1%, above the target of ≥80%.
Crime and Criminal Justice Services	Number of recorded offences against the person as reported by/on behalf of victims per 1000 head of population.	2016-17 result 13.16, below target of ≤15.0.
	Number of recorded offences against property as reported by/on behalf of victims per 1000 head of population.	2016-17 result of 47.71, below target of ≤50.0.
Road Safety	Number of Road Safety Contacts issued personally involving unique expiation notices and apprehension reports excluding camera.	2016-17 result 189 559.
	Number of driver screening tests conducted.	2016-17 result 554 495, above the target of 500 000.
	Number of SAPOL Road Safety Centre attendees, children and young adults (16-24 years).	2016-17 result 7 989 children and 107 young adults.
	Total number people attending SAPOL road safety programmes.	2016-17 result 66 647.

Legislation administered by the agency

Police Act 1998 and Police Regulations 2014.

Firearms Act 2015.

Hydroponics Industry Control Act 2009.

Protective Security Act 2007.

Second-hand Dealers and Pawnbrokers Act 1996.

Witness Protection Act 1996.

Organisation of the agency

Commissioner

Deputy Commissioner

Business Service

Crime Service

Governance and Capability Service

Human Resources Service

Information Systems and Technology Service

Metropolitan Operations Service

Operations Support Service

Security and Emergency Management Service

State Operations Service

<https://www.police.sa.gov.au/about-us/organisational-structure>

Other agencies related to this agency (within the Minister's area/s of responsibility)

Nil

Employment opportunity programs

Program name	Result of the program
R313 initiative	To meet a government commitment of recruiting 313 police officers above attrition SAPOL undertook a number of activities to generate interest in a policing career and promote female and youth recruiting. This included 13 metropolitan and regional seminars (seven general, five targeting women and one youth) to encourage applicants. The successful program achieved a target of 353 recruits between September 2016 and 30 June 2017 of which 50% were female and 20% youth.
SAPOL Indigenous Pre-Employment Program (IPEP)	The SAPOL IPEP is run in partnership with Maxima (an Indigenous employment services provider) and targets ATSI persons who have a genuine interest in becoming a police officer. There were two participants in this program during 2016-17.

Agency performance management and development systems

Performance management and development system	Assessment of effectiveness and efficiency
Individual Performance Plans	SAPOL employees with a plan reviewed within the past 12 months (2016-17) as a percentage of the total workforce was 65.7%.
Individual professional development	Comprehensive workforce professional and vocational development programs. These include operational training, face to face, e-learning, and an extensive promotional and developmental framework, delivered through a dedicated human resource development area, the Police Academy – supplemented by specialist external professional development.

Occupational health, safety and rehabilitation programs of the agency and their effectiveness

Occupational health, safety and rehabilitation programs	Effectiveness
Occupational Health and Safety	<p>SAPOL has a dedicated Health Safety and Welfare Area with a focus on treatment and prevention. The Preventions Unit works closely with Medical, Employee Assistance and Injury Management sections where safety systems have been developed and maintained in accordance with the Self Insurers Framework and Code of Practice; and safety is integrated into all aspects of SAPOL's operations.</p> <p>Multiple operational safety training and programs are developed and embedded with a focus on prevention and continuous improvement.</p> <p>As part of the commitment to safety SAPOL has established over 35 Work Health and Safety (WHS) Committees with 150 elected and trained health and safety representatives.</p> <p>Based on risk, SAPOL is moving away from a compliance driven model to one with a strong safety culture driven by an understanding and acceptance that the responsibility of health safety and wellbeing rests with everyone.</p>

Occupational health, safety and rehabilitation programs	Effectiveness
<p>SAPOL's extensive Employee Assistance Program (EAP) - an independent and confidential counselling service, delivered by specialist mental health professionals, offering support for work related and personal issues.</p>	<p>SAPOL's Employee Assistance Section provides an initial triage and counselling service for employees as well as a consultancy, training and assessment service to assist employee's physical and psychological wellbeing. Each SAPOL employee is entitled to six free sessions every two years. The sessions can be used by family members. An employee can either make direct contact through a dedicated SAPOL 1300 telephone number, or can be referred; with an average of 15 referrals per month in 2016.</p>

Fraud detected in the agency

Category/nature of fraud	Number of instances
Theft by Deception (fraud) offences	17

Strategies implemented to control and prevent fraud

Of these matters, nine are still under investigation and have not yet been finalised. Of the eight matters that have been finalised, the outcomes are three substantiated, two refuted, one unsubstantiated, one no further action and one unresolved.

Ongoing comprehensive audit practices detect any fraudulent behaviour.

An overarching SAPOL Audit and Risk Committee comprising of SAPOL Executive and an independent external member, acts as a coordinated corporate committee working across SAPOL to ensure risks have been identified, and foster an ethical and accountable environment. The Committee advises the Commissioner on matters of accountability and internal control affecting operations of SAPOL.

A dedicated Audit and Risk Management Section (ARMS) maintain the strategic oversight of fraud and related matters that are reported to the Anti-Corruption Branch or the Ethical and Professional Standards Branch. In addition, they perform targeted random audits of critical SAPOL service areas such as police cells, police stations, financial management, and property issues.

Data for the past five years is available at: <https://data.sa.gov.au/data/dataset/annual-reporting-data>

Whistle-blowers' disclosure

Number of occasions on which public interest information has been disclosed to a responsible officer of the agency under the *Whistle-blowers' Protection Act 1993* 0

Data for the past five years is available at: <https://data.sa.gov.au/data/dataset/annual-reporting-data>

Executive employment in the agency

Executive classification	Number of executives
Commissioner	1
Deputy Commissioner	1
Assistant Commissioners	8
SA Executive Service Level 2	2
SA Executive Service Level 1	1

Data for the past five years is available at: <https://data.sa.gov.au/data/dataset/annual-reporting-data>

For further information, the [Office for the Public Sector](#) has a [data dashboard](#) for further information on the breakdown of executive gender, salary and tenure by agency.

Consultants

The following is a summary of external consultants that have been engaged by the agency, the nature of work undertaken and the total cost of the work undertaken.

Consultants	Purpose	Value
All consultancies below \$10,000 each	Various	\$44 165
Consultancies above \$10,000 each		
Professor Stacy Goergen	Preparation of Court reports	\$10 500
Professor Jason White	Preparation of Court reports	\$17 870
KPMG	Advisory services – SAPOL 2020 Reform publications	\$67 516
Total all consultancies		\$140 051

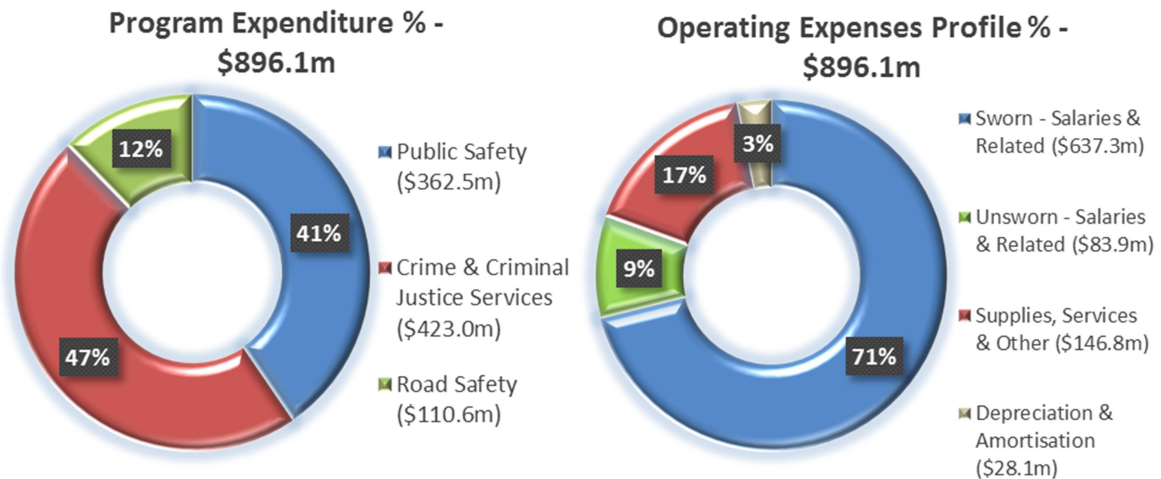
Data for the past five years is available at: <https://data.sa.gov.au/data/dataset/annual-reporting-data>

See also <https://www.tenders.sa.gov.au/tenders/index.do> for a list of all external consultancies, including nature of work and value. See also the Consolidated Financial Report of the Department of Treasury and Finance <http://treasury.sa.gov.au/> for total value of consultancy contracts across the SA Public Sector.

Financial performance of the agency

The following is a brief summary of the overall financial position of the agency. The information is unaudited. Full audited financial statements for 2016-17 are attached to this report.

Allocated Resources

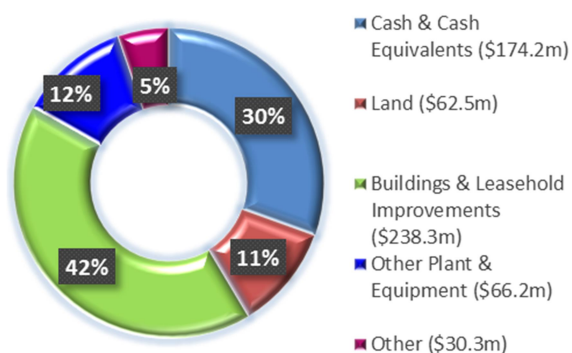


Cost of Service Provision

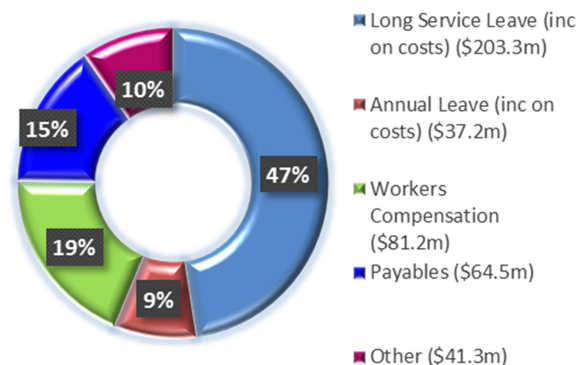
	2017 Actual \$m	2016 Actual \$m	2015 Actual \$m	2014 Actual \$m	2013 Actual \$m
Total operating expenses	896.1	825.9	814.8	789.1	755.6
Total operating income	37.9	36.5	34.5	34.0	32.3
Net cost of providing services	858.2	789.4	780.3	755.1	723.3
Net revenue from SA Government	852.9	797.6	795.0	749.9	732.6
Net result (AAS)	(5.3)	8.2	14.7	(5.2)	9.2

Assets and Liabilities

Total Assets as at 30 June 2017
\$571.5m



Total Liabilities as at 30 June 2017
\$427.5m



	2017 Actual \$m	2016 Actual \$m	2015 Actual \$m	2014 Actual \$m	2013 Actual \$m
Current assets	194.3	156.3	141.8	98.4	80.4
Non-current assets	377.2	383.3	374.9	385.8	375.7
Total assets	571.5	539.6	516.7	484.2	456.1
Current liabilities	129.8	116.7	104.9	94.2	89.7
Non-current liabilities	297.8	273.8	284.1	276.1	263.9
Total liabilities	427.6	390.5	389.0	370.3	353.6
Net assets	143.9	149.1	127.7	113.9	102.5

Other financial information

Nil to report.

Other information requested by the Minister(s) or other significant issues affecting the agency or reporting pertaining to independent functions

Reporting and investigating alleged corruption

Reports of alleged corruption within the South Australian public sector are received by the Anti Corruption Branch (ACB) from a variety of sources including the Independent Commissioner Against Corruption (ICAC), the Police Ombudsman, the Australian Crime and Intelligence Commission, the Crown Solicitors Office, the Ombudsman SA, SAPOL's Internal Investigation Section, Crime Stoppers, police officers, members of the public, and from whistleblowers pursuant to the requirements of the Whistleblowers Protection Act 1993.

Type of Investigation	2016-17
ACB Investigations	202
ACB / ICAC Joint Investigations	7

The ACB investigates allegations in two stages, the first being an assessment phase to determine whether there is a reasonable suspicion of corruption, or serious or systemic misconduct or maladministration. For non-ICAC referrals, the ACB report the matter to the Office for Public Integrity (OPI) when the requisite suspicion is formed.

The ICAC evaluates the OPI report, and when he suspects there is a potential issue of corruption, he will determine who will be responsible for an investigation. The matter may be retained exclusively at ICAC, he may propose a joint ICAC/SAPOL investigation, or he may refer the matter back to SAPOL for investigation. When this occurs, the Officer in Charge of the ACB determines whether the investigation is to be retained by ACB as an Operation, or will be referred to a SAPOL Local Service Area or Branch for further investigation.

Where this level of suspicion is not initially reached, the matter may be further investigated, or it may be filed. The matters recorded herein as a Miscellaneous Assessment have been filed without the requisite suspicion being reached.

Type of Investigation	2016-17
Miscellaneous Assessment	87
ACB Operations	17
Investigations Referred Back to SAPOL	98

A breakdown of the category of the 'public official' alleged to have been involved in a potential issue of corruption in public administration is depicted below. Where a matter has allegedly involved more than one nominated 'suspect', the occupation of the primary suspect's employing agency is recorded.

Public Officials Defined	2016-17
Police Officer – Sworn	85
SAPol – Unsworn / Cadet	14
Other SA Public Sector	94
Local Government	8
Other (includes civilians)	4
Commonwealth	4

Section B: Reporting required under any other act or regulation

Controlled Substances Act 1984

Section 52c (1)

The Commissioner of Police must, on or before 30 September in each year (other than the calendar year in which this section comes into operation), provide a report to the Attorney-General specifying the following information in relation to the financial year ending on the preceding 30 June:

- (a) the number of authorisations granted by senior police officers under sections 52A and 52B during that financial year;
- (b) the public places or areas in relation to which those authorisations were granted;
- (c) the periods during which the authorisations applied;
- (d) the number of occasions on which a drug detection dog or electronic drug detection system indicated detection of the presence of a controlled drug, controlled precursor or controlled plant in the course of the exercise of powers under sections 52A and 52B.

For the period of 1 July 2016 to 30 June 2017:

There were 386 authorisations granted by a senior police officer pursuant to Section 52A. There were 23 authorisations granted by a senior police officer for identified drug transit routes pursuant to Section 52B(1). Nil authorisations exceeded the 14 day limit.

LOCATIONS	NUMBER
Adelaide LSA/Norwood	104
Hindley St including Peel St/Leigh St	13
Adelaide Railway Station	68
North Terrace	8
Western Adelaide LSA Licensed Premises	51
Elizabeth LSA Licensed Premises	17
Elizabeth Interchange	6
Elizabeth Town Centre	2
Salisbury Interchange	12
Holden Hill LSA licensed premises	19
Yatala Labour Prison	1
Murray Mallee LSA Licensed Premises	5
Sturt LSA Licensed Premises	8
Wayville Showgrounds	3
Adelaide Airport	1
Glenelg Licensed Premises	2
Christies Beach LSA Licensed Premises	9
Colonnades Shopping Centre	3
Noarlunga Interchange	10
Victor Harbour	6
Limestone Coast Licenced premises Mt Gambier and surrounds	11
York Mid North LSA Port Pirie	2
Hills Fleurieu Local Service Area / Kangaroo Island / K.I Airport	11
Port Lincoln	6
Paradise Interchange	1
Keswick Terminal	7
TOTAL	386

Drug Transit Route Deployments - Section 52B(1)

LOCATIONS	NUMBER
Victor Harbour Road, MOUNT COMPASS	2
Port Elliot Road, GOOLWA	1
Jubilee Hwy East, MOUNT GAMBIER	1
Princes Highway, MONTEITH	3
Eyre Highway, CEDUNA	3
Victor Harbour Road, GOOLWA	1
Main South Road, SEAFORD RISE	1
Maurice Road, MOBILONG	1
North Terrace, PENNESHAW	2
Barrier Highway, OODLA WIRRA	1
Stuart Highway, MARLA	1
Augusta highway, MERRITON	1
Main South Road, SEAFORD	1
Stuart Highway, COOBER PEDY	4
TOTAL	23

Overall, there were 409 deployments where the teams operated in the following areas:

- Section 52A(2)(a) licensed premises: 118
- Section 52A(2)(b) public venues: 27
- Section 52A(2)(c) public passenger carrier: 207
- Section 52A(2)(d) public place: 34
- Section 52B(1) drug transit routes: 23

There were 2 366 indications of the presence of a controlled drug, controlled pre-cursor or controlled plant during the exercise of powers under Sections 52A(2)(a), 52A(2)(b), 52A(2)(c), 52A(2)(d) and 52B(1).

From these 2 366 indications there were 348 detections, 1 605 'residual admits' and 413 'residual denies'. Of the 348 detections police action comprised of 365 arrest/reports, Drug Diversions and/or Cannabis Expiation Notices.

Total seizures during the PADD dog deployments under Section 52A and Section 52B were approximately 151.5 ecstasy tablets, 3.68 kilograms of cannabis, 4.2 grams of 'Ice', 32.9 grams of amphetamine, 8.7 grams of cocaine, 1 gram of heroin, and 144 pieces of drug paraphernalia.

Evidence Act 1929

Section 49

- (7) The Commissioner of Police shall in each calendar year report to the Minister responsible for the police force the number of applications made under subsection (1a) by members of the police force during the previous calendar year, and the Corporate Affairs Commission shall in each calendar year report to the Minister to whom it is responsible the number of applications made under subsection (1a) by officers of the Commission during the previous calendar year.
- (8) A report under subsection (7) may be incorporated in any other annual report that the Commissioner of Police or the Corporate Affairs Commission (as the case may be) is required by or under statute to make to the Minister to whom the report under that subsection is to be submitted.

There were 127 orders (received at Prosecution Services Branch as required by the General Order) granted by magistrates upon application by members of the police force pursuant to section 49 [1a] of the Act for the period 1 July 2016 to 30 June 2017.

Hydroponic Industry Control Act 2009

Section 34 (1)

The Commissioner must, on or before 31 October in each year, submit to the Minister a report on the administration of this Act during the period of 12 months ending on the preceding 30 June.

HYDROPONICS INDUSTRY CONTROL ACT and REGULATIONS	2016-17
Apprehensions	0
Offences	0
Expiations	0

Liquor Licence Act 1997

Section 128C (8)

The Commissioner of Police must include in his or her annual report to the Minister to whom the administration of the Police Act 1998 is for the time being committed a record of—

- (a) the number of orders made under this section during the period to which the report relates; and
- (b) in relation to each order made during that period—
 - (i) the licensed premises or part of licensed premises in relation to which the order was made; and
 - (ii) the period for which the order was in force; and
 - (iii) the grounds on which the order was made; and
- (c) any other matters the Commissioner of Police considers relevant.

There were no orders made pursuant to Section 128C (8) of the Liquor Licensing Act for the period of 1 July 2016 to 30 June 2017.

Protective Security Act 2007

Section 43

- (1) The Commissioner must, on or before 30 September in each year, deliver to the Minister a report on protective security officers and their operations during the period of 12 months that ended on the preceding 30 June.
- (2) The Commissioner must include in the report any information required under the regulations or by the Minister.

Police Security Services Branch (PSSB) continues to provide protective security services to key government critical infrastructure and high risk (CI-HR) assets. PSSB deploys Protective Security Officers to perform static guard duties, CI-HR patrols and whole of government alarm monitoring services on a cost recovery basis.

On 17 July 2006 Cabinet approved a Government Protective Security Policy that mandates PSSB as the security provider for 'designated' Government assets along with a whole of government alarm monitoring service.

In June 2011 seven SA Government sites were designated as Critical Infrastructure-High Risk (CI-HR) assets and subsequently determined by the Minister for Police as needing protection pursuant to the Government Protective Security Policy.

These assets were assessed as CI-HR on the basis that if they were destroyed, disrupted, degraded, harmed or rendered unavailable for an extended period there would be a significant impact on the delivery of key government services; or that the reputation of the State would be affected and there would be reduced community confidence in the Government's ability to effectively conduct business.

Physical security in these premises is provided by Level 2 PSO who, as well as having authorities under the Protective Security Act, have the training and equipment necessary to allow them to safely manage situations including engaging with a violent intruder should such a situation arise.

The Protective Security Policy sets out the process to follow to have assets designated as CI-HR with affected agencies required identifying any resource or costing pressures through that process in Cabinet Submissions to EMC. No submissions are underway at this time.

PSSB comprises 140 FTE (124 PSO's, 11 unsworn ASO's and 5 sworn).

For the period of 1 July 2016 to 30 June 2017:

There have been a total of 53 incidents of a relatively minor nature at designated CI-HR sites that required Protective Security Officers to exercise authorities under the Protective Security Act.

There have been no incidents of significance involving Protective Security Officers.

Road Traffic Act 1961

Section 47E (8)

The Commissioner of Police must, in his or her annual report to the Minister responsible for the administration of the Police Act 1998, include the numbers of drivers required to submit to an alcotest in the course of the exercise of random testing powers (otherwise than at breath testing stations established in accordance with section 47DA).

There were 554 495 driver screening tests conducted for the period of 1 July 2016 to 30 June 2017.

The 554 495 consists of 277 359 static driver screening tests and 277 136 mobile driver screening tests conducted.

Shop Theft (Alternative Enforcement Act) 2000

Section 18

- (1) The Commissioner of Police must, on or before 30 September in each year, prepare a report on the operation and administration of this Act during the period of 12 months that ended on the preceding 30 June.
- (2) A report required under this section must be incorporated in the annual report of the Commissioner of Police required under the *Police Act 1998*.

SHOP THEFT INFRINGEMENT NOTICES	2016-17
Total number of STIN 1 issued	4
Total number of STIN 1 completed	3
Total number of STIN 2 issued	0
Total number of STIN 2 completed	0
Total number of Withdrawal of Consent (PD 259)	0
Total number of community service hours for STIN 2 offence	0
Total number of apologies required for STIN 1 offence	0
Total number of apologies required for STIN 2 offence	0
Total number of Apprehension Reports for breach	0
Total number of Apprehension Reports for subsequent breach	0

Summary Offences Act 1953

Section 21K

The following information must be included in the annual report of the Commissioner under section 75 of the Police Act 1998 (other than in the year in which this section comes into operation):

- (a) the number of weapons prohibition orders issued under section 21H;
- (b) the number of weapons prohibition orders revoked under section 21H;
- (c) the number of appeals under section 21J and the outcome of each appeal that has been completed or finally determined;
- (d) any other information requested by the Minister.

SECTION 21K OF THE <i>SUMMARY OFFENCES (WEAPONS) AMENDMENT ACT 2012</i>	2016-17
Number of weapons prohibition orders issued under section 21H	9
Number of weapons prohibition orders revoked under section 21H	0
Number of appeals under section 21J and the outcome of each appeal that has been completed or finally determined	0

There have been no breaches of Weapons Prohibition Orders for the period 1 July 2016 to 30 June 2017.

Summary Offences Act 1953

Section 72A (7)

The following information must be included in the annual report of the Commissioner under section 75 of the Police Act 1998 (other than in the year in which this section comes into operation) in respect of the period to which the report relates (the relevant period):

- (a) the number of declarations made under subsection (4) during the relevant period;
- (b) the number of metal detector searches carried out under this section during the relevant period;
- (c) the number of occasions on which a metal detector search carried out during the relevant period indicated the presence, or likely presence, of any metal;
- (d) the number of occasions on which weapons or articles of a kind referred to in Part 3A were detected in the course of such searches and the types of weapons or articles so detected;
- (e) any other information requested by the Minister.

SECTION 72A(7) OF THE SUMMARY OFFENCES (WEAPONS) AMENDMENT ACT 2012	2016-17
Number of declarations made under subsection (4)	54
Number of metal detector searches carried out	790
Number of occasions on which a metal detector search carried, indicated the presence or likely presence of any metal	273
Number of occasions on which weapons or articles of a kind (referred to in Part 3A) were detected	*1

*Types Detected include 1X Knife

Within these 54 authorisations, there were 3 authorisations made pursuant to subsection (4) (declared public event):

- Balaklava Cup 1 September 2016.
- Royal Adelaide Show 11 September 2016.
- Glenelg Precinct 1 January 2017.

Summary Offences Act 1953

Section 72B (9)

The following information must be included in the annual report of the Commissioner under section 75 of the Police Act 1998 (other than in the year in which this section comes into operation) in respect of the period to which the report relates (the relevant period):

- (a) the number of authorisations granted under subsection (3) during the relevant period; and
- (b) in relation to each authorisation granted during the relevant period (identified by location and date)—
 - (i) the nature of the incident in relation to which the authorisation was granted; and
 - (ii) the number of people searched in the exercise of powers under this section; and
 - (iii) whether weapons or articles of a kind referred to in Part 3A were detected in the course of the exercise of powers under this section; and
 - (iv) the types of weapons or articles so detected;
- (c) the number of occasions on which the Commissioner gave consent under subsection (8) during the relevant period;
- (d) any other information requested by the Minister.

There have been no authorisations under subsection 3 where Special Powers to Prevent Serious Violence were granted in the reporting period of 1 July 2016 to 30 June 2017.

Summary Offences Act 1953

Section 83C (6)

The Commissioner must, as soon as practicable (but not later than three months) after each 30 June, submit a report to the Minister in relation to the year ended on that 30 June stating—

- (a) the number of authorisations and warrants granted under this section during that year;
- (b) the nature of the grounds on which the authorisations and warrants were granted;
- (c) the type of property taken from premises pursuant to warrant under this section;
- (d) any other matters the Commissioner considers relevant.

The number of forced entries for the reporting period of 1 July 2016 to 30 June 2017 there were:

Number of Authorisations Issued: 114

Grounds for Issue of Authorisations:

- | | |
|--|----|
| 1. Deceased person believed in premises Section 83C(1) | 34 |
| 2. Person in premises requiring medical assistance Section 83C(1)(b) | 28 |

Those authorisations above were issued after concerned relatives or friends' contacted police anxious about the welfare of a person who had not been seen for some time. Information reported as follows:

1. Deceased	34
2. Attempt Suicide/Person Detained under Mental Health Act	21
3. Drug/Alcohol Overdose	0
4. Concern Occupant Deceased	0
5. Premises Empty/Unoccupied	30
6. Medical/Other Assistance not specified	29
7. No medical attention required	0
8. Missing person – Welfare Grounds	0

Number of Warrants Issued: 1

Grounds for Issue of Warrants:

(a) Searching the premises for material that might assist in assist in identifying the deceased or relatives of the deceased Section 83C(3)(a)	1
(b) Take property of the deceased into safe custody; Section 83C(3)(b)	0

Summary Offences Act 1953

Section 83BA (9)

The Commissioner must include in the Commissioner's annual report to the Minister to whom the administration of the *Police Act 1998* is for the time being committed a record of the authorisations issued under subsection (7) during the period to which the report relates.

There were no authorisations issued pursuant to Section 83BA of the Summary Offences Act relating to overcrowding at public venues for the period 1 July 2016 to 30 June 2017.

Reporting required under the *Carers' Recognition Act 2005*

The *Carers' Recognition Act* is deemed applicable for the following: Department for Communities and Social Inclusion, Department for Education and Child Development, Department for Health and Ageing, Department of State Development, Department of Planning, Transport and Infrastructure, South Australia Police and TAFE SA.

Section 7: Compliance or non-compliance with section 6 of the Carers Recognition Act 2005 and (b) if a person or body provides relevant services under a contract with the organisation (other than a contract of employment), that person's or body's compliance or non-compliance with section 6.

Awareness: There is a system to ensure all management, staff and volunteers have an understanding of the Carers Charter.

SAPOL has developed and continues to provide relevant information regarding the Carers Recognition Act 2005 (SA) and the Carers Charter to all its employees. A link to the Carers Recognition Act 2005 and the Carers Charter, which sets out the rights of carers in the principles that underpin the Charter, is available to all employees through the SAPOL Equity, Diversity and Volunteers Section intranet page.

SAPOL's Disability Awareness training (on-line) contains a component on the Carers Recognition Act 2005, in particular the Carers Charter. This training is compulsory and is undertaken by all new employees thereby providing a foundation of required knowledge, skills and aptitude to understand and respond to the needs of people with disability. The training program has recently been amended to include information on SAPOL's new Disability Access and Inclusion Plan and is currently undergoing broad review to ensure the content is contemporary and relevant; once this review is completed, all employees will be required to repeat the training program. Online Disability Awareness training was undertaken by 587 SAPOL employees between 1 July 2016 and 30 June 2017.

In addition, the SAPOL Police Recruit Training package, Constable Development Program and Promotional Qualification Framework incorporate the Disability Management training program. New public sector employees to SAPOL are provided with an induction handbook to explain the conditions of service and responsibilities for an employee under the Public Sector Act 2009. Reference is made to the Carers Recognition Act 2005 (SA) which informs new staff that all officers, employees or agents should have an awareness and understanding of the Carers Charter and take action to reflect the principles of the Charter.

Consultation: There is a system to ensure consultation with carers, or persons or bodies that represent carers, in the development and review of human resource plans, policies and procedures.

Carers as with all SAPOL employees are consulted and involved in policy and planning development that relates to employee welfare. In the planning stage of policy development employees are engaged in consultation as appropriate. This can occur through focus groups, surveys, meetings or through email advice and is reflected in SAPOL's new Disability Access and Inclusion Plan 2017-2020.

Practice: There is a system to ensure the principles of the Carers Charter are reflected in human resource practice.

The needs of employees who are carers is acknowledged and supported by the range of flexible working arrangements available for police officers and SAPOL public sector employees in order to assist employees balance their work and carer role. Voluntary flexible working arrangements include purchased leave, compressed weeks, flexi time, part time (incorporating job share), working from home and special leave.

SAPOL's Voluntary flexible working arrangements are under review by Project Equitas, the project team formed to provide a response to the recommendations of the Equal Opportunities Commission independent review into Sex Discrimination, Sexual Harassment and Predatory Behaviour in South Australia Police.

SAPOL's Disability Access and Inclusion Plan 2017-2020 includes the Priority 'Employees who are carers as defined by the Carers Recognition Act have SAPOL support in their role as a carer', supported by the following specific Action, 'Review SAPOL's policies and procedures to reduce barriers to needs and enhance support for carers'. This review will be linked to the work of Project Equitas.

In addition, SAPOL's Employee Assistance Section makes counselling support available to all SAPOL employees who seek it for a range of reasons including relationships, stress management and work difficulties. An external consultancy service is also available to supervisors, managers and other staff on issues that impact on the well-being of employees.

Actions under the new Disability Access and Inclusion Plan 2017-2020 support the development of appropriate initiatives and strategies that support both people with disability and carers and align with the Carers Charter.

The above mentioned voluntary flexible working arrangements and services as outlined in SAPOL human resource policies and the Disability Access and Inclusion Plan support a number of the principles that underpin the Carers Charter.

Section C: Reporting of public complaints as requested by the Ombudsman

Summary of complaints by subject

Public complaints received by Ethical and Professional Standards Branch	
Category of complaints by subject	Number of instances
By the Police Ombudsman	869
SAPOL – Mandatory Report	388

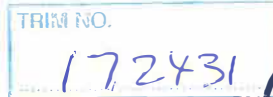
Data for the past five years is available at: <https://data.sa.gov.au/data/dataset/annual-reporting-data>

Complaint outcomes

Nature of complaint or suggestion	Services improved or changes as a result of complaints or consumer suggestions
Embedding of our Victim Contact Officer into Significant Incident Investigations and Commissioner Inquiries	To keep the families of the deceased and involved officers regularly informed.
Delays in investigating complaints	Changes were made with the Police Ombudsman allowing complaints received at Internal Investigation Section, to be reviewed with 'notification only' to the Police Ombudsman as to what had been administered. As a result the complaint process was streamlined and the time taken to complete investigations was significantly reduced.

Appendix: Audited financial statements 2016-17

For official use only



Government of South Australia
Auditor-General's Department

Our ref: A17/159

21 September 2017

Commissioner G Stevens
Commissioner of Police
South Australia Police
DX 405 ADELAIDE

Level 9
State Administration Centre
200 Victoria Square
Adelaide SA 5000
DX 56208
Victoria Square
Tel +618 8226 9640
Fax +618 8226 9688
ABN 53 327 061 410
audgensa@audit.sa.gov.au
www.audit.sa.gov.au

Dear Commissioner Stevens

Audit of South Australia Police for the year to 30 June 2017

We have completed the audit of your accounts for the year ended 30 June 2017. Three key outcomes from the audit are the:

- 1** Independent Auditor's Report on your agency's financial report
- 2** opinion on your financial controls
- 3** 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.

2 Opinion on financial controls

In my opinion, the controls exercised by South Australia Police in relation to the receipt, expenditure and investment of money, the acquisition and disposal of property and the incurring of liabilities, except for matters raised relating to:

- payroll – leave recording
- workers compensation
- expenditure

are sufficient to provide reasonable assurance that the financial transactions of South Australia Police have been conducted properly and in accordance with law.

3 Audit management letters

During the year, we sent the agency audit management letters detailing the weaknesses we noted and improvements we considered you need to make.



For official use only

We have received responses to these matters and we will follow these up in the 2017-18 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 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
- cash
- expiation revenue
- revenue from fees and charges
- expenditure
- government purchase cards
- procurement and contract management
- police records management system – Shield Business Transformation program.

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

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

enc



Level 9
State Administration Centre
200 Victoria Square
Adelaide SA 5000
DX 56208
Victoria Square
Tel +618 8226 9640
Fax +618 8226 9688
ABN 53 327 061 410
audgensa@audit.sa.gov.au
www.audit.sa.gov.au

To the Commissioner of Police South Australia Police

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987*, I have audited the financial report of the South Australia Police for the financial year ended 30 June 2017.

Opinion

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 2017, its financial performance and its cash flows for the year then ended in accordance with the Treasurer's Instructions promulgated under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards.

The financial report comprises:

- a Statement of Comprehensive Income for the year ended 30 June 2017
- a Statement of Financial Position as at 30 June 2017
- a Statement of Changes in Equity for the year ended 30 June 2017
- a Statement of Cash Flows for the year ended 30 June 2017
- Disaggregated Disclosures - Expenses and Income for the year ended 30 June 2017
- notes, comprising significant accounting policies and other explanatory information
- a Statement of Administered Comprehensive Income for the year ended 30 June 2017
- a Statement of Administered Financial Position as at 30 June 2017
- a Statement of Administered Changes in Equity for the year ended 30 June 2017
- a Statement of Administered Cash Flows for the year ended 30 June 2017
- a Schedule of Expenses and Income attributable to administered items for the year ended 30 June 2017
- a Schedule of Assets and Liabilities attributable to administered items as at 30 June 2017
- 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 the 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 have been met.

I believe that the audit evidence 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 the Treasurer's Instructions promulgated under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards, and for such internal control as 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

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

- 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 communicate with the Commissioner of Police regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during the audit.



Andrew Richardson

Auditor-General

21 September 2017

SOUTH AUSTRALIA POLICE

Financial Statements

For the year ended 30 June 2017

South Australia Police
Statement of comprehensive income
for the year ended 30 June 2017

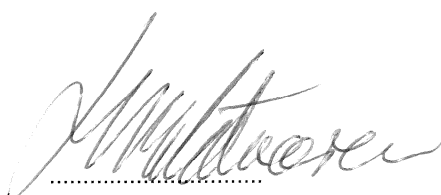
We certify that the attached general purpose financial statements for the South Australia Police:

- 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
- present a true and fair view of the financial position of the South Australia Police as at 30 June 2017 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
15/09/2017



Denis Patriarca
Director, Business Service
14/09/2017

South Australia Police
Statement of comprehensive income
for the year ended 30 June 2017

	Note	2017 \$'000	2016 \$'000
Expenses:			
Employee benefits	5	721 187	663 038
Supplies and services	6	146 083	136 550
Depreciation and amortisation	7	28 079	25 515
Write down of non-current assets		43	718
Impairment loss	20	710	69
Total expenses		896 102	825 890
Income:			
Fees and charges	8	26 630	26 461
Interest	9	3	4
Commonwealth revenues	10	1 658	1 313
Net gain from the disposal of non-current and other assets	11	118	301
Other income	12	9 528	8 429
Total Income		37 937	36 508
Net cost of providing services		858 165	789 382
Revenues from (payments to) SA Government:			
Revenues from SA Government	13	791 707	766 892
Contributions from the Community Emergency Services Fund	13	21 798	21 267
Contributions from the Community Road Safety Fund	13	40 258	39 275
Payments to SA Government	13	(832)	(29 821)
Net revenues from SA Government		852 931	797 613
Net result		(5 234)	8 231
Other comprehensive income:			
Changes in revaluation surplus		-	13 065
TOTAL COMPREHENSIVE RESULT		(5 234)	21 296

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 2017

	Note No	2017 \$'000	2016 \$'000
Current assets:			
Cash and cash equivalents	14	174 225	115 096
Receivables	15	9 171	31 013
Inventories		490	307
		183 886	146 416
Non-current assets held for sale	16	10 378	9 893
Total current assets		194 264	156 309
Non-current assets:			
Receivables	15	1 070	1 239
Capital works in progress	17	9 121	18 716
Property, plant and equipment	18	345 314	346 587
Intangible assets	19	21 683	15 583
Investment properties	20	-	1 190
Total non-current assets		377 188	383 315
Total assets		571 452	539 624
Current liabilities:			
Payables	22	40 008	24 954
Employee benefits	24	69 731	73 132
Provisions	25	19 550	18 116
Other liabilities	23	529	499
Total current liabilities		129 818	116 701
Non-current liabilities:			
Payables	22	24 527	22 310
Employee benefits	24	191 903	188 086
Provisions	25	77 227	58 817
Other liabilities	23	4 078	4 577
Total non-current liabilities		297 735	273 790
Total liabilities		427 553	390 491
Net assets		143 899	149 133
Equity:			
Contributed capital		85 220	85 220
Revaluation surplus		141 831	141 831
Retained earnings		(83 152)	(77 918)
Total equity		143 899	149 133

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

Unrecognised contractual commitments	29
Contingent liabilities	30

South Australia Police
Statement of changes in equity
for the year ending 30 June 2017

	Contributed Capital \$'000	Revaluation Surplus \$'000	Retained Earnings \$'000	Total equity \$'000
Balance at 30 June 2015	85 220	129 064	(86 613)	127 671
Error correction	-	-	166	166
Restated balance at 30 June 2015	85 220	129 064	(86 447)	127 837
Net result for 2015-16	-	-	8 231	8 231
Gain/(loss) on revaluation of property plant and equipment	-	13 065	-	13 065
Total comprehensive result for 2015-16	-	13 065	8 231	21 296
Transfer to retained earnings from revaluation surplus - net increments realised on sale	-	(298)	298	-
Adjustments to equity	-	-	-	-
Balance at 30 June 2016	85 220	141 831	(77 918)	149 133
Error correction	-	-	-	-
Restated balance at 30 June 2016	85 220	141 831	(77 918)	149 133
Net result for 2016-17	-	-	(5 234)	(5 234)
Gain/(loss) on revaluation of property plant and equipment	-	-	-	-
Total comprehensive result for 2016-17	-	-	(5 234)	(5 234)
Transfer to retained earnings from revaluation surplus - net increments realised on sale	-	-	-	-
Balance at 30 June 2017	85 220	141 831	(83 152)	143 899

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

South Australia Police
Statement of cash flows
for the year ended June 2017

		2017	2016
		\$'000	\$'000
Cash flows from operating activities	Note		
Cash outflows:			
Employee benefits		(698 666)	(658 700)
Supplies and services		(145 930)	(158 237)
Cash provided by (used in) operations		(844 596)	(816 937)
Cash inflows:			
Fees and charges		28 937	29 106
Interest		3	4
GST recovered from the ATO		10 674	10 241
Other receipts		9 442	8 906
Cash generated from operations		49 056	48 257
Cash flows from SA government:			
Receipts from SA government		874 634	809 377
Payments to SA government		(832)	(29 821)
Cash generated from SA government		873 802	779 556
Net cash provided by operating activities	26	78 262	10 876
Cash flows from investing activities			
Purchase of property, plant and equipment		(19 491)	(17 584)
Proceeds from the sale of property, plant and equipment		358	388
Net cash (used in) investing activities		(19 133)	(17 196)
Net increase/(decrease) in cash and cash equivalents		59 129	(6 320)
Cash and cash equivalents at the beginning of the period		115 096	121 416
Cash and cash equivalents at end of the period	14	174 225	115 096

South Australia Police
Disaggregated disclosures – Expenses and Income
for the year ended June 2017

	Public Safety		Crime and Criminal Justice Services	
	2017	2016	2017	2016
	\$'000	\$'000	\$'000	\$'000
Expenses:				
Employee benefits	298 335	274 148	342 552	310 978
Supplies and services	53 015	50 951	68 588	62 308
Depreciation and amortisation	10 896	9 698	11 520	10 331
Write down of non-current assets	14	237	20	314
Impairment loss	237	23	317	30
Total expenses	362 497	335 057	422 997	383 961
Income:				
Fees and charges	17 550	16 909	5 638	5 570
Interest	1	1	2	2
Commonwealth revenues	590	468	847	661
Other income	5 946	2 272	2 840	3 380
Net gain from the disposal of non-current and other assets	39	99	53	132
Total income	24 126	19 749	9 380	9 745
Net cost of providing services	338 371	315 308	413 617	374 216
Revenues from (payments to) SA Government				
Revenues from SA Government	336 651	329 337	411 548	393 081
Payments to SA Government	(348)	(10 638)	(384)	(15 012)
Net revenues from SA Government	336 303	318 699	411 164	378 069
Net result	(2 068)	3 391	(2 453)	3 853

South Australia Police
Disaggregated disclosures – Expenses and Income
for the year ended June 2017

	Road Safety		TOTAL	
	2017	2016	2017	2016
	\$'000	\$'000	\$'000	\$'000
Expenses:				
Employee benefits	80 300	77 912	721 187	663 038
Supplies and services	24 480	23 291	146 083	136 550
Depreciation and amortisation	5 663	5 486	28 079	25 515
Write down of non-current assets	9	167	43	718
Impairment loss	156	16	710	69
Total expenses	110 608	106 872	896 102	825 890
Income:				
Fees and charges	3 442	3 982	26 630	26 461
Interest	-	1	3	4
Commonwealth revenues	221	184	1 658	1 313
Other income	742	2 777	9 528	8 429
Net gain from the disposal of non-current and other assets	26	70	118	301
Total income	4 431	7 014	37 937	36 508
Net cost of providing services	106 177	99 858	858 165	789 382
Revenues from (payments to) SA Government				
Revenues from SA Government	105 564	105 016	853 763	827 434
Payments to SA Government	(100)	(4 171)	(832)	(29 821)
Net revenues from SA Government	105 464	100 845	852 931	797 613
Net result	(713)	987	(5 234)	8 231

South Australia Police
Notes to and forming part of the Financial Statements
for the year ended June 2017

1 Objectives of South Australia Police (SAPOL)

SAPOL's vision is to provide a visible, responsive police service for all South Australians.

The South Australia Police (SAPOL) operates within the *Police Act 1998*, and the *Police Regulations 2014* to:

- Uphold the law
- Preserve the peace
- Prevent crime
- Assist the public in emergency situations
- Coordinate and manage responses to emergencies
- Regulate road use and prevent vehicle collisions

In addition, SAPOL operates within the *Public Sector Act 2009 (PSA)*.

2 Significant accounting policies

(a) Statement of compliance

SAPOL has prepared these financial statements in compliance with section 23 of the Public Finance and Audit Act 1987 (PFAA).

The financial statements are general purpose financial statements. The accounts have been prepared in accordance with Australian Accounting Standards (AAS) and comply with Treasurer's Instructions (TI) and Accounting Policy Statements (APS) promulgated under the provisions of the PFAA.

SAPOL has applied AASs that are applicable to not-for-profit entities, as SAPOL is a not for profit entity.

South Australia Police
Notes to and forming part of the Financial Statements
for the year ended June 2017

2 Significant accounting policies (continued)

(b) Basis of preparation

The preparation of the financial statements requires:

- the use of certain accounting estimates and requires management to exercise its judgement in the process of applying SAPOL's accounting policies. The areas involving a higher degree of judgement or where assumptions and estimates are significant to the financial statements, are outlined in the applicable notes
- accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events are reported
- compliance with APSs issued pursuant to section 41 of the PFAA. In the interest of public accountability and transparency the APSs require the following note disclosures, that have been included in these financial statements:
 - (a) revenues, expenses, financial assets and liabilities where the counterparty/transaction is with an entity within the SA Government as at reporting date, classified according to their nature. A threshold of \$100 000 for separate identification of these items applies
 - (b) expenses incurred as a result of engaging consultants
 - (c) employee TVSP information
 - (d) employees whose normal remuneration is equal to or greater than the base executive remuneration level (within \$10 000 bandwidths) and the aggregate of the remuneration paid or payable or otherwise made available, directly or indirectly by the entity to those employees
 - (e) board/committee member and remuneration information, where a board/committee member is entitled to receive income from membership other than a direct out-of-pocket reimbursement.

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

The continued existence of SAPOL in its present form and with its present activities is dependent on government policy and on continuing appropriations by parliament for SAPOL's administration and outputs.

The historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item measured on a different basis.

(c) Reporting entity

SAPOL is a government department of the State of South Australia and operates within the Police Act 1998, the Police Regulations 2014 and the PSA. SAPOL is an administrative unit acting on behalf of the Crown.

The financial statements and accompanying notes include all the controlled activities of SAPOL (refer to the disaggregated schedule for details of SAPOL's controlled activities).

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. Transactions and balances relating to administered resources are not recognised as SAPOL income, expenses, assets and liabilities. As administered items are significant in relation to SAPOL's overall financial performance and position, they are disclosed in the administered financial statements attached to the controlled general purpose financial statements. Except as otherwise disclosed, administered items are accounted for on the same basis and using the same accounting policies as for controlled items.

(d) Transferred functions

No functions were transferred during the 2016-17 financial year.

South Australia Police
Notes to and forming part of the Financial Statements
for the year ended June 2017

2 Significant accounting policies (continued)

(e) Comparative information

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

The restated comparative amounts do not replace the original financial statements for the preceding period.

(f) Rounding

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

(g) Taxation

SAPOL is not subject to Income Tax. SAPOL is liable for Payroll Tax, FBT, GST, Emergency Services levy, land tax equivalents and local government rate equivalents.

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

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

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

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

GST recoverable from or payable to the ATO associated with administered items transactions is included in the SAPOL statements.

(h) Events after the end of the reporting period

Adjustments are made to amounts recognised in the financial statements, where an event occurs after 30 June and before the date the financial statements are authorised for issue, where those events provide information about conditions that existed at 30 June.

Note disclosure is made about events between 30 June and the date the financial statements are authorised for issue where the events relate to a condition which arose after 30 June and which may have a material impact on the results of subsequent years.

There are no such events for the reporting period after 30 June 2017.

South Australia Police
Notes to and forming part of the Financial Statements
for the year ended June 2017

2 Significant accounting policies (continued)

(i) Current and non-current classification

Assets and liabilities that are to be sold, consumed or realised as part of the normal operating cycle even when they are not expected to be realised within twelve months after the reporting date have been classified as current assets or current liabilities. All other assets and liabilities are classified as non-current.

Where asset and liability line items combine amounts expected to be realised within twelve months and more than twelve months, the department has separately disclosed the amounts expected to be recovered or settled after more than twelve months.

(j) Non-current assets

Acquisition and recognition

Non-current assets are initially recorded at cost or at the value of any liabilities assumed, plus any incidental cost involved with the acquisition. Non-current assets are subsequently measured at fair value after allowing for accumulated depreciation.

Where assets are acquired at no cost, or minimal purchase cost, they are recorded at their 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 ie the amount recorded by the transferor public authority immediately prior to the restructure.

All non-current tangible assets with a value of \$10 000 or greater are capitalised.

Capital works in progress (WIP) are capital projects which are commenced but not yet completed as at reporting date. Refer to note 17.

Depreciation and amortisation

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

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

Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for prospectively by changing the time period or method, as appropriate, which is a change in accounting estimate.

The value of leasehold improvements is amortised over the remaining term of the lease or estimated useful life of the improvement, whichever is shorter.

Land and non-current assets held for sale are not depreciated.

South Australia Police
Notes to and forming part of the Financial Statements
for the year ended June 2017

2 Significant accounting policies (continued)

Depreciation and amortisation (continued)

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	20-60
Vehicles and transport vessels	3-10
Aircraft	5-35
Computing & communications equipment	2-10
Sub Class:	
<i>Radio masts</i>	2-60
Other	2-20
Sub Class:	
<i>Generators</i>	2-38
Leasehold improvements	Remaining life of lease
Intangible assets	2-10

Revaluation of non-current assets

All non-current tangible assets are valued at fair value. Revaluation of a non-current asset, or group of assets, is only performed when its fair value at the time of acquisition is greater than \$1 million and estimated useful life is greater than three years.

SAPOL has a policy of revaluing its land, buildings, leasehold improvements, investment properties, vessels and aircraft every six years via a Certified Practising Valuer. SAPOL engaged a Certified Practising Valuer to perform a site valuation and a desktop valuation for the remainder of the contract. 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. Non-current tangible assets that are acquired between revaluations are held at cost until the next valuation, when they are revalued to fair value.

Land, buildings, leasehold improvements, aircrafts, vessels controlled by SAPOL were revalued as at 30 June 2017 following a desktop independent valuation prepared by Liquid Pacific using the fair value methodology. Other non-current assets are recognised at their written down historic cost.

Investment properties were revalued by OPTEON Property Group.

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.

Upon disposal or derecognition, any revaluation surplus relating to that asset is transferred to retained earnings.

Impairment

The department holds its property, plant and equipment and intangible assets for their service potential (value in use).

All non-current tangible assets are valued fair value. Specialised assets would rarely be sold and typically any costs of disposal would be negligible, accordingly the recoverable amount will be close to or greater than fair value.

The department also expects for all other non-current tangible assets that any costs of disposal will be negligible, and the recoverable amount to be close to or greater than fair value.

2 Significant accounting policies (continued)

Intangible assets

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

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

The acquisition, or internal development, of software is capitalised only when the expenditure meets the definition criteria outlined in AASB 138 Intangible Assets (identifiability, control and the existence of future economic benefits) and recognition criteria (probability of future economic benefits and cost can be reliably measured) and when the amount of expenditure is greater than or equal to \$10 000.

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

Fair value measurement

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.

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.

In determining fair value, SAPOL has taken into account the characteristic of the asset (e.g. condition and location of the asset and any restrictions on the sale or use of the asset); and the asset's highest and best use (that is physically possible, legally permissible, financially feasible).

As SAPOL did not identify any factors to suggest an alternative use, fair value measurement was based on current use.

The carrying amount of non-financial assets with a 'fair value at the time of acquisition that was less than \$1 million or had an estimated useful life that was less than three years' is deemed to approximate fair value.

Refer to notes 18, 19, and 21 for disclosure regarding fair value measurement techniques and inputs used to develop fair value measurements for non-financial assets.

South Australia Police
Notes to and forming part of the Financial Statements
for the year ended June 2017

2 Significant accounting policies (continued)

(k) Liabilities

Leases

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement.

SAPOL has entered into a number of operating lease agreements for buildings and vehicles where the lessors effectively retain all of the risks and benefits incidental to ownership of the items. Operating lease payments are representative of the pattern of benefits to be derived from the leased items and accordingly are charged to the Statement of Comprehensive Income in the period in which they are incurred.

Lease incentives

All incentives for the agreement of a new or renewed operating lease are recognised as an integral part of the net consideration agreed for the use of the leased asset. Incentives received to enter into operating leases are recognised as a liability.

The aggregate benefits of lease incentives received by SAPOL in respect of operating leases have been recorded as a reduction of rental expense over the lease term, on a straight line basis.

Lease incentives in the form of leasehold improvements are capitalised as an asset and depreciated over the remaining term of the lease or estimated useful life of the improvement, whichever is shorter.

Public Private Partnership (PPP)

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 PPP includes police stations at Mt Barker and Gawler, police stations and court facilities at Port Lincoln, Victor Harbor and Berri, and court facilities at Port Pirie.

For accounting purposes the leases are operating leases.

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 they occupy.

Lease expenditure and payables related to the facilities occupied by SAPOL are recognised in the SAPOL financial statements. Lease expenditure, revenue and associated payables and receivables related to the facilities occupied by CAA is recognised in the Administered financial statements.

Employee benefits

These benefits accrue for employees as a result of services provided up to the reporting date that remain unpaid. Non-current employee benefits are measured at present value and current employee benefits are measured at nominal amounts.

Salaries and wages, annual leave, skills and experience retention leave (SERL) and sick leave

Liabilities for salaries and wages are measured as the amount unpaid at the reporting date at remuneration rates current at reporting date.

The annual leave liability and the SERL are expected to be payable within 12 months and is measured at the undiscounted amount expected to be paid. Liabilities for annual leave are recognised and are measured as the amount unpaid at the reporting date at the rate of pay expected to be paid when the leave is taken in respect of employee's services up to that date.

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

South Australia Police
Notes to and forming part of the Financial Statements
for the year ended June 2017

2 Significant accounting policies (continued)

Long service leave (LSL)

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

The estimated liability for long service leave is based on actuarial assumptions over 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. Expected future payments are discounted using market yields at the end of reporting period on government bonds with durations that match, as closely as possible, the estimated future cash outflows.

Police Service Leave

Police Service Leave is prescribed in Clause 34 of the South Australia Police Enterprise Agreement 2011 and came into effect 1 July 2014 to recognise and retain the knowledge and experience of long serving officers.

The Police service leave liability is expected to be payable within 5 years and is measured at the undiscounted amount expected to be paid. Police service leave liability is recognised and measured as the amount unpaid at the reporting date at the rate of pay expected to be paid when the leave is taken in respect of employee's services up to that date.

Employee benefit on-costs

Employee benefit on-costs (Payroll Tax and superannuation) are recognised separately under payables.

Provisions

Workers' Compensation

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 2017 provided by a consulting actuary engaged through the Office for the Public Sector (a division of the Department of the Premier and Cabinet). The provision is for the estimated cost of ongoing payments to employees as required under current legislation.

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

Injury and Income Protection Policy (IIPP)

Additional work-related injury insurance arrangements for police officers:

Following the commencement of the Return to Work Act 2014 (RTW Act) on 1 July 2015, the Police Association of South Australia (PASA) campaigned for additional insurance arrangements for police officers. As a result, the PASA and the SA Government entered into a Heads of Agreement which provides for the inclusion of an Injury and Income Protection Policy (IIPP) as part of the South Australia Police Enterprise Agreement 2016 (Enterprise Agreement) for police officers who suffer a work-related injury.

The Enterprise Agreement included a Reserved Matter clause where the PASA and the SA Government agreed to take all reasonable steps towards reaching a finalised outcome by 1 July 2016. Agreement was reached between the state government and the PASA on the 15 February 2017 to establish the Injury and Income Protection Policy.

As at 30 June 2017, some transitional aspects of the RTW Act are being put into practice for the first time.

Concurrently with those changes, the IIPP is being implemented which extends benefits for certain non-seriously injured workers beyond the time that they would cease entitlements under the regular RTW Act benefit limits.

SAPOL requested an actuarial estimate from Taylor Fry of the provision for the outstanding liability as at 30 June 2017 for claims arising from the IIPP. The current and non-current liability information is provided at note 25. The actuarial estimate is highly sensitive to changes in the assumptions of the proportion of claims eligible for the IIPP. As claim costs develop and the IIPP begins operating on an ongoing basis, assumptions can be based on more extensive experience.

South Australia Police
Notes to and forming part of the Financial Statements
for the year ended June 2017

2 Significant accounting policies (continued)

Civil actions against Police

A liability has been reported to reflect unsettled actions against SAPOL.

Death in course of employment

A liability has been reported to recognise those claims where an employee has died out of or in the course of employment. SAPOL is still to conduct an investigation in to some of these claims and by recognising a provision, SAPOL is not accepting liability to these claims until a full investigation has been completed.

(l) Professional Indemnity and General Public Liability 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 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.

(m) Unrecognised contractual commitments and contingent assets and liabilities

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

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

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

South Australia Police
Notes to and forming part of the Financial Statements
for the year ended June 2017

3 New and revised accounting standards and policies

The department did not voluntarily change any of its accounting policies during 2016-17.

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective, have not been adopted by the department for the period ending 30 June 2017.

AASB 16 *Leases* will apply for the first time for the year to reporting periods beginning on or after 1 January 2019. The amended standard introduces a single accounting model for lessees, eliminating the distinction between operating and finance leases.

The standard requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value.

The lease liability will be initially recognised at an amount equal to the present value of the lease payments during the lease term that are not yet paid. Current operating lease payments will no longer be expensed in the Statement of Comprehensive Income on a straight line basis. Rather, they will be apportioned between a reduction in the recognised lease liability and the implicit finance charge (the effective rate of interest) in the lease. The finance cost will be recognised as an expense.

It is anticipated that there will be a marginal impact on net result due to recognition of depreciation and interest on lease liabilities as expenses.

The classification of cash flows will be affected as operating lease payments will be split into a principal and interest portion which will be presented as financing and operating cash flows respectively. Currently, operating lease payments are presented as operating cash flows and recorded as commitments, which are not captured in the Statement of Financial Position.

The department has not yet quantified the impact of applying AASB 16 *Leases* to its operating lease arrangements and the resulting impact on the Statement of Comprehensive Income, the Statement of Financial Position and the Commitments disclosure in the Notes to the Financial Statements.

AASB 15 *Revenue from Contracts with Customers* will replace the existing AASB 118 *Revenue* and applies to reporting periods beginning on or after 1 January 2019. AASB 15 *Revenue from Contracts with Customers* introduces a five step process for revenue recognition with the core principle being to recognise revenue 'when control of a good or service transfers to a customer'. This is effectively when performance obligations have been met, rather than the former model of 'where the risk and rewards of ownership reside'. AASB 15 *Revenue from Contracts with Customers* will generally result in increased disclosures.

The department has not yet quantified the impact of applying AASB 15 *Revenue from Contracts with Customers* and the resulting impact on the statement of comprehensive income.

South Australia Police
Notes to and forming part of the Financial Statements
for the year ended June 2017

4 Activities of SAPOL

SAPOL has identified three activities that it delivers to the community and the Minister for Police. The identity and description of each SAPOL activity during the year ended 30 June 2017 is summarised below. Financial information relating to each activity is reported in the Disaggregated Disclosures - Expenses and Income. Assets and liabilities have not been presented as they cannot be reliably determined at a disaggregated level.

Activity 1 Public safety

Provides visible and available police services, working in partnership with the community and other agencies to support the achievement of South Australia's strategic priorities. SAPOL helps make South Australia a safer place to live, visit and do business through police response and assistance, management of major events, and emergency response, management and coordination across the state.

Activity 2 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.

Activity 3 Road safety

Policing for safer roads and road use across the state supports the achievement of South Australia's strategic priorities. 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.

South Australia Police
Notes to and forming part of the Financial Statements
for the year ended June 2017

5 Employee benefits

	2017	2016
	\$'000	\$'000
Salaries and wages	493 590	478 304
Annual leave	65 857	60 611
Long service leave	21 539	22 189
Police Service Leave	231	268
Skills and experience retention leave	275	265
Employment on-costs - superannuation ⁽¹⁾	71 257	60 804
Employment on-costs - other	32 406	30 963
Targeted voluntary separation packages	62	-
Other employment related expenses	755	780
Workers compensation ⁽²⁾	19 980	8 854
Injury and income protection policy ⁽³⁾	15 235	-
Total employee benefits	721 187	663 038

⁽¹⁾ The employment on-costs superannuation has increased by \$10.453 million in 2017 due mainly to a change in methodology used to calculate the superannuation on-cost liability in 2015-16.

⁽²⁾ 2017 expenditure includes the movement in the workers compensation liability of \$4.5 million resulting from the annual actuarial assessment (see also note 25).

⁽³⁾ Injury and income protection policy was introduced in 2017, therefore no comparatives are available.

Targeted voluntary separation packages (TVSPs)

	2017	2016
	\$'000	\$'000
Amounts paid during the reporting period to separated employees:		
TVSPs	62	-
Leave paid to those employees	23	-
Amount paid by SAPOL	85	-

Number of employees that were paid TVSPs during the reporting period is 1.

South Australia Police
Notes to and forming part of the Financial Statements
for the year ended June 2017

5 Employee benefits (continued)

Remuneration of employees

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

	2017 Number	2016 Number
\$145 000 - \$147 000 *	NA	50
\$147 001 - \$157 000	315	223
\$157 001 - \$167 000	146	59
\$167 001 - \$177 000	46	35
\$177 001 - \$187 000	25	35
\$187 001 - \$197 000	54	9
\$197 001 - \$207 000	13	32
\$207 001 - \$217 000	31	6
\$217 001 - \$227 000	6	1
\$227 001 - \$237 000	2	1
\$237 001 - \$247 000	1	1
\$257 001 - \$267 000	-	2
\$267 001 - \$277 000	3	1
\$277 001 - \$287 000	2	2
\$287 001 - \$297 000	3	3
\$297 001 - \$307 000	1	-
\$337 001 - \$347 000	1	1
\$347 001 - \$357 000	-	1
\$357 001 - \$367 000	1	1
\$367 001 - \$377 000	1	-
Total	651	463

The increase of 188 employees mainly relates to the increase in sworn salaries.

*This band has been included for the purpose of reporting comparative figures based on the executive base level remuneration rate for 2015-16.

Remuneration of employees by category

	2017 \$'000	2016 \$'000
Executive	12	12
Non-executive	639	451
Total	651	463
Police	642	453
Public Servant	9	10
Total	651	463

The table above includes all employees who received remuneration equal to or greater than the base executive remuneration level during the year. The table does not include administered employees. Remuneration of employees reflects all costs of employment including salaries and wages, overtime, penalties and allowances, superannuation contributions, FBT and any other salary sacrifice benefits. It also includes various leave entitlements paid out on separation. The total remuneration received by these employees for the year was \$108.9 million (\$76.3 million).

The number of non-executive sworn employees receiving remuneration in excess of the base executive remuneration level is predominantly driven by wage increases under the SAPOL Enterprise Agreement (the 2.5% sworn salary increase effective from July 2016 and the adjustment of salary rates in July 2016) and the payment of the 1% Organisational Reform Allowance in July 2016.

South Australia Police
Notes to and forming part of the Financial Statements
for the year ended June 2017

6 Supplies and services

	2017	2016
	\$'000	\$'000
Accommodation and property related*	33 978	31 896
Administration	20 087	16 129
Collection costs	815	912
Communication and computing	29 158	25 738
Consultants	140	99
Employee programs & housing subsidies	10 953	10 429
Helicopter costs	1 178	3 236
Insurance	1 562	1 496
Legal	1 978	1 683
Minor equipment	4 274	5 807
Motor vehicle related	22 586	23 128
Shared Services SA	3 315	3 085
Uniforms	2 933	2 110
Utilities	3 834	4 102
Other	9 292	6 700
Total supplies and services	146 083	136 550

*Pursuant to the contract arrangements with Plenary, the PPP partner, SAPOL pays lease charges to Plenary for sites occupied by both SAPOL and the CAA. SAPOL on-charges the CAA for lease costs associated with CAA sites. 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.

Consultants

The number and dollar amount of consultancies paid/payable (included in Consultants expense shown above) fell within the following bands:	2017	2017	2016	2016
	\$'000	Number	\$'000	Number
Below \$10 000	44	22	30	18
Above \$10 000	96	3	69	3
Total paid/payable to consultants engaged	140	25	99	21

External auditor's remuneration

Audit fees paid/payable to the Auditor-General's Department relating to work performed under the PFAA were \$0.332 m (\$0.339 m). No other services were provided by the Auditor-General's Department. Auditor's remuneration costs are recognised in the Statement of Comprehensive Income and included in the balance of 'Administration' (refer note 6).

South Australia Police
Notes to and forming part of the Financial Statements
for the year ended June 2017

7 Depreciation and amortisation

	2017	2016
	\$'000	\$'000
Depreciation		
Buildings and improvements	6 365	6 265
Computing and communications equipment	5 395	4 229
Vehicles and transport vessels	1 611	1 548
Aircraft	238	1 158
Other	4 008	4 472
Total depreciation	17 617	17 672
Amortisation		
Leasehold improvements	4 131	3 371
Internally generated computer software	3 484	2 183
Other computer software	2 847	2 289
Total amortisation	10 462	7 843
Total depreciation and amortisation	28 079	25 515

8 Fees and charges

	2017	2016
	\$'000	\$'000
Escorts - wide load/other	2 119	2 156
Firearms licence and registration fees	5 472	5 210
Hoon legislation recoveries	3 119	3 430
Police information requests	2 413	2 765
Police security services	10 619	9 948
Prosecution and other court fees	1 973	2 089
Other fees	915	863
Total fees and charges	26 630	26 461

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.

9 Interest

	2017	2016
	\$'000	\$'000
Interest on deposit accounts	3	4
Total interest	3	4

South Australia Police
Notes to and forming part of the Financial Statements
for the year ended June 2017

10 Commonwealth revenues

	2017	2016
	\$'000	\$'000
Commonwealth revenues	1 658	1 313
Total Commonwealth revenues	1 658	1 313

During 2016-17 SAPOL recovered costs associated with resources provided at the request of the Commonwealth Government in relation to:

- Crim-Trac - Jurisdictional criminal history referrals
- Home and Community Care
- Operation Midrealm.

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

Generally, the department has obtained control or the right to receive:

- contributions with unconditional stipulations – this will be when the agreement becomes enforceable i.e. the earlier of when the receiving entity has formally been advised that the contribution (e.g. grant application) has been approved; agreement/contract is executed; and/or the contribution is received
- contributions with conditional stipulations – this will be when the enforceable stipulations specified in the agreement occur or are satisfied; that is income would be recognised for contributions received or receivable under the agreement.

11 Net gain/(loss) from the disposal of non-current assets

	2017	2016
	\$'000	\$'000
Land and buildings		
Proceeds from disposal	83	-
Net book value of assets disposed	(240)	-
Net gain/(loss) from disposal of land and buildings	(157)	-
Plant and equipment		
Proceeds from disposal	275	388
Net book value of assets disposed	-	(87)
Net gain from disposal of plant and equipment	275	301
Total Assets		
Proceeds from disposal	358	388
Net book value of assets disposed	(240)	(87)
Total net gain from disposal of non-current assets	118	301

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

South Australia Police
Notes to and forming part of the Financial Statements
for the year ended June 2017

12 Other income

	2017	2016
	\$'000	\$'000
Contributed (donated) asset revenue	4 012	2 313
Employee benefits recoveries	838	1 719
Goods and services recoveries	1 989	1 635
Intra-Government transfers	904	784
Rent revenue	332	346
Sundry receipts	440	783
Other sundry revenues	1 013	646
Gain on foreign exchange	-	203
Total other income	9 528	8 429

Resources received free of charge relate to goods and/or services being provided free of charge. 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.

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

During 2016-17 SAPOL Contributed (donated) asset revenue primarily relates to Helicopter equipment of \$3.68 million from the Attorney-General's Department and \$0.332 million for other equipment from the Commonwealth Government.

Assets recognised in 2015-16 related to road safety (fixed/red light cameras) of \$1.622 million received from Department of Planning, Transport and Infrastructure (DPTI) and \$0.691 million for equipment from the Commonwealth Government.

In 2016-17 the intra-government transfer comprises:

- \$545,000 for a traffic training and promotion program from the Motor Accident Commission (2016: \$530 000)
- \$16,000 for Home & Community Care from the Department for Communities and Social Inclusion (2016: \$16 000)
- \$178,000 for the Rural Highways Saturation Program from DPTI (2016: \$173 000)
- \$65,000 for the National Motor Vehicle Theft Reduction Program from DPTI & Infrastructure & Attorney-General's Department (2016: \$65 000)
- \$100,000 for Thebarton Heritage Works (Compass House Brickworks) from DPTI (2016: \$0).

South Australia Police
Notes to and forming part of the Financial Statements
for the year ended June 2017

13 Revenues from (payments to) SA Government:

	2017	2016
	\$'000	\$'000
Revenues from SA Government		
Appropriations from Consolidated Account Pursuant to the <i>Appropriation Act</i>	791 707	757 567
Transfers from contingencies	-	9 325
Contributions from the Community Emergency Services Fund	21 798	21 267
Contributions from the Community Road Safety Fund	40 258	39 275
Total revenues from SA Government	853 763	827 434
Payments to SA Government		
Other payments to the Consolidated Account *	(832)	(29 821)
Total payments to SA Government	(832)	(29 821)
Net revenues from SA Government	852 931	797 613

*During 2016-17 SAPOL returned \$0.832 million (2016: \$29.821 million) to the Consolidated Account in accordance with the cash alignment policy.

Appropriations for program funding are recognised as income when SAPOL obtains control over the funding. Control over appropriations is normally obtained upon their receipt.

Where money has been appropriated in the form of an equity contribution, the Treasurer has acquired a financial interest in the net assets of SAPOL and the appropriation is recorded as contributed capital.

14 Cash and cash equivalents

	2017	2016
	\$'000	\$'000
Deposits with the Treasurer	173 931	114 807
Cash held in imprest accounts and petty cash	294	289
Total cash and cash equivalents	174 225	115 096

Cash is measured at nominal amounts

Deposits with the Treasurer

SAPOL has two deposit accounts with the Treasurer, a general operating account and an Accrual Appropriation Excess Funds Account. Although the department controls the money in the Accrual Appropriation Account its use must be approved by the Treasurer. The Department does not earn interest on its deposits with the Treasurer.

Cash increase of \$59.6 million includes payment from Emergency Services Commission (\$21.3 million that reduced current receivables in 2017, see note 15), higher accrual appropriation (\$9.5 million) and higher current creditors in 2017 (\$18.8 million, see note 22).

South Australia Police
Notes to and forming part of the Financial Statements
for the year ended June 2017

15 Receivables

	2017 \$'000	2016 \$'000
Current receivables		
Receivables	2 494	23 091
Less: Allowance for doubtful debts	(35)	(34)
Accrued revenue	355	156
Prepayments	3 138	3 997
GST input tax recoverable	2 791	3 302
Workers compensation recoveries	428	501
Total current receivables	9 171	31 013
Non-current receivables		
Workers compensation recoveries	1 070	1 239
Total non-current receivables	1 070	1 239
Allowance for doubtful debts		
Carrying amount at the beginning of the period	34	-
Increase in allowance	1	34
Carrying amount at the end of the period	35	34

The receivables in 2016 include one invoice for \$21.267 million raised to Emergency Services Commission for the Community Emergency Services Fund.

Interest rate and credit risk:

Receivables arise in the normal course of selling goods and services to other government agencies and to the public. Receivables are normally settled within 30 days after the issue of an invoice or the goods/services have been provided under a contractual arrangement. Receivables, prepayments and accrued revenues are non-interest bearing. Collectability of receivables is reviewed on an ongoing basis. An allowance for doubtful debts is raised when there is objective evidence that the department will not be able to collect the debt. 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.

South Australia Police
Notes to and forming part of the Financial Statements
for the year ended June 2017

16 Non-current assets held for sale

	2017	2016
	\$'000	\$'000
Buildings and improvements	43	43
Land	10 330	9 850
Vehicles and transport vessels	5	-
Total non-current assets held for sale	10 378	9 893

Reconciliation of non-current assets held for sale movement

Carrying amount at 1 July	9 893	9 893
Transfers from investment properties	480	-
Transfers from vehicles and transport vessels	5	-
Total non-current assets held for sale	10 378	9 893

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

17 Capital works in progress

	2017	2016
	\$'000	\$'000
Property, plant and equipment in progress at cost (deemed fair value)	9 121	18 716
Total capital works in progress	9 121	18 716

South Australia Police
Notes to and forming part of the Financial Statements
for the year ended June 2017

18 Property, plant and equipment

	2017 \$'000	2016 \$'000
Land ⁽¹⁾		
Land at fair value	62 524	62 544
Total land	62 524	62 544
Buildings and improvements ⁽¹⁾		
Buildings at fair value	209 148	205 731
Accumulated depreciation	(6 380)	(15)
Total buildings and improvements	202 768	205 716
Leasehold improvements ⁽¹⁾		
Leasehold improvements at fair value	39 618	39 559
Accumulated depreciation	(4 122)	-
Total leasehold improvements	35 496	39 559
Computing and communications equipment		
Computing and communications equipment - at cost (deemed fair value) ⁽²⁾	52 582	47 099
Accumulated depreciation	(38 833)	(34 508)
Total computing and communications equipment	13 749	12 591
Vehicles and transport vessels ⁽¹⁾		
Vehicles and transport vessels - at cost (deemed fair value)	9 273	8 984
Accumulated depreciation	(5 009)	(4 440)
Total vehicle and transport vessels	4 264	4 544
Other property plant and equipment		
Other - at cost (deemed fair value)	55 364	46 394
Accumulated depreciation	(31 138)	(27 286)
Total other	24 226	19 108
Aircraft ⁽¹⁾		
Aircraft at fair value	2 529	2 530
Accumulated depreciation	(242)	(5)
Total aircraft	2 287	2 525
Total property, plant and equipment	345 314	346 587

⁽¹⁾ Land, buildings and improvements, leasehold improvements, vessels and aircraft were revalued as at 30 June 2017 following a desktop independent valuation by Liquid Pacific. There was no material difference between fair value and carrying amount of the assets. Consequently, it was determined no revaluation adjustment was required at this time.

⁽²⁾ Intangible assets - computer software has been separately identified (refer note 19).

South Australia Police
Notes to and forming part of the Financial Statements
for the year ended June 2017

18 Property, plant and equipment (continued)

Movement reconciliation of non-current assets:

2017	Land	Buildings & improvements	Leasehold improvements	Computing & communications equipment	Vehicles & transport vessels	Other
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying amount at the beginning of the period	62 544	205 716	39 559	12 591	4 544	19 108
Transfers to/(from) capital works in progress	210	3 417	78	6 644	1 337	5 474
Depreciation and amortisation expense	-	(6 365)	(4 131)	(5 395)	(1 611)	(4 008)
Donated assets	-	-	-	-	-	4 012
Transfer between classes	-	-	-	(163)	-	(396)
Asset - recognised through stocktake	-	-	-	87	-	60
Disposals	(230)	-	(10)	-	-	-
Assets written off	-	-	-	(15)	(1)	(24)
Transfers to assets held for sale	-	-	-	-	(5)	-
Carrying amount at the end of the period	62 524	202 768	35 496	13 749	4 264	24 226

Movement reconciliation of non-current assets:

2017	Aircraft	Total property plant and equipment	Capital works in progress	Intangible assets (internally generated)	Intangible assets (other computer software)	2017 Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying amount at the beginning of the period	2 525	346 587	18 716	5 657	9 926	380 886
Additions	-	-	19 434	-	-	19 434
Transfers to/(from) capital works in progress	-	17 160	(21 279)	340	3 779	-
Depreciation and amortisation expense	(238)	(21 748)	-	(3 484)	(2 847)	(28 079)
Donated assets	-	4 012	-	-	-	4 012
Transfer between classes	-	(559)	396	-	163	-
Asset - recognised through stocktake	-	147	-	-	-	147
Disposals	-	(240)	-	-	-	(240)
Assets written off	-	(40)	-	-	(3)	(43)
Transfers to assets held for sale	-	(5)	-	-	-	(5)
Asset clearing account	-	-	6	-	-	6
Other movements*	-	-	(8 152)	8 152	-	-
Carrying amount at the end of the period	2 287	345 314	9 121	10 665	11 018	376 118

* In 2016-17 the department identified \$8.152 million worth of intangible assets in capital works in progress that should have been capitalised in the prior year. The impact on depreciation was immaterial.

South Australia Police
Notes to and forming part of the Financial Statements
for the year ended June 2017

18 Property, plant and equipment (continued)

Movement reconciliation of non-current assets:

2016	Land \$'000	Buildings & improvements \$'000	Leasehold improvements \$'000	Computing & communications equipment \$'000	Vehicles & transport vessels \$'000	Other \$'000
Carrying amount at the beginning of the period	59 623	205 325	41 482	13 741	4 543	18 163
Error corrections *	-	-	-	16	-	158
Additions	-	-	-	-	-	12
Transfers to/(from) capital works in progress	-	599	802	3 222	882	3 030
Depreciation and amortisation expense	-	(6 265)	(3 371)	(4 229)	(1 548)	(4 472)
Net revaluation increment/(decrement)	3 205	6 135	712	-	754	-
Donated assets	-	-	-	-	-	2 312
Disposals	-	-	-	-	(87)	-
Assets written off	(284)	(78)	(66)	(159)	-	(95)
Carrying amount at the end of the period	62 544	205 716	39 559	12 591	4 544	19 108

Movement reconciliation of non-current assets:

2016	Aircraft \$'000	Total property plant and equipment \$'000	Capital works in progress \$'000	Intangible assets (internally generated) \$'000	Intangible assets (other computer software) \$'000	2016 Total \$'000
Carrying amount at the beginning of the period	1 225	344 102	10 023	7 131	11 386	372 642
Error corrections *	-	174	-	-	-	174
Additions	-	12	18 981	-	20	19 013
Transfers to/(from) capital works in progress	199	8 734	(10 288)	709	845	-
Depreciation and amortisation expense	(1 158)	(21 043)	-	(2 183)	(2 289)	(25 515)
Net revaluation increment/(decrement)	2 259	13 065	-	-	-	13 065
Donated assets	-	2 312	-	-	-	2 312
Disposals	-	(87)	-	-	-	(87)
Assets written off	-	(682)	-	-	(36)	(718)
Carrying amount at the end of the period	2 525	346 587	18 716	5 657	9 926	380 886

* A prior period adjustment relates to depreciation not recognised in prior periods for assets.

South Australia Police
Notes to and forming part of the Financial Statements
for the year ended June 2017

19 Intangible Assets

	2017 \$'000	2016 \$'000
Computer software		
Internally developed computer software - at cost (deemed fair value)	33 048	24 592
Accumulated amortisation	(22 383)	(18 935)
Total internally generated computer software	10 665	5 657
Other computer software		
Other computer software	24 936	20 790
Accumulated amortisation	(13 918)	(10 864)
Total other computer software	11 018	9 926
Total intangible assets	21 683	15 583

20 Investment properties

	2017 \$'000	2016 \$'000
Investment building	-	690
Investment land	-	500
Total investment properties	-	1 190
Movement reconciliation of investment properties		
Carrying amount at the beginning of the period	1 190	1 259
Impairment loss	(710)	(69)
Transfer to held for sale	(480)	
Carrying amount at the end of the period	-	1 190

Investment properties are measured at fair value being the amounts for which the properties could be exchanged between willing parties in an arm's length transaction, based on current prices in an active market for similar properties.

South Australia Police
Notes to and forming part of the Financial Statements
for the year ended June 2017

21 Fair value measurement

The fair value of non-financial assets must be estimated for recognition and measurement or for disclosure purposes. SAPOL categorises non-financial assets measured at fair value into hierarchy based on the level of inputs used in measurement.

Fair value measurements recognised in the Statement of Financial Position are categorised into the following levels at 30 June 2017.

Fair value measurements at 30 June 2017

	Level 2	Level 3	Total
	\$'000	\$'000	\$'000
Recurring fair value measurements			
Land	62 524	-	62 524
Buildings & improvements	-	202 768	202 768
Leasehold improvements	-	35 496	35 496
Computing & communications equipment	-	13 749	13 749
Vehicles & transport vessels	1 474	2 790	4 264
Other	-	24 226	24 226
Aircraft	2 287	-	2 287
Total recurring fair value measurements	66 285	279 029	345 314
Non- recurring fair value measurements			
Land held for sale	10 330	-	10 330
Buildings held for sale	-	43	43
Vehicles and transport vessels held for sale	-	5	5
Total non-recurring fair value measurements	10 330	48	10 378
Total	76 615	279 077	355 692

South Australia Police
Notes to and forming part of the Financial Statements
for the year ended June 2017

21 Fair value measurement (continued)

Fair value measurements at 30 June 2016

	Level 2	Level 3	Total
	\$'000	\$'000	\$'000
Recurring fair value measurements			
Land	62 544	-	62 544
Buildings & improvements	-	205 716	205 716
Leasehold improvements	-	39 559	39 559
Computing & communications equipment	-	12 591	12 591
Vehicles & transport vessels	1 955	2 589	4 544
Other	-	19 108	19 108
Aircraft	2 525	-	2 525
Investment properties	1 190	-	1 190
Total recurring fair value measurements	68 214	279 563	347 777
Non- recurring fair value measurements			
Land held for sale	9 850	-	9 850
Buildings held for sale	-	43	43
Total non-recurring fair value measurements	9 850	43	9 893
Total	78 064	279 606	357 670

There were no transfers of assets between levels 1 and 2 fair value hierarchy levels in 2016. SAPOL's policy is to recognise transfers into and out of fair value hierarchy levels as at the end of the reporting period. SAPOL had no valuations categorised into level 1.

Valuation techniques and inputs

Valuation techniques used to derive levels 2 and 3 fair values are listed below. Level 2 assets are valued with reference to market transactions. There were no changes in valuation techniques during 2017.

Description	Valuation Approach	Valuation Technique	Unobservable Inputs	Range (weighted average)
Buildings & improvements	Cost Approach	Depreciated Replacement Cost	Cost (per Sq metre) Effective Life (yrs)	\$1 - \$ 10 500 20 - 60 years
Leasehold improvements	Cost Approach	Depreciated Replacement Cost	Cost (per Sq metre) Effective Life (yrs)	\$500 - \$1 200 Term of Lease - 25 years
Computing and communications equipment*	Cost Approach	Depreciated Replacement Cost		
Vehicles & transport vessels*	Cost Approach	Depreciated Replacement Cost		
Aircrafts	Cost Approach	Depreciated Replacement Cost		
Other*	Cost Approach	Depreciated Replacement Cost		

South Australia Police
Notes to and forming part of the Financial Statements
for the year ended June 2017

21 Fair value measurement (continued)

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

Reconciliation of recurring fair value measurements – level 3

	Buildings and improvements \$'000	Leasehold improvements \$'000	Computing & communications equipment \$'000	Vehicles & transport vessels \$'000	Other \$'000
2017					
Opening balance at the beginning of the period	205 716	39 559	12 591	2 589	19 108
Asset - recognised through stocktake	-	-	87	-	60
Transfers from capital work in progress	3 417	78	6 644	1 337	5 474
Classified as held for sale and/or disposals	-	-	-	(5)	-
Donated Assets	-	-	-	-	4 012
Transfer between classes	-	-	(163)	-	(396)
Disposals/written off	-	(10)	(15)	(1)	(24)
Subtotal	209 133	39 627	19 144	3 920	28 234
Gains/(losses) for the period recognised in net result:					
Depreciation	(6 365)	(4 131)	(5 395)	(1 130)	(4 008)
Subtotal	(6 365)	(4 131)	(5 395)	(1 130)	(4 008)
Carrying amount at the end of the period	202 768	35 496	13 749	2 790	24 226
 Opening balance at the beginning of the period	 205 325	 41 482	 13 741	 2 911	 18 163
Prior year adjustments	-	-	16	-	158
Additions	-	-	-	-	12
Revaluation increment	6 135	712	-	-	-
Transfers from capital work in progress	599	802	3 222	882	3 030
Donated Assets	-	-	-	-	2 312
Disposals/written off	(78)	(66)	(159)	(87)	(95)
Subtotal	211 981	42 930	16 820	3 706	23 580
Gains/(losses) for the period recognised in net result:					
Depreciation	(6 265)	(3 371)	(4 229)	(1 117)	(4 472)
Subtotal	(6 265)	(3 371)	(4 229)	(1 117)	(4 472)
Carrying amount at the end of the period	205 716	39 559	12 591	2 589	19 108

Other items such as motor vehicles, weapons and other plant and equipment have not been revalued as they do not meet the revaluation criteria in APF III *Asset Accounting Framework* (i.e. fair value at the time of acquisition is less than \$1 million). The carrying amount of these assets is deemed to be fair value.

South Australia Police
Notes to and forming part of the Financial Statements
for the year ended June 2017

22 Payables

	2017	2016
	\$'000	\$'000
Current payables		
Employment on-costs	10 956	10 974
Creditors	27 133	13 412
Accrued expenses	1 874	492
Paid Parental Leave Scheme payable	45	76
Total current payables	40 008	24 954
Non-current payables		
Employment on-costs	24 527	22 310
Total non-current payables	24 527	22 310

As a result of analysing historical data, the average proportion of long service leave taken as leave has increased to 70.72% (2016: 62.65%) for police and increased to 88.77% (2016: 76.30%) for non-police. The rates used are based on historical trends and are used to calculate employment on-costs. The net financial impact of these changes is immaterial.

The average factor for the calculation of employer superannuation on-cost has also changed from the 2016 rate (10.2%) to 10.1%. These rates are used in the employment on-cost calculation. The net financial effect of the changes in the current financial year is immaterial.

Interest rate and credit risk

Payables are measured at nominal amounts.

Creditors and accruals are raised for all amounts due but unpaid. Sundry creditors are normally settled within 30 days. Employment on-costs are settled when the respective employee benefit that they relate to is discharged. All payables are non-interest bearing. The carrying amount of payables represents fair value due to the amounts being payable on demand.

23 Other liabilities

	2017	2016
	\$'000	\$'000
Current other liabilities		
Lease incentive	499	499
Unearned revenue	30	-
Total current other liabilities	529	499
Non-current other liabilities		
Lease incentive	4 078	4 577
Total non-current other liabilities	4 078	4 577

In 2011-12, SAPOL received two lease incentives (\$5 million in leasehold improvements and 3 months' rent free) as a part of leasing the new police headquarters on Angas Street. The aggregate benefits of these lease incentives received have been recorded as a reduction of rental expense over the lease term of 15 years, on a straight line basis. As at 30 June 2017 the remaining life of the lease term is 9 years.

South Australia Police
Notes to and forming part of the Financial Statements
for the year ended June 2017

24 Employee benefits

	2017	2016
	\$'000	\$'000
Current employee benefits		
Accrued salaries and wages	16 095	22 607
Annual leave	36 583	33 691
Long service leave	14 749	14 139
Skills and experience retention leave	492	491
Police services leave	1 812	2 204
Total current employee benefits	69 731	73 132
Non-current employee benefits		
Annual leave	608	811
Long service leave	188 521	183 312
Police services leave	2 774	3 963
Total non-current employee benefits	191 903	188 086
Total employee benefits	261 634	261 218

AASB 119 *Employee Benefits* contains the calculation methodology for long service leave. The actuarial assessment performed by the Department of Treasury and Finance has provided a basis for the measurement of long service leave.

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 increased from 2% (2016) to 2.5% (2017).

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

The net financial effect of the changes in the current financial year is an increase in long service leave liability and employee benefit expenses of \$7.395 million. The impact on future periods is impracticable to estimate as the LSL liability is calculated using a number of assumptions - a key assumption is the long-term discount rate.

The actuarial assessment performed by DTF left the salary inflation rate at 4% for LSL liability and the salary inflation rate 3% in 2017 same as last year for annual leave, SERL liability and Police Service Leave.

The net financial effect of the changes in the current financial year is nil in the annual leave, SERL liability, police services leave and employee benefit expense.

South Australia Police
Notes to and forming part of the Financial Statements
for the year ended June 2017

25 Provisions

	2017	2016
	\$'000	\$'000
Current provisions		
Workers' compensation	18 131	17 831
Injury and income protection policy	1 031	-
Death in course of employment	40	55
Civil actions against police	348	230
Total current provisions	19 550	18 116
Non-current provisions		
Workers' compensation	63 023	58 817
Injury and income protection policy	14 204	-
Total non-current provisions	77 227	58 817
Workers' compensation:		
Carrying amount at the beginning of the period	76 648	84 423
Increase/(decrease) resulting from re-measurement	19 207	8 738
Reduction due to payments	(14 701)	(16 513)
Carrying amount at the end of the period	81 154	76 648
Injury and income protection policy:		
Carrying amount at the beginning of the period	-	-
Additional provision recognised	15 235	-
Carrying amount at the end of the period	15 235	-
Death in course of employment		
Carrying amount at the beginning of the period	55	-
Increase/(decrease) in the provision due to revision of estimates	(15)	55
Carrying amount at the end of the period	40	55
Civil actions against police:		
Carrying amount at the beginning of the period	230	220
Increase in the provision due to revision of estimates	822	215
Reduction due to payments	(704)	(205)
Carrying amount at the end of the period	348	230

South Australia Police
Notes to and forming part of the Financial Statements
for the year ended June 2017

26 Cash flow reconciliation

	2017 \$'000	2016 \$'000
Reconciliation of cash and cash equivalents		
Cash at year end as per:		
Cash and cash equivalents disclosed in the Statement of Financial Position	174 225	115 096
Cash and cash equivalents disclosed in the Statement of Cash Flows	174 225	115 096
Reconciliation of net cash provided by operating activities to net cost of providing services:		
Net cash provided by operating activities	78 262	10 876
Revenues from SA Government	(791 707)	(766 892)
Contribution from the Community Emergency Services Fund	(21 798)	(21 267)
Contribution from Community Road Safety Fund	(40 258)	(39 275)
Payments to SA Government	832	29 821
Non-cash Items:		
Depreciation and amortisation	(28 079)	(25 515)
Donated assets	4 012	2 312
Net gain/(loss) from disposal of non-current assets	118	301
Write off of non-current assets	(43)	(718)
Capital work-in-progress expensed	-	(20)
Impairment loss	(710)	(69)
Capital accruals	90	1 449
Movements in assets and liabilities:		
(Decrease)/increase in receivables	(22 011)	21 003
Increase in inventories	183	31
(Increase)/decrease in payables	(17 265)	7 247
Decrease in other liabilities	469	499
(Increase) in employee benefits	(416)	(16 875)
(Increase)/decrease in provisions	(19 844)	7 710
Net cost of providing services	(858 165)	(789 382)

South Australia Police
Notes to and forming part of the Financial Statements
for the year ended June 2017

27 Transactions with SA Government

		Non-SA					
		SA Government		Government		Total	
		2017	2016	2017	2016	2017	2016
	Note	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
EXPENSES							
Employee benefits expenses	5	32 406	30 963	688 781	632 075	721 187	663 038
Supplies and services	6						
Accommodation and property related		26 894	25 285	7 084	6 611	33 978	31 896
Administration		1 633	1 008	18 454	15 121	20 087	16 129
Collection costs		234	440	581	472	815	912
Communication and computing		9 383	10 244	19 775	15 494	29 158	25 738
Consultants		3	1	137	98	140	99
Employee programs & housing subsidies		-	8 224	10 953	2 205	10 953	10 429
Helicopter costs		1 129	3 236	49	-	1 178	3 236
Insurance		1 556	1 455	6	41	1 562	1 496
Legal		398	1 299	1 580	384	1 978	1 683
Minor equipment		16	42	4 258	5 765	4 274	5 807
Motor vehicle related		415	207	22 171	22 921	22 586	23 128
Shared Services SA		3 315	3 085	-	-	3 315	3 085
Uniforms		-	-	2 933	2 110	2 933	2 110
Utilities		979	1 524	2 855	2 578	3 834	4 102
Other		-	1 272	9 292	5 428	9 292	6 700
Depreciation and amortisation	7	-	-	28 079	25 515	28 079	25 515
Write down of non-current assets		43	-	-	718	43	718
Impairment loss	20	-	-	710	69	710	69
Payments to SA Government	13	832	29 821	-	-	832	29 821
TOTAL EXPENSES		79 236	118 106	817 698	737 605	896 934	855 711
INCOME							
Fees and charges	8						
Escorts - wide load/other		-	-	2 119	2 156	2 119	2 156
Firearms licence and registration fees		-	-	5 472	5 210	5 472	5 210
Hoon legislation recoveries		-	-	3 119	3 430	3 119	3 430
Police information requests		181	202	2 232	2 563	2 413	2 765
Police security services		10 619	9 947	-	1	10 619	9 948
Prosecution and other court fees		-	-	1 973	2 089	1 973	2 089
Other fees		10	3	905	860	915	863
Interest	9	-	-	3	4	3	4
Commonwealth revenues	10	-	-	1 658	1 313	1 658	1 313
Net gain from the disposal of non-current assets	11	-	-	118	301	118	301

South Australia Police
Notes to and forming part of the Financial Statements
for the year ended June 2017

Note 27: Transactions with SA Government (continued)

	Note	SA Government		Non-SA Government		Total	
		2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
Other income	12						
Contributed (donated) asset revenue		3 680	1 622	332	691	4 012	2 313
Employee benefits recoveries		69	1 528	769	191	838	1 719
Goods and services recoveries		974	86	1 015	1 549	1 989	1 635
Gain on foreign exchange		-	-	-	203	-	203
Intra-Government transfers		904	784	-	-	904	784
Rent revenue		152	165	180	181	332	346
Sundry receipts		-	114	440	669	440	783
Other sundry revenues		38	229	975	417	1 013	646
Revenues from SA Government	13	853 763	827 434	-	-	853 763	827 434
TOTAL INCOME		870 390	842 114	21 310	21 828	891 700	863 942
FINANCIAL ASSETS							
Cash & cash equivalents	14	174 225	115 096	-	-	174 225	115 096
Receivables	15						
Receivables		1 358	22 212	1 101	845	2 459	23 057
Accrued revenue		9	156	346	-	355	156
Prepayments			28	3 138	3 969	3 138	3 997
GST input tax recoverable			-	2 791	3 302	2 791	3 302
Workers compensation recoveries		1 498	1 740	-	-	1 498	1 740
TOTAL FINANCIAL ASSETS		177 090	139 232	7 376	8 116	184 466	147 348
FINANCIAL LIABILITIES							
Payables	22						
Employment on-costs		14 011	13 768	21 472	19 516	35 483	33 284
Creditors and accrued expenses		5 874	8 185	23 133	5 719	29 007	13 904
Paid Parental Leave Scheme payable		-	-	45	76	45	76
Other liabilities	23	4 577	5 076	30	-	4 607	5 076
TOTAL FINANCIAL LIABILITIES		24 462	27 029	44 680	25 311	69 142	52 340

South Australia Police
Notes to and forming part of the Financial Statements
for the year ended June 2017

28 Budgetary reporting and explanations of major variances between budget and actual amounts

Budget information has not been included for the Statement of Financial Position or Statement of Cash Flows as the information in these statements are not budgeted for on the same basis and/or determined in a different manner to financial statement information. However, these amounts have not been adjusted to reflect revised budgets or administrative restructures/machinery of government changes.

The following are brief explanations of variances between original budget and actual amounts.

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.

		Original budget 2017 \$'000	Actual 2017 \$'000	Variance \$'000
Statement of Comprehensive Income				
Expenses				
Employee benefits	1	692 446	721 187	28 741
Supplies and services	2	166 123	146 083	(20 040)
Depreciation and amortisation		24 080	28 079	3 999
Write down of non-current assets		-	43	43
Impairment loss		-	710	710
Total expenses		882 649	896 102	13 453
Income				
Fees and charges		28 108	26 630	(1 478)
Interest		-	3	3
Commonwealth revenues		-	1 658	1 658
Net gain from the disposal of non-current and other assets		-	118	118
Other income	3	4 804	9 528	4 724
Total income		32 912	37 937	5 025
Net cost of providing services		849 737	858 165	8 428
Revenues from (payments to) SA government				
Revenues from SA government		790 854	791 707	853
Contributions from the Community Emergency Services Fund		21 799	21 798	(1)
Contributions from the Community Road Safety Fund		40 335	40 258	(77)
Payments to SA government		(1 570)	(832)	738
Net revenues from SA Government		851 418	852 931	1 513
Net result		1 681	(5 234)	(6 915)

The budget process is not subject to audit. Budget information refers to the amounts presented to parliament in the original budgeted financial statements in respect of the reporting period (2016-17 Budget Paper 4). These original budgeted amounts have been presented and classified on a basis that is consistent with line items in the financial statements.

South Australia Police
Notes to and forming part of the Financial Statements
for the year ended June 2017

28 Budgetary reporting and explanations of major variances between budget and actual amounts
(continued)

		Original budget 2017 \$'000	Actual 2017 \$'000	Variance \$'000
Investing expenditure summary	Note			
Total major project	4	14 089	6 835	(7,254)
Total annual program	5	10 437	12 599	2,162
Total investing expenditure		24 526	19 434	(5 092)

The budget process is not subject to audit. Budget information refers to the amounts presented to parliament in the original budgeted financial statements in respect of the reporting period (2016-17 Budget paper 4). These original budgeted amounts have been presented and classified on a basis that is consistent with line items in the financial statements.

Notes

1. 2016/17 original budget was adjusted during the year for approved adjustments that included reclassification between supplies and services and employee benefit expenses. The approved revised budget was \$708.1 million with actual expenditure higher at \$721.187 million that includes bringing into account for the first time Injury and Income Protection Scheme workers' compensation liability.
2. 2016/17 original budget was adjusted during the year for approved adjustments that included reclassification between supplies and services and employee benefit expenses. The approved revised budget was \$147.9 million with actual expenditure slightly lower at \$146.083 million.
3. Other income was higher than original budget due to helicopter equipment donated from the Attorney-General's Department and higher recoveries.
4. SAPOL's major projects include the Henley Beach Police Station and Police Records Management Stage 2-4. The 2016-17 Original Budget was adjusted during the year to take account of approved adjustments, including re-phasing of budget to 2017-18.

The approved revised budget was \$9.597 million compared to actual expenditure of \$6.835 million.

SAPOL forecast savings of \$1.6 million to the Department of Treasury and Finance on the Henley Beach Police Station project. SAPOL intends to seek carryover of committed under expenditure balances with the Department of Treasury and Finance as part of the carryover process.

5. The 2016-17 Original Budget was adjusted during the year to take account of approved adjustments, including reclassification of \$2.8 million from supplies and services. SAPOL actual spend was marginally below approved revised budget of \$13.012 million.

South Australia Police
Notes to and forming part of the Financial Statements
for the year ended June 2017

29 Unrecognised contractual commitments

Capital commitments

The total value of capital commitments not provided for as at the end of the reporting period are detailed below. These amounts have not been brought to account in the financial statements.

	2017	2016
	\$'000	\$'000
No later than one year	560	3 377
Later than one year but not later than five years	216	477
Total capital commitments	776	3 854

Major capital commitments for 2016-17 include General Duty Police Motor Cycles. (2015-16 include Project Shield, Rimage Replacement, RADARS IT Replacement Program, NUIX Replacement, Firearms Training Simulator and General Duty Police Motorcycle)

Other commitments

The total value of other commitments not provided for as at the end of the reporting period are detailed below. These amounts have not been brought to account in the financial statements.

	2017	2016
	\$'000	\$'000
No later than one year	4 843	3 144
Later than one year but not later than five years	1 438	885
Later than five years	-	-
Total other commitments	6 281	4 029

Major other expenditure commitments for 2016-17 include Cleaning Services (Zippy) and Helicopter Standing Charges (SHRS Services).

Operating lease commitments

The total value of future non-cancellable operating lease commitments not provided for as at the end of the reporting period are detailed below. These amounts have not been brought to account in the financial statements.

	2017	2016
	\$'000	\$'000
No later than one year	31 673	30 721
Later than one year but not later than five years	101 955	97 129
Later than five years	123 405	137 377
Total operating lease commitments	257 033	265 227

South Australia Police
Notes to and forming part of the Financial Statements
for the year ended June 2017

29 Unrecognised contractual commitments (continued)

The property leases are non-cancellable with rental payable in advance. Contingent rental provisions within the lease agreements require minimum lease payments to be increased periodically and generally in line with CPI movements and market conditions. Options exist to renew property leases at the end of the term of the leases. Operating lease commitments include commitments for PPP leases related to SAPOL occupancies only. From 2012 commitments also include the lease for the new police headquarters on Angas Street.

30 Contingent liabilities

Rewards for unsolved murders

As at 30 June 2017 the value of outstanding rewards for unsolved murders was \$38.8 million (2016: \$33.8 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. The amount is not recognised in the Statement of Financial Position.

31 Remuneration of tribunal and committee members

All members of the Board/Committees, including those who may have resigned or their term had expired during the financial year, are listed below:

Firearms Review Committee

Mr Bevan, Owen	deputy member	term expired	30 June 2017
Ms Dodd, Heather		term expired	30 June 2017
Ms Hill, Yvonne		term expired	30 June 2017
Mr Hyde, Geoffrey		term expired	30 June 2017
Mr Katsaras, George		term expired	30 June 2017
Ms Kosmala, Elizabeth	deputy member	term expired	30 June 2017
Mr Langmead, James		term expired	30 June 2017
Mr Maine, Ronald	deputy member	term expired	30 June 2017
Mr Manley, John	deputy member	term expired	30 June 2017
Mr Rymill, Thomas	deputy member	term expired	30 June 2017
Ms Wangel, Ingrid	deputy member	term expired	30 June 2017
Mr Warwick, Richard		term expired	30 June 2017

Police Review Tribunal:

Mr Swain, David	Presiding Officer	reappointed	15 March 2017
Mr Gurry, David	Deputy Presiding Officer	resigned	10 April 2017

	2017	2016
The number of members whose remuneration received or receivable falls within the following bands:		
\$0 - \$9 999	14	15
Total number of members	14	15

South Australia Police
Notes to and forming part of the Financial Statements
for the year ended June 2017

31 Remuneration of tribunal and committee members (continued)

Remuneration of members reflects all costs of performing tribunal/committee member duties including sitting fees, superannuation contributions, FBT and salary sacrifice arrangements. The total remuneration received or receivable by members was \$23 000 (2016: \$26 000).

Amounts paid to a superannuation plan for Tribunal/Committee members were \$1000 (2016: \$1 500).

Unless otherwise disclosed, transactions between members and SAPOL are on conditions no more favourable than those that it is reasonable to expect the entity would have adopted if dealing with the related party at arm's length in the same circumstances.

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

* In accordance with Premier and Cabinet Circular 16 *Remuneration for Government Appointed Part-time Boards and Committees*, government employees did not receive any remuneration for Tribunal/Committee duties during the financial year.

32 Related Party Transactions

SAPOL is a government administrative unit and is wholly owned and controlled by the Crown.

Related parties of the SAPOL include all key management personnel and their close family members; all Cabinet Ministers and their close family members; and all public authorities that are controlled and consolidated into the whole of government financial statements and other interests of the Government.

Significant transactions with government related entities

SAPOL had no significant transactions with government related entities.

Collectively, but not individually significant transactions with government related entities.

Quantitative information about transactions and balances between SAPOL and other SA Government controlled entities are disclosed at note 27.

South Australia Police
Notes to and forming part of the Financial Statements
for the year ended June 2017

32 Related Party Transactions (continued)

Key management personnel

Key management personnel of SAPOL include:

- Minister for Police
- Commissioner of Police *
- Deputy of Commissioner of Police
- Assistant Commissioner, Crime Service
- Assistant Commissioner, Governance and Accountability 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

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

	2017
	\$'000
Compensation	
Salaries and other short term employee benefits	3 081
Post-employment benefits	527
Total	3 608

* Commissioner Stevens is a KMP for SAPOL and is funded from 'Recurrent Expenditure – Special Act' that is an Administered Item where his remuneration payments are reported

Transactions with key management personnel and other related parties

- SAPOL had no material transactions or balanced and/or transactions outside normal day-to-day operations to disclose.

33 Financial risk management/financial instruments

33.1 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 is exposed to financial risk – liquidity risk, credit risk and market risk. There have been no changes in risk exposure since the last reporting period.

Liquidity risk

Liquidity risk arises from the possibility that SAPOL is unable to meet its financial obligations as they are due to be settled. SAPOL is funded principally from appropriations 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. SAPOL settles undisputed accounts within 30 days from the date of the invoice or date the invoice is first received. In the event of a dispute, payment is made 30 days from resolution. SAPOL's exposure to liquidity risk is insignificant based on past experience and current assessment of risk.

Credit risk

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

SAPOL has minimal credit risk. SAPOL has policies and procedures in place to ensure that transactions occur with customers with appropriate credit history. SAPOL does not engage in high risk hedging for its financial assets.

Allowances for impairment of financial assets are calculated on past experience and current and expected changes in credit rating. Currently SAPOL does not hold any collateral as security for any of its financial assets. There is no evidence to indicate that financial assets are impaired.

South Australia Police
Notes to and forming part of the Financial Statements
for the year ended June 2017

33.2 Categorisation of financial instruments

For 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 refer to note 2.

The carrying amounts of each of the following categories of financial assets and liabilities: receivables; and payables measured at cost are detailed below:

SAPOL does not recognise any financial assets or financial liabilities at fair value, but does disclose fair value in the notes. All of the resulting fair value estimates are included in level 2 as all significant inputs required are observable. The carrying value less impairment provisions of receivables and payables is a reasonable approximation of their fair values due to the short-term nature of these (refer notes 2, 15 and 22).

	Note	2017			2016		
		Classification in fair value hierarchy			Classification in fair value hierarchy		
		Level 1 \$'000	Level 2 \$'000	Total \$'000	Level 1 \$'000	Level 2 \$'000	Total \$'000
Financial assets							
Cash and cash equivalents							
Cash and cash equivalents	14	-	174 225	174 225	-	115 096	115 096
Loans and receivables							
Receivables ⁽¹⁾⁽²⁾		-	2 622	2 622	-	2 020	2 020
Financial liabilities							
Financial liabilities at cost							
Payables ⁽¹⁾		-	17 854	17 854	-	10 938	10 938

⁽¹⁾ Receivable and payable amounts disclosed here exclude amounts relating to statutory receivables and payables. 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, receivables/payables, tax equivalents, commonwealth tax, etc. they would be excluded from the disclosure. The standard defines contract as enforceable by law. All amounts recorded are carried at cost (not materially different from amortised cost).

⁽²⁾ Receivables amount disclosed here excludes prepayments. Prepayments are presented in note 15 as trade and other receivables in accordance with paragraph 78(b) of AASB 101 Presentation of Financial Statements. However, prepayments are not financial assets as defined in AASB 132 Financial Instruments: Presentation as the future economic benefit of these assets is the receipt of goods and services rather than the right to receive cash or another financial asset.

SOUTH AUSTRALIA POLICE

Financial Statements – Administered

For the year ended 30 June 2017

South Australia Police
Statement of Administered Comprehensive Income
for the year ended 30 June 2017

		2017	2016
	Notes	\$'000	\$'000
Expenses			
Employee benefits	A3	401	1 084
Supplies and services	A4	2 310	2 336
Intra-government transfers		11 528	12 417
Total expenses		14 239	15 837
Income			
Fees, fines and charges	A5	80 383	84 276
Total Income		80 383	84 276
Revenues from (payments to) SA Government			
Revenues from SA Government	A6	690	1 261
Payments to SA Government	A6	(66 605)	(69 630)
Net (payments to) SA Government		(65 915)	(68 369)
Net result		229	70
Total comprehensive result		229	70

South Australia Police
Statement of Administered Financial Position
as at 30 June 2017

	Notes	2017 \$'000	2016 \$'000
ASSETS			
Current assets			
Cash and cash equivalents	A7	14 108	10 780
Receivables	A8	216	210
Total current assets		14 324	10 990
Total assets		14 324	10 990
LIABILITIES			
Current liabilities			
Other liabilities	A9	13 491	10 386
Total current liabilities		13 491	10 386
Total liabilities		13 491	10 386
Net assets		833	604
EQUITY			
Retained Earnings		833	604
Total equity		833	604

South Australia Police
Statement of Administered Changes in Equity
for the year ended 30 June 2017

	Retained Earnings \$'000
Balance at 30 June 2015	534
Prior period adjustment	-
Adjusted balance at 30 June 2015	534
Net result for 2015-16	70
Total comprehensive result for 2015-16	70
Balance at 30 June 2016	604
Net result for 2016-17	229
Total comprehensive result for 2016-17	229
Balance at 30 June 2017	833

South Australia Police
Statement of Administered Cash Flows
for the year ended June 2017

	Notes	2017 \$'000	2016 \$'000
		Inflows (Outflows)	Inflows (Outflows)
Cash flows from operating activities			
Cash outflows			
Employee benefits		(401)	(1 084)
Supplies and services		(2 317)	(2 322)
Intra-government transfers		(11 528)	(12 417)
Cash (used in) operations		(14 246)	(15 823)
Cash inflows			
Fees, fines and charges		80 383	84 276
Exhibit monies		309	(595)
Unclaimed property		(25)	(202)
Cash generated from operations		80 667	83 479
Cash flows from SA Government			
Receipts from SA Government		684	1 286
Payments to SA Government		(63 777)	(72 198)
Net Cash paid to SA Government		(63 093)	(70 912)
Net cash from/(used by) operating activities	A10	3 328	(3 256)
Net increase/(decrease) in cash and cash equivalents		3 328	(3 256)
Cash and cash equivalents at the beginning of the period		10 780	14 036
Cash and cash equivalents at the end of the period	A7	14 108	10 780

South Australia Police

Schedule of Expenses and Income attributable to Administered Items

for the year ended June 2017

	Expiation Fees (1)		Victims of Crime Levy (2)		Special Acts (3)		Public Private Partnership (PPP) (4)	
	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
Expenses								
Employee benefits	-	-	-	-	401	1 084	-	-
Supplies and services	-	-	-	-	-	-	2 310	2 287
Intra-government transfers	-	-	11 327	12 225	-	-	-	-
Total expenses	-	-	11 327	12 225	401	1 084	2 310	2 287
Income								
Fees, fines and charges	66 605	69 632	11 327	12 225	-	-	2 310	2 287
Total income	66 605	69 632	11 327	12 225	-	-	2 310	2 287
Revenue from (payments to) SA Government								
Revenues from SA Government	-	-	-	-	476	1 084	-	-
Payments to SA Government	(66 605)	(69 630)	-	-	-	-	-	-
Net revenues from (payments to) SA Government	(66 605)	(69 630)	-	-	476	1 084	-	-
Net result	-	2	-	-	75	-	-	-

South Australia Police
Schedule of Expenses and Income attributable to Administered Items
for the year ended June 2017

	Firearms Safety Training Levy (5)		Other (6)		Total	
	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
Expenses						
Employee benefits	-	-	-	-	401	1 084
Supplies and services	-	-	-	49	2 310	2 336
Intra-government transfers	141	132	60	60	11 528	12 417
Total expenses	141	132	60	109	14 239	15 837
Income						
Fees, fines and charges	141	132	-	-	80 383	84 276
Total income	141	132	-	-	80 383	84 276
Revenue from (payments to) SA Government						
Revenues from SA Government	-	-	214	177	690	1 261
Payments to SA Government	-	-	-	-	(66 605)	(69 630)
Net revenues from (payments to) SA Government	-	-	214	177	(65 915)	(68 369)
Net result	-	-	154	68	229	70

South Australia Police
Schedule of Assets and Liabilities attributable to Administered Items
as at 30 June 2017

	Unclaimed Property (1)		Exhibit Monies (2)		Expiation Fees (3)		Victims of Crime Levy (4)		Special Acts (5)	
	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
Current assets										
Cash and cash equivalents	142	167	7 008	6 699	5 133	2 240	960	1 026	57	11
Receivables	-	-	-	-	-	-	-	-	-	-
Total current assets	142	167	7 008	6 699	5 133	2 240	960	1 026	57	11
Current liabilities										
Other liabilities	142	167	7 008	6 699	5 133	2 240	960	1 026	-	11
Total current liabilities	142	167	7 008	6 699	5 133	2 240	960	1 026	-	11
Total liabilities	142	167	7 008	6 699	5 133	2 240	960	1 026	-	11
Net assets	-	-	-	-	-	-	-	-	57	-

South Australia Police
Schedule of Assets and Liabilities attributable to Administered Items
as at 30 June 2017

	Public Private Partnership (6)		Firearms Safety Training Levy (7)		Other (8)		Total	
	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
Current assets								
Cash and cash equivalents	-	2	32	31	776	604	14 108	10 780
Receivables	216	210	-	-	-	-	216	210
Total current assets	216	212	32	31	776	604	14 324	10 990
Current liabilities								
Other liabilities	216	212	32	31	-	-	13 491	10 386
Total current liabilities	216	212	32	31	-	-	13 491	10 386
Total liabilities	216	212	32	31	-	-	13 491	10 386
Net assets	-	-	-	-	776	604	833	604

South Australia Police
Notes to and forming part of the Financial Statements

- A1 Summary of significant accounting policies
- A2 Administered items
- A3 Employee benefits
- A4 Supplies and services
- A5 Fees, fines and charges
- A6 Revenues from (payments to) SA Government
- A7 Cash and cash equivalents
- A8 Receivables
- A9 Other liabilities
- A10 Cash flow reconciliation
- A11 Transactions with SA Government
- A12 Unrecognised contractual commitments
- A13 Budgetary reporting and explanations of major variances between budget and actual amounts

South Australia Police
Notes to and forming part of the Administered Financial Statements
For the year ended 30 June 2017

A1 Significant accounting policies

All accounting policies for South Australia Police (SAPOL) are contained in note 2. The policies outlined in note 2 apply to both SAPOL and the administered items financial statements except as noted below.

A1.1 Departures from SAPOL 'Significant accounting policies'

Basis of accounting

Income from expiation fees, Victims of Crime Levy, fees and appropriations from the consolidated account are recognised on a cash basis. All other elements of SAPOL's Statement of Administered Comprehensive Income, Statement of Administered Financial Position and Statement of Administered Changes in Equity have been prepared on an accrual basis.

A2 Administered items

The following financial transactions are administered by SAPOL as at 30 June 2017. They do not represent controlled transactions of SAPOL. As such they are not recognised in the financial statements of SAPOL.

A2.1 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*.

A2.2 Exhibit monies

SAPOL holds exhibit property being items confiscated at the time of an offence, (i.e. 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.

A2.3 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.

A2.4 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.

A2.5 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'. From 2014-15 employee related expenditure in Administered items reflects cash payments only. The employee related 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 2017

A2 Administered items (continued)

A2.6 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.

For accounting purposes the lease is an operating lease.

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.

A2.7 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.

A2.8 Other

SAPOL receives appropriation with respect to a grant payment for a Community Service Obligation payment to South Australian Water Corporation. Activities for Safer Communities and Australian Crime Prevention Council ceased during 2015-16.

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

South Australia Police
Notes to and forming part of the Administered Financial Statements
For the year ended 30 June 2017

A3 Employee benefits

	2017	2016
	\$'000	\$'000
Salaries and wages	401	1 084
Total employee benefits	401	1 084

The increase in 2015-16 relates to the former Commissioner's leave paid on termination. The current Commissioner's entitlements in 2015-16 included leave paid as a lump sum in lieu of taken annual leave. The total salaries and wages paid was funded from consolidated account pursuant to the *Police Act 1998*.

A4 Supplies and services

	2017	2016
	\$'000	\$'000
PPP lease payments*	2 310	2 287
Other	-	49
Total supplies and services	2 310	2 336

* This relates to PPP lease payments on behalf of CAA (refer note A2.6). The expenditure is offset by cost recovery from CAA.

A5 Fees, fines and charges

	2017	2016
	\$'000	\$'000
Expiation revenue	66 605	69 632
PPP cost recovery*	2 310	2 287
Victims of Crime Levy	11 327	12 225
Firearms Safety Training Levy	141	132
Total fees, fines and charges	80 383	84 276

* This amount includes cost recovery from the CAA for PPP lease payments (refer note A2.6)

A6 Revenues from (payments to) SA Government

	2017	2016
	\$'000	\$'000
Revenues from SA Government		
Appropriations from consolidated account pursuant to the <i>Appropriation Act</i>	214	177
Appropriations from consolidated account pursuant to the <i>Police Act 1998</i>	476	1 084
Total revenues from SA Government	690	1 261
Payments to SA Government		
Other payments to the consolidated account*	(66 605)	(69 630)
Total payments to SA Government	(66 605)	(69 630)
Net (payments to) SA Government	(65 915)	(68 369)

* This amount does not include a dividend/distribution to the SA Government as owner.

South Australia Police
Notes to and forming part of the Administered Financial Statements
For the year ended 30 June 2017

A7 Cash and cash equivalents

	2017	2016
	\$'000	\$'000
Deposits with the Treasurer	14 108	10 780
Total cash and cash equivalents	14 108	10 780

A8 Receivables

	2017	2016
	\$'000	\$'000
Receivables		
Receivables	216	210
Total receivables	216	210

A9 Other liabilities

	2017	2016
	\$'000	\$'000
Current other liabilities		
Funds payable to SA Government	6 125	3 308
Exhibit monies held	7 008	6 699
Unclaimed property held for SA Government	142	167
Other payable to non-SA government	216	212
Total other liabilities	13 491	10 386

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

A10 Cash flow reconciliation

	2017	2016
	\$'000	\$'000
Reconciliation of cash and cash equivalents		
Cash at year end as per:		
Cash and cash equivalents disclosed in the Statement of Administered Financial Position	14 108	10 780
Cash and cash equivalents disclosed in the Statement of Administered Cash Flows	14 108	10 780
Reconciliation of net cash (used in) operating activities to net result		
Net cash (used in) operating activities	3 328	(3 256)
Add/less non-cash items		
Movements in assets and liabilities:		
Increase/(decrease) in receivables	6	(25)
(Increase)/decrease in payables and employee benefits	-	-
(Increase)/decrease in other liabilities	(3 105)	3 351
Net Result	229	70

South Australia Police
Notes to and forming part of the Administered Financial Statements
For the year ended 30 June 2017

A11 Transactions with SA Government

		SA Government		Non-SA Government		Total	
		2017	2016	2017	2016	2017	2016
	Note	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
EXPENSES							
Employee benefits expense	A3	-	-	401	1 084	401	1 084
Supplies and services	A4						
PPP lease payments		-	-	2 310	2 287	2 310	2 287
Other		-	-	-	49	-	49
Intra-government transfers	A4	11 528	12 417	-	-	11 528	12 417
Payments to SA Government	A6	66 605	69 630	-	-	66 605	69 630
TOTAL EXPENSES		78 133	82 047	2 711	3 420	80 844	85 467
INCOME							
Fees fines and charges	A5						
Expiation revenue		-	-	66 605	69 632	66 605	69 632
PPP cost recovery		2 310	2 287	-	-	2 310	2 287
Victims of Crime Levy		-	-	11 327	12 225	11 327	12 225
Firearms Safety Training Levy		-	-	141	132	141	132
Revenue from government	A6	690	1 261	-	-	690	1 261
TOTAL INCOME		3 000	3 548	78 073	81 989	81 073	85 537
FINANCIAL ASSETS							
Cash and cash equivalents	A7	14 108	10 780	-	-	14 108	10 780
Receivables	A8	216	210	-	-	216	210
TOTAL FINANCIAL ASSETS		14 324	10 990	-	-	14 324	10 990
FINANCIAL LIABILITIES							
Other Liabilities	A9						
Funds payable to SA Government		6 125	3 308	-	-	6 125	3 308
Exhibit monies held		7 008	6 699	-	-	7 008	6 699
Unclaimed property held for SA Government		142	167	-	-	142	167
Other payable to non-SA Government		-	-	216	212	216	212
TOTAL FINANCIAL LIABILITIES		13 275	10 174	216	212	13 491	10 386

South Australia Police
Notes to and forming part of the Administered Financial Statements
For the year ended 30 June 2017

A12 Unrecognised contractual commitments

Operating lease commitments

	2017	2016
	\$'000	\$'000
Not later than one year	2 374	2 335
Later than one year but not later than five years	10 251	10 126
Later than five years	21 871	25 291
Total operating lease commitments	34 496	37 752

The property leases are non-cancellable with rental payable in advance. Contingent rental provisions within the lease agreements require minimum lease payments to be increased periodically and generally in line with CPI movements and market conditions.

Options exist to renew property leases at the end of the term of the leases.

Operating lease commitments include commitments for PPP leases related to CAA occupancies only.

South Australia Police
Notes to and forming part of the Administered Financial Statements
For the year ended 30 June 2017

A13 Budgetary reporting and explanations of major variances between budget and actual amounts

Budget information has not been included for the Statement of Financial Position or Statement of Cash Flows as the information in these statements are not budgeted for on the same basis and/or determined in a different manner to financial statement information. The following are brief explanations of variances between original budget and actual amounts. Explanations are provided for variances where variances exceeds the greater of 10% of the original budgeted amount and 5% of the original budgeted total expenses.

	Note	Original Budget ¹ 2017 \$'000	Actual 2017 \$'000	Variance \$'000
Statement of Comprehensive Income				
Expenses				
Employee benefits expense	1	456	401	(55)
Supplies and services		2 517	2 310	(207)
Intra-government transfers	2	14 746	11 528	(3 218)
Total expenses		17 719	14 239	(3 480)
Income				
Fees and charges	3	99 294	80 383	(18 911)
Total income		99 294	80 383	(18 911)
Net cost of providing services		81 575	66 144	(15 431)
Revenues from/payments to SA Govt				
Revenue from SA Govt	4	645	690	45
Payments to SA Govt	4	(82 220)	(66 605)	15 615
Net Revenues from (payments to) SA Government		(81 575)	(65 915)	15 660
Net result		-	229	229
Total comprehensive result		-	229	229

¹ The budget process is not subject to audit. Budget information refers to the amounts presented to parliament in the original budgeted financial statements in respect of the reporting period (2016-17 Budget Paper 4). These original budgeted amounts have been presented and classified on a basis that is consistent with line items in the financial statements. However, these amounts have not been adjusted to reflect revised budgets or administrative restructures/machinery of government changes.

Note

- Employee benefits expense – the 2016-17 budget has been developed incrementally based on prior years. The actual for 2016-17 is based on the current Commissioner.
- Intra-government transfers – Intra-government transfers mainly relate to Victims of Crime Levy receipts transferred to the Attorney-General's Department. The 2016-17 original budget was adjusted during the year for approved adjustments, mainly a volume adjustment based on expiated revenue trends and payment behaviour over the last three years. The approved revised budget was \$12.416 million compared to actual expenditure of \$11.528 million reflecting actual VOCL received.
- Fees and charges – The 2016-17 original budget was adjusted during the year for approved adjustments, mainly a volume adjustment based on expiated revenue trends and payment behaviour over the last three years. The approved revised budget was \$82.570 million compared to actual income of \$80.383 million that was slightly lower due to lower expiation volumes.
- Payment to SA Government – The 2016-17 original budget was adjusted during the year for approved adjustments, mainly a volume adjustment based on expiated revenue trends and payment behaviour over the last three years. The approved revised budget was \$67.826 million compared to actual payment that was slightly lower at \$66.605 million reflecting actual fees received.

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