



**Government
of South Australia**

South Australia Police 2018-19 Annual Report

South Australia Police

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ISSN: 1833-850X

Date presented to Minister: 30 September 2019

To:

Hon. Corey Wingard

Minister for Police, Emergency Services and Correctional Services

Minister for Sport, Recreation and Racing

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

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

Submitted on behalf of the South Australia Police by:

Grant Stevens

Commissioner of Police

Date 26/9/2019

Signature 

From the Chief Executive



The financial year 2018-19 was a busy year for police, with unprecedented increases in demand for our services, and managing major reforms aimed at enhancing our service delivery and the way we look after our people.

In many ways, the year was defined by the implementation of our *District Policing Model Stage 1*, arguably the biggest structural change in SAPOL's history; introducing a range of new and enhanced capabilities across SAPOL and transitioning six metropolitan Local Service Areas to four interoperable Districts.

Also significant was the implementation of the most extensive release of SAPOL's SHIELD data management system, a major upgrade to electronic processes for crime reporting. This contemporary platform will create flexibility for new technologies, data analytics and biometric technology.

As part of my personal commitment to drive positive cultural change in SAPOL, flexible work arrangements were augmented under a new policy and a new Diversity and Inclusion Branch established. Both substantial outcomes from the ongoing work to address the recommendations of the 2016 Equal Opportunity Commission Review. These initiatives along with many others are making SAPOL a more respectful and inclusive workplace where all employees are valued and respected.

I am also pleased to report of the 187 recruits that graduated in this period, there were 93 females and 94 males, a demonstration of our focus on improving gender balance since 2015. SAPOL's recruiting process now contributes to a sworn workforce that better reflects the wider South Australian community we serve.

Also reflecting my determination to acknowledge the challenges of the uniqueness and complexity of our operational policing environment, SAPOL's inaugural *Mental Health and Wellbeing Strategy 2018-2020* was released in October 2018. Mental health and wellbeing is fundamental to our ability to interact positively with others and work productively. Whilst I am pleased with the work we are doing to better protect our people, there is more to do and wellbeing will continue to be a priority for us.

Despite our commitment to the safety and wellbeing of our staff, it is a reality that some do get hurt at work. Our aim is to assist those people to recover from their injuries and return as quickly as possible to meaningful employment.

Sadly, some lose their lives at work and in this financial year SAPOL pleaded guilty in the South Australian Employment Tribunal in relation to the tragic, untimely death of Debra Summers at Echunga Police Reserve in 2016. This was an unnecessary loss of life and I deeply regret the pain caused to Debra's family and acknowledge their loss. SAPOL has instigated significant reform around facilities management to prevent such unacceptable events like this.

Specific details on crime and road safety results are contained on pages 14-22, but I make particular mention of the following highlights.

As a result of the hard work and dedication of police, in 2018-19 SAPOL achieved three arrests for historical unsolved homicides covering the period from 1973 to 2010. Just as families and friends of homicide victims never forget, neither do police, providing comfort and reassurance by identifying and charging offenders regardless of the years that have passed. Achievements like this send a strong message to the community about our professionalism and response to investigate crime and bring offenders to justice.

In October 2018, SAPOL released the *Cybercrime Strategy 2018-2020*, to underpin our coordinated efforts in the detection and disruption of cybercrime. Law enforcement agencies now need the capability to patrol, investigate and disrupt crime not just in the physical world, but also in the cyber environment.

For example, the emerging issue of victimisation from online based scams involving South Australians has resulted in more than \$12 million lost by South Australians since 2013-14. In 2018-19 alone the figure was in excess of a million dollars. SAPOL's Operation Disrepair has had great success in reducing the number of repeat victims, working with other law enforcement agencies and directly with the community, personally contacting people lured by scammers to educate them on the dangers of these crimes and helpful crime prevention techniques.

As the State Coordinator under the Emergency Management Arrangements for South Australia, I am exceptionally proud of the role SAPOL plays in ensuring the safety of the community, working with other stakeholders responding to emergencies such as earthquakes, bushfires or floods. We can be thankful that we were not challenged by any significant natural emergencies or terrorism related events during the financial year, but the efforts in preparation, exercising and planning, ensured we were ready to respond.

Also aimed at enhancing community safety, is new the SAPOL Security Response Section (SRS). During this period SAPOL developed the SRS model which was then approved and funded by government. The SRS will provide SAPOL with enhanced rapid response capability by pre-deploying specially trained officers equipped with additional tactical options to areas of higher risk, such as major events and crowded places.

Road safety continues to be a major focus for police. During the 2018-19 financial year 103 people lost their lives on South Australian roads. This is personally disappointing and troubling to all police officers involved in our core function of regulating road use and preventing collisions. The effort of police to change driver behaviour around the 'Fatal Five' is evidenced by our ongoing enforcement activity around the state.

We must not stop focusing our collective efforts on improving the behaviour of all our road users to enhance the safety of every South Australian using our roads.

SAPOL launched the new *Road Safety Strategy 2019-2020* in April 2019, and as we move into the 2019-20 year, SAPOL will strengthen this community message on road safety working with key stakeholders. With our additional responsibility for effective, hard hitting road safety communications allied to our experienced education and enforcement activities, we will continue to target complacency, and poor decisions on our roads.

The way we manage our road safety obligations echoes our community focused crime prevention approach, partnering with the public to share information and to educate. In 2018-19 SAPOL reached more than 250 000 South Australians through targeted Police and Community (PACE) forums, and SAPOL social media had 8.4 million hits on our Internet site and 637 000 combined Facebook, Twitter and Instagram followers.

I have highlighted the work of police involved in high profile investigations or intensive campaigns throughout the year, but I would also like to particularly acknowledge the tireless work of those general duties officers who are the first to respond and deal with most of the calls for assistance from the public in the first instance. It is general duties officers who preserve the scene so specialists can do their jobs, and who step up to attend major events and emergency incidents when they arise.

Together we all play our part in ensuring SAPOL meets the needs and expectations of the community and this includes our unsworn staff providing direct support to the front line and those who provide the framework that enables SAPOL to operate efficiently. The role played by Protective Security Officers is particularly critical to infrastructure, protected places and schools, and is also an important contribution to keeping South Australia safe.

In closing, I personally thank all SAPOL's hardworking dedicated staff for their professionalism and commitment throughout the year.



Grant Stevens
Commissioner of Police
South Australia Police

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Overview: about the agency

Our strategic focus

Our Purpose	Under the <i>Police Act 1998</i> , 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.
Our Vision	A visible responsive police service for all South Australians.
Our Values	Our Values are: Service, Integrity, Courage, Leadership, Collaboration and Respect.
Our functions, objectives and deliverables	<p>SAPOL's Strategic Plan is SAPOL 2020, and our key strategy is to be accessible, innovative and efficient in the use of resources and responsive in the delivery of frontline services regardless of the circumstances.</p> <p>Keeping the community safe and our commitment to this strategy will drive our business through our core programs of:</p> <ul style="list-style-type: none"> • Public Safety – responding to calls for assistance, emergency response and managing major community events, • Crime and Criminal Justice Services - preventing crime, reducing offending, supporting victims, and providing partnership based flexible and effective criminal justice services; and • Road Safety – working to prevent harm on South Australian roads through visible presence, law enforcement and education. <p>This will be achieved by:</p> <ul style="list-style-type: none"> • Accepting personal responsibility for professionalism and leadership, • Acting with integrity, honesty, fairness, and impartiality for public accountability, • Collaborating and engaging for effective communication, • Understanding and meeting community needs, and • Maintaining and inspiring public confidence.

Our organisational structure

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>

Changes to the agency

During 2018-19 there was the following change to the agency's structure as a result of SAPOL's major reform program implementing the District Policing Model (Stage 1).

In July 2018, six metropolitan Local Service Areas (LSAs) transitioned to four Districts.

Local Service Areas	Districts
Eastern Adelaide	Eastern
Elizabeth	Northern
Holden Hill	Southern
South Coast	Western
Sturt	
Western Adelaide	

This enhanced service-based reform has created larger and more flexible operational workgroups, better equalised demand for police services between operational Districts providing enhanced consistency to policing services and improved interoperability between Districts.

Our Minister



The Hon. Corey Wingard MP is the Minister for Police, Emergency Services and Correctional Services and Minister for Sport, Recreation and Racing.

The Minister oversees SAPOL programs of Public Safety, Crime and Criminal Justice Services and Road Safety.

Our Executive team



Grant Stevens is the Commissioner of Police, responsible for leading South Australia Police (SAPOL).

Major services reporting to the Commissioner include:

- Business Service,
- Governance and Capability Service,
- Information Systems and Technology Service, and
- Human Resources Service.



Linda Williams is the Deputy Commissioner, responsible for leading the operation of:

- Metropolitan Operations Service,
- State Operations Service,
- Security and Emergency Management Service,
- Operations Support Service, and
- Crime Service.



Stephen Johninke is the Director of Business Service, responsible for:

- corporate management of financial, asset and information resources,
- service delivery of expiation notice processing, exhibit property management, vehicle impounding, and
- information release.



Scott Duval is the Assistant Commissioner of Crime Service, responsible for:

- provision of specialist investigation service regarding serious, organised or complex criminal activity, and
- providing a state-wide responsibility for the provision of high level criminal investigations, as well as investigative and specialist technical support to Districts and Local Service Areas.



Peter Harvey is the Assistant Commissioner Governance and Capability Service, responsible for:

- specialist executive support to the Commissioner and the Deputy,
- corporate governance and organisational capability,
- performance reporting to executive, government and the public,
- driving performance policy and strategy development,
- supporting legislative reform, and
- identifying and addressing emerging issues.



Linda Fellows is the Assistant Commissioner Human Resources Service, responsible for:

- provision of strategic leadership and direction in the planning, development and promotion of efficient and effective organisational human resource management policies and practices relative to workforce planning,
- staff development,
- equity and diversity,
- industrial relations, and
- occupational health, safety and injury management.



Hamish Cameron is the Director Information Systems and Technology, Service, responsible for:

- Information and Communications Technology (ICT) advice and services in relation to security, architecture, business consulting, infrastructure and communications, software support and maintenance and project delivery,
- the Service Desk for all ICT-related issues and requests, and
- the strategic direction and policies relating technology, including the adoption of new and emerging trends.



Paul Dickson is the Assistant Commissioner Metropolitan Operations Service, responsible for:

- provision of operational policing services to the central business district (CBD) and the greater Adelaide metropolitan area, and
- providing safety on metropolitan public transport.



Philip Newitt is the Assistant Commissioner Operation Support Service, responsible for:

- provision of centrally located, specialist operation support to the Districts, Local Service Areas and Crime Service,
- providing prosecution services, and
- provision of firearms and licensing enforcement.



Noel Bamford is the Assistant Commissioner Security and Emergency Management Service, responsible for:

- emergency management, event planning, counter terrorism, critical infrastructure protection and security advice,
- supporting the State Coordinator, and
- providing search and rescue, public order and high risk incident management.

Currently the position of Assistant Commissioner State Operations Service is being filled on a temporary basis. The position is responsible for:

- the provision of operational policing services to all South Australian regional areas and rural areas, and
- road safety services across the state.

Legislation administered by the agency

Police Act 1998 and Police Regulations 2014

Firearms Act 2015

Hydroponics Industry Control Act 2009

Protective Security Act 2007

Public Assemblies Act 1972

Second-hand Dealers and Pawnbrokers 1996

Witness Protection Act 1996

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

South Australia Police continues to work collaboratively with other emergency service agencies and Department for Correctional Services to ensure community safety.

The agency's performance

Performance at a glance

An increased demand for policing services in this reporting period resulted in SAPOL receiving 547 842 calls for police assistance at the Call Centre, and 166 772 Triple Zero calls. This was an additional 12.8% or 62 199 in call centre calls and 7.8% or 12 107 Triple Zero calls from the previous year.

There were also more people arrested and reported this year (56 706 up from 49 339) and SAPOL processed over 32 000 prisoners through our holding facilities.

Following a sustained period of overall crime reduction over the last decade, in 2018-19 crimes against the person continued to reduce by 7% or 1 681 offences. The four year trend for Offences against the Person encouragingly shows a steady decline across most categories. This result should be seen against the challenging environment of an increase in Offences against Property of 8% or 7 024 offences compared to last year (refer to crime trends on pages 18-22).

A major development in the domestic violence context was the launch in October 2018 of the state Domestic Violence Disclosure Scheme (DVDS), aimed at allowing a person to be informed about their current or former partner's history of violence in addition to being provided appropriate support through specialist domestic violence services. This scheme supports at risk persons to make safer choices about their relationships, and working closely with partner agencies, SAPOL received 186 applications with 117 applications approved for research and disclosure and 62 applications referred for counselling and support.

SAPOL continued to work with the Australian Federal Police through the Joint Anti-Child Exploitation Team (JACET) to pursue offenders exploiting children online. In 2018-19, JACET conducted 55 investigations resulting in 40 arrests and 14 children saved.

Illicit Drug manufacture, distribution and use, remain a driver of both criminal and antisocial behavioural issues involving police detection. In 2018 -19 SAPOL issued 8 304 cannabis expiation notices, seized around 222 kilograms of methamphetamine, 6 645 cannabis plants, 15 kilograms of heroin and 939 litres of fantasy; as well as located/dismantled 59 clandestine laboratories.

There were several successful drug operations. Most notably, Operation Cena into drug trafficking seized 15 kilograms of heroin (the largest single heroin seizure by SAPOL) and one kilogram of cocaine. This operation resulted in six arrests. Operation Marco, a joint Australian Criminal Intelligence Commission (ACIC) and SAPOL investigation, resulted in locating and dismantling a number of industrial sized clandestine laboratories capable of producing methylamphetamine and a large volume of precursor chemicals; resulting in the seizure of around 500 grams of methylamphetamine and a quantity of liquids.

Road safety is also impacted by alcohol and drug use. This year SAPOL conducted over 514 000 alcohol and 50 000 drug roadside screening tests across the State resulting in over 4 800 alcohol and 6 000 drug detections.

There were 103 fatalities, 610 serious injuries and 5 319 casualty crashes in 2018-19. In this period, SAPOL issued 151 776 traffic expiation notices and took/received 14 350 vehicle collision reports.

As part of reducing road trauma and making South Australian roads safe for all road users, in 2018-19 SAPOL conducted 33 corporate/state-wide traffic operations targeting the fatal five (drink and drug driving, speeding, distraction, seatbelts and dangerous road users). Operation Safe Holidays 2018 conducted 31 644 alcohol and 2 818 drug tests resulting in 1 063 speeding, 163 mobile phone and 119 seat belt expiation notices being issued. Operation Distraction and Operation Belt Up resulted in 827 expiation notices and 429 cautions being issued.

SAPOL also continued to educate the South Australian community on safer road use practices and road safety awareness by delivering 1 039 road safety sessions attended by over 74 000 people.

SAPOL sustained efforts in better protecting the community from terrorism related threats continued throughout 2018-19, through practical multi-agency training exercises to raise counter terrorism awareness and sharing information with key stakeholders.

There were three significant counter terrorism multi-agency exercise and training programs in Adelaide in this reporting period. Exercise Neighbour (November 2018) a two day multi-agency and multi-jurisdictional CT exercise involving Commonwealth agencies including AFP and ASIO, SAPOL and WAPOL; Exercise Aftermath (April 2019) a multi-agency exercise program with Defence; and the South Australian Crowded Places Forum (February 2019) with almost 200 attendees representing South Australian event managers/organisers, venue owners/operators, private security providers, local councils and other key stakeholders involved in crowded places.

As above, community engagement through information sharing and collaboration in problem solving is an intrinsic part of policing. During 2018-19, SAPOL held 16 Police and Community (PACE) and five PACE Facebook forums discussing Southern Expressway (rock throwing), behavioural offences, personal safety at events, crime issues, personal safety, property security, domestic violence, and police service delivery, with 251 130 people reached on line and 688 in attendance at forums.

SAPOL's Year at a Glance can be found at: <https://www.police.sa.gov.au>

Agency contribution to whole of Government objectives

Key objective	Agency's contribution
Better Services	<p>Counter Terrorism</p> <ul style="list-style-type: none"> • Initiated training and procurement process for the new SAPOL Rapid Response Capability. • Working with Consumer and Business Services to develop a counter terrorism awareness training package for delivery to South Australia crowd controllers and security guards. • Increased the use of Community Constables to enhance engagement with at risk communities. • Completed an audit of all major public places and events. <p>Protecting our police</p> <ul style="list-style-type: none"> • Initiated the procurement of light armoured vests for a frontline police trial. <p>Extending police station opening hours</p> <ul style="list-style-type: none"> • Extended the operating hours of Henley Beach, Norwood and Glenelg police stations. <p>Hoon hotline</p> <ul style="list-style-type: none"> • Initiated a Traffic Watch 'online' solution for roll-out in 2019-20. <p>Reduce red tape</p> <ul style="list-style-type: none"> • Commissioned Mr Duggan, retired judge, to lead a review of all aspects of police work to streamline operations and get more police out protecting our community.

Agency specific objectives and performance

Agency objectives	Indicators	Performance
Public Safety	Level of Community Confidence in policing services.	87.6%, above the national average.
	Percentages Grade 1 taskings in the metropolitan area responded within 15 minutes.	93.7%, above the target of $\geq 80.0\%$
	Number of calls received by Call Centre.	547 842
	Number of 000 calls presented to Police Communications Centre by Telstra.	166 772
Crime and Criminal Justice Services	Number of recorded offences against the person as reported by/on behalf of victims per 1000 head of population.	12.06* below projection of ≤ 13.39
	Number of recorded offences against property as reported by/on behalf of victims per 1000 head of population.	52.26* above projection of ≤ 47.79
Road Safety	Number of Road Safety Contacts issued personally involving unique expiation notices and apprehension reports/incident reports excluding camera.	181 634
	Number of driver screening tests conducted.	514 512, above the target of 500 000
	Number of SAPOL Road Safety Centre attendees, children and young adults (16-24 years).	8 373 children and 80 young adults
	Total number of people attending SAPOL road safety programs.	74 827

* In November 2018, SAPOL implemented a new crime recording system which resulted in some offence sub-categories being reclassified.

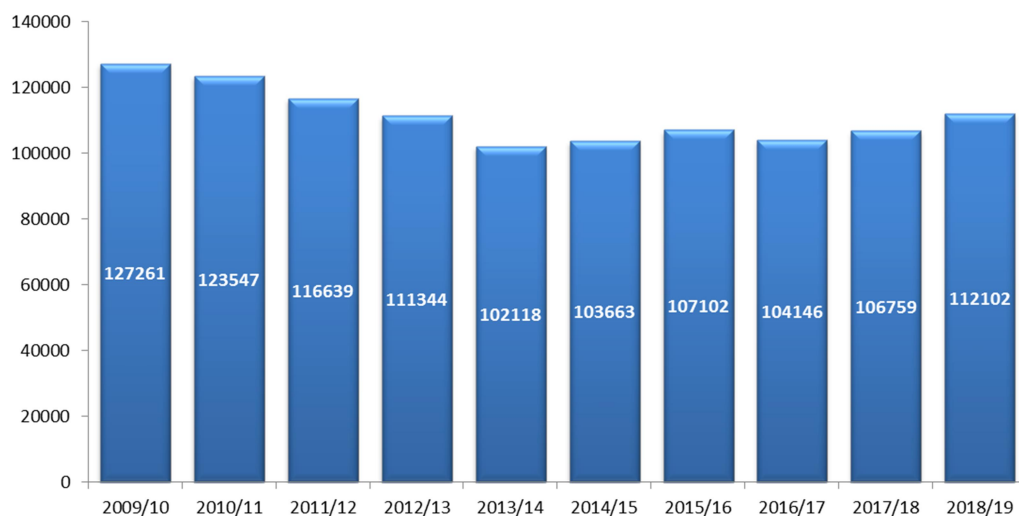
Corporate performance summary

Crime Trends

Over the 10 year period from financial year 2009-10 to 2018-19 there has been a steady reduction in overall recorded crime resulting in a decrease of 11.9% or 15 159 offences (127 261 to 112 102) for total offences against person and property.

In summary, from 2017-18 to 2018-19, there was an increase in overall recorded crime of 5.0% or 5 343 offences (106 759 to 112 102).

Total Offences Against Person and Property

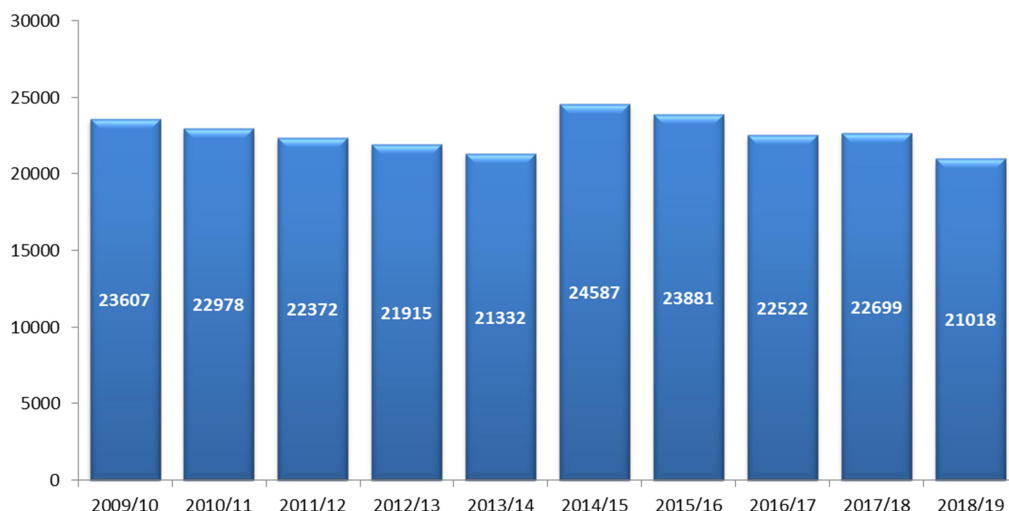


* 2017-18 data has been refreshed with trespass offences now counted within Offences against Property to comply with ANZSOC.

Offence counts and groupings are in line with the Australian Bureau of Statistics (ABS) Australian and New Zealand Standard Offence Classification (ANZSOC).

Crime statistics are published online at <https://www.police.sa.gov.au> each month.

Total Offences Against the Person



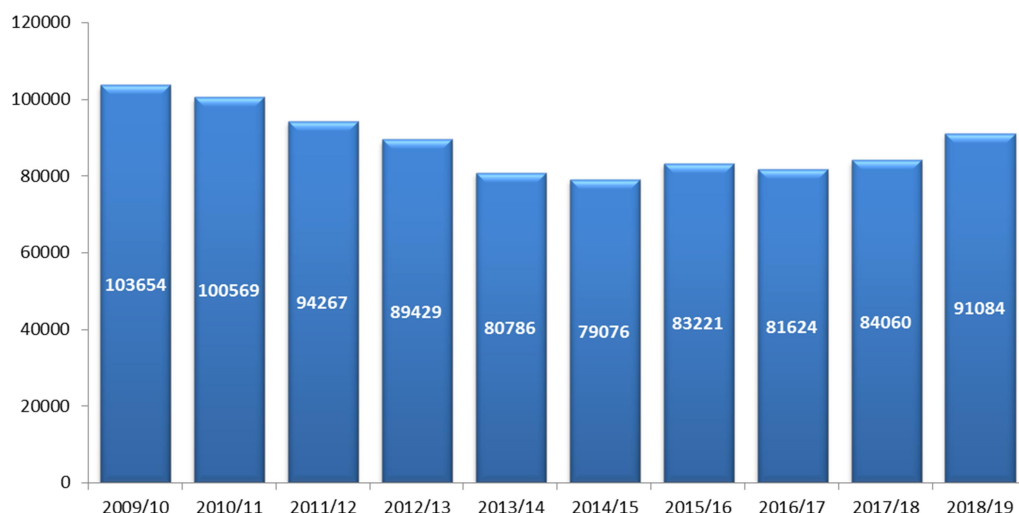
OFFENCES AGAINST THE PERSON	Financial Year		
	2017-18	2018-19	Change
Homicide and Related Offences	55	48	-12.7%
Acts Intended to Cause Injury	17 237	16 475	-4.4%
Sexual Assault and Related Offences	2 139	1 901	-11.1%
Robbery and Related Offences	551	578	4.9%
Other Offences Against the Person	2 717	2 016	-25.8%
TOTAL OFFENCES AGAINST THE PERSON	22 699	21 018	-7.4%
Family & Domestic Abuse-Related	8 455	7 981	-5.6%

Homicide and Related Offences decreased by 12.7% (7 offences). Within this category, Murder increased by 18.2% (2 offences) and Other Homicide and Related Offences decreased by 20.5% (9 offences). These offences include Attempted Murder, Manslaughter, Solicit to Murder and Cause Death by Dangerous Driving.

Sexual Assault and Related Offences decreased by 11.1% (238 offences) overall. There were decreases in all three sub-groups within the Sexual Assault and Related Offences subdivision, with Aggravated Sexual Assault decreasing by 7.6% (95 offences), Non-Aggravated Sexual Assault decreasing by 1.0% (4 offences) and Non-Assaultive Sexual Offences decreasing by 28.7% (139 offences).

Robbery and Related Offences increased by 4.9% (27 offences), with Non Aggravated Robbery Offences decreasing by 11.9% (16 offences).

Total Offences Against Property



OFFENCES AGAINST PROPERTY	Financial Year		
	2017-18	2018-19	Change
Serious Criminal Trespass	14 996	16 137	7.6%
Theft and Related Offences	44 405	49 945	12.5%
Fraud, Deception and Related Offences	3 297	3 943	19.6%
Property Damage and Environmental	21 362	21 059	-1.4%
TOTAL OFFENCES AGAINST PROPERTY	84 060	91 084	8.4%
Family & Domestic Abuse-Related	2 411	2 565	6.4%

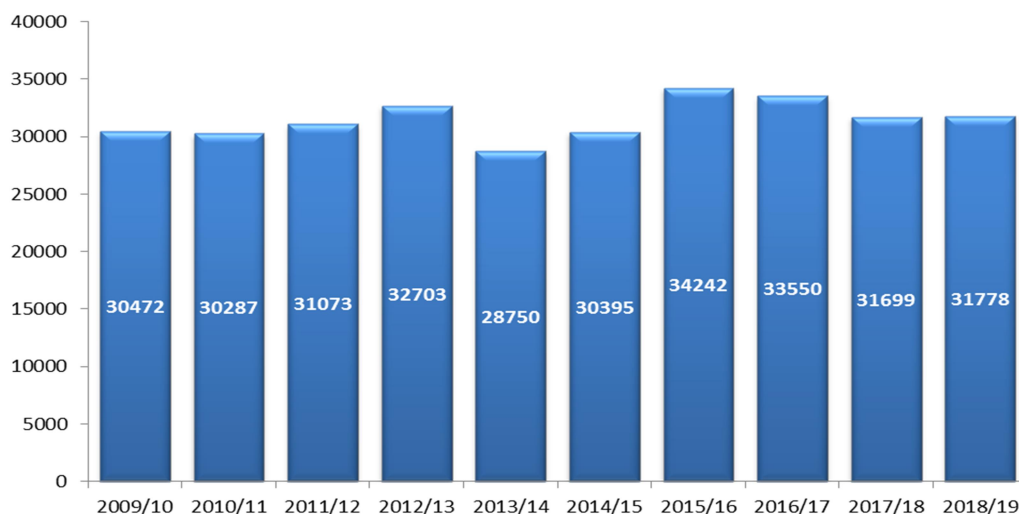
Serious Criminal Trespass Offences increased by 7.6% (1 141 offences). Within this category SCT- Residence increased by 14.8% (1 091 offences) and SCT-Non Residence increased by 6.2% (258 offences).

Theft and Related Offences increased 12.5% (5 540 offences) over the previous year, the main contributor in this category is Other Theft which increased by 11.9% (2 522 offences). These offences predominantly include Fuel Theft and Dishonestly Take Property without Consent.

Fraud, Deception and Related Offences have seen an increase of 19.6% (646 offences) with the main increase in this category being Other Fraud, Deception and Related Offences, which has increased by 57.1% (358 offences).

Property Damage and Environmental Offences have decreased by 1.4% (303 offences). Environmental relates to the natural world and the impact of human activity e.g. environmental noise. Property Damage by Fire or Explosion decreased by 21.0% (356 offences). Graffiti offences decreased by 8.5% (167 offences).

Total Offences Against Good Order



OFFENCES AGAINST GOOD ORDER	Financial Year		
	2017-18	2018-19	Change
Illicit Drug Offences	4 144	5 594	35.0%
Weapons/Explosives Offences	3 101	3 078	-0.7%
Public Order Offences	4 987	4 318	-13.4%
Justice Procedure Offences	18 113	17 416	-3.8%
Other Miscellaneous Offences	1 354	1 372	1.3%
TOTAL OFFENCES AGAINST GOOD ORDER	31 699	31 778	0.2%

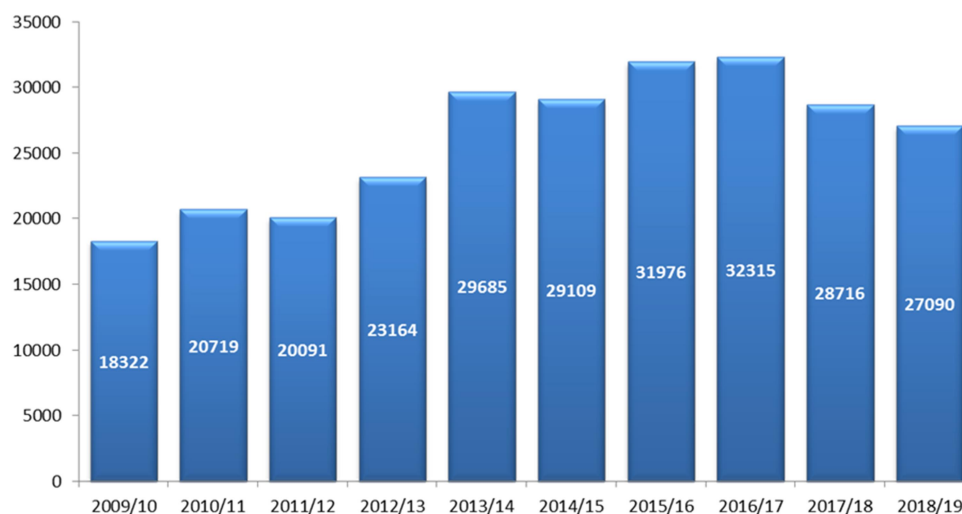
Illicit Drug Offences have increased by 35.0% (1 450 offences), with Possess/Use Drug Offences increased by 89.3% (1 203 offences). Since November 2018 the simple drug possession/detection is now counted under Illicit Drug Offence category.

Weapons/Explosives Offences have decreased by 0.7% (23 offences). The main contributor to this decrease is Regulated Weapons/Explosives Offences which decreased 6.1% (136 offences).

Public Order Offences have decreased by 13.4% (669 offences). The main contribution to this decrease is the category of Disorderly Conduct decreased by 15.6% (422 offences).

Justice Procedure Offences have decreased 3.8% (697 offences). This category includes Breach of Bail which increased by 4.3% (427 offences) and Breach of Violence and Non-violence Restraining Orders which decreased by 19.6% (847 offences).

Total General Expiations, Cannabis Expiations and Drug Diversions



GENERAL EXPIATION OFFENCES	Financial Year		
	2017-18	2018-19	Change
Other Theft (GENs)	3 462	3 940	13.8%
Other Property Damage and Environmental (GENs)	10	7	-30.0%
Cannabis Expiation Notices (CENs)	9 068	8 304	-8.4%
Drug Diversions	7 441	6 358	-14.6%
Other Weapons / Explosives Offences (GENs)	122	120	-1.6%
Other Public Order Offences (GENs)	7 431	7 370	-0.8%
Other Justice Procedure Offences (GENs)	119	121	1.7%
Other Miscellaneous Offences (GENs)	1 063	870	-18.2%
TOTAL	28 716	27 090	-5.7%

Total General Expiations have decreased by 5.7% (1 626 offences). A key contributor is the 14.6% (1 083 offences) decrease in Drug Diversions. This decrease is due to the Illicit Drug Diversion Initiative implementing changes which took effect on 1 April 2019. An adult can only be referred to the Drug Diversion Program no more than twice in a four year period, on third detection the adult is referred directly to court.

Employment opportunity programs

Program name	Performance
Aboriginal Employment Register (AER)	<p>SAPOL is committed to providing employment opportunities for Aboriginal people and contributing towards improved economic participation within the community. This is currently achieved through a number of initiatives that aim to attract, develop and retain Aboriginal people in meaningful employment across metropolitan and regional South Australia. In 2018-19 this included AER participants attempting to transition from administrative duties to becoming Community Constables.</p> <p>In the last financial year SAPOL has identified and engaged under the <i>Public Sector Act 2009</i>, five employees direct from the AER to undertake administrative roles within SAPOL.</p> <p>Work is continuing to strengthen employment opportunities within SAPOL and to ensure that AER is considered when filling vacancies.</p>

Agency performance management and development systems

Performance management and development system	Performance
Individual Performance Management	<p>SAPOL has a structured online Individual Performance Management and Development system supported by comprehensive policy, guidelines and training. Continuing over a 12 months cycle, plans are commenced, have a mid-term review (6 months) and completed.</p> <p>The system has two components:</p> <ol style="list-style-type: none"> 1) Performance Standards - an employee's performance is appraised against corporate and local accountabilities and individual performance goals. 2) Learning and Development: <ol style="list-style-type: none"> a. Ensuring completion of compulsory training for the employee's job role as defined within the Core Training Index. b. Identifying development strategies to support the employee's career development goals. <p>SAPOL employees with an individual performance management plan reviewed within the annual reporting period (2018-19) as a percentage of the total workforce was 50.0%.</p> <p>The effectiveness and efficiency of SAPOL's system is currently under review.</p>

Work health, safety and return to work programs

Program name	Performance
Work health, safety and rehabilitation programs	<p>SAPOL has a dedicated Health, Safety and Welfare Branch with a focus on prevention. The Preventions Section works closely with 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. These include: Responding to Bush Fire Incidents, Managing Mental Health Incidents, Managing Safety-Supporting Employees, the annual Incident Management & Operational Safety Training (IMOST) and providing Early Intervention in case of injury.</p> <p>SAPOL has launched its Mental Health and Wellbeing Strategy 2018-2020, which included the rollout of Mental Health First Aid Training. 282 officers undertook this training during 2018-19. In 2019 several Health and Wellbeing Seminars were delivered to SAPOL Managers and Supervisors. The seminars focused on improving mental health knowledge and understanding to reduce the stigma often attached to mental illness.</p> <p>As part of the commitment to safety SAPOL has established over 30 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> <p>The Injury Management Section provide specialised claims management for SAPOL's injured employees with an emphasis on early intervention, recovery and return to work support services that meets the individual's needs as well as the organisations.</p>

<p>SAPOL'S extensive Employee Assistance Program (EAP) – an independent and confidential counselling service, delivered by specialists 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 employees' physical and psychological wellbeing.</p> <p>In addition to this internal resource, SAPOL also has an independent EAP. 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 through Employee Assistance Section.</p> <p>During 2018-19, the EAP was utilised on 465 occasions.</p>
<p>SAPOL Early Intervention Program (EIP)</p>	<p>SAPOL is committed to promoting the early, safe, and durable recovery and return to work of its employees when they are physically injured as a consequence of their duties.</p> <p>The EIP ensures an individual assessment of all notified injuries (within 48 hours) and encourages early and appropriate medical care.</p> <p>The EIP offers employees who are injured as a consequence of their employment the following services, irrespective of whether a workers compensation claim will be lodged:</p> <ul style="list-style-type: none"> • one general practitioner (GP) visit or one hospital accident and emergency visit - for immediate treatment and/or diagnosis (including ambulance costs if relevant) • one x-ray/ultrasound/scan (if required for diagnosis) • one follow up visit to the GP or one specialist visit to finalise treatment • one injury relevant massage treatment by a recognised therapeutic provider • four treatments with a physiotherapist or chiropractor • two related prescription pharmacy expenses. <p>The benefits of EIP are that SAPOL employees feel immediately supported and early treatment ultimately results in successful return to work outcomes thereby contributing to an overall reduction in injury costs for SAPOL.</p> <p>During 2018-19, the EIP was accessed 375 times.</p>

Workplace injury claims	Current year 2018-19	Past year 2017-18	% Change (+ / -)
Total new workplace injury claims*	333	287	+16.03%
Fatalities	0	1	-100%
Seriously injured workers**	1	0	+100%
Significant injuries (where lost time exceeds a working week, expressed as frequency rate per 1000 FTE)	***20.56	****24.04	-14.48%

* Excludes additional Compensation Claims.

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

*** Data only available to 31 March 2019 due to data reconciliation error.

**** Data only available to December 2017.

Work health and safety regulations	Current year 2018-19	Past year 2017-18	% Change (+ / -)
Number of notifiable incidents (<i>Work Health and Safety Act 2012, Part 3</i>)	3	6	-50%
Number of provisional improvement, improvement and prohibition notices (<i>Work Health and Safety Act 2012 Sections 90, 191 and 195</i>)	4	4	0%

Return to work costs*****	Current year 2018-19	Past year 2017-18	% Change (+ / -)
Total gross workers compensation expenditure (\$)	\$14 280 651	\$12 732 804	+12.16%
Income support payments – gross (\$)	\$7 917 501	\$7 316 205	+8.22%

***** Based on twelve months of data before third party recovery. Excludes additional compensation claims.

Data for the previous 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*	7
SA Executive Service Level 2	3
SA Executive Service Level 1	1

* Includes one Assistant Commissioner on long-term leave

Data for previous years is available at:

<https://data.sa.gov.au/data/dataset/annual-reporting-data>

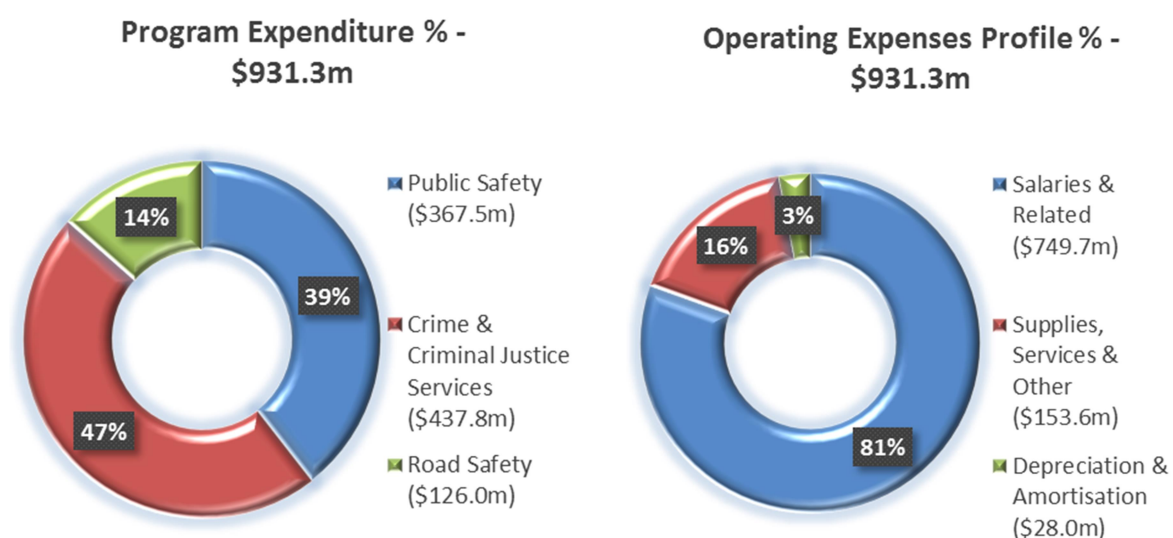
The [Office of the Commissioner for Public Sector Employment](#) has a [workforce information](#) page that provides further information on the breakdown of executive gender, salary and tenure by agency.

Financial performance

Financial performance at a glance

The following is a brief summary of the overall financial position of the agency. The information is unaudited. Full audited financial statements for 2018-19 are attached to this report.

Allocated Resources



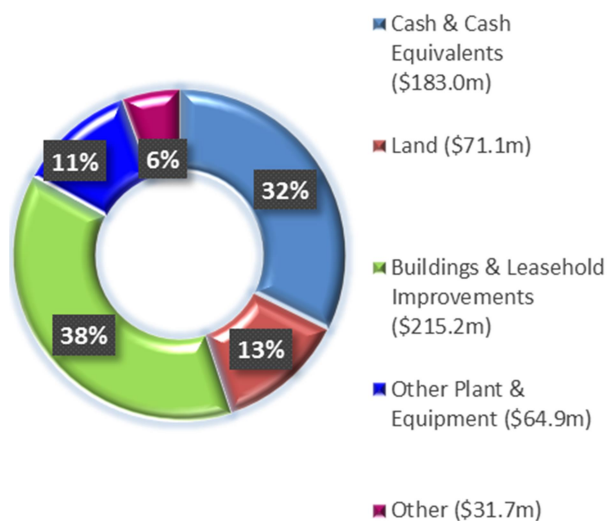
Cost of Service Provision

	2019	2018	2017	2016	2015
	Actual	Actual	Actual	Actual	Actual
	\$m	\$m	\$m	\$m	\$m
Total operating expenses	931.3	930.3	896.1	825.9	814.8
Total operating income	35.3	39.4	37.9	36.5	34.5
Net cost of providing services	896.0	890.9	858.2	789.4	780.3
Net revenue from SA Government	888.4	840.8	852.9	797.6	795.0
Net result (AAS)	(1)	(7.6)	(50.1)	(5.3)	8.2

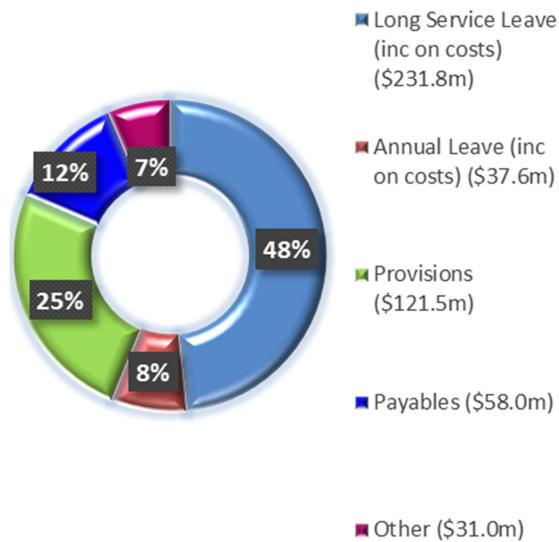
(1) Net result in 2018-19 of (\$7.6 million) includes higher net revenue from SA Government that takes into account \$9.7 million in cash returned to Government in accordance with the cash alignment policy.

Assets and Liabilities

Total Assets as at 30 June 2019
\$565.9m



Total Liabilities as at 30 June 2019
\$479.9m



	2019	2018	2017	2016	2015
	Actual	Actual	Actual	Actual	Actual
	\$m	\$m	\$m	\$m	\$m
Current assets	201.3	174.3	194.3	156.3	141.8
Non-current assets	364.6	377.6	377.2	383.3	374.9
Total assets	565.9	551.9	571.5	539.6	516.7
Current liabilities	127.6	125.6	129.8	116.7	104.9
Non-current liabilities	352.4	327.3	297.8	273.8	284.1
Total liabilities	480.0	452.9	427.6	390.5	389.0
Net assets	85.9	99.0	143.9	149.1	127.7

Consultants disclosure

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

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

Consultancies	Purpose	\$ Actual payment
All consultancies below \$10,000 each - combined		\$0

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

Consultancies	Purpose	\$ Actual payment
Ernst and Young	Human Resource Management Branch Review	\$20 633
M. Mulcare Compliance Engineers	Advice on speed measuring devices	\$12 024
Mercer Consulting	Executive remuneration review for Assistant Commissioners	\$41 500
KPMG	Development of People Strategy & Cost Allocation Modelling	\$50 456
The Hon Kevin Duggan QC	Independent Review into Frontline Policing	\$137 900
	Total	\$262 513

Data for previous years is available at:

<https://data.sa.gov.au/data/dataset/annual-reporting-data>

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

Contractors disclosure

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

Contractors with a contract value below \$10,000

Contractors	Purpose	\$ Actual payment
All contractors below \$10,000 each - combined		\$0

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

Contractors	Purpose	\$ Actual payment
Hays Specialist Recruitment	Temporary staff engaged to provide administrative services	\$891 000
DFP Recruitment Services	Temporary staff engaged to undertake office services	\$639 000
Employers Mutual Ltd	Agency staff engaged to assist in workers compensation claims	\$568 000
Modis Consulting	Project support services	\$339 000
Randstad	Agency staff engaged to provide administrative and other services	\$321 000
Talent International (SA)	Contractors for test services, analysis and disaster recovery documentation	\$308 000
Simionato Injury Management	Agency staff engaged to assist in workers compensation claims	\$181 000
Farrelly Joyleen	Agency staff engaged to assist in workers compensation claims	\$149 000

Contractors	Purpose	\$ Actual payment
KPMG	Executive leadership training and communication in change management activities related to the District Policing Model	\$136 000
Interpreting And Translating	Assisting investigators during interview of non-English speaking offenders and other translation services	\$123 000
Phil Zubrinich	Procurement Services	\$113 000
Fujitsu Australia Ltd	CHRIS21 system related	\$102 000
Allegro Recruitment Consult PI	ADABAS analyst/programmer services	\$91 000
Liquid Pacific	Asset revaluation services	\$69 000
Talent Options	IT test analyst and services	\$52 000
Toll Fast	Mail collection and delivery services	\$52 000
Flinders University of SA	Waste water analysis	\$47 000
Sms Consulting Group Ltd	Business Analyst services	\$39 000
Qualtrics Llc	Engaged for SAPOL surveying framework	\$35 000
Michael Smith	Contracted to shoe and trim the police horses	\$29 000
Squiz Australia P/L	SAPOL website changes for the District Policing Model	\$19 000
Rachel Lindner	Procurement Services	\$15 000
Mercer Consulting	Classification advice	\$14 000
Kronos Australia Pty Ltd	Agency Staff engaged to update existing applications	\$13 000
Money Stack	Development of training material	\$12 000
Chandler Macleod Group Ltd	Recruiting agency costs	\$12 000

Contractors	Purpose	\$ Actual payment
Career Boss	Agency staff services	\$11 000
Stillwell Recruiting	Executive advertising	\$10 000
	Total	\$4 390 000

Data for previous years is available at:

<https://data.sa.gov.au/data/dataset/annual-reporting-data>

The details of South Australian Government-awarded contracts for goods, services, and works are displayed on the SA Tenders and Contracts website.

[View the agency list of contracts.](#)

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

Other financial information

Nil to report.

Other information

Reporting and investigating alleged corruption

Reports of alleged potential 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 Australian Crime and Intelligence Commission, the Crown Solicitors Office, 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	2018-19
ACB Investigation	135
ACB / ICAC Joint Investigation	2

In the ordinary course of business, ACB may conduct an initial investigation to assess information to determine whether there is a reasonable suspicion of corruption, or of serious or systemic misconduct or maladministration. Where such a suspicion is subsequently formed the matter is reported to the Office for Public Integrity (OPI)/ICAC. In some cases ACB will provide the initial information or allegation(s) to OPI/ICAC as a matter of course.

In many cases matters may be 'filed' following initial assessment/investigation, where there is no reasonable suspicion of corruption and no supporting evidence to warrant further enquiries into the information.

Where ICAC has referred a matter to SAPOL to conduct an investigation, the Officer in Charge, ACB (or delegate) will determine whether that investigation is to be conducted by ACB, or alternatively sent to another appropriate SAPOL area. In certain circumstances where deemed warranted, ACB may commence a full investigation into a matter and advise ICAC of the commencement of that investigation.

It is the case that having received a report of suspected potential corruption from ACB, ICAC may decide to refer the matter back to ACB for continued investigation, or to propose that the matter be a joint SAPOL/ICAC investigation. ICAC may also direct that SAPOL cease investigating the matter.

It should be noted from time to time the Australian Commission for Law Enforcement Integrity (ACLEI) may also direct joint investigations with ACB pursuant to *Law Enforcement Integrity Commissioner Act 2006*. No joint ACB/ACLEI investigations were commenced during this reporting period.

The breakdown of total ACB investigations managed during 2018-19 is recorded below (this table discounts the two joint ACB/ICAC investigation commenced during the period).

Type of Investigation	2018-19
Miscellaneous Assessment	47
ACB Operations	12
Investigations Referred SAPOL areas (not retained at ACB)	76

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 (as far as can be determined). Where a matter has allegedly involved more than one nominated 'suspect', the 'public official' status of the primary suspect is recorded.

Public Officials Defined (total investigations)	2018-19
SAPOL Police Officer – sworn (including Community Constables)	40
SAPOL – unsworn / cadet	7
Protective Security	2
Other SA Public Sector	73
Local Government	6
Other (includes civilians)	5
Commonwealth Public Sector	3
State Government	1

Data for the previous years is available at:

<https://data.sa.gov.au/data/dataset/annual-reporting-data>

Risk management

Risk and audit at a glance

The SAPOL Audit and Risk Committee provide timely, independent and objective advice to the Commissioner of Police to assist in discharging his responsibilities as they relate to SAPOL's management systems. The committee reports on internal audit controls, ensuring corporate risks have been identified and addressed, while fostering an ethical and accountable environment within SAPOL. The committee meet on a regular basis reporting to the Commissioner of Police as required. During the 2018-19 period this committee has met on five occasions.

Fraud detected in the agency

Category/nature of fraud	Number of instances
Theft by Deception (fraud) offences	0

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

Strategies implemented to control and prevent fraud

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 previous 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 *Whistleblowers Protection Act 1993*:

0

Data for previous years is available at:

<https://data.sa.gov.au/data/dataset/annual-reporting-data>

Reporting required under any other act or regulation

Act or Regulation	Requirement
Controlled Substances Act 1984	<p data-bbox="743 421 954 456">Section 52C(1)</p> <p data-bbox="743 495 1361 786">The Commissioner of Police must, on or before 30 September in each year (other than the calendar year in which this section becomes 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:</p> <ul style="list-style-type: none"> <li data-bbox="743 824 1347 931">(a) the number of authorisations granted by senior officers under sections 52A and 52B during that financial year; <li data-bbox="743 936 1334 1043">(b) the public places or areas in relation to which those authorisations were granted; <li data-bbox="743 1048 1222 1120">(c) the periods during which the authorisations applied; <li data-bbox="743 1124 1347 1375">(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 1 July 2018 to 30 June 2019:

Section 52A(3)

A senior police officer may authorise the exercise of powers under this section in relation to a public place. There were 28 authorisations granted by senior police officers pursuant to section 52A.

LOCATIONS
Port Augusta Cup, Port Augusta
Port Augusta Prison, Port Augusta
Port Augusta Barracks, Port Augusta
Colonnades Shopping Centre, Noarlunga Centre
Hindley Street, Adelaide and surrounds
Victor Harbor CBD, Victor Harbor
Hutt Street, Adelaide
North Terrace, Adelaide and surrounds
Rundle Street, Adelaide
Operation Schoolies, Victor Harbor, Middleton, Port Elliott and Goolwa
Arndale Shopping Centre, Kilkenny
Mobilong Prison, Mobilong
Marion Road, Brooklyn Park
Bonython Park, (Listen Festival)
Regency Plaza and Sefton Plaza, Sefton Park
Sounds by the River, Mannum
Morphettville Racecourse
Laneways Music Festival, Wills Street, Port Adelaide
Keswick Railway Terminal, Keswick
East City Precinct, Rundle Street, Adelaide
Groovin' the Moo, Wayville Showgrounds, Wayville
Noarlunga Centre CBD, Noarlunga Centre

Drug Transit Route Deployments - Section 52B(1)

There were 16 authorisations granted by senior police officer for identified drug transit routes pursuant to section 52B(1).

This authorisation enabled drug detection powers to be exercised in a defined area for specified periods that do not exceed 14 days. Nil authorisations exceeded the 14 day limit.

LOCATIONS
Augusta Highway, Merriton
Eyre Highway, Ceduna
Barrier Highway, Yunta
Sturt Highway, Yamba
Randell Road, Palmer
Princes Highway, Caroline
Riddoch Highway, Tarpeena
Carpenters Rocks Road, Moorak
Augusta Highway, Stirling North
Augusta Highway, Port Augusta
Barrier Highway, Ucolta
Princes Highway, Monteith

Overall, there were 627 deployments where teams operated under section 52A and section 52B in the following areas:

CONTROLLED SUBSTANCES ACT	2018-19
Section 52A(2)(a) – Licensed Premises	414
Section 52A(2)(b) – Public Venues	14
Section 52A(2)(c) – Public Passenger Carrier	163
Section 52A(2)(d) – Public Place	20
Section 52B(1) – Drug Transit Route	16
Total	627

There were 3 384 indications of the presence of a controlled drug, controlled precursor 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 3 384 indications there were 436 detections, 2 245 'residual admits' and 703 'residual denies'. Of the 436 detections, 402 resulted in an arrest/report, drug diversion and/or cannabis expiation notices.

Total seizures during the Passive Alert Detector Dog (PADD) deployments under section 52A and section 52B were approximately 97.8 grams of ecstasy tablets, 941.5 grams of cannabis, 89.1 grams of amphetamine, 17 grams of cocaine, 3.8 grams of heroin and 166 pieces of drug paraphernalia.

Data for the previous years is available at:

<https://data.sa.gov.au/data/dataset/annual-reporting-data>

Act or Regulation	Requirement
Disability Inclusion Act 2018	<p>Section 14</p> <ol style="list-style-type: none"> (1) The Chief Executive must, on or before 31 December in each year, report to the Minister on the operation of the State Disability Inclusion Plan during the preceding financial year. (2) The Minister must, within 6 sitting days after receiving a report from the Chief Executive, have copies of the report laid before both Houses of Parliament. <p>Section 17</p> <ol style="list-style-type: none"> (1) Each State authority must, on or before 31 October in each year, report to the Chief Executive on the operation of its disability access and inclusion plan during the preceding financial year (including a summary of the extent to which the disability access and inclusion plan has been implemented by the State authority). (2) The Chief Executive must, on or before 31 December in each year, provide to the Minister a report summarising the reports received under subsection (1) in respect of the preceding financial year. (3) A report under subsection (2) may be combined with a report under section 14(1). (4) The Minister must, within 6 sitting days after receiving a report from the Chief Executive under subsection (2), have copies of the report laid before both Houses of Parliament (and, if the report is combined with a report under section 14(1), then the requirement of this subsection will be satisfied on the report being laid before Houses of Parliament in accordance with that section).

SAPOL's Disability Access and Inclusion Plan (DAIP) 2017-2020 was launched on 5 July 2017 along with a significant communication strategy delivered to all employees. The structure of the DAIP aligns with the specified outcomes under the South Australia Government's DAIP strategy.

Work has commenced on implementing the actions outlined in the DAIP. In 2017, the SAPOL Executive Leadership Team approved the establishment of a Diversity and Inclusion Branch (D&IB) to oversee and focus on the priorities and actions of the DAIP. The D&IB was launched on 18 July 2018 and commenced work on a variety of priority areas in the diversity space, one of which has been stakeholder engagement in relation to the DAIP.

Some actions which support the DAIP and are already underway include:

- The Flexible Work Team's commitment to an 'If Not, Why Not' approach to flexible working arrangements;
- The Police Volunteer Manual, which specifies that volunteers have the right to be interviewed and engaged in accordance with equal opportunity and anti-discrimination legislation. This includes an interview process for volunteers which enables applicants and interviewer to discuss any special requirements that applicants may have; and
- Specialised training for interviewers of vulnerable witnesses, particularly those with cognitive or communication impairment, recognising that eliciting accurate and detailed information from such witnesses is a highly complex task. This links directly to Priority Action 2.11 of the Disability Justice Plan which called for the provision of specialist training for the interviewing of vulnerable persons.

Since 2016, SAPOL have enrolled 182 members within this course, with 132 having successfully graduated to date. The training has improved investigative interviewing skills of members across the organisation by enabling them to obtain comprehensive and reliable testimonies from vulnerable witnesses. It has also been instrumental in removing communication barriers for persons with a disability and children affording them their right to dignity, respect and a voice when accessing the justice system.

SAPOL has committed to internally fund a further 50 members to complete this course by 31 January 2020. A review is to be conducted to assess the feasibility of SAPOL facilitating specialist interviewing courses in house to continue to equip members with the specialist skills required.

In the coming year, D&IB will advise, consult and collaborate with stakeholders both within SAPOL and externally to continue the implementation of the current DAIP and begin drafting the succeeding action plan.

Act or Regulation	Requirement
Evidence Act 1929	<p data-bbox="743 360 895 394">Section 49</p> <p data-bbox="743 434 1353 909">(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.</p> <p data-bbox="743 949 1359 1240">(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.</p>

There were 202 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 2018 to 30 June 2019.

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

Act or Regulation	Requirement
Hydroponic Industry Control Act 2009	<p>Section 34(1)</p> <p>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.</p>

HYDROPONICS INDUSTRY CONTROL ACT and REGULATIONS	2018-19
Apprehension reports	0
Offences	0
Expiations	0
Number of applications received for Hydroponics Equipment Dealer's Licence	0
Number of applications received for approval of Hydroponics Industry Employees	0
Number of applications received seeking a Ministerial Exemption from the Act	0

For the purpose of this Act, a person will be taken to be carrying on the business of selling prescribed equipment by retail.

Data for the previous years is available at:

<https://data.sa.gov.au/data/dataset/annual-reporting-data>

Act or Regulation	Requirement
Liquor Licensing Act 1997	<p data-bbox="743 360 975 398">Section 128C(8)</p> <p data-bbox="743 439 1361 613">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—</p> <ul style="list-style-type: none"> <li data-bbox="743 654 1342 763">(a) the number of orders made under this section during the period to which the report relates; and <li data-bbox="743 763 1342 1093">(b) in relation to each order made during that period— <ul style="list-style-type: none"> <li data-bbox="799 837 1342 947">(i) the licensed premises or part of licensed premises in relation to which the order was made; and <li data-bbox="799 947 1342 1021">(ii) the period for which the order was in force; and <li data-bbox="799 1021 1342 1093">(iii) the grounds on which the order was made; and <li data-bbox="743 1093 1361 1167">(c) any other matters the Commissioner of Police considers relevant.

This report refers to orders made by Senior Police Officers to clear or close licensed premises deemed unsafe because of prevailing conditions at the premises.

There was one order made pursuant to section 128C(8) of the *Liquor Licensing Act 1997* for the period 1 July 2018 to 30 June 2019.

The licensed premise was the Dog n Duck, 125 Hindley Street Adelaide and the order was for a part of the venue being the first floor balcony to the mezzanine.

The period for which the order was in force was from 9.50pm on 17 August 2018 for 24 hours.

The grounds on which the order was made related to ongoing building works, exposed wiring, temporary roofing allowing water to spill near the vicinity of the works and wiring. Police believed it would have been unsafe for members of the public to enter the first floor area balcony to mezzanine.

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

Act or Regulation	Requirement
Protective Security Act 2007	<p>Section 43</p> <p>(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.</p> <p>(2) The Commissioner must include in the report any information required under the regulations or by the Minister.</p>
Protective Security Regulations 2008	<p>Regulation 23</p> <p>The Commissioner must, in his or her annual report to the Minister under section 43 of the Act, report on—</p> <p>(a) the current state of the protective security officers, including the numbers, components, distribution and operational efficiency of the officers; and</p> <p>(b) the operations of the protective security officers; and</p> <p>(c) any other matter relevant to protective security officers and their operations or which the Commissioner wishes to report on which the Minister requires a report.</p>

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

On 17 July 2006, the previous 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 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 PSOs who, as well as having authorities under the *Protective Security Act 2007*, 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 Government Protective Security Policy sets out the process to follow to have assets designated as CI-HR with affected agencies required to identify any resource or costing pressures through the process of Cabinet submissions to Emergency Management Council.

PSSB comprises 141 FTE (125 PSOs, 11 non-sworn and 5 sworn).

Section	Description	Level	Number	Total
Physical Security Section	Protective Security Supervisors	PSO3	6	
	Protective Security Officers 1 st Class	PSO2	40	
	Protective Security Officers	PSO1	50	96
Security Control Centre	Supervising Operators	PSO3	5	
	Operators	PSO2	24	29

There have been a total of 46 incidents of a relatively minor nature at designated CI-HR sites that required PSOs to exercise authorities under the Act.

One significant incident occurred on 15 April 2019 after protesters entered Parliament House under the pretence of a tour group and were subsequently removed.

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

Act or Regulation	Requirement
Road Traffic Act 1961	<p>Section 47E(8)</p> <p>The Commissioner of Police must, in his or her annual report to the Minister responsible for the administration of the <i>Police Act 1998</i>, 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).</p>

There were a total of 514 512 driver screening tests conducted for the period of 1 July 2018 to 30 June 2019.

Of those, pursuant to section 47E there were 275 047 mobile driver screening tests conducted.

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

Act or Regulation	Requirement
Shop Theft (Alternative Enforcement) Act 2000	<p>Section 18</p> <p>(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.</p> <p>(2) A report required under this section must be incorporated in the annual report of the Commissioner of Police required under the <i>Police Act 1998</i>.</p>

SHOP THEFT INFRINGEMENT NOTICES (STIN)	2018-19
STIN 1 issued	0
STIN 1 completed	0
STIN 2 issued	0
STIN 2 completed	0
Withdrawal of Consent (PD259)	0
Community service hours for STIN 2 offence	0
Apologies required for STIN 1 offence	0
Apologies required for STIN 2 offence	0
Apprehension Reports for breach	0
Apprehension Reports for subsequent breach	10

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

Act or Regulation	Requirement
Summary Offences Act 1953	<p>Section 21K</p> <p>The following information must be included in the annual report of the Commissioner under section 75 of the <i>Police Act 1998</i> (other than in the year in which this section comes into operation):</p> <ul style="list-style-type: none"> (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.

S21 SUMMARY OFFENCES (WEAPONS) AMENDMENT ACT 2012	2018-19
Number of weapons prohibition orders issued under section 21H	5
Number of weapons prohibition orders revoked under section 21H	2
Number of appeals under section 21J and the outcome of each appeal that has been completed or finally determined	0
Breaches of Weapons Prohibition Orders	0

Data for the previous years is available at:

<https://data.sa.gov.au/data/dataset/annual-reporting-data>

Act or Regulation	Requirement
Summary Offences Act 1953	<p>Section 72A(7)</p> <p>The following information must be included in the annual report of the Commissioner under section 75 of the <i>Police Act 1998</i> (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):</p> <ul style="list-style-type: none"> (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.

S72A(7) SUMMARY OFFENCES (WEAPONS) AMENDMENT ACT 2012	2018-19
Number of declarations made under subsection (4)	57
Number of metal detector searches carried out	1348
Number of occasions on which a metal detector search was carried out, indicated the presence or likely presence of any metal	983
Number of occasions on which weapons or articles of a kind (referred to in Part 3A) were detected	*13

*Types detected included: 9 x knives, 2 x metal bars, 1 x bolt cutter, 1 x pair of scissors.

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

Act or Regulation	Requirement
Summary Offences Act 1953	<p data-bbox="743 360 954 398">Section 72B(9)</p> <p data-bbox="743 439 1359 689">The following information must be included in the annual report of the Commissioner under section 75 of the <i>Police Act 1998</i> (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):</p> <ul style="list-style-type: none"> <li data-bbox="743 730 1326 835">(a) the number of authorisations granted under subsection (3) during the relevant period; and <li data-bbox="743 842 1359 1641">(b) in relation to each authorisation granted during the relevant period (identified by location and date)— <ul style="list-style-type: none"> <li data-bbox="799 954 1337 1059">(i) the nature of the incident in relation to which the authorisation was granted; and <li data-bbox="799 1066 1337 1171">(ii) the number of people searched in the exercise of powers under this section; and <li data-bbox="799 1178 1337 1350">(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 <li data-bbox="799 1357 1359 1417">(iv) the types of weapons or articles so detected; <li data-bbox="743 1424 1342 1574">(c) the number of occasions on which the Commissioner gave consent under subsection (8) during the relevant period; <li data-bbox="743 1581 1353 1641">(d) any other information requested by the Minister.

There were no authorisations under subsection 3 where Special Powers to Prevent Serious Violence were granted in the reporting period of 1 July 2018 to 30 June 2019.

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

Act or Regulation	Requirement
Summary Offences Act 1953	<p>Section 83C (6)</p> <p>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—</p> <ul style="list-style-type: none"> (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 2018 to 30 June 2019 included:

S83C(6) SUMMARY OFFENCES ACT	2018-19
No. of authorisations issued*	143

Grounds for issue of authorisations:	
Deceased person believed in premises section 83C(1)	50
Person in premises requiring medical assistance section 83C(1)(b)	93

Information reported:	
Deceased	52
Attempt Suicide / Person Detained (Mental Health Act)	22
Drug / Alcohol Overdose	0
Concern Occupant Deceased	0
Premises Empty / Unoccupied	14
Medical / Other Assistance Not Specified	55
No Medical Attention Required	0
Missing Person – Welfare Grounds	0

* 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.

S83C(6) SUMMARY OFFENCES ACT		2018-19
Grounds for issue of warrants:		
Searching the premises for material that might assist in identifying the deceased or relatives of the deceased, section 83C(3)(a)		0
Take property of the deceased into safe custody, section 83C(3)(b)		0

Data for the previous years is available at:

<https://data.sa.gov.au/data/dataset/annual-reporting-data>

Act or Regulation	Requirement
Summary Offences Act 1953	<p>Section 83BA(9)</p> <p>The Commissioner must include in the Commissioner's annual report to the Minister to whom the administration of the <i>Police Act 1998</i> is for the time being committed a record of the authorisations issued under subsection (7) during the period to which the report relates.</p>

There were no authorisations issued pursuant to section 83BA of the *Summary Offences Act 1953* relating to the overcrowding at public venues for the period 1 July 2018 to 30 June 2019.

Data for the previous years is available at:

<https://data.sa.gov.au/data/dataset/annual-reporting-data>

Act or Regulation	Requirement
Summary Offences Act 1953	<p>Section 72F</p> <p>The following information must be included in the annual report of the Commissioner under section 75 of the <i>Police Act 1998</i> (other than in the year in which this section comes into operation):</p> <ul style="list-style-type: none"> a) the number of occasions on which the search powers under section 72D were exercised during the period to which the report relates; and b) the number of occasions on which property was seized as a result of the exercise of those search powers and the nature of the property seized; and c) whether any persons were charged with explosives offences (within the meaning of section 72D) in connection with the exercise of those search powers; and d) any other information requested by the Minister.

This report refers to number of occasions a police officer has exercised search powers under Section 74D for the purpose of ascertaining whether a suspected explosives offence is being or has been committed.

S72F SUMMARY OFFENCES ACT	2018-19
Searches section 72D	39
Number of times property seized for searches section 72D	25
Persons charged with explosives offences section 72D	10

NATURE OF PROPERTY SEIZED Section 72D	2018-19
Explosives - Commercial	10
Explosives - Home Made	9
Explosives - Incendiary	3
Explosives - Precursor	8
Explosives - Equipment	6
Explosive - Explosive Device	8
Explosive - Incendiary Device	3

Data is available at: <https://data.sa.gov.au/data/dataset/annual-reporting-data>

Reporting required under the *Carers' Recognition Act 2005*

The *Carers' Recognition Act 2005* is deemed applicable for the following: Department of Human Services, Department for Education, Department for Health and Wellbeing, Department of State Development, Department of Planning, Transport and Infrastructure, South Australia Police and TAFE SA.

Section 7: A reporting organisation must prepare a report on—

- (a) compliance or non-compliance with section 6 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.

All SAPOL employees have ready access to information of the *Carers Recognition Act 2005 (SA)* and the Carers Charter through a link on the SAPOL Diversity and Inclusion Branch (D&IB) intranet page. A link to the Department of Human Services list of support services for carers is also available on SAPOL's intranet page with information for carers.

SAPOL's on-line Disability Awareness training is compulsory for all new employees. This training provides information to assist employees to understand and respond appropriately to the needs of people with a disability. The training also contains information on the Carers Charter and the Act, and SAPOL's Disability Access and Inclusion Plan (DAIP). In consultation with other justice agencies, the training continues to undergo an in depth review to ensure the content is contemporary and relevant; once this review is complete, all employees will be required to repeat the training program. Online Disability Awareness training was undertaken by 221 SAPOL employees between 1 July 2018 and 30 June 2019.

SAPOL's Police Recruit Training Program, Constable Development Program and the Promotional Qualification Framework also incorporate disability management training. Further, reference is also made to the Act in the Public Sector employee induction handbook which informs new public sector staff that all officers, employees or agents should have an awareness and understanding of the Carers Charter and they should reflect the principles of the Charter in the performance of their duties.

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.

SAPOL's DAIP 2017-20 includes a primary action to review policies and procedures to reduce barriers and enhance support for carers. Consultation is a key component of the review of policies and procedures and is foundational to this work being led by D&IB.

D&IB are also responsible for developing and implementing a range of inclusion action plans across several diversity areas aligning with each stage of the employee lifecycle – attract, recruit, develop, retain and transition. This is outlined within SAPOL's Diversity and Inclusion Strategy and emphasises that consultation with employees is a key factor in the development of these plans.

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

During 2018, SAPOL's flexible working arrangements (FWAs) underwent significant review with the focus of removing the onus from employees making the case for FWAs, to the assumption that a role can be undertaken more flexibly unless a manager/supervisor can demonstrate otherwise ("if not, why not"). In turn, employees are supported to think creatively about how they can make FWAs work.

The principles associated with working flexibly in SAPOL are designed to assist employees to achieve a balance between work and other responsibilities (including those as a carer), with approved flexible work options allowing employees to alter when, where or how they work.

In addition, requests for flexible work are now managed centrally and do not require employees to provide a reason for seeking flexibility. These broad enhancements support those employees who are carers, providing them with confidence that any request for a FWA will be considered positively. Since implementation, SAPOL has continued to promote the take up of FWAs.

More broadly, SAPOL's Employee Assistance Section (EAS) provides counselling support to all employees for a range of reasons when sought, including issues relating to relationships, stress management and work difficulties. An external consultancy support service is also available to employees on issues that impact on their wellbeing.

SAPOL's FWAs, ongoing training, actions under the DAIP and support available through the EAS demonstrate SAPOL's commitment to supporting carers and align closely with the intent of the Carers Charter.

Public complaints

Number of public complaints reported (as required by the Ombudsman)

Complaint categories	Sub-categories	Example	Number of Complaints 2018-19
Professional behaviour	Staff attitude	Failure to demonstrate values such as empathy, respect, fairness, courtesy, extra mile; cultural competency	11
Professional behaviour	Staff competency	Failure to action service request; poorly informed decisions; incorrect or incomplete service provided	742
Professional behaviour	Staff knowledge	Lack of service specific knowledge; incomplete or out-of-date knowledge	0
Communication	Communication quality	Inadequate, delayed or absent communication with customer	0
Communication	Confidentiality	Customer's confidentiality or privacy not respected; information shared incorrectly	48
Service delivery	Systems/technology	System offline; inaccessible to customer; incorrect result/information provided; poor system design	0
Service delivery	Access to services	Service difficult to find; location poor; facilities/ environment poor standard; not accessible to customers with disabilities	48
Service delivery	Process	Processing error; incorrect process used; delay in processing application; process not customer responsive	0
Policy	Policy application	Incorrect policy interpretation; incorrect policy applied; conflicting policy advice given	0
Policy	Policy content	Policy content difficult to understand; policy unreasonable or disadvantages customer	0

Complaint categories	Sub-categories	Example	Number of Complaints 2018-19
Service quality	Information	Incorrect, incomplete, out dated or inadequate information; not fit for purpose	0
Service quality	Access to information	Information difficult to understand, hard to find or difficult to use; not plain English	0
Service quality	Timeliness	Lack of staff punctuality; excessive waiting times (outside of service standard); timelines not met	106
Service quality	Safety	Maintenance; personal or family safety; duty of care not shown; poor security service/ premises; poor cleanliness	0
Service quality	Service responsiveness	Service design doesn't meet customer needs; poor service fit with customer expectations	897
No case to answer	No case to answer	Third party; customer misunderstanding; redirected to another agency; insufficient information to investigate	0
		Total	*1 852

* Excludes 50 'non-public' complaints.

Additional Metrics	Total
% complaints resolved within policy timeframes	100%

* Determined in accordance with Section 13(5) Police Complaints and Discipline Act 2016.

Data for the previous years is available at:

<https://data.sa.gov.au/data/dataset/annual-reporting-data>

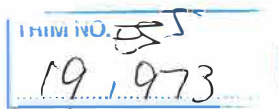
Service improvements that responded to customer complaints or feedback

The introduction of body worn video has resulted in improved timeframes for assessing complaint matters and determining appropriate outcomes.

The body worn video provides for prompt review of the police conduct, and had on many occasions quickly cleared the officers of any wrongdoing.

Appendix: Audited financial statements 2018-19

For official use only



Government of South Australia
Auditor-General's Department

Our ref: A19/159

17 September 2019

Commissioner G Stevens
Commissioner of Police
South Australia Police
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Dear Commissioner Stevens

Audit of the South Australia Police for the year to 30 June 2019

We have completed the audit of your accounts for the year ended 30 June 2019. Two key outcomes from the audit are the:

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

1 Independent Auditor's Report

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

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

2 Audit management letters

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

Significant matters related to individual performance management.

We have received responses to our letters and will follow these up in the 2019-20 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.



For official use only

What the audit covered

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

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

- payroll
- workers compensation
- cash
- expiation revenue
- revenue from fees and charges
- expenditure
- government purchase cards
- police records management system – Shield Business Transformation Program.

Opportunities for improvement

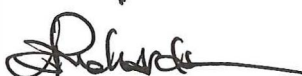
My officers have identified opportunities to improve the financial report preparation and audit process. These opportunities include:

- The need to strengthen the analysis performed by your staff before the draft financial report is presented for audit. For example, the draft financial report received on 12 August 2019, included a \$17 million error in long service leave liability.
- Work performed on the impact of AASB 16 included \$48 million of errors, with leases not relating to SAPOL and duplicate leases being included. This caused delays in the audit process and the need for the agency to source additional information.

While information was prepared by Shared Services SA and the Department of Planning, Transport and Infrastructure, it is important that all information used for financial reporting is checked before it is used.

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

Yours sincerely



Andrew Richardson
Auditor-General

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To the Commissioner of Police South Australia Police

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 2019.

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 2019, its financial performance and its cash flows for year then ended in accordance with the Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards.

The financial report comprises:

- a Statement of Comprehensive Income for the year ended 30 June 2019
- a Statement of Financial Position as at 30 June 2019
- a Statement of Changes in Equity for the year ended 30 June 2019
- a Statement of Cash Flows for the year ended 30 June 2019
- notes, comprising significant accounting policies and other explanatory information
- a Statement of Administered Comprehensive Income for the year ended 30 June 2019
- a Statement of Administered Financial Position as at 30 June 2019
- a Statement of Administered Cash Flows for the year ended 30 June 2019
- a Schedule of Expenses and Income attributable to administered items for the year ended 30 June 2019
- 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 issued under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of the financial report that gives a true and fair view and that is free from material misstatement, whether due to fraud or error.

Auditor's responsibilities for the audit of the financial report

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

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

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the South Australia Police's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Commissioner of Police

- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

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



Andrew Richardson

Auditor-General

17 September 2019

South Australia Police (SAPOL)

Financial Statements

For the year ended 30 June 2019

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

- comply with relevant Treasurer's Instructions issued under section 41 of the *Public Finance and Audit Act 1987*, and relevant Australian Accounting Standards;
- are in accordance with the accounts and records of the South Australia Police; and
- present a true and fair view of the financial position of the South Australia Police as at 30 June 2019 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
13 September 2019



Stephen Johnke
Director, Business Service
13th September 2019

South Australia Police
Statement of Comprehensive Income
for the year ended 30 June 2019

		2019	2018
	Note	\$'000	\$'000
Expenses			
Employee benefits expenses	2.3	749 707	750 374
Supplies and services	3.1	153 475	151 794
Depreciation and amortisation	3.2	28 034	28 079
Write down of non-current assets		130	7
Total expenses		931 346	930 254
Income			
Fees and charges	4.2	24 534	27 179
Commonwealth grants and payments	4.3	1 946	1 867
Interest	4.4	3	3
Resources received free of charge	4.5	2 778	2 762
Net gain from disposal of property, plant and equipment	4.6	158	397
Other income	4.7	5 902	7 177
Total income		35 321	39 385
Net cost of providing services		896 025	890 869
Revenues from / (payments to) SA Government			
Revenues from SA Government	4.1	832 996	812 085
Contributions from the Community Emergency Services Fund	4.1	22 900	22 343
Contributions from the Community Road Safety Fund	4.1	42 296	41 264
Payments to SA Government	4.1	(9 743)	(34 895)
Net result		(7 576)	(50 072)
Other comprehensive income			
Changes in property, plant and equipment asset revaluation surplus		(5 499)	5 185
Total comprehensive result		(13 075)	(44 887)

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

South Australia Police
Statement of Financial Position
as at 30 June 2019

	Note	2019 \$'000	2018 \$'000
Current assets			
Cash and cash equivalents	6.1	182 985	153 940
Receivables	6.2	7 905	9 735
Inventories	5.4	226	280
Non-current assets classified as held for sale	5.5	10 156	10 384
Total current assets		201 272	174 339
Non-current assets			
Receivables	6.2	2 960	3 301
Capital works in progress	5.3	10 392	16 251
Property, plant and equipment	5.1	325 340	340 283
Intangible assets	5.2	25 887	17 726
Total non-current assets		364 579	377 561
Total assets		565 851	551 900
Current liabilities			
Payables	7.1	35 057	33 440
Employee benefits	2.4	75 102	78 502
Provisions	7.2	11 963	13 085
Other current liabilities	7.3	5 431	534
Total current liabilities		127 553	125 561
Non-current liabilities			
Payables	7.1	22 907	20 551
Employee benefits	2.4	216 766	195 121
Provisions	7.2	109 517	108 077
Other non-current liabilities	7.3	3 171	3 578
Total non-current liabilities		352 361	327 327
Total liabilities		479 914	452 888
Net assets		85 937	99 012
Equity			
Contributed capital		85 220	85 220
Asset revaluation surplus		141 517	147 016
Retained earnings		(140 800)	(133 224)
Total equity		85 937	99 012

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

South Australia Police
Statement of Changes in Equity
for the year ended 30 June 2019

	Contributed capital	Asset Revaluation surplus	Retained earnings	Total equity
	\$'000	\$'000	\$'000	\$'000
Balance at 1 July 2017	85 220	141 831	(83 152)	143 899
Net result for 2017-18	-	-	(50 072)	(50 072)
Gain/loss on revaluation of property plant and equipment during 2017-18	-	5 185	-	5 185
Total comprehensive result for 2017-18	-	5 185	(50 072)	(44 887)
Balance at 30 June 2018	85 220	147 016	(133 224)	99 012
Net result for 2018-19	-	-	(7 576)	(7 576)
Gain/loss on revaluation of property plant and equipment during 2018-19	-	(5 276)	-	(5 276)
Net income or expense relating to non- current assets classified as held for sale	-	(223)	-	(223)
Total comprehensive result for 2018-19	-	(5 499)	(7 576)	(13 075)
Balance at 30 June 2019	85 220	141 517	(140 800)	85 937

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

South Australia Police
Statement of Cash Flows
for the year ended 30 June 2019

		2019 \$'000	2018 \$'000
		(Outflows) Inflows	(Outflows) Inflows
Cash flows from operating activities	Note		
Cash outflows			
Employee benefits payments		(728 700)	(718 951)
Payments for supplies and services		(164 038)	(174 822)
Cash used in operations		(892 738)	(893 773)
Cash inflows			
Fees and charges		27 390	30 371
Interest received		3	3
GST recovered from the ATO		12 063	11 174
Other receipts		14 324	10 246
Cash generated from operations		53 780	51 794
Cash flows from SA Government			
Receipts from SA Government		897 684	876 036
Payments to SA Government		(9 743)	(34 895)
Cash generated from SA Government		887 941	841 141
Net cash provided by / (used in) operating activities	8.2	48 983	(838)
Cash flows from investing activities			
Cash outflows			
Purchase of property, plant and equipment		(20 167)	(19 885)
Cash used in investing activities		(20 167)	(19 885)
Cash inflows			
Proceeds from the sale of property, plant and equipment		229	438
Cash generated from investing activities		229	438
Net cash provided by / (used in) investing activities		(19 938)	(19 447)
Net increase / (decrease) in cash and cash equivalents		29 045	(20 285)
Cash and cash equivalents at the beginning of the period		153 940	174 225
Cash and cash equivalents at the end of the period	6.1	182 985	153 940

The accompanying notes form part of these financial statements.

South Australia Police
Notes to and forming part of the financial statements
for the year ended 30 June 2019

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South Australia Police

Notes to and forming part of the financial statements

for the year ended 30 June 2019

1 About the South Australia Police

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

The department 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 the department.

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

1.1. Basis of preparation

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

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

For the 2018-19 financial statements the department adopted AASB 9 – *Financial Instruments* and is required to comply with new *Treasurer's Instructions (Accounting Policy Statements)* issued on 22 March 2019. Further information is provided in note 9.

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

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

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

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

South Australia Police
Notes to and forming part of the financial statements
for the year ended 30 June 2019

1.2. Objectives and programs

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

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

The tables on the following pages presents expenses and income attributable to each program. Resources allocated to programs in 2018-19 take into account organisational reform.

Expenses and income by program

	Public Safety		Crime and Criminal Justice Services	
	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000
Expenses				
Employee benefits expenses	301 109	303 545	355 877	363 207
Supplies and services	54 052	53 766	70 795	73 360
Depreciation and amortisation	12 278	11 641	11 145	11 755
Write down of non-current assets	51	3	61	3
Total expenses	367 490	368 955	437 878	448 325
Income				
Fees and charges	17 118	17 158	4 042	5 786
Commonwealth grants and payments	657	640	1 001	980
Interest	1	1	1	2
Resources received free of charge	938	947	1 429	1 450
Net gain from disposal of property, plant and equipment	56	137	72	186
Other income	2 002	2 462	3 007	3 754
Total income	20 772	21 345	9 552	12 158
Net cost of providing services	346 718	347 610	428 326	436 167
Revenues from / (payments to) SA Government				
Revenues from SA Government	347 019	360 845	429 775	413 475
Payments to SA Government	(3 289)	(33 100)	(5 012)	(1 434)
Total net revenues from SA Government	343 730	327 745	424 763	412 041
Net result	(2 988)	(19 865)	(3 563)	(24 126)

South Australia Police
Notes to and forming part of the financial statements
for the year ended 30 June 2019

1.2. Objectives and Programs (continued)

Expenses and income by program

	Road Safety		Total	
	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000
Expenses				
Employee benefits expenses	92 721	83 622	749 707	750 374
Supplies and services	28 628	24 668	153 475	151 794
Depreciation and amortisation	4 611	4 683	28 034	28 079
Write down of non-current assets	18	1	130	7
Total expenses	125 978	112 974	931 346	930 254
Income				
Fees and charges	3 374	4 235	24 534	27 179
Commonwealth grants and payments	288	247	1 946	1 867
Interest	1	-	3	3
Resources received free of charge	411	365	2 778	2 762
Net gain from disposal of property, plant and equipment	30	74	158	397
Other income	893	961	5 902	7 177
Total income	4 997	5 882	35 321	39 385
Net cost of providing services	120 981	107 092	896 025	890 869
Revenues from / (payments to) SA Government				
Revenues from SA Government	121 398	101 372	898 192	875 692
Payments to SA Government	(1 442)	(361)	(9 743)	(34 895)
Total net revenues from SA Government	119 956	101 011	888 449	840 797
Net result	(1 025)	(6 081)	(7 576)	(50 072)

South Australia Police
Notes to and forming part of the financial statements
for the year ended 30 June 2019

1.3. Budget performance

The budget performance table compares the department's outcomes against budget information presented to Parliament (2018-19 Budget Paper 4). The budget amounts have not been adjusted to reflect revised budgets or administrative restructures. The budget process is not subject to audit.

		Original budget 2019 \$'000	Actual 2019 \$'000	Variance \$'000
Statement of Comprehensive Income	Note			
Expenses				
Employee benefits expenses		752 821	749 707	(3 114)
Supplies and services		141 257	153 475	12 218
Depreciation and amortisation		27 926	28 034	108
Write down of non-current assets		-	130	130
Total expenses		922 004	931 346	9 342
Income				
Fees and charges		26 336	24 534	(1 802)
Interest		-	3	3
Commonwealth grants and payments		1 979	1 946	(33)
Net gain from disposal of property, plant and equipment		-	158	158
Resources received free of charge		-	2 778	2 778
Other income		10 050	5 902	(4 148)
Total income		38 365	35 321	(3 044)
Net cost of providing services		883 639	896 025	12 386
Revenues from / (payments to) SA government				
Revenues from SA Government		833 967	832 996	(971)
Contributions from the Community Emergency Services Fund		22 903	22 900	(3)
Contributions from the Community Road Safety Fund		42 296	42 296	-
Payments to SA Government		-	(9 743)	(9 743)
Total net revenues from SA Government		899 166	888 449	(10 717)
Net result		15 527	(7 576)	(23 103)
Total comprehensive result		15 527	(13 075)	(28 602)

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

South Australia Police
Notes to and forming part of the financial statements
for the year ended 30 June 2019

1.3. Budget performance (continued)

		Original budget 2019 \$'000	Actual 2019 \$'000	Variance \$'000
Investing expenditure summary	Note			
Total major project	a	11 471	8 347	(3,124)
Total annual program	b	10 149	11 672	1,523
Total investing expenditure		21 620	20 019	(1 601)

- a) Major projects - the 2018-19 original budget includes the Police Records Management Stages 2 – 4 project (\$8.034 million) and was adjusted during the year to take account of approved adjustments including additional budget of \$1.712 million for the Umuwa Police Station – Multi Agency Facility project. The actual spend of \$8.347 million is below the approved revised budget of \$11.504 million due to delays in the projects. SAPOL will seek carryover of committed under expenditure balances with the Department of Treasury and Finance (DTF) as part of the budget carryover process
- b) Annual programs – SAPOL actual spend of \$11.672 million was above the approved revised budget of \$10.149 million due to lower actual spend on supplies and services in 2018-19 which was redirected to purchase additional equipment.

1.4. Significant transactions with government related entities

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

- Approximately 88% of lease payments relate to accommodation supplied by Department of Planning, Transport and Infrastructure (DPTI) and leased cars supplied by Fleet SA.
- Insurance services are provided by SAICORP and Shared Services SA provide a range of transactional and financial services to government agencies.
- Appropriation funding received from DTF (note 4.1).

South Australia Police
Notes to and forming part of the financial statements
for the year ended 30 June 2019

2. Board, committees and employees

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

2.1. Key management personnel

Key management personnel of SAPOL include:

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

Total compensation for key management personnel was \$4.417 million in 2018-19 and \$4.260 million in 2017-18.

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

	2019	2018
	\$'000	\$'000
Compensation		
Salaries and other short term employee benefits	3 422	3 397
Post-employment benefits	600	572
Other long-term employment benefits	-	291
Termination benefits	395	-
Total	4 417	4 260

- * Commissioner Stevens is a KMP for SAPOL and is funded from 'Recurrent Expenditure – Special Acts' 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 balances with key management personnel outside normal day-to-day operations to disclose.

South Australia Police
Notes to and forming part of the financial statements
for the year ended 30 June 2019

2.2. Tribunal members

Members during the 2019 financial year were:

Police Review Tribunal

David Swain	Presiding Officer		
Frederick Field	Deputy Presiding Officer	Appointed	13/11/2018

Tribunal remuneration

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

	2019	2018
\$0 - \$19 999	2	1
Total number of members	2	1

The total remuneration received or receivable by members was \$0.019 million (2018: \$0.014 million). Remuneration of members includes sitting fees, superannuation contributions, salary sacrifice benefits, fringe benefits and related fringe benefits tax.

2.3. Employee benefits expenses

	2019 \$'000	2018 \$'000
Salaries and wages	518 817	522 043
Employment on-costs - superannuation	71 344	67 345
Annual leave	64 600	67 622
Long service leave	42 187	21 549
Employment on-costs - other	34 666	33 128
Workers compensation	28 728	(9 080)
Targeted voluntary separation packages	1 371	-
Other employment related expenses	754	751
Skills and experience retention leave	320	37
Police Service Leave	300	212
Additional compensation	(13 380)	46 767
Total employee benefits	749 707	750 374

South Australia Police
Notes to and forming part of the financial statements
for the year ended 30 June 2019

2.3. Employee benefits expenses (continued)

Employment on-costs – superannuation

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

Executive remuneration

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

	2019	2018
	No.	No.
\$149 000 - \$151 000	N/A	72
\$151 001 - \$171 000	349	386
\$171 001 - \$191 000	81	79
\$191 001 - \$211 000	62	53
\$211 001 - \$231 000	38	40
\$231 001 - \$251 000	12	10
\$251 001 - \$271 000	5	1
\$271 001 - \$291 000	7	6
\$291 001 - \$311 000	3	3
\$311 001 - \$331 000	2	1
\$331 001 - \$351 000	1	-
\$351 001 - \$371 000	-	2
\$371 001 - \$391 000	2	-
\$671 001 - \$691 000	1	-
Total	563	653

The \$149 000 to \$151 000 band has been included for the purposes of reporting comparative figures based on the executive base level remuneration rate for 2017-18.

The table includes all employees who received remuneration equal to or greater than the base executive remuneration level during the year. Remuneration of employees reflects all costs of employment including salaries and wages, payments in lieu of leave, superannuation contributions, fringe benefits tax and any other salary sacrifice benefits. The total remuneration received by these employees for the year is \$99.600 million. This was \$111.200 million in 2018.

Targeted voluntary separation packages

The number of employees who received a TVSP during the reporting period was 21 (2018: 0).

	2019	2018
	\$'000	\$'000
Amount paid to separated employees:		
Targeted voluntary separation packages	1 371	-
Leave paid to separated employees	486	-
Recovery from the DTF	(1 903)	-
Net cost to the department	(46)	-

South Australia Police
Notes to and forming part of the financial statements
for the year ended 30 June 2019

2.4. Employee benefits liability

	2019 \$'000	2018 \$'000
Current		
Annual leave	37 178	38 882
Accrued salaries and wages	19 357	21 970
Long service leave	16 630	15 410
Police service leave	1 052	1 292
Skills and experience retention leave	509	529
Leave bank	376	419
Total current employee benefits	75 102	78 502
Non-current		
Long service leave	215 151	192 189
Police service leave	1 591	2 434
Leave bank	24	498
Total non-current employee benefits	216 766	195 121
Total employee benefits	291 868	273 623

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

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

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

The annual leave liability and the SERL liability in full is expected to be payable within 12 months and is measured at the undiscounted amount expected to be paid.

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

Long service leave

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

Leave bank

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

South Australia Police
Notes to and forming part of the financial statements
for the year ended 30 June 2019

3. Expenses

Employee benefits expenses are disclosed in note 2.3.

3.1. Supplies and services

	2019	2018
	\$'000	\$'000
Accommodation and property related *	36 511	34 641
Communication and computing	31 234	33 305
Motor vehicle related	26 437	24 399
Administration	19 248	19 348
Employee programs & housing subsidies	11 325	11 296
Other	8 610	7 477
Utilities	5 582	5 335
Minor equipment	3 665	5 018
Shared Services SA	2 799	2 762
Insurance	1 907	1 790
Uniforms	1 766	2 621
Helicopter costs	1 724	1 561
Legal costs	1 599	849
Collection costs	805	833
Consultants	263	559
Total supplies and services	153 475	151 794

- * Pursuant to the contract arrangements with Plenary Justice Pty Ltd (Plenary), the Public Private Partnership (PPP) partner, SAPOL pays lease charges to Plenary for sites occupied by both SAPOL and the Courts Administration Authority (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.

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

Insurance

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

Operating leases payments

Operating lease payments (less any lease incentives) are recognised on a straight-line basis over the lease term.

South Australia Police
Notes to and forming part of the financial statements
for the year ended 30 June 2019

3.1. Supplies and services (continued)

Consultants

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

	2019	2019	2018	2018
	Number	\$'000	Number	\$'000
Below \$10 000	-	-	28	56
\$10 000 or above	5	263	10	503
Total	5	263	38	559

Other

Audit fees paid/payable to the Auditor-General's Department (AGD) relating to work performed under the *Public Finance and Audit Act* were \$0.355 million (2018: \$0.363 million). No other services were provided by the AGD.

3.2. Depreciation and amortisation

	2019	2018
	\$'000	\$'000
Depreciation		
Buildings and improvements	6 531	6 402
Computing and communications equipment	4 576	4 582
Vehicles	1 185	1 092
Transport vessels	973	481
Aircraft	324	237
Other	5 102	5 149
Leasehold improvements	2 818	4 209
Internally generated computer software	3 508	2 955
Other computer software	3 017	2 972
Total depreciation and amortisation	28 034	28 079

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.

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.

SAPOL revalued its buildings downward at 30 June 2019. Future depreciation expense will reduce by \$1.130 million per annum as a result.

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

Review of accounting estimates

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

South Australia Police
Notes to and forming part of the financial statements
for the year ended 30 June 2019

3.2. Depreciation and amortisation (continued)

Useful life

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

Class of asset	Useful life (years)
Buildings	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

4. Income

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

4.1. Net revenues from SA Government

	2019	2018
	\$'000	\$'000
Revenues from SA Government		
Appropriations from Consolidated Account pursuant to the <i>Appropriation Act</i>	829 381	812 085
Transfers from contingencies	3 615	-
Contributions from the Community Emergency Services Fund	22 900	22 343
Contributions from the Community Road Safety Fund	42 296	41 264
Total revenues from SA Government	898 192	875 692
 Payments to SA Government		
Return of surplus cash pursuant to cash alignment policy	(9 743)	(34 895)
Total payments to SA Government	(9 743)	(34 895)
 Net revenues from SA Government	888 449	840 797

South Australia Police
Notes to and forming part of the financial statements
for the year ended 30 June 2019

4.1. Net revenues from SA Government (continued)

Appropriations

Appropriations are recognised on 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 the department and the appropriation is recorded as contributed equity. Refer to the Statement of Changes in Equity.

Total revenues from Government consist of \$820.063 million (2018: \$796.767 million) for operational funding and \$9.318 million (2018: \$15.318 million) for capital projects.

4.2. Fees and charges

	2019	2018
	\$'000	\$'000
Police security services	10 973	10 567
Firearms licence and registration fees	5 474	5 234
Police information requests	2 393	2 601
Escorts - wide load/other	2 361	2 978
Prosecution and other court fees	1 365	2 217
Hoon legislation recoveries	1 147	2 682
Other fees	821	900
Total fees and charges	24 534	27 179

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.

South Australia Police
Notes to and forming part of the financial statements
for the year ended 30 June 2019

4.3. Commonwealth grants and payments

	2019	2018
	\$'000	\$'000
Commonwealth grants and payments	1 946	1 867
Total Commonwealth grants and payments	1 946	1 867

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

During 2018-19 SAPOL recovered costs associated with resources provided at the request of the Commonwealth Government in relation to:

- Australian Criminal Intelligence Commission (ACIC) - Jurisdictional criminal history referrals
- Home and Community Care
- Operation Midrealm
- ANZCTC activity Funding Agreement - Exercise Neighbour
- ANZCTC Drill Exercise and Training Consumable Program

Grants which have conditions of expenditure still to be met as at reporting date were \$0.024 million (2018: \$0.027 million). These contributions relate to ANZCTC Drill Exercise and Training Consumable Program.

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

4.4. Interest

	2019	2018
	\$'000	\$'000
Interest on deposit accounts	3	3
Total interest revenues	3	3

4.5. Resources received free of charge

	2019	2018
	\$'000	\$'000
Services received free of charge - Shared Services SA	2 778	2 762
Total resources received free of charge	2 778	2 762

Resources received free of charge - whole of government change in accounting treatment for Shared Services SA payments. Now treated as supplies and services with an income offset - resources received free of charge. On the 21 November 2016, approval was given by Cabinet to cease the intra-government charging model for services provided by Shared Services SA to general government sector agencies. As a result of this change, effective from 2017-18, Shared Services SA is directly appropriation funded for the services provided by Shared Services SA to general government agencies.

South Australia Police
Notes to and forming part of the financial statements
for the year ended 30 June 2019

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

	2019 \$'000	2018 \$'000
Vehicles		
Proceeds from disposal	229	438
Less carrying amount of assets disposed	(64)	(41)
Net gain from disposal of plant and equipment	165	397
Computing and communication equipment		
Less carrying amount of assets disposed	(7)	-
Net gain / (loss) from disposal of land and buildings	(7)	-
Total assets		
Proceeds from disposal	229	438
Less carrying amount of assets disposed	(71)	(41)
Total net gain from disposal of assets	158	397

4.7. Other income

	2019 \$'000	2018 \$'000
Intra-Government transfers	1 394	1 207
Employee benefits recoveries	1 347	3 289
Goods and services recoveries	1 092	1 032
Sundry receipts	657	531
Contributed (donated) asset revenue	505	224
Rent revenue	264	301
Other sundry revenues	643	593
Total other income	5 902	7 177

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 (that is, where SAPOL incurs expenditure on goods and services and later recovers the expenditure).

In 2018-19 the intra-government transfer comprises:

- \$0.579 million for a traffic training and promotion program from the Motor Accident Commission (2018: \$0.562 million)
- \$0.313 million for SE Freeway project from DPTI (2018: \$0)
- \$0.186 million for the Rural Highway Saturation Program from DPTI (2018: \$0.182 million)
- \$0.145 million for Thebarton Heritage Works (Compass House Brickworks and Stair Replacement from DPTI (2018: \$0.100 million)
- \$0.065 million National Motor Vehicle Theft Reduction program from DPTI & Attorney General's Department (2018: \$0.065 million)
- \$0.052 million Duggan review – funding for the administrative support from Department of the Premier and Cabinet (DPC) (2018: \$0)
- \$0.037 million for COMCEN – Installation of Gallagher Systems from DPC (2018: \$0)
- \$0.017 million for Home & Community Care from the Department of Human Services (2018: \$0.016 million)

South Australia Police
Notes to and forming part of the financial statements
for the year ended 30 June 2019

5. Non-financial assets

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

5.1. Property, plant and equipment

	2019 \$'000.	2018 \$'000
Land and buildings ⁽¹⁾		
Land at fair value	71 086	63 047
Buildings at fair value	182 983	211 343
Accumulated depreciation at the end of the period	-	(12 782)
Total land and buildings	254 069	261 608
Leasehold improvements ⁽¹⁾		
Leasehold improvements at fair value	32 229	34 982
Total leasehold improvements	32 229	34 982
Computing and communications equipment		
Computing and communications equipment at cost (deemed fair value)	58 985	57 198
Accumulated depreciation at the end of the period	(47 064)	(43 070)
Total computing and communications equipment	11 921	14 128
Vehicles		
Vehicles at cost (deemed fair value)	7 575	6 988
Accumulated depreciation at the end of the period	(4 980)	(4 398)
Total vehicle	2 595	2 590
Transport vessels ⁽¹⁾		
Transport vessels at cost (deemed fair value)	940	1 999
Accumulated depreciation at the end of the period	-	-
Total transport vessels	940	1 999
Other property plant and equipment		
Other at cost (deemed fair value)	57 108	57 679
Accumulated depreciation at the end of the period	(37 111)	(35 258)
Total other	19 997	22 421
Aircraft ⁽¹⁾		
Aircraft at fair value	3 589	2 555
Total aircraft	3 589	2 555
Total property, plant and equipment	325 340	340 283

⁽¹⁾ Land and buildings, leasehold improvements, transport vessels and aircraft were revalued as at 30 June 2019 following a site independent valuation by Liquid Pacific. Refer note 11.2.

South Australia Police
Notes to and forming part of the financial statements
for the year ended 30 June 2019

5.1. Property, plant and equipment (continued)

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

Property, plant and equipment is recorded at fair value. Detail about the department's approach to fair value is set out in note 11.2.

Plant and equipment include \$0 of temporarily idle plant and equipment; \$55.574 million of fully depreciated plant and equipment still in use; and \$0 of plant and equipment retired from active use but not classified as held for sale.

Impairment

Property, plant and equipment have not been assessed for impairment as they are non-cash generating assets, that are specialised in nature and held for continual use of their service capacity and are subject to regular revaluation.

Reconciliation 2018-19

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

Reconciliation 2018-19

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

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

Reconciliation 2017-18

2018	Buildings & Leasehold improv'ts		Computing & comms equipment		Transport vehicles		Other
	Land						
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying amount at 1 July 2017	62 524	202 768	35 496	13 749	2 790	1 474	24 226
Revaluation increment/(decrement)	-	-	3 674	-	-	1 006	-
Transfers from capital works in progress	523	2 209	7	4 961	939	-	3 111
Depreciation	-	(6 402)	(4 209)	(4 582)	(1 092)	(481)	(5 149)
Donated assets	-	-	-	-	-	-	224
Transfer between classes	-	(14)	14	-	-	-	-
Asset recognised through stocktake	-	-	-	-	-	-	11
Disposals	-	-	-	-	(41)	-	-
Assets written off	-	-	-	-	-	-	(2)
Transfers to assets held for sale	-	-	-	-	(6)	-	-
Carrying amount at 30 June 2018	63 047	198 561	34 982	14 128	2 590	1 999	22 421

Reconciliation 2017-18

2018	Total property plant and equipment		Capital works in progress	Total
	Aircraft			
	\$'000	\$'000	\$'000	\$'000
Carrying amount at 1 July 2017	2 287	345 314	9 121	354 435
Additions	-	-	20 855	20 855
Revaluation increment/(decrement)	505	5 185	-	5 185
Transfers from capital works in progress	-	11 750	(13 725)	(1 975)
Depreciation	(237)	(22 152)	-	(22 152)
Donated assets	-	224	-	224
Asset recognised through stocktake	-	11	-	11
Disposals	-	(41)	-	(41)
Assets written off	-	(2)	-	(2)
Transfers to assets held for sale	-	(6)	-	(6)
Carrying amount at 30 June 2018	2 555	340 283	16 251	356 534

South Australia Police
Notes to and forming part of the financial statements
for the year ended 30 June 2019

5.2. Intangible assets

	2019 \$'000	2018 \$'000
Computer software		
Internally developed computer software	46 599	33 556
Accumulated amortisation	(28 391)	(25 141)
Purchased computer software	25 688	25 902
Accumulated amortisation	(18 009)	(16 591)
Total other computer software	25 887	17 726

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

The acquisition of or internal development of software is capitalised only when the expenditure meets the definition and recognition criteria and when the amount of expenditure is greater than or equal to \$0.010 million.

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

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

Reconciliation 2018-19

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

Reconciliation 2017-18

2018	Intangible assets (internally generated)	Intangible assets (other computer software)	Total
	\$'000	\$'000	\$'000
Carrying amount at 1 July 2017	10 665	11 018	21 683
Transfers from capital works in progress	705	1 270	1 975
Amortisation	(2 955)	(2 972)	(5 927)
Assets written off	-	(5)	(5)
Carrying amount at 30 June 2018	8 415	9 311	17 726

South Australia Police
Notes to and forming part of the financial statements
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5.3. Capital works in progress

	2019 \$'000	2018 \$'000
Property, plant and equipment in progress at cost (deemed fair value)	10 392	16 251
Total capital works in progress	10 392	16 251

5.4. Inventories

	2019 \$'000	2018 \$'000
Current inventories		
Inventories held for distribution at cost	226	280
Total inventories	226	280

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

Cost is assigned to land held for sale and to other high value, low volume inventory items on a specific identification of cost basis.

Cost for all other inventory is measured on the basis of the first in, first out method. Net realisable value is determined using the estimated sales proceeds less costs incurred in marketing, selling and distribution to customers.

Cost of inventories

The cost recognised as an expense for raw materials and consumables is \$0.044 million. The net change in inventories held for distribution and other inventory for the period is \$0.073 million and \$0 respectively.

South Australia Police
Notes to and forming part of the financial statements
for the year ended 30 June 2019

5.5. Non-current assets classified as held for sale

	2019 \$'000	2018 \$'000
Land	10 150	10 330
Buildings and improvements	-	43
Vehicles	6	11
Total non-current assets classified as held for sale	10 156	10 384

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

Carrying amount at the beginning of the period	10 384	10 378
Transfers from vehicles	(5)	6
Net revaluation increment/(decrement)	(223)	-
Total non-current assets classified as held for sale	10 156	10 384

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

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

An independent site valuation was provided by a Certified Practising Valuer for the property upon its classification as held for sale. The valuation was based on recent market transactions for similar unrestricted land and buildings in the area and includes adjustment for factors specific to the land and building such as size and location.

6. Financial assets

6.1. Cash and cash equivalents

	2019 \$'000	2018 \$'000
Deposits with the Treasurer	182 679	153 636
Imprest account/cash on hand	306	304
Total cash and cash equivalents	182 985	153 940

Deposits with the Treasurer

The department has two deposit accounts with the Treasurer:

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

Although SAPOL controls the money in the Accrual Appropriation Account, its use must be approved by the Treasurer. SAPOL does not earn interest on its deposits with the Treasurer.

South Australia Police
Notes to and forming part of the financial statements
for the year ended 30 June 2019

6.2. Receivables

	2019 \$'000	2018 \$'000
Current		
Trade receivables		
From government entities	1 505	991
From non-government entities	840	1 016
Less allowance for doubtful debts	(19)	(23)
Total trade receivables	2 326	1 984
Accrued revenue	389	426
Prepayments	1 894	3 440
GST input tax recoverable	2 990	3 375
Workers compensation recoveries	306	510
Total current receivables	7 905	9 735
Non-current		
Workers compensation recoveries	2 960	3 301
Total non-current receivables	2 960	3 301
Total receivables	10 865	13 036

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

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

Refer to note 11.3 for further information on risk management.

Impairment of receivables

	2019 \$'000	2018 \$'000
Carrying amount at the beginning of the period	23	35
Increase/(Decrease) in the allowance	(2)	21
Amounts written off	-	(30)
Amounts recovered during the year	(2)	(3)
Carrying amount at the end of the period	19	23

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

South Australia Police
Notes to and forming part of the financial statements
for the year ended 30 June 2019

7. Liabilities

Employee benefits liabilities are disclosed in note 2.4

7.1. Payables

	2019 \$'000	2018 \$'000
Current		
Trade payables	20 718	19 939
Employment on-costs	11 925	12 004
Accrued expenses	2 354	1 414
Paid Parental Leave Scheme payable	60	83
Total current payables	35 057	33 440
Non-current		
Employment on-costs	22 907	20 551
Total non-current payables	22 907	20 551
Total payables	57 964	53 991

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

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

Employment on-costs

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

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

As a result of an actuarial assessment performed by the DTF, the average factor for the calculation of employer superannuation cost on-costs has decreased from the 2018 rate (9.9%) to 9.8%. The average proportion of long service leave taken as leave over the past 3 years increased from the 2018 rate (50.64%) to 53.76% for police and decreased from the 2018 rate (67.80%) to 56.33% for non-police. These rates are used in the employment on-cost calculation. The net financial effect of the changes in the current financial year is an increase in employment on-cost of \$0.284 million and employee benefits expense of \$0.284 million.

Paid parental leave scheme

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

South Australia Police
Notes to and forming part of the financial statements
for the year ended 30 June 2019

7.2. Provisions

	2019 \$'000	2018 \$'000
Current		
Workers compensation	10 301	9 992
Additional compensation	1 394	3 093
Death in course of employment	32	-
Civil actions against police	236	-
Total current provisions	11 963	13 085
Non-current		
Workers compensation	63 883	49 718
Additional compensation	45 634	58 359
Total non-current provisions	109 517	108 077
Total provisions	121 480	121 162
Workers compensation		
Carrying amount at the beginning of the period	59 710	81 154
Increase/(decrease) resulting from re-measurement	28 738	(9 238)
Reduction due to payments	(14 264)	(12 206)
Carrying amount at the end of the period	74 184	59 710
Additional compensation		
Carrying amount at the beginning of the period	61 452	15 235
Increase/(decrease) resulting from re-measurement	(13 380)	46 767
Reduction due to payments	(1 044)	(550)
Carrying amount at the end of the period	47 028	61 452
Death in course of employment		
Carrying amount at the beginning of the period	-	40
Increase/(decrease) in the provision due to revision of estimates	32	(40)
Carrying amount at the end of the period	32	-
Civil actions against police		
Carrying amount at the beginning of the period	-	348
Increase/(decrease) in the provision due to revision of estimates	370	(194)
Reduction due to payments	(134)	(154)
Carrying amount at the end of the period	236	-

South Australia Police
Notes to and forming part of the financial statements
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7.2. Provisions (continued)

Workers' compensation

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

A liability has been reported to reflect unsettled workers' compensation claims. The workers' compensation provision is based on an actuarial assessment of the outstanding liability as at 30 June 2019 provided by a consulting actuary engaged through the Office for the Public Sector. The liability was calculated in accordance with Australian Accounting Standard AASB 137 'Provisions, Contingent Liabilities and Contingent Assets' as the present value of the expenditures expected to be required to settle obligations incurred as at 30 June. No risk margin is included in this estimate.

The increase in the workers' compensation liability in 2019 was impacted by:

- a change in the average outstanding claim size based on the profile of the claimants and their recent payment history. This resulted in a \$9.100 million increase.
- a decrease in the government bond rate, resulting in a \$5.400 million increase in the liability.

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

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

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

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

The Additional Compensation provision is based on an actuarial assessment of the outstanding liability as at 30 June 2019 provided by a consulting actuary engaged by the Office for the Public Sector. The liability was calculated in accordance with Australian Accounting Standard AASB 137 'Provisions, Contingent Liabilities and Contingent Assets' as the present value of the expenditures expected to be required to settle obligations incurred as at 30 June. The liability comprises an estimate for known claims and an estimate of incurred but not reported (IBNR) applications. No risk margin is included in the estimate.

Key assumptions in the estimate include:

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

South Australia Police
Notes to and forming part of the financial statements
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7.2. Provisions (continued)

The decrease in the Additional Compensation liability in 2019 was impacted by:

- a decrease in the projected number of known claims, offset by changes in average outstanding claim size based on the profile of the claimant and their recent payment history. This resulted in a \$12.700 million reduction.
- a decrease in the projected number of incurred but not reported claims, based on the history of successful known claims, offset by changes in average outstanding claim size based on the profile of the claimant and their recent payment history. This resulted in a \$6.400 million reduction.
- a decrease in the government bond rate, resulting in a \$4.700 million increase in the liability.

There is a significant degree of uncertainty associated with this estimate. In addition to the general uncertainties associated with estimating future claim and expense payments, the Additional Compensation provision is impacted by the limited claims history and the evolving nature of the interpretation of, and evidence required to meet, eligibility criteria.

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

Civil actions against Police

Liabilities are reported to reflect unsettled actions against SAPOL.

Death in course of employment

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

7.3. Other liabilities

	2019 \$'000	2018 \$'000
Current		
Lease incentive	499	499
Unearned revenue	4 932	35
Total current other liabilities	5 431	534
Non-current		
Lease incentive	3 171	3 578
Total non-current other liabilities	3 171	3 578
Total other liabilities	8 602	4 112

Lease liabilities are effectively secured as the rights to the leased assets revert to the lessor in the event of default.

South Australia Police
Notes to and forming part of the financial statements
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8. Other disclosures

8.1. Equity

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

For information about equity contributions see note 4.1.

8.2. Cash flow

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

Cash flow reconciliation

	2019 \$'000	2018 \$'000
Reconciliation of cash and cash equivalents at the end of the reporting period		
Cash and cash equivalents disclosed in the Statement of Financial Position	182 985	153 940
Balance as per the Statement of Cash Flows	182 985	153 940
Reconciliation of net cash provided by / (used in) operating activities to net cost of providing services		
Net cash provided by/(used in) operating activities	48 983	(838)
Add payments to SA Government	9 743	34 895
Less revenues from SA Government	(832 996)	(812 085)
Contribution from the Community Emergency Services Fund	(22 900)	(22 343)
Contribution from Community Road Safety Fund	(42 296)	(41 264)
Add / (less) non-cash items		
Depreciation and amortisation	(28 034)	(28 079)
Donated assets	505	224
Gain/loss from disposal of non-current assets	158	397
Write off of non-current assets	(130)	(7)
Capital accruals	(44)	981
Movement in assets and liabilities		
Increase/(decrease) in receivables	(2 171)	2 795
Increase/(decrease) in inventories	(54)	(210)
(Increase)/decrease in payables	(3 736)	10 544
(Increase)/decrease in other liabilities	(4 490)	495
(Increase)/decrease in employee benefits	(18 245)	(11 989)
(Increase)/decrease in provisions	(318)	(24 385)
Net cost of providing services	(896 025)	(890 869)

South Australia Police
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as at 30 June 2019

9. Changes in accounting policy

9.1. Treasurer's Instructions (Accounting Policy Statements)

On 22 March 2019 the *Treasurer's Instructions (Accounting Policy Statements) 2019* were issued by the Treasurer under the *Public Finance and Audit Act 1987*. The Accounting Policy Statements replaced the following Accounting Policy Frameworks:

- Purpose and Scope
- General Purpose Financial Statements Framework
- Asset Accounting Framework
- Financial Asset and Liability Framework
- Income Framework
- Definitions.

The new Accounting Policy Statements have largely been prepared on a no-policy change basis. Changes that impact on these financial statements are:

- removal of the additional requirement to report transactions with the SA Government.
- removal of the additional requirement to report a statement of equity for administered items.
- increasing the bands from \$10,000 to \$20,000 for employee and board member reporting.

These changes, however, do not impact on the amounts reported in the financial statements.

The Accounting Policy Statements also set out requirements in relation to Accounting Standards and Statements not yet effective. This is further discussed in note 10.3.

9.2. AASB 9 Financial Instruments

AASB 9 *Financial Instruments* replaces the provisions of AASB 139 *Financial Instrument Recognition and Measurement* that relate to recognition, classification and measurement of financial assets and financial liabilities, derecognition of financial instruments, impairment of financial assets and hedge accounting. The adoption of AASB 9 from 1 July 2018 resulted in changes in accounting policies and adjustments to the amounts recognised in financial statements.

As part of the adoption of AASB 9, SAPOL adopted consequential amendments to other accounting standards and the Treasurer's Instructions (Accounting Policy Statements) arising from the issue of AASB 9 as follows:

- AASB 7 *Financial Instruments: Disclosures* requires amended disclosures due to changes arising from AASB 9, these disclosures have been provided for the current year because the comparatives have not been restated.

In accordance with transitional provisions and the *Treasurer's Instructions (Accounting Policy Statements)*, AASB 9 *Financial Instruments* was adopted without restating comparative information for classification and measurement requirements. All adjustments relating to classification and measurement are recognised in retained earnings at 1 July 2018.

The adoption of AASB 9 has not had a significant effect on the recognition, measurement or classification of financial liabilities.

South Australia Police
Notes to and forming part of the financial statements
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9.2. AASB 9 Financial Instruments (continued)

On 1 July 2018, the department has assessed and reclassified its financial assets into the appropriate AASB 9 categories depending on the business model and contractual cash flow characteristics applying to the asset. AASB 9 eliminates the AASB 139 categories of held to maturity, loans and receivables and available for sale. On assessment the department found no material changes.

Impairment of financial assets

AASB 9 replaces the 'incurred loss' model in AASB 139 with an 'expected credit loss' model. The following financial assets of the department are subject to AASB 9's new expected credit loss model:

- trade receivables from provision of services
- debt investments carried at amortised cost (i.e. bonds and debentures with SAFA)

This model generally results in earlier recognition of credit losses than the previous one.

Trade receivables

New impairment requirements result in a provision being applied to all receivables rather than only on those receivables that are credit impaired. The department has adopted the simplified approach under AASB 9 *Financial Instruments* and measured lifetime expected credit losses on all trade receivables using a provision matrix approach as a practical expedient to measure the impairment provision.

There are no additional impairment provisions for State, Territory, or Commonwealth Government receivables due to the Government's high quality credit risk.

Trade and other receivables that were classified as loans and receivables under AASB 139 are now classified at amortised cost as they meet the appropriate criteria under AASB 9.

South Australia Police
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10. Outlook

10.1. Unrecognised contractual commitments

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

Capital commitments

	2019	2018
	\$'000	\$'000
Within one year	882	11
Later than one year but not longer than five years	295	133
Total capital commitments	1 177	144

The department's capital is for major capital commitments in 2018-19 which includes RADARS Capital Replacement and the red light camera replacement program.

Other commitments

	2019	2018
	\$'000	\$'000
Within one year	3 844	2 667
Later than one year but not longer than five years	2 408	784
Total other commitments	6 252	3 451

Major other expenditure commitments for 2017-18 and 2018-19 include Cleaning Services (Zippy), Magenta Technologies Pty Ltd, Australian Security Intelligence Organisation and Helicopter Standing Charges (SHRS Services).

Operating lease commitments

	2019	2018
	\$'000	\$'000
Within one year	31 514	35 173
Later than one year but not longer than five years	105 479	115 728
Later than five years	357 421	123 025
Total operating lease commitments	494 414	273 926

The department's operating leases are for office accommodation and equipment.

The majority of office accommodation is leased from DPTI. The leases are non-cancellable with terms ranging between one and greater than five years with some leases having the right of renewal. Rent is payable in arrears.

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.

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Notes to and forming part of the financial statements
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10.1. 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. 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).

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.

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

10.2. Contingent assets and liabilities

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

Contingent assets

SAPOL is not aware of any contingent assets.

Contingent liabilities

SAPOL is not aware of any contingent liabilities.

Rewards for unsolved murders

As at 30 June 2019 the value of outstanding rewards for unsolved murders was \$39 million (2018: \$39 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.

10.3. Impact of standards and statements not yet effective

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

Treasurer's Instructions (Accounting Policy Statements) 2019 issued by the Treasurer on 22 March 2019 are effective for 2018-19 reporting period and are addressed below in relation to Standards not yet effective and in note 9.1. There are no Accounting Policy Statements that are not yet effective.

The material impacts on the department are outlined below.

AASB 15 – Revenue from Contracts with Customers and AASB 1058 – Income of Not for Profit Entities

SAPOL will adopt AASB 15 – *Revenue from Contracts with Customers* and AASB 1058 – *Income of Not for Profit Entities* from 1 July 2019.

South Australia Police
Notes to and forming part of the financial statements
as at 30 June 2019

10.3. Impact of standards and statements not yet effective (continued)

Objective

AASB 15 introduces a 5-step approach to revenue recognition. The objective of AASB 15 is that recognition of revenue depicts the transfer of promised goods or services to customers in an amount that reflects the consideration to which an entity expects to be entitled in exchange for those goods or services. It provides extensive guidance as to how to apply this revenue recognition approach to a range of scenarios. AASB 15 – *Revenue from Contracts* replaces AASB 111 – *Construction Contracts* and AASB 118 – *Revenue*.

AASB 1058 introduces consistent requirements for the accounting of non-reciprocal transactions by not-for-profit entities, in conjunction with AASB 15. These requirements closely reflect the economic reality of not-for-profit entity transactions that are not contracts with customers. AASB 1058 replaces parts of AASB 1004 – *Contributions*.

Impact on 2019-20 financial statements

SAPOL has assessed the impact of new and changed Australian Accounting Standards Board Standards and Interpretations not yet effective and deem it immaterial to the department.

Related accounting policies

The *Treasurer's Instructions (Accounting Policy Statements) 2019* sets out key requirements that the department must adopt for the transition to AASB 15 – *Revenue from Contracts with Customers* and AASB 1058 – *Income of Not for Profit Entities*. These requirements include that the department will:

- apply AASB 15 and AASB 1058 retrospectively. The cumulative effect of initially applying the Standards will be recognised at 1 July 2019. Comparatives will not be restated
- not apply the AASB 15 and the AASB 1058 completed contracts practical expedient.
- apply the AASB 15 practical expedient for all contract modifications that occur before the date of initial application.

The *Treasurer's Instructions (Accounting Policy Statements) 2019* also sets out requirements for on-going application. These requirements include that department will:

- apply, where permitted, the short-term licences recognition exemption.
- adopt \$15,000 as the threshold to determine whether a licence is a licence for which the transaction price is of low value and will apply the low value licence recognition exemption for all low value licences.
- not recognise volunteer services when the services would not have been purchased if they had not been donated.

SAPOL will adopt AASB 15 *Revenue from Contracts with Customers* and AASB 1058 *Income for Not for Profit Entities* from 1 July 2019. Under AASB 15, recognition for fees for service are recognised at the point where good/service is provided. Minor timing differences exist between the recognition of revenue and the posting of the transaction into the general ledger. There is no change required in the treatment for these transactions as the difference has no material impact for 2019-20.

AASB 16 – Leases

SAPOL will adopt AASB 16 – *Leases* from 1 July 2019.

Objective

AASB 16 sets out a comprehensive model for lease accounting that addresses recognition, measurement, presentation and disclosure of leases. The outcome will be that lease information disclosed will give users of financial statements a basis to assess the effect that leases have on the financial position, financial performance and cash flows of an entity. AASB 16 *Leases* replaces AASB 117 *Leases* and Interpretation 4 *Determining whether an Arrangement contains a Lease*, Interpretation 115 *Operating Leases – Incentives and Interpretation*, and Interpretation 127 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*.

South Australia Police
Notes to and forming part of the financial statements
as at 30 June 2019

10.3. Impact of standards and statements not yet effective (continued)

Impact on 2019-20 financial statements

SAPOL has assessed the estimated impact on the Statement of Financial Position of adopting AASB 16 with the transition requirements mandated by the Treasurer's Instructions (Accounting Policy Statements).

AASB 16 requires lessees to recognise assets and liabilities for all leases, not subject to a recognition exemption or scoped out of the application of AASB 16. Applying AASB 16 will result in leases previously classified as operating leases having right-of-use assets and related lease liabilities being recognised in the Statement of Financial Position for the first time. Lease incentive liabilities previously recognised will be written off against the right-of-use assets or retained earnings depending on the nature of the incentive.

AASB 16 is expected to have a material impact on the Statement of Financial Position. The department has estimated the impact of this change and the results as at 1 July 2019.

The estimated impact is based on applying AASB 16's transition approach to those leases identified as leases by the department prior to 1 July 2019. The incremental borrowing rates applied to estimate the lease liability were SAFA's interest rates for principal and interest loans to SA Government agencies.

The estimated impact is set out below.

	as at 1 July 2019 \$'000
<u>Assets</u>	393 023
Right-of-use assets	
<u>Liabilities</u>	
Lease liabilities	393 023
Other liabilities (lease incentive liabilities)	3 670
Net impact on equity	<u>(3 670)</u>

AASB 16 will also impact on the Statement of Comprehensive Income. The operating lease expense previously included in supplies and services will mostly be replaced with:

- a depreciation expense that represents the use of the right-of-use asset; and
- borrowing costs that represent the cost associated with financing the right-of-use asset.

The estimated impact on 2019-20 Statement of Comprehensive Income is set out below.

	2020 \$'000
Depreciation and amortisation	30 704
Supplies and services	(31 514)
Borrowing costs	9 378
Net impact on net cost of providing services	<u>8 568</u>

The amounts disclosed are current estimates only. SAPOL is continuing to refine its calculations of lease assets and liabilities for 2019-20 financial reporting purposes and expects that these figures will change. This includes accounting for non-lease components and clarifying lease terms and treatment of contractual rent increases.

South Australia Police
Notes to and forming part of the financial statements
as at 30 June 2019

10.3. Impact of standards and statements not yet effective (continued)

Related accounting policies

The *Treasurer's Instructions (Accounting Policy Statements) 2019* sets out key requirements that the department must adopt for the transition from AASB 117 *Leases* to AASB 16 *Leases*. These requirements include that the department will:

- apply AASB 16 retrospectively. The cumulative effect of initially applying the Standard will be recognised at 1 July 2019. Comparatives will not be restated.
- only apply AASB 16 to contracts that were previously identified as containing a lease applying AASB 117 and related interpretations.
- not transition operating leases for which the lease term ends before 30 June 2020.

The *Treasurer's Instructions (Accounting Policy Statements) 2019* also sets out requirements for on-going application. These requirements include that the department will:

- not apply AASB 16 to leases of intangible assets.
- adopt \$0.015 million as the threshold to determine whether an underlying asset is a low value asset and must apply the low value asset recognition exemption to all low value assets.
- apply the short-term leases recognition exemption for all classes of underlying asset.
- separate non-lease components from lease components.
- adopt the revaluation model, where permitted.
- where required, apply the relevant lessee's incremental borrowing rate published by the DTF.
- on initial recognition not record at fair-value leases that have significantly below-market terms and conditions principally to enable the department to further its objectives, unless they have already been recorded at fair-value prior to 1 July 2019.

10.4. Events after reporting period

On 22 October 2018, the State Government announced that the Motor Accident Commission (MAC) would cease operations effective 30 June 2019, with a shift of functions to SAPOL and the DPTI. From 1 July 2019 SAPOL assumed responsibility for road safety media campaigns while DPTI is responsible for the sponsorship of other initiatives. The SAPOL controlled expenditure and appropriation budget increased by \$8.2 million in 2019-20 for these new and ongoing functions.

11. Measurement and risk

11.1. Long service leave liability – measurement

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

The actuarial assessment performed by the DTF has provided a basis for the measurement of long service leave and is based on actuarial assumptions on expected future salary and wage levels, experience of employee departures and periods of service. These assumptions are based on employee data over the police and emergency services sector across government.

AASB 119 *Employee Benefits* requires the use of the yield on long-term Commonwealth Government bonds as the discount rate in the measurement of the long service leave liability. The yield on long-term Commonwealth Government bonds has decreased from 2018 (2.75%) to 2019 (1.25%).

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

The net financial effect of the changes to actuarial assumptions in the current financial year is an increase in the long service leave liability of \$27.612 million and an increase in employee benefits expense of \$27.612 million. The impact on future periods is impracticable to estimate as the long service leave liability is calculated using a number of demographical and financial assumptions – including the long-term discount rate.

The actuarial assessment performed by the DTF left the salary inflation rate at 4% for long service leave liability. As a result, there is no net financial effect resulting from changes in the salary inflation rate.

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

11.2. Fair value

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

Initial recognition

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

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

Revaluation

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

The revaluation process is reviewed by the department each year.

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

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

South Australia Police
Notes to and forming part of the financial statements
as at 30 June 2019

11.2. Fair value (continued)

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.

Fair value hierarchy

The department 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.

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

During 2019 and 2018, the department had no valuations categorised into level 1; there were no transfers of assets between level 1 and 2 fair value hierarchy levels and there were no changes in valuation technique.

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

		Level 2	Level 3	Total
	Note	\$'000	\$'000	\$'000
Recurring fair value measurements				
Land	5.1	71 086	-	71 086
Buildings & improvements	5.1	-	182 983	182 983
Leasehold improvements	5.1	-	32 229	32 229
Computing & communications equipment	5.1	-	11 921	11 921
Transport vessels	5.1	940	-	940
Vehicles	5.1	-	2 595	2 595
Other	5.1	-	19 997	19 997
Aircraft	5.1	3 589	-	3 589
Total recurring fair value measurements		75 615	249 725	325 340
Non-recurring fair value measurements				
Land held for sale	5.5	10 150	-	10 150
Vehicles held for sale	5.5	-	6	6
Total non-recurring fair value measurements		10 150	6	10 156
Total fair value measurement		85 765	249 731	335 496

South Australia Police
Notes to and forming part of the financial statements
as at 30 June 2019

11.2. Fair value (continued)

Fair value classification – non-financial assets at 30 June 2018

		Level 2	Level 3	Total
		\$'000	\$'000	\$'000
Recurring fair value measurements				
Land	5.1	63 047	-	63 047
Buildings & improvements	5.1	-	198 561	198 561
Leasehold improvements	5.1	-	34 982	34 982
Computing & communications equipment	5.1	-	14 128	14 128
Transport vessels	5.1	1 999	-	1 999
Vehicles	5.1	-	2 590	2 590
Other	5.1	-	22 421	22 421
Aircraft	5.1	2 555	-	2 555
Total recurring fair value measurements		67 601	272 682	340 283
Non-recurring fair value measurements				
Land held for sale	5.5	10 330	-	10 330
Buildings held for sale	5.5	-	43	43
Vehicles held for sale	5.5	-	11	11
Total non-recurring fair value measurements		10 330	54	10 384
Total fair value measurement		77 931	272 736	350 667

Land and buildings

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

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

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

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

Plant and equipment

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

South Australia Police
Notes to and forming part of the financial statements
as at 30 June 2019

11.2. Fair value (continued)

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

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

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

South Australia Police
Notes to and forming part of the financial statements
as at 30 June 2019

11.2. Fair value (continued)

Reconciliation of level 3 recurring fair value measurements as at 30 June 2018

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

	Buildings and improv'ts	Leasehold improv'ts	Computing & comms equipment	Vehicles	Other
2018	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance at the beginning of the period	202 768	35 496	13 749	2 790	24 226
Asset - recognised through stocktake	-	-	-	-	11
Transfers from capital work in progress	2 209	7	4 961	939	3 111
Classified as held for sale and/or disposals	-	-	-	(6)	-
Donated assets	-	-	-	-	224
Transfer between classes	(14)	14	-	-	-
Disposals/written off	-	-	-	(41)	(2)
Gains/(losses) for the period recognised in net result:					
Depreciation	(6 402)	(4 209)	(4 582)	(1 092)	(5 149)
Revaluation increment/(decrement)	-	3 674	-	-	-
Total gains/(losses) recognised in net result	(6 402)	(535)	(4 582)	(1 092)	(5 149)
Carrying amount at the end of the period	198 561	34 982	14 128	2 590	22 421

11.3. Financial instruments

Financial risk management

Risk management is managed by SAPOL's Financial Management Services Branch (FMSB) and SAPOL's risk management policies are in accordance with the *Risk Management Policy Statement* issued by the Premier and Treasurer and the principles established in the Australian Standard *Risk Management Principles and Guidelines*.

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

Liquidity risk

SAPOL is funded principally from 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.

Refer to notes 7.1 and 7.2 for further information.

Credit risk

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

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

South Australia Police
Notes to and forming part of the financial statements
as at 30 June 2019

11.3. Financial instruments (continued)

Impairment of financial assets

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

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

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

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

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

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

	Debtor gross carrying amount	Loss %	Lifetime expected losses
	\$'000		\$'000
Current (not past due)	263		
1 - 30 days past due	70	0.81	1
31 - 60 days past due	28	4.02	1
61 - 90 days past due	15	27.33	4
More than 90 days past due	70	18.01	13
Loss allowance	446		19

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

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

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

No receivables were written off during the year.

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

In the comparative period, the impairment of receivables was assessed based on the incurred loss model. The allowance was recognised when there was objective evidence that a receivable was impaired. The allowance for impairment was recognised in other expenses for specific debtors and debtors assessed on a collective basis for which such evidence existed.

South Australia Police
Notes to and forming part of the financial statements
as at 30 June 2019

11.3. Financial instruments (continued)

Market risk

SAPOL does not trade in foreign currency, nor enter into transactions for speculative purposes, nor for hedging. SAPOL does not undertake any hedging in relation to interest or foreign currency risk and manages its risk as per the government's risk management strategy articulated in TI 23 Management of Foreign Currency Exposures.

Exposure to interest rate risk may arise through its interest bearing liabilities, including borrowings. As at 30 June 2019, SAPOL have no borrowings.

Categorisation of financial instruments

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

Classification applicable until 30 June 2018 under AASB 139 Financial Instruments: Recognition and Measurement

The carrying amounts are detailed below of each of the following categories of financial assets and liabilities:

- Held-to-maturity investments
- Loan and receivables
- Financial liabilities measured at cost.

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 to notes 6.2 and 7.1).

Classification applicable from 1 July 2018 under AASB 9 Financial Instruments

On initial recognition, a financial asset is classified as measured at amortised cost, fair value through other comprehensive income (FVOCI) – debt instrument, FVOCI – equity instrument or fair value through profit or loss.

A financial asset is measured at amortised cost if it meets both of the following conditions:

- It is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest only on the principal amount outstanding.

SAPOL measures all financial instruments at amortised cost.

South Australia Police
Notes to and forming part of the financial statements
as at 30 June 2019

11.3. Financial instruments (continued)

Category of financial asset and financial liability	Note	2019 Carrying amount/Fair Value \$'000	2019 Contractual maturities		
			Within 1 year \$'000	1-5 years \$'000	More than 5 years \$'000
Financial assets					
Cash and cash equivalents	6.1				
Cash and cash equivalents		182 985	182 985	-	-
Loans and receivables					
Receivables ⁽¹⁾⁽²⁾		2 321	2 321	-	-
Total financial assets		185 306	185 306	-	-
Financial liabilities					
Financial liabilities at cost					
Payables ⁽¹⁾		19 468	19 468	-	-
Total financial liabilities		19 468	19 468	-	-

Category of financial asset and financial liability	Note	2018 Carrying amount/Fair Value \$'000	2018 Contractual maturities		
			Within 1 year \$'000	1-5 years \$'000	More than 5 years \$'000
Financial assets					
Cash and cash equivalents	6.1				
Cash and cash equivalents		153 940	153 940	-	-
Loans and receivables					
Receivables ⁽¹⁾⁽²⁾		2 116	2 116	-	-
Total financial assets		156 056	156 056	-	-
Financial liabilities					
Financial liabilities at cost					
Payables ⁽¹⁾		18 131	18 131	-	-
Total financial liabilities		18 131	18 131	-	-

Receivables and payables

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

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

South Australia Police (SAPOL)

Administered Financial Statements

For the year ended 30 June 2019

South Australia Police
Statement of Administered Comprehensive Income
for the year ended 30 June 2019

Statement of Administered Comprehensive Income

		2019	2018
	Note	\$'000	\$'000
Administered expenses			
Employee benefits expenses	4.1	478	619
Supplies and services	5.1	2 477	2 384
Intra-government transfers		10 281	11 475
Payments to consolidated account	6.1	61 677	68 775
Total administered expenses		74 913	83 253
 Administered income			
Revenues from SA Government	6.1	576	655
Fees, fines and charges	6.2	75 103	81 613
Total administered income		75 679	82 268
 Net result		766	(985)
 Net result and total comprehensive result		766	(985)

The accompanying notes form part of these financial statements.

South Australia Police
Statement of Administered Financial Position
as at 30 June 2019

Statement of Administered Financial Position

		2019	2018
	Note	\$'000	\$'000
Administered current assets			
Cash and cash equivalents	7.1	13 430	14 969
Receivables	7.2	249	224
Total current assets		13 679	15 193
Total assets		13 679	15 193
Administered current liabilities			
Payables		28	-
Other liabilities	8.1	13 037	15 345
Total current liabilities		13 065	15 345
Total liabilities		13 065	15 345
Net assets		614	(152)
Administered equity			
Retained earnings		614	(152)
Total equity		614	(152)

The accompanying notes form part of these financial statements.

South Australia Police
Statement of Administered Cash Flows
for the year ended June 2019

Statement of Administered Cash Flows

		2019 \$'000	2018 \$'000
		Inflows (Outflows)	Inflows (Outflows)
Cash flows from operating activities	Note		
Cash outflows			
Employee benefits payments		(478)	(619)
Supplies and services		(2 424)	(2 376)
Intra-government transfers		(10 281)	(11 475)
Payments to SA Government		(63 470)	(68 974)
Exhibit monies		(477)	-
Unclaimed property		(63)	-
Cash used in operations		(77 193)	(83 444)
Cash inflows			
Receipts from SA Government		551	647
Fees, fines and charges		75 103	81 613
Exhibit monies		-	1 777
Unclaimed property		-	268
Cash generated from operations		75 654	84 305
Net cash provided by / used in operations	9.1	(1 539)	861
Net increase / decrease in cash and cash equivalents		(1 539)	861
Cash and cash equivalents at the beginning of the period		14 969	14 108
Cash and cash equivalents at the end of the period	7.1	13 430	14 969

The accompanying notes form part of these financial statements.

South Australia Police
Schedule of Expenses and Income attributable to Administered Items
for the year ended June 2019

Schedule of Expenses and Income attributable to Administered Items

Activities - refer note A2	Victims of Crime				Public Private Partnership (PPP)			
	Expiation Fees		Levy		Special Acts			
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Administered expenses								
Employee benefits expenses	-	-	-	-	478	619	-	-
Supplies and services	-	-	-	-	-	-	2 477	2 384
Intra-government transfers	-	-	10 086	11 293	-	-	-	-
Payments to consolidated account	61 452	68 775	-	-	-	-	-	-
Total administered expenses	61 452	68 775	10 086	11 293	478	619	2 477	2 384
Administered income								
Revenues from SA Government	-	-	-	-	517	596	-	-
Fees, fines and charges	62 412	67 815	10 086	11 293	-	-	2 477	2 384
Total administered income	62 412	67 815	10 086	11 293	517	596	2 477	2 384
Net result	960	(960)	-	-	39	(23)	-	-

Activities - refer note A2	Firearms Safety					
	Training Levy		Other		Total	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
Administered expenses						
Employee benefits expenses	-	-	-	-	478	619
Supplies and services	-	-	-	-	2 477	2 384
Intra-government transfers	128	121	67	61	10 281	11 475
Payments to consolidated account	-	-	225	-	61 677	68 775
Total administered expenses	128	121	292	61	74 913	83 253
Administered income						
Revenues from SA Government	-	-	59	59	576	655
Fees, fines and charges	128	121	-	-	75 103	81 613
Total administered income	128	121	59	59	75 679	82 268
Net result	-	-	(233)	(2)	766	(985)

South Australia Police
Schedule of Assets and Liabilities attributable to Administered Items
as at 30 June 2019

Schedule of Assets and Liabilities attributable to Administered Items

Activities - refer note A2	Unclaimed		Exhibit Monies		Expiation Fees		Victims of		Special Acts	
	Property						Crime Levy			
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Administered current assets										
Cash and cash equivalents	347	410	8 308	8 785	3 335	4 023	798	944	74	35
Total current assets	347	410	8 308	8 785	3 335	4 023	798	944	74	35
Total assets	347	410	8 308	8 785	3 335	4 023	798	944	74	35
Administered current liabilities										
Payables	-	-	-	-	-	-	-	-	-	-
Other liabilities	347	410	8 308	8 785	3 335	4 982	798	944	-	-
Total current liabilities	347	410	8 308	8 785	3 335	4 982	798	944	-	-
Total liabilities	347	410	8 308	8 785	3 335	4 982	798	944	-	-
Net assets	-	-	-	-	-	(959)	-	-	74	35

Activities - refer note A2	Public Private Partnership (PPP)		Firearms Safety Training Levy		Other		Total	
	2019	2018	2019	2018	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Administered current assets								
Cash and cash equivalents	-	-	28	-	540	772	13 430	14 969
Receivables	249	224	-	-	-	-	249	224
Total current assets	249	224	28	-	540	772	13 679	15 193
Total assets	249	224	28	-	540	772	13 679	15 193
Administered current liabilities								
Payables	-	-	28	-	-	-	28	-
Other liabilities	249	224	-	-	-	-	13 037	15 345
Total current liabilities	249	224	28	-	-	-	13 065	15 345
Total liabilities	249	224	28	-	-	-	13 065	15 345
Net assets	-	-	-	-	540	772	614	(152)

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

South Australia Police
Notes to and forming part of the Administered financial statements
as at 30 June 2019

NOTES TO THE FINANCIAL STATEMENTS

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South Australia Police
Notes to and forming part of the Administered financial statements
as at 30 June 2019

A1. Basis of preparation and accounting policies

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

Departures from SAPOL 'basis of financial statement'

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. Objectives/Activities of SAPOL's administered items

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

Unclaimed property

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

Exhibit monies

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

Expiation fees

SAPOL, as a central processing agency of expiation notices, collects expiation revenue arising from expiation notices issued by police officers and other authorised officers. SAPOL treats the collected expiation revenue pursuant to the requirements of the *Expiation of Offences Act 1996*. Monies collected are paid into the Consolidated Account.

Victims of Crime Levy

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

Special Acts

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

South Australia Police
Notes to and forming part of the Administered financial statements
as at 30 June 2019

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

Public Private Partnership

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

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

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

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.

Firearms Safety Training Levy

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

Other

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

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

South Australia Police
Notes to and forming part of the Administered financial statements
as at 30 June 2019

A3. Budget performance

The budget performance table compares the department's outcomes against budget information presented to Parliament (2018-19 Budget Paper 4). The budget amounts have not been adjusted to reflect revised budgets or administrative restructures. The budget process is not subject to audit.

		Original budget 2019 \$'000	Actual 2019 \$'000	Variance \$'000
Note				
Statement of Comprehensive Income				
Expenses				
		474	478	4
Employee benefits expense				
Supplies and services		2 514	2 477	(37)
Intra-government transfers		14 054	10 281	(3 773)
Payments to consolidated account	a	70 531	61 677	(8 854)
Total expenses		87 573	74 913	(12 660)
Income				
Revenue from SA Government		533	576	43
Fees, fines and charges	b	87 040	75 103	(11 937)
Total income		87 573	75 679	(11 894)
Net cost of providing services				
		-	766	766
Net result				
		-	766	766

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

- a) The 2018-19 original budget for payments to the consolidated account was revised downwards during the year mainly due to the volume adjustment as a result of expiated revenue detections being lower overall. The actual payments of \$61.677 million was lower than the revised budget of \$64.760 million.
- b) The 2018-19 original budget was revised downwards during the year for approved adjustments, mainly due to a volume adjustment based on expiated revenue detections being lower overall. The actual income of \$75.103 million was lower than the approved revised budget of \$78.899 million.

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

South Australia Police
Notes to and forming part of the Administered financial statements
as at 30 June 2019

A4. Employee Benefits Expense

A4.1 Employee benefits

	2019	2018
	\$'000	\$'000
Salaries and wages	478	619
Total employee benefits	478	619

The total salaries and wages paid was funded from consolidated account pursuant to the *Police Act 1998*. The 2017-18 expenses included leave paid as a lump sum in lieu of taken long service leave.

A5. Expenses

The below expenses relate to PPP lease payments on behalf of CAA. The expenditure is offset by cost recovery from CAA. Refer to note A6.2

A5.1 Supplies and services

	2019	2018
	\$'000	\$'000
PPP lease payments	2 477	2 384
Total supplies and services	2 477	2 384

A6. Income

A6.1 Revenues from / (payments to) SA Government

	2019	2018
	\$'000	\$'000
Revenues from SA Government		
Appropriations from consolidated account pursuant to the <i>Appropriation Act</i>	59	59
Appropriations from consolidated account pursuant to the <i>Police Act 1998</i>	517	596
Total revenues from SA Government	576	655
Payments to SA Government		
Payments to the consolidated account	(61 677)	(68 775)
Total payments to SA Government	(61 677)	(68 775)
Net revenues from SA Government	(61 101)	(68 120)

Appropriations are recognised on receipt.

South Australia Police
Notes to and forming part of the Administered financial statements
as at 30 June 2019

A6.2 Fees, fines and charges

	2019	2018
	\$'000	\$'000
Expiation revenue	62 412	67 815
Victims of Crime Levy	10 086	11 293
PPP cost recovery *	2 477	2 384
Firearms Safety Training Levy	128	121
Total fees, fines and charges	75 103	81 613

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

The income received through expiation revenue has decreased from previous years due to changes in driver behaviour and payment behaviour, these funds are then returned to Department of Treasury and Finance (DTF) through payments to the consolidated account.

A7. Financial assets

A7.1 Cash and cash equivalents

	2019	2018
	\$'000	\$'000
Deposits with the Treasurer	13 430	14 969
Total cash and cash equivalents	13 430	14 969

A7.2 Receivables

	2019	2018
	\$'000	\$'000
Current		
Receivables	249	224
Total current receivables	249	224
Total receivables	249	224

A8. Liabilities

A8.1 Other liabilities

	2019	2018
	\$'000	\$'000
Current		
Funds payable to SA Government	4 133	5 926
Exhibit monies held	8 308	8 785
Unclaimed property held for SA Government	347	410
Other payable to non-SA government	249	224
Total current other liabilities	13 037	15 345
Total other liabilities	13 037	15 345

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

South Australia Police
Notes to and forming part of the Administered financial statements
as at 30 June 2019

A9. Other disclosures

A9.1 Cash flow reconciliations

	2019 \$'000	2018 \$'000
Reconciliation of cash and cash equivalents at the end of the reporting period		
Cash and cash equivalents disclosed in the Statement of Administered Financial Position	13 430	14 969
Balance as per the Statement of Administered Cash Flows	13 430	14 969
Reconciliation of net cash provided by / (used in) operating activities to net result		
Net cash provided by/(used in) operating activities	(1 539)	861
Movement in assets and liabilities		
Increase/(decrease) in receivables	25	8
(Increase)/decrease in payables and employee benefits	(28)	-
(Increase)/decrease in other liabilities	2 308	(1 854)
Net result	766	(985)