



SOUTH AUSTRALIA POLICE
KEEPING SA SAFE

South Australia Police

2017-18 Annual Report

South Australia Police

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

www.police.sa.gov.au

Contact phone number (08) 7322 3833

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

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To:

The Hon. Corey Wingard

Minister for Police, Emergency Services and Correctional Services
Minister for Recreation, Sport and Racing


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

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

Submitted on behalf of the South Australia Police by:

Grant Stevens

Commissioner of Police



Signature

Date 27/9/2018

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

Agency purpose or role

Under the *Police Act 1998*, 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.

SAPOL's Strategic Plan is SAPOL 2020, outlining SAPOL's Vision of '*a visible responsive police service for all South Australians*'; and key strategy to be accessible, innovative and efficient in the use of resources and responsive in the delivery of frontline services regardless of the circumstances. SAPOL 2020 also contains SAPOL's six organisational values essential in maintaining the highest standards of behaviour by police when delivering services internally or externally to the community.

Our Values are:

- Service
- Integrity
- Courage
- Leadership
- Collaboration and
- Respect

Objectives

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

Key strategies and their relationship to SA Government objectives

Key strategy	SA Government objective
To be accessible innovative and efficient in the use of our resources, and responsive in the delivery of our frontline services regardless of the circumstances.	South Australia Police provides a range of community services with the ultimate objective of ensuring South Australia remains a safe place to live, visit and do business.

Agency programs and initiatives and their effectiveness and efficiency

Program name	Indicators of performance/effectiveness/efficiency	Outcome for South Australia
Public Safety	<p>Level of Community Confidence in policing services.</p> <p>Percentage Grade 1 taskings in the metropolitan area responded to within 15 minutes.</p> <p>Number of calls received by Call Centre.</p> <p>Number of 000 calls presented to Police Communications Centre by Telstra.</p>	<p>88.1%, above the national average</p> <p>91.1%, above the target of ≥80.0%</p> <p>485 643</p> <p>154 665</p>
Crime and Criminal Justice Services	<p>Number of recorded offences against the person as reported by/on behalf of victims per 1000 head of population.</p> <p>Number of recorded offences against property as reported by/on behalf of victims per 1000 head of population.</p>	<p>13.16, below projection of ≤15.0</p> <p>47.4, below projection of ≤50.0</p>
Road Safety	<p>Number of Road Safety Contacts issued personally involving unique expiation notices and apprehension reports excluding camera.</p> <p>Number of driver screening tests conducted.</p> <p>Number of SAPOL Road Safety Centre attendees, children and young adults (16-24 years).</p> <p>Total number people attending SAPOL road safety programs.</p>	<p>210 190</p> <p>578 496, above the target of 500 000</p> <p>8 877 children and 123 young adults</p> <p>79 808</p>

Legislation administered by the agency*Police Act 1998 and Police Regulations 2014**Firearms Act 2015**Hydroponics Industry Control Act 2009**Protective Security Act 2007**Second-hand Dealers and Pawnbrokers Act 1996**Witness Protection Act 1996*

Organisation of the agency

Commissioner

Deputy Commissioner

Business Service

Crime Service

Governance and Capability Service

Human Resources Service

Information Systems and Technology Service

Metropolitan Operations Service

Operations Support Service

Security and Emergency Management Service

State Operations Service

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

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

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

Employment opportunity programs

Program name	Result of the program
R313 Initiative	<p>SAPOL's Recruit 313, a previous State Government initiative to increase frontline policing numbers, commenced in September 2016. The initiative continued in 2017-18, following on from the Commissioners implementation of a 50/50 gender equity policy for SAPOL recruiting.</p> <p>In addition to the gender equity policy, a youth specific recruitment strategy was undertaken in an effort to recruit young South Australians, as well as a focus on recruiting people from Culturally and Linguistically Diverse (CALD) backgrounds. In 2017-18 as part of this initiative, 14 metropolitan information seminars to encourage applicants were held, including two specifically targeting women.</p> <p>Directly attributable to these strategies, 190 recruits commenced training at the Police Academy during 2017-18; 21 were from CALD backgrounds, 39 were youth recruits and 95 were female. SAPOL achieved its 50/50 gender target during this period.</p> <p>During 2017-18, resulting from the R313 initiative, new positions have been created in areas such as; family violence, cybercrime, general duties, prosecution and country areas.</p>
Aboriginal Employment Register (AER)	<p>In April 2018, SAPOL strengthened its employment opportunities through the AER when considering filling vacancies governed by the <i>Public Sector Act 2009</i>. The AER is a gazetted Employment Opportunity Program (EOP) pursuant to section 65 of that Act. The Register enacts the EOP so that Aboriginal job seekers (which can include Aboriginal public sector employees) can register their interest for employment in the South Australian Public Sector. Public Sector agencies like SAPOL can then consider employing Aboriginal job seekers from the Register before they advertise a vacancy. The purpose of the EOP is to provide improved employment opportunities.</p> <p>Since April 2018, 15 clients of the AER have been employed under <i>Public Sector Act 2009</i> conditions in administrative positions. Two clients of the AER have been referred to Police Recruiting and have been employed as Community Constables.</p> <p>SAPOL continues its current work and is investigating opportunities to expand employments into other areas such as the Police Call Centre and Traffic Camera Section.</p>

Agency performance management and development systems

Performance management and development system	Assessment of effectiveness and efficiency
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 (2017-18) as a percentage of the total workforce was 67.0%.</p> <p>The effectiveness and efficiency of SAPOL's system is currently under review.</p>

Work health, safety and return to work programs of the agency and their effectiveness

Work health, safety and rehabilitation programs	Effectiveness
<p>Work Health and Safety</p>	<p>SAPOL has a dedicated Health Safety and Welfare Area 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 and the annual Incident Management & Operational Safety Training (IMOST).</p> <p>SAPOL is developing a Mental Health Strategy, which includes the introduction of Mental Health First Aid Training. Approximately 840 officers participated in this training during 2017-18 with further training being delivered during 2018-19.</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>SAPOL's extensive Employee Assistance Program (EAP) - an independent and confidential counselling service, delivered by specialist mental health professionals, offering support for work related and personal issues.</p>	<p>SAPOL's Employee Assistance Section provides an initial triage and counselling service for employees as well as a consultancy, training and assessment service to assist employees' physical and psychological wellbeing.</p> <p>In addition to this internal resource, SAPOL also has an independent Employee Assistance Program. 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 2017-18, 308 employees accessed the service across 738 sessions.</p>

Work health and safety and return to work performance

	2017-18	2016-17	% Change (+ / -)
Workplace injury claims			
Total new workplace injury claims	287	318	-9.75%
Fatalities - (based on Building Service Excellence (BSE) counting rules that being; death workers compensation claims submitted regardless determination status)	1	1	0%
Seriously injured workers*	0	4	-400%
Significant injuries (where lost time exceeds a working week, expressed as frequency rate per 1000 FTE)	** 24.04	25.49	-1.45
Work health and safety regulation			
Number of notifiable incidents (<i>WHS Act 2012, Part 3</i>)	6	8	-25%
Number of provisional improvement, improvement and prohibition notices (<i>WHS Act 2012 Sections 90, 191 and 195</i>)	4	9	-55%
Return to work costs***			
Total gross workers compensation expenditure (\$)	\$12 732 804	\$14 727 025	-13.54%
Income support payments – gross (\$)	\$7 316 205	\$7 571 347	-3.37%

* 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 December 2017.

*** Before third party recovery.

Data for the previous years is available at:

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

Fraud detected in the agency

Category/nature of fraud	Number of instances
Theft by Deception (fraud) offences	18

Strategies implemented to control and prevent fraud

Of these matters, 12 are still under investigation and have not yet been finalised. Of the six matters that have been finalised, the outcomes are:

- 2 x Reported for abuse of public office and dishonest dealings with documents
- 1 x Unsubstantiated
- 2 x No further action
- 1 x Management resolution – no finding.

Ongoing comprehensive audit practices detect any fraudulent behaviour.

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

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

Data for the 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 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	8
SA Executive Service Level 2	3
SA Executive Service Level 1	1

Data for the 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 [data dashboard](#) for further information on the breakdown of executive gender, salary and tenure by agency.

Consultants

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

Consultants	Purpose	Value
Consultancies below \$10,000 each		
All consultancies below \$10,000 each	Various	\$55 932
Consultancies above \$10,000 each		
Stillwell Management Consultants	Director Business Service position selection	\$15 178
Professor Jason White	Preparation of Court reports	\$18 200
Gill Duck	Business Planning Review	\$19 950
Taylor Fry	Review of Injury and Income Protection Liabilities - Actuary Assessment	\$20 000
DB Aero Pty Ltd	Strategic review of SAPOL Aircraft Services	\$20 337
Necleus Media Australia	Neighbourhood Watch launch campaign	\$29 984
Deloitte	Payroll Calculator	\$35 414
Ernst Young	Human Resource Management Branch Review	\$56 250
KPMG	Corporate Cybercrime Project	\$129 712
KPMG	Information and Reporting - District Policing Model	\$158 520
Total all consultancies		\$559 477

Data for the 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 <http://treasury.sa.gov.au/> for total value of consultancy contracts across the SA Public Sector.

Contractors

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

Contractor	Purpose	Value
Fujitsu Australia Ltd	Performing system integration services for CHRIS21 implementation	\$1 110 000
Hays Specialist Recruitment	Temporary staff engaged to provide administrative services	\$788 000
Modis Consulting Pty Ltd	Performing change management and training of staff for IT project	\$560 000
Ajilon P/L	Performing change management and training of staff for IT project	\$509 000
Talent International (SA) P/L	Project management and testing services	\$466 000
Squiz Australia P/L	Neighbourhood watch reinvigoration project and support and maintenance of SAPOL corporate website	\$270 000
Randstad P/L	Temporary staff engaged to undertake office services, sourced from staffing agencies	\$260 000
Touchstone Computing Pty Ltd	Performing project management services for IT project	\$248 000
Natalie Bottroff & Associates	Rehabilitation services	\$164 000
Allegro Recruitment Consult P/L	Performing programming services for IT project	\$161 000
Dfp Recruitment Services	Temporary staff engaged to undertake office services, sourced from staffing agencies	\$155 000
Safeselect	Psychological testing	\$119 000
Toll Fast	Delivery of mail and packages to police stations	\$107 000
Health Scope Ltd	Rehabilitation services	\$82 000
Alex Gava Consulting	Rehabilitation services	\$71 000
Innodev P/L	Test automation services	\$69 000
KPMG	Professional advisory services rendered for various projects	\$57 000
Chandler Macleod Group Ltd	Provision for business analyst services and temp staff	\$36 000

Interpreting And Translating	Assisting investigators during interview of non-English speaking offenders	\$36 000
Kronos Australia Pty Ltd	Performing system enhancement services for IT project	\$34 000
RNTT P/L	Agency staff provider for control centre, short term contract	\$32 000
Hewlett-Packard Australia Ltd	Programming support	\$30 000
Msvs Consultancy	Rehabilitation services	\$27 000
Worldlearn Pty Ltd	Performing system enhancement services for IT project	\$23 000
Michael Smith	Contracted to shoe and trim the police horses	\$23 000
Vedantus Solutions Pty Ltd	Technical training	\$14 000
Cqr Consulting Aust P/ L	Information Security Management System (ISMS) expansion & security awareness	\$11 000
Total Contractors (in excess of \$10 000)		\$5 462 000

Data for the previous years is available at:

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

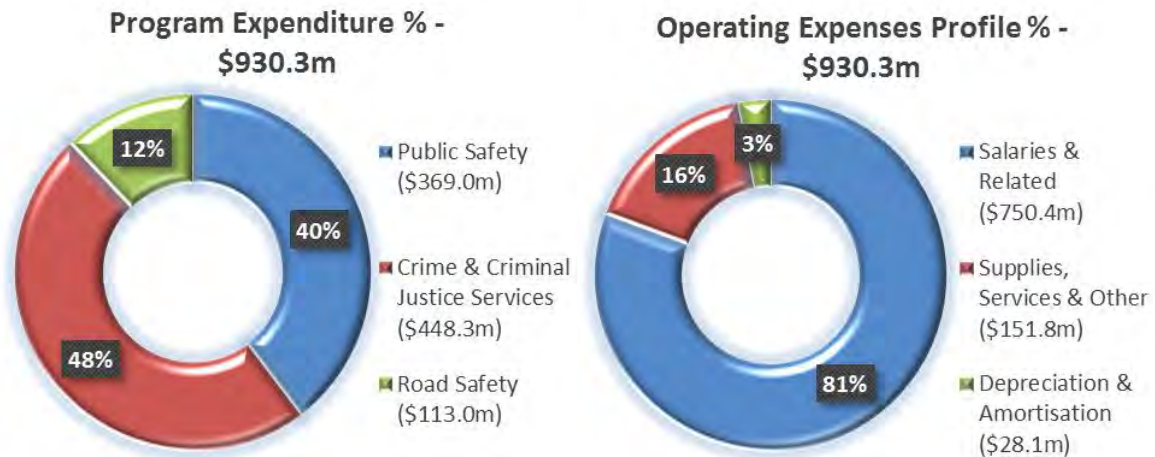
The details of all South Australian Government-awarded contracts for goods, services, and works are displayed on the SA Tenders and Contracts website [here](#).

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

Financial performance of the agency

The following is a brief summary of the overall financial position of the agency. The information is unaudited. Full audited financial statements for 2017-18 are attached to this report.

Allocated Resources

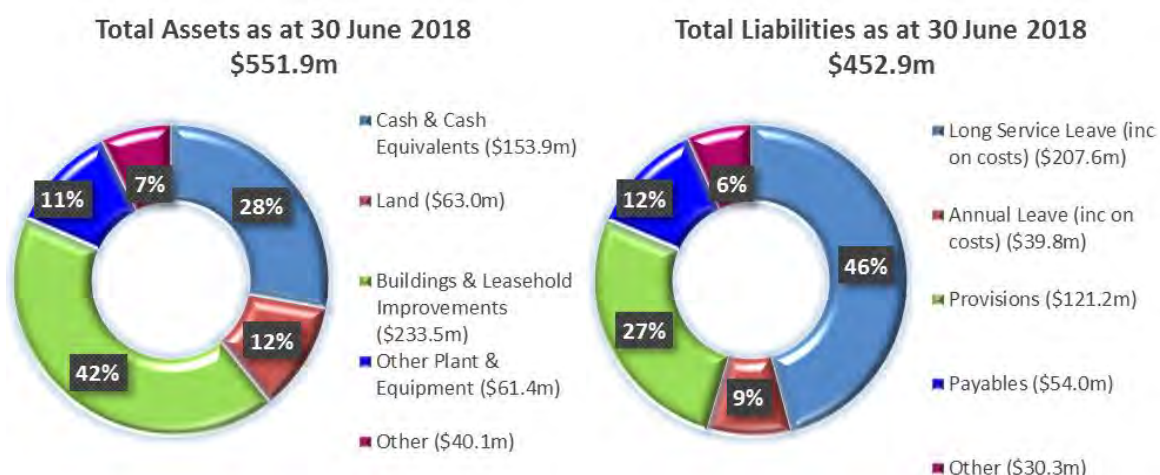


Cost of Service Provision

	2018	2017	2016	2015	2014
	Actual	Actual	Actual	Actual	Actual
	\$m	\$m	\$m	\$m	\$m
Total operating expenses	930.3	896.1	825.9	814.8	789.1
Total operating income	39.4	37.9	36.5	34.5	34.0
Net cost of providing services	890.9	858.2	789.4	780.3	755.1
Net revenue from SA Government	840.8	852.9	797.6	795.0	749.9
Net result (AAS)	(1)	(50.1)	(5.3)	8.2	(5.2)

(1) Net result in 2017-18 of (\$50.1 million) includes lower net revenue from SA Government with \$34.9 million in cash returned to Government in accordance with the cash alignment policy and \$20.7 million for net movements in employee liabilities and additional compensation.

Assets and Liabilities



	2018	2017	2016	2015	2014
	Actual	Actual	Actual	Actual	Actual
	\$m	\$m	\$m	\$m	\$m
Current assets	174.3	194.3	156.3	141.8	98.4
Non-current assets	377.6	377.2	383.3	374.9	385.8
Total assets	551.9	571.5	539.6	516.7	484.2
Current liabilities	125.6	129.8	116.7	104.9	94.2
Non-current liabilities	327.3	297.8	273.8	284.1	276.1
Total liabilities	452.9	427.6	390.5	389.0	370.3
Net assets	99.0	143.9	149.1	127.7	113.9

Other financial information

Nil to report

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

Reporting and investigating alleged corruption

Reports of alleged 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	2017-18
ACB Investigation	229
ACB / ICAC Joint Investigation	1

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

It is the case that having received a report of suspected potential corruption from the ACB, the 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. The ICAC may also direct that SAPOL cease investigating the matter.

It should be noted that 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 in the 2017-18 year is recorded below. (This table discounts the one joint ACB/ICAC investigation commenced during the period).

Type of Investigation	2017-18
Miscellaneous Assessment	104
ACB Operations	11
Investigations Referred SAPOL areas (not retained at ACB)	114

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)	2017-18
SAPOL Police Officer – sworn (including Community Constables)	85
SAPOL – unsworn / cadet	12
Protective Security	3
Other SA Public Sector	114
Local Government	6
Other (includes civilians)	8
Commonwealth Public Sector	1
State Government	1

Data for the previous years is available at:

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

Section B: Reporting required under any other act or regulation

Controlled Substances Act 1984

Section 52C(1)

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

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

For the period of 1 July 2017 to 30 June 2018:

Section 52A(3)

A senior police officer may authorise the exercise of powers under this section in relation to a public place. There were 36 authorisations granted by senior police officers pursuant to section 52A.

LOCATIONS
Port Augusta Cup, Port Augusta
Aldinga Shopping Centre, Aldinga
Colonnades Shopping Centre, Noarlunga Centre
Balaklava Racecourse, Balaklava
Hindley Street, Adelaide and surrounds
Victor Harbor CBD, Victor Harbor
Hutt Street, Adelaide
Hot Dub Wine Machine, McLaren Vale
North Terrace, Adelaide and surrounds
Operation Schoolies, Victor Harbor, Middleton, Port Elliott and Goolwa
Parabanks Shopping Centre, Salisbury
Mobilong Prison, Mobilong
Henley Square, Henley Beach
Serafino Wines, McLaren Vale
FOMO, Music Festival, Elder Park, Adelaide
Sounds by the River, Mannum
Tunarama Festival, Port Lincoln
Laneways Music Festival, Wills Street, Port Adelaide
Port Augusta Prison, Port Augusta
Adelaide Parklands Terminal, Keswick
East City Precinct, Rundle Street, Adelaide
Hidden Music Festival, Watson Terrace, Whyalla
Groovin' the Moo, Wayville Showgrounds, Wayville
Noarlunga Centre CBD, Noarlunga Centre

Drug Transit Route Deployments - Section 52B(1)

There were 18 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
Glenelg River Road, Donovans
Sturt Highway, Yamba
Victor Harbor Road, Mount Compass
Hindmarsh Road, Victor Harbor
Eyre Highway, Kimba
Port Wakefield Road, Port Wakefield
Lincoln Highway, Whyalla
Dukes Highway, Coonalpyn
Stuart Highway, Marla
Stuart Highway, Coober Pedy

Overall, there were 483 deployments where teams operated under section 52A and section 52B in the following areas:

CONTROLLED SUBSTANCES ACT	2017-18
Section 52A(2)(a) – Licensed Premises	198
Section 52A(2)(b) – Public Venues	20
Section 52A(2)(c) – Public Passenger Carrier	187
Section 52A(2)(d) – Public Place	60
Section 52B(1) – Drug Transit Route	18
Total	483

There were 2 715 indications of the presence of a controlled drug, controlled pre-cursor or controlled plant during the exercise of powers under sections 52A(2)(a), 52A(2)(b), 52A(2)(c), 52A(2)(d) and 52B(1).

From these 2 715 indications there were 485 detections, 1 727 'residual admits' and 507 'residual denies'. Of the 485 detections, 453 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 183.5 ecstasy tablets, 2.51 kilograms of cannabis, 44.35 grams of amphetamine, 25.1 grams of cocaine, 0.5 gram of heroin and 142 pieces of drug paraphernalia.

Data for the previous years is available at:

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

Disability Inclusion Act 2018

Section 14

- (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.

Section 17

- (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 to oversee and focus on the priorities and actions of the DAIP.

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

- A Flexible Work Team has been established to support SAPOL's commitment to an 'If Not, Why Not' approach to flexible working arrangements;
- The Police Volunteer Manual was reviewed in May 2018. The manual 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;
- People with cognitive or communication impairment face numerous barriers when participating in investigative interviews with police. SAPOL has recognised the interviewing of vulnerable witnesses is a highly complex task and specialist skills are required where the purpose is to elicit accurate and detailed information. Such interviewing requires highly specialised training. Priority Action 2.11 of the Disability Justice Plan called for the provision of specialist training for the interviewing of vulnerable persons. The acquisition of specialist training across government was through a tender process and the successful applicant was Professor Martine Powell from the Centre for Investigative Interviewing.

Since 2016 SAPOL have enrolled 132 members with 96 having successfully graduated to date and 36 currently completing studies. 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 have collaborated with the Legal Services Commission on their new legal education resource 'Rights on Show' about key rights when first making contact with the police and the criminal justice system. The resource was specifically made for people with intellectual disability and cognitive impairment who may have complex communication needs.

In the coming year, SAPOL's Diversity and Inclusion Branch will advise and collaborate with stakeholders both within SAPOL and externally to continue the implementation of the DAIP.

Evidence Act 1929

Section 49

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

There were 168 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 2017 to 30 June 2018.

Hydroponic Industry Control Act 2009

Section 34(1)

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

HYDROPONICS INDUSTRY CONTROL ACT and REGULATIONS	2017-18
Apprehension reports	0
Offences	0
Expiations	0

Note: The Act only relates to retail businesses; only wholesale stores exist in South Australia, wholesale sales are not captured under the Act.

Data for the previous years is available at:

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

Liquor Licensing Act 1997

Section 128C(8)

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

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

This report refers to applications made to the Commissioner for Licensing and Gaming for the review of barring orders issued to persons on welfare grounds or those exceeding one month.

There were no orders made pursuant to section 128C(8) of the *Liquor Licensing Act 1997* for the period 1 July 2017 to 30 June 2018.

Data for the previous years is available at:

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

Protective Security Act 2007

Section 43

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

Protective Security Regulations 2008

Regulation 23

The Commissioner must, in his or her annual report to the Minister under section 43 of the Act, report on—

- (a) the current state of the protective security officers, including the numbers, components, distribution and operational efficiency of the officers; and
- (b) the operations of the protective security officers; and
- (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.

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 identifying any resource or costing pressures through that process in Cabinet submissions to Emergency Management Council. No submissions are underway at this time.

PSSB comprises 140 FTE (124 PSOs, 11 non-sworn and 5 sworn).

Section	Description	Level	Number	Total
Physical Security Section	Protective Security Supervisors	PSO3	5	
	Protective Security Officers 1 st Class	PSO2	40	
	Protective Security Officers	PSO1	50	95
Security Control Centre	Supervising Operators	PSO3	5	
	Operators	PSO2	24	29

There have been a total of 40 incidents of a relatively minor nature at designated CI-HR sites that required PSOs to exercise authorities under the Act.

There have been no incidents of significance involving PSOs.

Data for the previous years is available at:

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

Road Traffic Act 1961

Section 47E(8)

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

There were a total of 578 496 driver screening tests conducted for the period of 1 July 2017 to 30 June 2018.

Of those, pursuant to section 47E there were 313 545 mobile driver screening tests conducted.

Data for the previous years is available at:

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

Shop Theft (Alternative Enforcement) Act 2000

Section 18

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

SHOP THEFT INFRINGEMENT NOTICES (STIN)	2017-18
STIN 1 issued	4
STIN 1 completed	4
STIN 2 issued	3
STIN 2 completed	3
Withdrawal of Consent (PD259)	0
Community service hours for STIN 2 offence	49
Apologies required for STIN 1 offence	0
Apologies required for STIN 2 offence	0
Apprehension Reports for breach	0
Apprehension Reports for subsequent breach	0

Data for the previous years is available at:

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

Summary Offences Act 1953

Section 21K

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

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

S21 SUMMARY OFFENCES (WEAPONS) AMENDMENT ACT 2012	2017-18
Number of weapons prohibition orders issued under section 21H	2
Number of weapons prohibition orders revoked under section 21H	6
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>

Summary Offences Act 1953**Section 72A(7)**

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

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

S72A(7) SUMMARY OFFENCES (WEAPONS) AMENDMENT ACT 2012	2017-18
Number of declarations made under subsection (4)	59
Number of metal detector searches carried out	756
Number of occasions on which a metal detector search was carried out, indicated the presence or likely presence of any metal	508
Number of occasions on which weapons or articles of a kind (referred to in Part 3A) were detected	*5

* Types detected included: 5 x knives.

Within these 59 authorisations, there was 1 authorisation made pursuant to subsection (4) (declared public event):

- * Adelaide Oval Big Bash League (Cricket) 2 February 2018.

Data for the previous years is available at:

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

Summary Offences Act 1953

Section 72B(9)

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

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

There were no authorisations under subsection 3 where Special Powers to Prevent Serious Violence were granted in the reporting period of 1 July 2017 to 30 June 2018.

Data for the previous years is available at:

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

Summary Offences Act 1953**Section 83C (6)**

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

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

The number of forced entries for the reporting period of 1 July 2017 to 30 June 2018 included:

S83C(6) SUMMARY OFFENCES ACT	2017-18
No. of authorisations issued*	129

Grounds for issue of authorisations:	
Deceased person believed in premises section 83C(1)	35
Person in premises requiring medical assistance section 83C(1)(b)	94

Information reported:	
Deceased	37
Attempt Suicide / Person Detained (Mental Health Act)	15
Drug / Alcohol Overdose	0
Concern Occupant Deceased	0
Premises Empty / Unoccupied	20
Medical / Other Assistance Not Specified	57
No Medical Attention Required	0
Missing Person – Welfare Grounds	0

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)	1

* 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.

Data for the previous years is available at:

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

Summary Offences Act 1953

Section 83BA(9)

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

There were no authorisations issued pursuant to section 83BA of the *Summary Offences Act 1953* relating to the overcrowding at public venues for the period 1 July 2017 to 30 June 2018.

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

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

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 intranet page.

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 disability. The training also contains information on the Carers Charter and the Act, and information on SAPOL's Disability Access and Inclusion Plan. 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 306 SAPOL employees between 1 July 2017 and 30 June 2018.

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 Disability Access and Inclusion Plan 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 SAPOL's new Diversity and Inclusion Branch.

Significant consultation has also taken place across SAPOL in the past 12 months through Project Equitas to develop, release, raise awareness and educate all employees on SAPOL's new principles and policies on flexible work.

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

SAPOL's flexible working arrangements (FWAs) have undergone significant review in the past 12 months with the focus removed from employees making the case for FWAs, with the assumption now that a role can be undertaken more flexibly unless a manager/supervisor can demonstrate otherwise. 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 an FWA will be considered positively.

More broadly, SAPOL's Employee Assistance Section provides counselling support to all SAPOL 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 well-being.

SAPOL's flexible work arrangements, ongoing training, actions under the Disability Access and Inclusion Plan 2017-2020, and support available through the Employee Assistance Section demonstrate SAPOL's commitment to supporting carers and align closely with the intent of the Carers Charter.

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

Summary of complaints by subject

Public complaints received by Ethical and Professional Standards Branch	
Category of complaints by subject – 1 July 2017 – 3 September 2017	Number of instances
By the Police Ombudsman	146
SAPOL – Mandatory Report	61
Category of complaints by subject – 4 September 2017 – 30 June 2018*	
By the Office of Public Integrity	1 655
SAPOL – Mandatory Report	330

* Changes in counting rules and classifications occurred with the closure of the Police Ombudsman Office.

Data for the previous years is available at:

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

Complaint outcomes

Nature of complaint or suggestion	Services improved or changes as a result of complaints or consumer suggestions
Changes to Complaints Process	On 4 September 2017, the <i>Police Complaints and Discipline Act 2016</i> came into effect. As of this date, the Office for Public Integrity commenced the oversight role of police complaints and the responsibility for receiving complaints.

Appendix: Audited financial statements 2017-18

For official use only



Government of South Australia
Auditor-General's Department

Our ref: A18/159

20 September 2018

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

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

Dear Commissioner Stevens

Audit of the South Australia Police for the year to 30 June 2018

We have completed the audit of your accounts for the year ended 30 June 2018. Three key outcomes from the audit are the:

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

1 Independent Auditor's Report

We are returning the financial statements for 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 Opinion on financial controls

In my opinion, the controls exercised by the South Australia Police in relation to the receipt, expenditure and investment of money, the acquisition and disposal of property and the incurring of liabilities, except for matter raised relating to payroll leave recording are sufficient to provide reasonable assurance that the financial transactions of South Australia Police have been conducted properly and in accordance with law.

3 Audit management letters

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

Significant matters related to controls over payroll leave recording.

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We have received responses to our letters and will follow these up in the 2018-19 audit.

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

What the audit covered

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

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

- payroll
- workers compensation
- 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
- liaising with the Department of the Premier and Cabinet to review and understand key assumptions and outcomes of the actuarial measurement of your workers compensation and additional compensation provisions, before these balances are included in the draft financial report.

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

To the Commissioner of Police South Australia Police

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987*, I have audited the financial report of the South Australia Police for the financial year ended 30 June 2018.

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 2018, 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 2018
- a Statement of Financial Position as at 30 June 2018
- a Statement of Changes in Equity for the year ended 30 June 2018
- a Statement of Cash Flows for the year ended 30 June 2018
- notes, comprising significant accounting policies and other explanatory information
- a Statement of Administered Comprehensive Income for the year ended 30 June 2018
- a Statement of Administered Financial Position as at 30 June 2018
- a Statement of Administered Changes in Equity for the year ended 30 June 2018
- a Statement of Administered Cash Flows for the year ended 30 June 2018
- a Schedule of Expenses and Income attributable to administered items for the year ended 30 June 2018
- 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
- 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.

A handwritten signature in black ink, appearing to read 'A. Richardson', with a long horizontal flourish extending to the right.

Andrew Richardson

Auditor-General

20 September 2018

South Australia Police (SAPOL)

Financial Statements

For the year ended 30 June 2018

South Australia Police
Certification of the Financial Statements
for the year ended 30 June 2018

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

- comply with relevant Treasurer's Instructions issued under section 41 of the *Public Finance and Audit Act 1987*, and relevant Australian Accounting Standards
- are in accordance with the accounts and records of the South Australia Police
- present a true and fair view of the financial position of the South Australia Police as at 30 June 2018 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
14 September 2018



Stephen Johnke
Director, Business Service
14 September 2018

South Australia Police
Statement of Comprehensive Income
for the year ended 30 June 2018

	Note	2018 \$'000	2017 \$'000
Expenses			
Employee benefits	3	750 374	721 187
Supplies and services	5	151 794	146 083
Depreciation and amortisation	6	28 079	28 079
Write down of non-current assets		7	43
Impairment loss		-	710
Total expenses		930 254	896 102
Income			
Fees and charges	7	27 179	26 630
Commonwealth revenues	8	1 867	1 658
Interest	9	3	3
Resources received free of charge	10	2 762	-
Net gain from the disposal of non-current and other assets	11	397	118
Other income	12	7 177	9 528
Total income		39 385	37 937
Net cost of providing services		890 869	858 165
Revenues from / (payments to) SA Government:			
Revenues from SA Government	13	812 085	791 707
Contributions from the Community Emergency Services Fund	13	22 343	21 798
Contributions from the Community Road Safety Fund	13	41 264	40 258
Payments to SA Government	13	(34 895)	(832)
Total net revenues from SA Government		840 797	852 931
Net result		(50 072)	(5 234)
Other comprehensive income			
Changes in revaluation surplus		5 185	-
Total comprehensive result		(44 887)	(5 234)

The net result and total comprehensive result are attributable to the SA Government as owner.

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

South Australia Police
Statement of Financial Position
as at 30 June 2018

	Note	2018 \$'000	2017 \$'000
Current assets			
Cash and cash equivalents	14	153 940	174 225
Receivables	15	9 735	9 171
Inventories		280	490
Non-current assets held for sale	16	10 384	10 378
Total current assets		174 339	194 264
Non-current assets			
Receivables	15	3 301	1 070
Capital works in progress	18	16 251	9 121
Property, plant and equipment	19	340 283	345 314
Intangible assets	20	17 726	21 683
Total non-current assets		377 561	377 188
Total assets		551 900	571 452
Current liabilities			
Payables	23	33 440	40 008
Employee benefits	25	78 502	69 731
Provisions	26	13 085	19 550
Other liabilities	24	534	529
Total current liabilities		125 561	129 818
Non-current liabilities			
Payables	23	20 551	24 527
Employee benefits	25	195 121	191 903
Provisions	26	108 077	77 227
Other liabilities	24	3 578	4 078
Total non-current liabilities		327 327	297 735
Total liabilities		452 888	427 553
Net assets		99 012	143 899
Equity			
Contributed capital		85 220	85 220
Revaluation surplus		147 016	141 831
Retained earnings		(133 224)	(83 152)
Total equity		99 012	143 899

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

Unrecognised contractual commitments	27
Contingent assets and liabilities	28

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

South Australia Police
Statement of Changes in Equity
for the year ending 30 June 2018

	Contributed capital	Revaluation surplus	Retained earnings	Total equity
	\$'000	\$'000	\$'000	\$'000
Balance at 30 June 2016	85 220	141 831	(77 918)	149 133
Net result for 2016-17	-	-	(5 234)	(5 234)
Total comprehensive result for 2016-17	-	-	(5 234)	(5 234)
Balance at 30 June 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	-	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

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

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

South Australia Police
Statement of Cash Flows
for the year ended 30 June 2018

		2018 \$'000 (Outflows) Inflows	2017 \$'000 (Outflows) Inflows
Cash flows from operating activities	Note		
Cash outflows			
Employee benefits		(718 951)	(698 666)
Supplies and services		(174 822)	(145 930)
Cash used in operations		(893 773)	(844 596)
Cash inflows			
Fees and charges		30 371	28 937
Interest		3	3
GST recovered from the ATO		11 174	10 674
Other receipts		10 246	9 442
Cash generated from operations		51 794	49 056
Cash flows from SA Government			
Receipts from SA Government		876 036	874 634
Payments to SA Government		(34 895)	(832)
Cash generated from SA Government		841 141	873 802
Net cash provided by / (used in) operating activities	30	(838)	78 262
Cash flows from investing activities			
Cash outflows			
Purchase of property, plant and equipment		(19 885)	(19 491)
Cash used in operations		(19 885)	(19 491)
Cash inflows			
Proceeds from the sale of property, plant and equipment		438	358
Cash generated from investing activities		438	358
Net cash provided by / (used in) investing activities		(19 447)	(19 133)
Net increase / (decrease) in cash and cash equivalents		(20 285)	59 129
Cash and cash equivalents at the beginning of the reporting period		174 225	115 096
Cash and cash equivalents at end of the reporting period	14	153 940	174 225

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

South Australia Police
Notes to and forming part of the financial statements
for the year ended 30 June 2018

1 Basis of financial statements

1.1 Reporting entity

South Australia Police (SAPOL) is a government department of the state of South Australia and operates within the *Police Act 1998*, the *Police Regulations 2014* and the *Public Sector Act 2009*. SAPOL is an administrative unit acting on behalf of the Crown.

The financial statements and accompanying notes include all the controlled activities of SAPOL (refer to the disaggregated schedule for details of SAPOL's controlled activities). SAPOL does not control any other entity and has no interests in unconsolidated structured entities.

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

1.2 Statement of compliance

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

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

SAPOL has applied Australian Accounting Standards that are applicable to not-for-profit entities, as SAPOL is a not for profit entity. Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective have not been adopted by SAPOL for the period ending 30 June 2018.

1.3 Basis of preparation

The preparation of the financial statements requires:

- the use of certain accounting estimates and requires management to exercise its judgement in the process of applying SAPOL's accounting policies. The areas involving a higher degree of judgement or where assumptions and estimates are significant to the financial statements, are outlined in the applicable notes
- accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events are reported
- compliance with APSs issued pursuant to section 41 of the PFAA.

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

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

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

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

South Australia Police
Notes to and forming part of the financial statements
for the year ended 30 June 2018

1.3 Basis of preparation (continued)

Assets and liabilities that are to be sold, consumed or realised as part of the normal operating cycle even when they are not expected to be realised within 12 months after the reporting date have been classified as current assets or current liabilities. All other assets and liabilities are classified as non-current.

Where asset and liability line items combine amounts expected to be realised within 12 months and more than 12 months, SAPOL has separately disclosed the amounts expected to be recovered or settled after more than 12 months.

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

1.4 Taxation

SAPOL is not subject to Income Tax. SAPOL is liable for Payroll Tax, Fringe Benefits Tax (FBT), Good and Services Tax (GST), Emergency Services Levy (ESL), land tax equivalents and local government rate equivalents.

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

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

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

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

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

South Australia Police
Notes to and forming part of the financial statements
for the year ended 30 June 2018

2 Objectives and activities

2.1 Objectives

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

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

- uphold the law
- preserve the peace
- prevent crime
- assist the public in emergency situations
- coordinate and manage responses to emergencies
- regulate road use and prevent vehicle collisions

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

2.2 Activities

SAPOL has identified three activities that it delivers to the community and the Minister for Police, Emergency Services and Correctional Services. The identity and description of each SAPOL activity during the year ended 30 June 2018 is summarised below. Financial information relating to each activity is reported in the Disaggregated Disclosures - Expenses and Income. Assets and liabilities have not been presented as they cannot be reliably determined at a disaggregated level.

Public safety

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

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 supports the achievement of South Australia's strategic priorities. SAPOL road safety services include the regulation of road use, education and vehicle collision prevention. Police work in partnership with the community and other agencies to achieve better road safety outcomes for all South Australians and those visiting the state.

South Australia Police
Notes to and forming part of the financial statements
for the year ended 30 June 2018

Expenses and income by activity	Public Safety		Crime and Criminal Justice Services	
	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000
Expenses				
Employee benefits	303 545	298 335	363 207	342 552
Supplies and services	53 766	53 015	73 360	68 588
Depreciation and amortisation	11 641	10 896	11 755	11 520
Write down of non-current assets	3	14	3	20
Net loss from disposal of non-current assets				
Impairment loss	-	237	-	317
Total expenses	368 955	362 497	448 325	422 997
Income				
Fees and charges	17 158	17 550	5 786	5 638
Commonwealth revenues	640	590	980	847
Interest	1	1	2	2
Resources received free of charge	947	-	1 450	-
Net gain from the disposal of non-current and other assets	137	39	186	53
Other income	2 462	5 946	3 754	2 840
Total income	21 345	24 126	12 158	9 380
Net cost of providing services	347 610	338 371	436 167	413 617
Revenues from / (payments to) SA Government				
Revenues from SA Government	360 845	336 651	413 475	411 548
Payments to SA Government	(33 100)	(348)	(1 434)	(384)
Total net revenues from SA Government	327 745	336 303	412 041	411 164
Net result	(19 865)	(2 068)	(24 126)	(2 453)

South Australia Police
Notes to and forming part of the financial statements
for the year ended 30 June 2018

Expenses and income by activity

	Road Safety		Total	
	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000
Expenses				
Employee benefits	83 622	80 300	750 374	721 187
Supplies and services	24 668	24 480	151 794	146 083
Depreciation and amortisation	4 683	5 663	28 079	28 079
Write down of non-current assets	1	9	7	43
Impairment loss	-	156	-	710
Total expenses	112 974	110 608	930 254	896 102
Income				
Fees and charges	4 235	3 442	27 179	26 630
Commonwealth revenues	247	221	1 867	1 658
Interest	-	-	3	3
Resources received free of charge	365	-	2 762	-
Net gain from the disposal of non-current and other assets	74	26	397	118
Other income	961	742	7 177	9 528
Total income	5 882	4 431	39 385	37 937
Net cost of providing services	107 092	106 177	890 869	858 165
Revenues from / (payments to) SA Government				
Revenues from SA Government	101 372	105 564	875 692	853 763
Payments to SA Government	(361)	(100)	(34 895)	(832)
Total net revenues from SA Government	101 011	105 464	840 797	852 931
Net result	(6 081)	(713)	(50 072)	(5 234)

South Australia Police
Notes to and forming part of the financial statements
for the year ended 30 June 2018

3 Employee benefits

	2018	2017
	\$'000	\$'000
Salaries and wages	522 043	493 590
Annual leave	67 622	65 857
Long service leave	21 549	21 539
Police Service Leave	212	231
Skills and experience retention leave	37	275
Employment on-costs - superannuation ⁽¹⁾	67 345	71 257
Employment on-costs - other	33 128	32 406
Targeted voluntary separation packages	-	62
Other employment related expenses	751	755
Workers compensation ⁽²⁾	(9 080)	19 980
Additional compensation ⁽³⁾	46 767	15 235
Total employee benefits	750 374	721 187

- ⁽¹⁾ In 2018 SAPOL identified an error in the proportion of long service leave taken as leave percentage for 30 June 2017. The subsequent correction of this error in 2018 largely explains the decrease in employment on-costs liability in note 23. This also largely explains the decrease in employment on-costs - superannuation expense.
- ⁽²⁾ 2018 expenditure includes the movement in the workers compensation liability of \$21.444 million resulting from the annual actuarial assessment (see also note 26).
- ⁽³⁾ Additional compensation was introduced in 2017 (refer note 26).

Targeted voluntary separation packages (TVSPs)

	2018	2017
	\$'000	\$'000
Amounts paid during the reporting period to separated employees:		
TVSPs	-	62
Leave paid to those employees	-	23
Net cost to SAPOL	-	85

There were no employees who received a TVSP during the reporting period (1 employee in 2017).

South Australia Police
Notes to and forming part of the financial statements
for the year ended 30 June 2018

3 Employee benefits (continued)

Key management personnel

Key management personnel of SAPOL include:

- Minister for Police, Emergency Services and Correctional Services
- Commissioner of Police *
- Deputy of Commissioner of Police
- Assistant Commissioner, Crime Service
- Assistant Commissioner, Governance and Accountability Service
- Assistant Commissioner, Human Resources Service
- Assistant Commissioner, Metropolitan Operations Service
- Assistant Commissioner, Operations Support Service
- Assistant Commissioner, Security & Emergency Management Service
- Assistant Commissioner, State Operations Service
- Project Director (Equal Opportunity Commission (EOC) Review)
- Director, Business Service
- Director, Information Systems & Technology Service

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 The Department of Treasury and Finance (DTF) under section 6 the *Parliamentary Remuneration Act 1990*.

	2018	2017
	\$'000	\$'000
Compensation		
Salaries and other short term employee benefits	3 397	3 073
Post-employment benefits	572	527
Other long-term employment benefits	291	8
Total	4 260	3 608

- * 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 2018

3 Employee benefits (continued)

Remuneration of employees

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

	2018	2017
	No	No
\$147 000 - \$149 000 *	N/A	75
\$149 001 - \$159 000	317	289
\$159 001 - \$169 000	129	103
\$169 001 - \$179 000	58	47
\$179 001 - \$189 000	27	31
\$189 001 - \$199 000	50	44
\$199 001 - \$209 000	8	11
\$209 001 - \$219 000	29	31
\$219 001 - \$229 000	11	5
\$229 001 - \$239 000	5	2
\$239 001 - \$249 000	5	1
\$249,001 - \$259,000	2	-
\$269 001 - \$279 000	3	4
\$279 001 - \$289 000	2	1
\$289 001 - \$299 000	4	3
\$299 001 - \$309 000	-	1
\$319,001 - \$329,000	1	-
\$339 001 - \$349 000	-	1
\$349 001 - \$359 000	1	-
\$359 001 - \$369 000	1	1
\$369 001 - \$379 000	-	1
Total	653	651

* This band has been included for the purpose of reporting comparative figures based on the executive base level remuneration rate for 2016-17.

The table above includes all employees who received remuneration equal to or greater than the base executive remuneration level during the year. The table does not include administered employees. Remuneration of employees reflects all costs of employment including salaries and wages, overtime, penalties and allowances, superannuation contributions, Fringe Benefit Tax (FBT) and any other salary sacrifice benefits. It also includes various leave entitlements paid out on separation. The total remuneration received by these employees for the year was \$111.2 million (\$108.9 million).

South Australia Police
Notes to and forming part of the financial statements
for the year ended 30 June 2018

4 Remuneration of tribunal members

Members during the 2018 financial year were:

Police Review Tribunal

David Swain (Presiding Officer)

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

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

	2018	2017
\$0 - \$9 999	-	14
\$10 000 - \$19 999	1	-
Total number of members	1	14

Remuneration of members reflects all costs of performing tribunal member duties including sitting fees, superannuation contributions, FBT and salary sacrifice arrangements. The total remuneration received or receivable by members was \$14 000 (2017: \$23 000).

Amounts paid to a superannuation plan for Tribunal/Committee members were \$1 200 (2017: \$1 000).

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

South Australia Police
Notes to and forming part of the financial statements
for the year ended 30 June 2018

5 Supplies and services

	2018	2017
	\$'000	\$'000
Accommodation and property related *	34 641	33 978
Administration	19 348	20 087
Collection costs	833	815
Communication and computing	33 305	29 158
Consultants	559	140
Employee programs & housing subsidies	11 296	10 953
Helicopter costs	1 561	1 178
Insurance	1 790	1 562
Legal	849	1 978
Minor equipment	5 018	4 274
Motor vehicle related	24 399	22 586
Shared Services SA	2 762	3 315
Uniforms	2 621	2 933
Utilities	5 335	3 834
Other	7 477	9 292
Total supplies and services	151 794	146 083

* 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.

External auditor's remuneration

Audit fees paid/payable to the Auditor-General's Department (AGD) relating to work performed under the PFAA were \$0.363 million (2017: \$0.332 million). No other services were provided by the Auditor-General's Department. Auditor's remuneration costs are recognised in the Statement of Comprehensive Income and included in the balance of 'Administration'.

Consultants

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

	2018	2018	2017	2017
	Number	\$'000	Number	\$'000
Below \$10 000	28	56	22	44
\$10 000 or above	10	503	3	96
Total paid / payable to the consultants engaged	38	559	25	140

South Australia Police
Notes to and forming part of the financial statements
for the year ended 30 June 2018

6 Depreciation and amortisation

	2018 \$'000	2017 \$'000
Depreciation		
Buildings and improvements	6 402	6 365
Computing and communications equipment	4 582	5 395
Vehicles	1 092	1 130
Transport vessels	481	481
Aircraft	237	238
Other	5 149	4 008
Total depreciation	17 943	17 617
Amortisation		
Leasehold improvements	4 209	4 131
Internally generated computer software	2 955	3 484
Other computer software	2 972	2 847
Total amortisation	10 136	10 462
Total depreciation and amortisation	28 079	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.

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

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.

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

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

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

South Australia Police
Notes to and forming part of the financial statements
for the year ended 30 June 2018

7 Fees and charges

	2018	2017
	\$'000	\$'000
Escorts - wide load/other	2 978	2 119
Firearms licence and registration fees	5 234	5 472
Hoon legislation recoveries	2 682	3 119
Police information requests	2 601	2 413
Police security services	10 567	10 619
Prosecution and other court fees	2 217	1 973
Other fees	900	915
Total fees and charges	27 179	26 630

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.

8 Commonwealth revenues

	2018	2017
	\$'000	\$'000
Commonwealth revenues	1 867	1 658
Total Commonwealth revenues	1 867	1 658

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

During 2017-18 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
- Australian New Zealand Counter Terrorism Committee (ANZCTC) activity funding agreement – Exercise Outback
- ANZCTC Drill Exercise and Training Consumable Program

South Australia Police
Notes to and forming part of the financial statements
for the year ended 30 June 2018

9 Interest

	2018 \$'000	2017 \$'000
Interest on deposit accounts	3	3
Total interest	3	3

10 Resources received free of charge

	2018 \$'000	2017 \$'000
Services received free of charge - Shared Services SA	2 762	-
Total services received free of charge	2 762	-

On the 21 November 2016, approval was given by Cabinet to cease the intra-government charging model for services provided by Shared Services SA (SSSA) to general government sector agencies. As a result of this change, effective from 2017-18, SSSA is directly appropriation funded for the services provided by SSSA to general government agencies.

Under AASB 1004, Contributions, the contribution of services provided by SSSA to government agencies are disclosed in the financial statements as income because the fair value of the services can be reliably measured and the services would have been purchased if they had not been donated. A corresponding expense is recognised in the financial statements (refer note 5).

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

	2018 \$'000	2017 \$'000
Land and buildings		
Proceeds from disposal	-	83
Less net book value of assets disposed	-	(240)
Net gain / (loss) from disposal of land and buildings	-	(157)
Vehicles		
Proceeds from disposal	438	275
Less net book value of assets disposed	(41)	-
Net gain / (loss) from disposal of plant and equipment	397	275
Total assets		
Proceeds from disposal	438	358
Less net book value of assets disposed	(41)	(240)
Total net gain / (loss) from disposal of non-current assets	397	118

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

South Australia Police
Notes to and forming part of the financial statements
for the year ended 30 June 2018

12 Other income

	2018	2017
	\$'000	\$'000
Contributed (donated) asset revenue	224	4 012
Employee benefits recoveries	3 289	838
Goods and services recoveries	1 032	1 989
Intra-Government transfers	1 207	904
Rent revenue	301	332
Sundry receipts	531	440
Other sundry revenues	593	1 013
Total other income	7 177	9 528

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).

During 2017-18 contributed (donated) asset revenue relates to \$0.224 million of other property, plant and equipment from the Australia - New Zealand Counter - Terrorism Committee.

Contributed (donated) asset revenue recognised in 2016-17 related primarily to Helicopter equipment of \$3.68 million from AGD and \$0.332 million for other equipment from the Commonwealth Government.

In 2017-18 the intra-government transfer comprises:

- \$562 000 for a traffic training and promotion program from the Motor Accident Commission (2017: \$545 000)
- \$16 000 for Home & Community Care from the Department of Human Services (2017: \$16 000)
- \$182 000 for the Rural Highways Saturation Program from DPTI (2017: \$178 000)
- \$65 000 for the National Motor Vehicle Theft Reduction Program from DPTI & AGD (2017: \$65 000)
- \$200 000 for Thebarton Heritage Works (Compass House Brickworks) from DPTI (2017: \$100 000)
- \$182 000 for Crowd Science and Risk Analysis from Department of the Premier and Cabinet (2017: \$0)

South Australia Police
Notes to and forming part of the financial statements
for the year ended 30 June 2018

13 Revenues from / (payments to) SA Government:

	2018 \$'000	2017 \$'000
Revenues from SA Government		
Appropriations from Consolidated Account pursuant to the <i>Appropriation Act</i>	812 085	791 707
Contributions from the Community Emergency Services Fund	22 343	21 798
Contributions from the Community Road Safety Fund	41 264	40 258
Total revenues from SA Government	875 692	853 763
Payments to SA Government		
Return of surplus cash pursuant to cash alignment policy	(34 895)	(832)
Total payments to SA Government	(34 895)	(832)
Net revenues from SA Government	840 797	852 931

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 SAPOL and the appropriation is recorded as contributed capital. Refer to the Statement of Changes in Equity.

Total revenues from Government consist of \$860.374 million for operational funding and \$15.318 million for capital projects. For details on the expenditure associated with the operational funding and capital funding received refer to notes 3 to 6. There was no material variance between the amount appropriated and the expenditure associated with this appropriation.

14 Cash and cash equivalents

	2018 \$'000	2017 \$'000
Deposits with the Treasurer	153 636	173 931
Cash held in imprest accounts and petty cash	304	294
Total cash and cash equivalents	153 940	174 225

Cash is measured at nominal amounts

Deposits with the Treasurer

SAPOL has two deposit accounts with the Treasurer, a general operating account and an Accrual Appropriation Excess Funds Account (AAEFA). Although SAPOL controls the money in the AAEFA 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 2018

15 Receivables

	2018	2017
	\$'000	\$'000
Current		
Receivables	2 007	2 494
Less allowance for doubtful debts	(23)	(35)
Accrued revenue	426	355
Prepayments	3 440	3 138
GST input tax recoverable	3 375	2 791
Workers compensation recoveries	510	428
Total current receivables	9 735	9 171
Non-current		
Workers compensation recoveries	3 301	1 070
Total non-current receivables	3 301	1 070
Total receivables	13 036	10 241

Movement in the allowance for doubtful debts

The allowance for doubtful debts (allowance for impairment loss) is recognised when there is objective evidence (i.e. calculated on past experience and current and expected changes in client credit rating) that a receivable is impaired.

An allowance for impairment loss has been recognised in other expenses for specific debtors and debtors assessed on a collective basis for which such evidence exists.

Movement in the allowance for doubtful debts (impairment loss)

Carrying amount at the beginning of the period	35	34
Increase in the allowance	21	1
Amounts written off	(30)	-
Amounts recovered during the year	(3)	-
Carrying amount at the end of the period	23	35

Interest rate and credit risk

Receivables arise in the normal course of selling goods and services to other government agencies and to the public. Receivables are normally settled within 30 days after the issue of an invoice or the goods/services have been provided under a contractual arrangement. Receivables, prepayments and accrued revenues are non-interest bearing. Collectability of receivables is reviewed on an ongoing basis. An allowance for doubtful debts is raised when there is objective evidence that SAPOL will not be able to collect the debt. Other than as recognised in the allowance for doubtful debts, it is not anticipated that counterparties will fail to discharge their obligations. The carrying amount of receivables approximates net fair value due to being receivable on demand. There is no concentration of credit risk.

Refer to note 32 for further information on risk management.

South Australia Police
Notes to and forming part of the financial statements
for the year ended 30 June 2018

16 Non-current assets classified as held for sale

	2018 \$'000	2017 \$'000
Buildings and improvements	43	43
Land	10 330	10 330
Vehicles and transport vessels	11	5
Total non-current assets classified as held for sale	10 384	10 378

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

Carrying amount at the beginning of the period	10 378	9 893
Transfers from investment properties	-	480
Transfers from vehicles and transport vessels	6	5
Total non-current assets classified as held for sale	10 384	10 378

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

South Australia Police
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17 Non-current assets

Revaluation of non-current assets

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

SAPOL has a policy of revaluing its land, buildings, leasehold improvements, investment properties, vessels and aircraft every six years via a Certified Practising Valuer. SAPOL engaged a Certified Practising Valuer to perform a site valuation and a desktop valuation for the remainder of the contract. If at any time management considers that the carrying amount of an asset materially differs from its fair value, then the asset will be revalued regardless of when the last valuation took place. Non-current tangible assets that are acquired between revaluations are held at cost until the next valuation, when they are revalued to fair value.

Land, buildings, leasehold improvements, aircraft, and transport vessels controlled by SAPOL were revalued as at 30 June 2018 following a desktop independent valuation using an annual market indices prepared by Liquid Pacific using the fair value methodology. Indexing is applied using the Australian Bureau of Statistics Residential Property Price Index for South Australia. Other non-current assets are recognised at their written down historic cost.

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

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

18 Capital works in progress

	2018	2017
	\$'000	\$'000
Property, plant and equipment in progress at cost (deemed fair value)	16 251	9 121
Total capital works in progress	16 251	9 121

South Australia Police
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19 Property, plant and equipment

	2018 \$'000	2017 \$'000
Land ⁽¹⁾		
Land at fair value	63 047	62 524
Total land	63 047	62 524
Buildings and improvements ⁽¹⁾		
Buildings at fair value	211 343	209 148
Accumulated depreciation	(12 782)	(6 380)
Total buildings and improvements	198 561	202 768
Leasehold improvements ⁽²⁾		
Leasehold improvements at fair value	34 982	39 618
Accumulated depreciation	-	(4 122)
Total leasehold improvements	34 982	35 496
Computing and communications equipment		
Computing and communications equipment at cost (deemed fair value)	57 198	52 582
Accumulated depreciation	(43 070)	(38 833)
Total computing and communications equipment	14 128	13 749
Vehicles		
Vehicles at cost (deemed fair value)	6 988	7 318
Accumulated depreciation	(4 398)	(4 528)
Total vehicle	2 590	2 790
Transport vessels ⁽²⁾		
Transport vessels at cost (deemed fair value)	1 999	1 955
Accumulated depreciation	-	(481)
Total transport vessels	1 999	1 474
Other property plant and equipment		
Other at cost (deemed fair value)	57 679	55 364
Accumulated depreciation	(35 258)	(31 138)
Total other	22 421	24 226
Aircraft ⁽²⁾		
Aircraft at fair value	2 555	2 529
Accumulated depreciation	-	(242)
Total aircraft	2 555	2 287
Total property, plant and equipment	340 283	345 314

⁽¹⁾ Land and buildings and improvements were revalued as at 30 June 2018 following a desktop independent valuation by Liquid Pacific. There were no material differences between fair value and carrying amounts of the assets. Consequently, it was determined no revaluation adjustments were required at this time. Refer note 17.

⁽²⁾ Leasehold improvements, transport vessels and aircraft were revalued as at 30 June 2018 following a desktop independent valuation by Liquid Pacific. Material differences between fair value and carrying amounts of the assets were identified and a revaluation adjustment was made. Refer note 17.

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

Acquisition and recognition

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

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

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

Capital works in progress (WIP) are capital projects which are commenced but not yet completed as at reporting date. Refer to note 18.

Impairment

SAPOL holds its property, plant and equipment for their service potential (value in use).

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

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

Movement reconciliation of non-current assets

2018	Computing &						
	Buildings		Leasehold	comms	Transport	Other	
	Land	& improv'ts					
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying amount at the beginning of the period	62 524	202 768	35 496	13 749	2 790	1 474	24 226
Revaluation increment/(decrement)	-	-	3 674	-	-	1 006	-
Transfers to/(from) capital works in progress	523	2 209	7	4 961	939	-	3 111
Depreciation and amortisation	-	(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 the end of the period	63 047	198 561	34 982	14 128	2 590	1 999	22 421

South Australia Police
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19 Property, plant and equipment (continued)

Movement reconciliation of non-current assets

2018	Aircraft	Total property plant and equipment	Capital works in progress	Intangible assets (internally generated)	Intangible assets (other computer software)	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying amount at the beginning of the period	2 287	345 314	9 121	10 665	11 018	376 118
Additions	-	-	20 855	-	-	20 855
Revaluation increment/(decrement)	505	5 185	-	-	-	5 185
Transfers to/(from) capital works in progress	-	11 750	(13 725)	705	1 270	-
Depreciation and amortisation	(237)	(22 152)	-	(2 955)	(2 972)	(28 079)
Donated assets	-	224	-	-	-	224
Asset recognised through stocktake	-	11	-	-	-	11
Disposals	-	(41)	-	-	-	(41)
Assets written off	-	(2)	-	-	(5)	(7)
Transfers to assets held for sale	-	(6)	-	-	-	(6)
Carrying amount at the end of the period	2 555	340 283	16 251	8 415	9 311	374 260

South Australia Police
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19 Property, plant and equipment (continued)

Movement reconciliation of non-current assets

2017	Land & improv'ts	Buildings	Leasehold improv'ts	Computing & comms equipment	Vehicles	Transport vessels	Other
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying amount at the beginning of the period	62 544	205 716	39 559	12 591	2 589	1 955	19 108
Transfers to/(from) capital works in progress	210	3 417	78	6 644	1 337	-	5 474
Depreciation and amortisation	-	(6 365)	(4 131)	(5 395)	(1 130)	(481)	(4 008)
Donated assets	-	-	-	-	-	-	4 012
Transfer between classes	-	-	-	(163)	-	-	(396)
Asset recognised through stocktake	-	-	-	87	-	-	60
Disposals	(230)	-	(10)	-	-	-	-
Assets written off	-	-	-	(15)	(1)	-	(24)
Transfers to assets held for sale	-	-	-	-	(5)	-	-
Carrying amount at the end of the period	62 524	202 768	35 496	13 749	2 790	1 474	24 226

Movement reconciliation of non-current assets

2017	Aircraft	Total property plant and equipment	Capital works in progress	Intangible assets (internally generated)	Intangible assets (other computer software)	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying amount at the beginning of the period	2 525	346 587	18 716	5 657	9 926	380 886
Additions	-	-	19 440	-	-	19 440
Transfers to/(from) capital works in progress	-	17 160	(21 279)	340	3 779	-
Depreciation and amortisation	(238)	(21 748)	-	(3 484)	(2 847)	(28 079)
Donated assets	-	4 012	-	-	-	4 012
Transfer between classes	-	(559)	396	-	163	-
Asset recognised through stocktake	-	147	-	-	-	147
Disposals	-	(240)	-	-	-	(240)
Assets written off	-	(40)	-	-	(3)	(43)
Transfers to assets held for sale	-	(5)	-	-	-	(5)
Other movements *	-	-	(8 152)	8 152	-	-
Carrying amount at the end of the period	2 287	345 314	9 121	10 665	11 018	376 118

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

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20 Intangible assets

	2018 \$'000	2017 \$'000
Computer software		
Internally developed computer software - at cost (deemed fair value)	33 556	33 048
Accumulated amortisation	(25 141)	(22 383)
Total internally generated computer software	8 415	10 665
Other computer software		
Other computer software	25 902	24 936
Accumulated amortisation	(16 591)	(13 918)
Total other computer software	9 311	11 018
Total intangible assets	17 726	21 683

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

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

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

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

Impairment

There were no indications of impairment of intangible assets as at 30 June 2018.

21 Investment properties

	2018 \$'000	2017 \$'000
Investment building	-	-
Investment land	-	-
Total investment properties	-	-
Movement reconciliation of investment properties		
Carrying amount at the beginning of the period	-	1 190
Impairment loss	-	(710)
Transfer to assets held for sale	-	(480)
Carrying amount at the end of the period	-	-

South Australia Police
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22 Fair value measurement

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

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

Level 1: traded in active markets and is based on unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at measurement date.

Level 2: not traded in an active market and are derived from inputs (inputs other than quoted prices included within level 1) that are observable for the asset, either directly or indirectly.

Level 3: not traded in an active market and are derived from unobservable inputs.

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

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

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

Refer to notes 17 and 19 for disclosure regarding fair value measurement techniques and inputs used to develop fair value measurements for non-financial assets.

Fair value hierarchy

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

Fair value measurements recognised in the Statement of Financial Position are categorised into the following levels at 30 June 2018.

South Australia Police
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22 Fair value measurement (continued)

Fair value measurements at 30 June 2018

		Level 2	Level 3	Total
	Note	\$'000	\$'000	\$'000
Recurring fair value measurements				
Land	19	63 047	-	63 047
Buildings & improvements	19	-	198 561	198 561
Leasehold improvements	19	-	34 982	34 982
Computing & communications equipment	19	-	14 128	14 128
Transport vessels	19	1 999	-	1 999
Vehicles	19	-	2 590	2 590
Other	19	-	22 421	22 421
Aircraft	19	2 555	-	2 555
Total recurring fair value measurements		67 601	272 682	340 283
Non-recurring fair value measurements				
Land held for sale	16	10 330	-	10 330
Buildings held for sale	16	-	43	43
Vehicles and transport vessels held for sale	16	-	11	11
Total non-recurring fair value measurements		10 330	54	10 384
Total fair value measurement		77 931	272 736	350 667

Fair value measurements at 30 June 2017

		Level 2	Level 3	Total
		\$'000	\$'000	\$'000
Recurring fair value measurements				
Land	19	62 524	-	62 524
Buildings & improvements	19	-	202 768	202 768
Leasehold improvements	19	-	35 496	35 496
Computing & communications equipment	19	-	13 749	13 749
Transport vessels	19	1 474	-	1 474
Vehicles	19	-	2 790	2 790
Other	19	-	24 226	24 226
Aircraft	19	2 287	-	2 287
Total recurring fair value measurements		66 285	279 029	345 314
Non-recurring fair value measurements				
Land held for sale	16	10 330	-	10 330
Buildings held for sale	16	-	43	43
Vehicles and transport vessels held for sale	16	-	5	5
Total non-recurring fair value measurements		10 330	48	10 378
Total fair value measurement		76 615	279 077	355 692

There were no transfers of assets between levels 1 and 2 fair value hierarchy levels in 2018. SAPOL's policy is to recognise transfers into and out of fair value hierarchy levels as at the end of the reporting period. SAPOL had no valuations categorised into level 1 and there were no changes in valuation technique. Valuation techniques and inputs used to determine level 2 and 3 fair values are noted at note 17.

South Australia Police
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22 Fair value measurement (continued)

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

Reconciliation of recurring fair value measurements – level 3

	Buildings and improv'ts	Leasehold improv'ts	Computing & comms equipment	Vehicles	Other
	\$'000	\$'000	\$'000	\$'000	\$'000
2018					
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
	Buildings and improv'ts	Leasehold improv'ts	Computing & comms equipment	Vehicles	Other
	\$'000	\$'000	\$'000	\$'000	\$'000
2017					
Opening balance at the beginning of the period	205 716	39 559	12 591	2 589	19 108
Asset - recognised through stocktake	-	-	87	-	60
Transfers from capital work in progress	3 417	78	6 644	1 337	5 474
Classified as held for sale and/or disposals	-	-	-	(5)	-
Donated assets	-	-	-	-	4 012
Transfer between classes	-	-	(163)	-	(396)
Disposals/written off	-	(10)	(15)	(1)	(24)
Gains/(losses) for the period recognised in net result:					
Depreciation	(6 365)	(4 131)	(5 395)	(1 130)	(4 008)
Total gains/(losses) recognised in net result	(6 365)	(4 131)	(5 395)	(1 130)	(4 008)
Carrying amount at the end of the period	202 768	35 496	13 749	2 790	24 226

South Australia Police
Notes to and forming part of the financial statements
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22 Fair value measurement (continued)

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

23 Payables

	2018	2017
	\$'000	\$'000
Current		
Employment on-costs	12 004	10 956
Creditors	19 939	27 133
Accrued expenses	1 414	1 874
Paid Parental Leave Scheme payable	83	45
Total current payables	33 440	40 008
Non-current		
Employment on-costs	20 551	24 527
Total non-current payables	20 551	24 527
Total payables	53 991	64 535

As a result of an actuarial assessment performed by the Department of Treasury and Finance (DTF), the proportion of long service leave taken as leave has changed from the 2017 rate (70.72%) to 52.10% for police and decreased to 69.86% (2017: 88.77%) for non-police. The average factor for the calculation of employer superannuation cost on-costs has also changed from the 2017 rate (10.1%) to 9.9%. These rates are used in the employment on-cost calculation.

In 2018 SAPOL identified an error in the proportion of long service leave taken as leave percentage for 30 June 2017. The subsequent correction of this error in 2018 largely explains the decrease in the non-current employment on-costs. This also largely explains the decrease in employment on-costs expenses in note 3.

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.

Interest rate and credit risk

Payables are measured at nominal amounts.

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

South Australia Police
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24 Other liabilities

	2018 \$'000	2017 \$'000
Current		
Lease incentive	499	499
Unearned revenue	35	30
Total current other liabilities	534	529
Non-current		
Lease incentive	3 578	4 078
Total non-current other liabilities	3 578	4 078
Total other liabilities	4 112	4 607

Lease incentives

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

In 2011-12, SAPOL received two lease incentives (\$5 million in leasehold improvements and 3 months' rent free) as a part of leasing the new police headquarters on Angas Street. The aggregate benefits of these lease incentives received have been recorded as a reduction of rental expense over the lease term of 15 years, on a straight line basis. As at 30 June 2018 the remaining life of the lease term is 8 years.

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

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

South Australia Police
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25 Employee benefits liabilities

	2018 \$'000	2017 \$'000
Current		
Accrued salaries and wages	21 970	16 095
Annual leave	39 301	36 583
Long service leave	15 410	14 749
Skills and experience retention leave	529	492
Police services leave	1 292	1 812
Total current employee benefits	78 502	69 731
Non-current		
Annual leave	498	608
Long service leave	192 189	188 521
Police services leave	2 434	2 774
Total non-current employee benefits	195 121	191 903
Total employee benefits	273 623	261 634

These benefits accrue for employees as a result of services provided up to the reporting date that remain unpaid.

Non-current employee benefits are measured at present value and current employee benefits are measured at nominal amounts.

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

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

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

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

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25 Employee benefits liabilities (continued)

Long service leave (LSL)

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

The estimated liability for long service leave is based on actuarial assumptions over expected future salary and wage levels, experience of employee departures and periods of service. These assumptions are based on employee data over the police and emergency services sector across government. Expected future payments are discounted using market yields at the end of reporting period on government bonds with durations that match, as closely as possible, the estimated future cash outflows.

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

AASB 119 *Employee Benefits* requires the use of the yield on long term Commonwealth Government bonds as the discount rate in the measurement of the long service leave liability. The yield on long term Commonwealth Government bonds has increased from 2.5% (2017) to 2.75% (2018).

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

The net financial effect of the changes in the current financial year is an increase in long service leave liability and employee benefit expenses of \$6.566 million. The impact on future periods is impracticable to estimate as the LSL liability is calculated using a number of assumptions - a key assumption is the long-term discount rate.

The actuarial assessment performed by DTF left the salary inflation rate at 4% for LSL liability and the salary inflation rate 3% in 2018 same as last year for annual leave, skills and experience retention leave liability and Police Service Leave.

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

Police Service Leave

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

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

South Australia Police
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26 Provisions

	2018 \$'000	2017 \$'000
Current		
Workers' compensation	9 992	18 131
Additional compensation	3 093	1 031
Death in course of employment	-	40
Civil actions against police	-	348
Total current provisions	13 085	19 550
Non-current		
Workers' compensation	49 718	63 023
Additional compensation	58 359	14 204
Total non-current provisions	108 077	77 227
Total provisions	121 162	96 777
Workers' compensation		
Carrying amount at the beginning of the period	81 154	76 648
Increase/(decrease) resulting from re-measurement	(9 238)	19 207
Reduction due to payments	(12 206)	(14 701)
Carrying amount at the end of the period	59 710	81 154
Additional compensation		
Carrying amount at the beginning of the period	15 235	-
Additional provision recognised	-	15 235
Increase/(decrease) resulting from re-measurement	46 767	-
Reduction due to payments	(550)	-
Carrying amount at the end of the period	61 452	15 235
Death in course of employment		
Carrying amount at the beginning of the period	40	55
Increase/(decrease) in the provision due to revision of estimates	(40)	(15)
Carrying amount at the end of the period	-	40
Civil actions against police		
Carrying amount at the beginning of the period	348	230
Increase/(decrease) in the provision due to revision of estimates	(194)	822
Reduction due to payments	(154)	(704)
Carrying amount at the end of the period	-	348

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26 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 2018 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 decrease in the workers' compensation liability in 2018 was impacted by a decrease in the:

- number of known claims
- assumed medical costs for known claims
- SAPOL's relative share of incurred but not yet reported claims estimated by the actuary at a whole of government level.

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

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

The negotiated government agreement with PASA was ratified by the SA Employment Tribunal in November 2017 and the IIPP was replaced and now forms part of the Police Officers Award - Clause 4.17 "Additional Compensation for Certain Work Related Injuries or Illnesses".

Following changes to the Police Officers Award, SAPOL has recognised an Additional Compensation provision as at 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, 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 2018 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.

South Australia Police
Notes to and forming part of the financial statements
for the year ended 30 June 2018

26 Provisions (continued)

Key assumptions in the estimate include:

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

There is a significant degree of uncertainty associated with this estimate. In addition to the general uncertainties associated with estimating future claim and expense payments, the Additional Compensation provision is impacted by the absence of 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.

27 Unrecognised contractual commitments

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

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

Capital commitments

	2018	2017
	\$'000	\$'000
Capital expenditure contracted for at the reporting date but are not recognised as liabilities in the financial report, are payable as follows:		
Within one year	11	-
Later than one year but not longer than five years	133	-
Total capital commitments	144	-

Major capital commitments for 2017-18 include RADARS Capital Replacement.

South Australia Police
Notes to and forming part of the financial statements
for the year ended 30 June 2018

27 Unrecognised contractual commitments (continued)

Other commitments

	2018	2017
Other commitments contracted for at the reporting date but are not recognised as liabilities in the financial report, are payable as follows:	\$'000	\$'000
Within one year	2 667	4 843
Later than one year but not longer than five years	784	1 438
Total other commitments	3 451	6 281

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

Operating lease commitments

	2018	2017
Commitments in relation to operating leases contracted for at the reporting date but are not recognised as liabilities in the financial report, are payable as follows:	\$'000	\$'000
Within one year	32 720	31 673
Later than one year but not longer than five years	105 292	101 955
Later than five years	103 550	123 405
Total operating lease commitments	241 562	257 033

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.

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.

South Australia Police
Notes to and forming part of the financial statements
for the year ended 30 June 2018

28 Contingent assets and liabilities

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

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

Rewards for unsolved murders

As at 30 June 2018 the value of outstanding rewards for unsolved murders was \$39 million (2017: \$38.8 million). No provision has been made in the financial statements for this amount as considerable doubt exists as to the amount and timing of rewards that will actually be paid. The amount is not recognised in the Statement of Financial Position.

29 Related party transactions

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

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

Significant transactions with government related entities

SAPOL had no significant transactions with government related entities.

Collectively, but not individually significant transactions with government related entities

Quantitative information about transactions and balances between SAPOL and other SA Government controlled entities are disclosed at note 35.

Transactions with key management personnel and other related parties

Compensation of key management personnel is disclosed in note 3.

South Australia Police
Notes to and forming part of the financial statements
for the year ended 30 June 2018

30 Cash flow reconciliation

	2018 \$'000	2017 \$'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	153 940	174 225
Balance as per the Statement of Cash Flows	153 940	174 225
Reconciliation of net cash provided by / (used in) operating activities to net cost of providing services		
Net cash provided by/(used in) operating activities	(838)	78 262
Add payments to SA Government	34 895	832
Less revenues from SA Government	(812 085)	(791 707)
Contribution from the Community Emergency Services Fund	(22 343)	(21 798)
Contribution from Community Road Safety Fund	(41 264)	(40 258)
Add / (less) non-cash Items		
Depreciation and amortisation	(28 079)	(28 079)
Donated assets	224	4 012
Gain/(loss) from disposal of non-current assets	397	118
Write off of non-current assets	(7)	(43)
Impairment loss	-	(710)
Capital accruals	981	90
Movement in assets and liabilities		
Increase/(decrease) in receivables	2 795	(22 011)
Increase/(decrease) in inventories	(210)	183
(Increase)/decrease in payables	10 544	(17 265)
(Increase)/decrease in other liabilities	495	469
(Increase)/decrease in employee benefits	(11 989)	(416)
(Increase)/decrease in provisions	(24 385)	(19 844)
Net cost of providing services	(890 869)	(858 165)

South Australia Police
Notes to and forming part of the financial statements
for the year ended 30 June 2018

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

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

		Original budget ⁽¹⁾ 2018 \$'000	Actual 2018 \$'000	Variance \$'000
Statement of Comprehensive Income	Note			
Expenses				
Employee benefits		738 836	750 374	11 538
Supplies and services		148 732	151 794	3 062
Depreciation and amortisation		27 890	28 079	189
Write down of non-current assets		-	7	7
Total expenses		915 458	930 254	14 796
Income				
Fees and charges		26 856	27 179	323
Interest		-	3	3
Commonwealth revenues		1 599	1 867	268
Net gain from the disposal of non-current and other assets		-	397	397
Resources received free of charge	1	-	2 762	2 762
Other income		3 964	7 177	3 213
Total income		32 419	39 385	6 966
Net cost of providing services		883 039	890 869	7 830
Revenues from / (payments to) SA government				
Revenues from SA Government		821 399	812 085	(9 314)
Contributions from the Community Emergency Services Fund		22 344	22 343	(1)
Contributions from the Community Road Safety Fund		41 264	41 264	-
Payments to SA Government	2	-	(34 895)	(34 895)
Total net revenues from SA Government		885 007	840 797	(44 210)
Net result	3	1 968	(50 072)	(52 040)

⁽¹⁾ The budget process is not subject to audit. Budget information refers to the amounts presented to parliament in the original budgeted financial statements in respect of the reporting period (2017-18 Budget Paper 4). These original budgeted amounts have been presented and classified on a basis that is consistent with line items in the financial statements.

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

- Supplies and services / Resources received free of charge - whole of government change in accounting treatment for Shared services SA (SSSA) payments. Now treated as supplies and services with an income offset - resources received free of charge. Refer note 5 and note 10. On the 21 November 2016, approval was given by Cabinet to cease the intra-government charging model for services provided by Shared Services SA (SSSA) to general government sector agencies. As a result of this change, effective from 2017-18, SSSA is directly appropriation funded for the services provided by SSSA to general government agencies.
- Payments to SA government – The \$34.895 million payment is in accordance with the cash alignment policy.

South Australia Police
Notes to and forming part of the financial statements
for the year ended 30 June 2018

- 3 Net result – the 2017-18 original budget was revised downwards during the year, mainly to take account of a \$34.9m cash alignment policy payment to Government. The actual result of a \$50.1 million deficit is \$16.9 million unfavourable against the approved revised budget of \$33.2m. The actual result includes a net impact of \$20.7 million related to movements in employee liabilities for additional compensation for certain work-related injuries or illnesses/ workers compensation resulting from the actuarial calculations, that were over and above the revised budget and outside SAPOL's control.

		Original budget ⁽¹⁾	Actual	Variance
		2018	2018	
	Note	\$'000	\$'000	\$'000
Investing expenditure summary				
Total major project	4	10 182	6 730	(3,452)
Total annual program	5	9 813	14 072	4,259
Total investing expenditure		19 995	20 802	807

- ⁽¹⁾ The budget process is not subject to audit. Budget information refers to the amounts presented to parliament in the original budgeted financial statements in respect of the reporting period (2017-18 Budget paper 4). These original budgeted amounts have been presented and classified on a basis that is consistent with line items in the financial statements.

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

- 4 Major Projects - the 2017-18 original budget includes the Police Records Management Stages 2 – 4 project (\$7.197 million) and was adjusted during the year to take account of approved adjustments including \$2.262 million of the Police Records Management Stages 2 – 4 project budget being re-phased to 2018-19.

The actual spend of \$6.730 million is slightly below the approved revised budget of \$7.597 million.

SAPOL will seek carryover of committed under expenditure balances with the Department of Treasury and Finance as part of the budget carryover process.

- 5 Annual Provisions – the 2017-18 original budget was revised upwards during the year to take account of approved adjustments, including reclassification of \$4.533 million from supplies and services to investing annual provisions for minor capital works, vehicles and equipment.

SAPOL actual spend of \$14.072 million was above the approved revised budget of \$12.322 million and was funded from within the total existing controlled budget.

South Australia Police
Notes to and forming part of the financial statements
for the year ended 30 June 2018

32 Financial risk management / 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

Liquidity risk arises from the possibility that SAPOL is unable to meet its financial obligations as they are due to be settled. SAPOL is funded principally from appropriations by the SA Government. SAPOL works with DTF to determine the cash flows associated with its government-approved program of work and to ensure funding is provided through SA Government budgetary processes to meet the expected cash flows. SAPOL settles undisputed accounts within 30 days from the date of the invoice or date the invoice is first received. In the event of a dispute, payment is made 30 days from resolution. SAPOL's exposure to liquidity risk is insignificant based on past experience and current assessment of risk.

Credit risk and market risk

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

SAPOL does not trade foreign currency. 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.

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

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

Categorisation of financial instruments

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

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

- Loans 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 notes 15 and 23).

South Australia Police
Notes to and forming part of the financial statements
for the year ended 30 June 2018

32 Financial risk management / financial instruments (continued)

Categorisation of financial instruments

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					
Cash and cash equivalents	14	153 940	153 940	-	-
Loans and receivables					
Receivables ⁽¹⁾⁽²⁾	15	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	-	-

Category of financial asset and financial liability	Note	2017 Carrying amount/Fair Value \$'000	2017 Contractual maturities		
			Within 1 year \$'000	1-5 years \$'000	More than 5 years \$'000
Financial assets					
Cash and cash equivalents					
Cash and cash equivalents	14	174 225	174 225	-	-
Loans and receivables					
Receivables ⁽¹⁾⁽²⁾	15	2 587	2 587	-	-
Total financial assets		176 812	176 812	-	-
Financial liabilities					
Financial liabilities at cost					
Payables ⁽¹⁾		17 320	17 320	-	-
Total financial liabilities		17 320	17 320	-	-

⁽¹⁾ Receivable and payable amounts disclosed here exclude amounts relating to statutory receivables and payables. In government certain rights to receive or pay cash may not be contractual and therefore in these situations the requirements will not apply. Where rights or obligations have their source in legislation such as levies, receivables/payables, tax equivalents, Commonwealth tax, etc they would be excluded from the disclosure. The standard defines contract as enforceable by law. All amounts recorded are carried at cost (not materially different from amortised cost).

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

South Australia Police
Notes to and forming part of the financial statements
for the year ended 30 June 2018

33 Impact of standards and statements not yet implemented

SAPOL did not voluntarily change any of its accounting policies during 2017-18.

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective, have not been adopted by SAPOL for the period ending 30 June 2018.

AASB 9 Financial Instruments

The revision to AASB 9 Financial Instruments applies to reporting periods beginning on or after 1 January 2018, i.e. to financial statements as at 30 June 2019. AASB 9 Financial Instruments provides the principles for the classification, measurement, recognition, de-recognition and disclosure associated with financial assets and liabilities. The key changes include simplified requirements for classification and measurement of financial assets and a revised impairment loss model to recognise impairment losses earlier, as opposed to the current approach that recognised impairment only when incurred.

SAPOL has reviewed the impact of AASB 9 Financial Instruments on the classification and measurement of its financial assets. The following summarises the estimated impact to the categorisation and valuation of the amounts reported:

- Trade receivables and loan receivables will be classified and measured at amortised cost, similar to the current classification of loans and receivables. However, new impairment requirements will result in a provision being applied to all receivables rather than only on those receivables that are credit impaired. SAPOL will be adopting the simplified approach under AASB 9 Financial Instruments and measure lifetime expected credit losses on all trade receivables and contract assets using a provision matrix approach as a practical expedient to measure the impairment provision. The impact has not been calculated as yet but it is not expected to be material.
- All financial liabilities listed in the financial risk management / financial instruments note 32 will continue to be measured at amortised cost. SAPOL does not expect a material change in the reported value of financial liabilities.

These changed amounts will form the opening balance of those items on the date AASB 9 Financial Instruments is adopted. However, SAPOL will not restate comparative figures for financial instruments on adopting AASB 9 Financial Instruments as from 2018-19. Aside from a number of one-off disclosures in the 2018-19 financial statements to explain the impact of adopting AASB 9 Financial Instruments, a number of new or changed ongoing disclosure requirements will apply from that time. Assuming no change in the types of financial instruments that SAPOL enters into, the most likely ongoing disclosure impacts are expected to relate to the credit risk of financial assets subject to impairment and de-recognition of these items.

AASB 16 Leases

This standard will apply for the first time to reporting periods beginning on or after 1 January 2019, i.e. to financial statements as at 30 June 2020. The standard supersedes AASB 117 Leases and unlike AASB 117 Leases, AASB 16 Leases introduces a single lease accounting model for lessees, eliminating the distinction between operating and finance leases. Lessees will be required to recognise a right-of-use asset (representing rights to use the underlying leased asset) and a liability (representing the obligation to make lease payments) for all leases with a term of more than 12 months, unless the underlying assets are of low value.

South Australia Police
Notes to and forming part of the financial statements
for the year ended 30 June 2018

33 Impact of standards and statements not yet implemented (continued)

The right-of-use asset will be initially recognised at cost, consisting of the initial amount of the associated lease liability, plus any lease payments made to the lessor at or before the effective date, less any lease incentive received, the initial estimate of restoration costs and any initial direct costs incurred by the lessee. The right-of-use asset will give rise to a depreciation expense.

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

AASB 16 Leases allows a 'cumulative approach' rather than full retrospective application to recognising existing operating leases. SAPOL will apply the 'cumulative approach', and will not need to restate comparative information. Instead, the cumulative effect of applying the standard is recognised as an adjustment to the opening balance of accumulated surplus (or other component of equity, as appropriate) at the date of initial application.

SAPOL has not yet quantified the exact impact on the Statement of Comprehensive Income or the Statement of Financial Position of applying AASB 16 Leases to its current operating leases, including the extent of additional disclosures required.

It is anticipated that there will be a marginal impact each year on net result due to recognition of depreciation and interest on lease liabilities as expenses. There will be no impact on the total net result over the life of the lease.

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

SAPOL's current operating lease commitments note (refer Note 27) provides an indication of the amounts to be recognised 'on-balance sheet' at transition (an expected increase in lease liabilities with a corresponding right-of-use asset). The reclassification between supplies and services expense and depreciation/interest has not yet been estimated.

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

These standards will apply for the first time to reporting periods beginning on or after 1 January 2019, i.e. to financial statements as at 30 June 2020. SAPOL has commenced analysing the new revenue recognition requirements under these standards and is yet to form conclusions about significant impacts. Potential future impacts identifiable at the date of this report are as follows:

Under the new standards, other grants presently recognised as revenue upfront may be eligible to be recognised as revenue progressively as the associated performance obligations are satisfied, but only if the associated performance obligations are enforceable and sufficiently specific. SAPOL has commenced evaluating the existing grant arrangements with as to whether revenue from those grants could be deferred under the new requirements – however no conclusion or the potential impact, if any, has been determined at the present time.

South Australia Police
Notes to and forming part of the financial statements
for the year ended 30 June 2018

33 Impact of standards and statements not yet implemented (continued)

Grants that are not enforceable and/or not sufficiently specific will not qualify for deferral, and continue to be recognised as revenue as soon as they are controlled. SAPOL receives several grants from the Australian Government for which there are no sufficiently specific performance obligations – the total of these grants in the 2017-18 year were \$2.017 million and are expected to continue being recognised as revenue upfront assuming no change to the current grant arrangements.

Depending on the respective contractual terms, the new requirements of AASB 15 Revenue from Contracts with Customers may potentially result in a change to the timing of revenue from sales of SAPOL's goods and services such that some revenue may need to be deferred to a later reporting period to the extent that SAPOL has received cash but has not met its associated performance obligations (such amounts would be reported as a liability in the meantime). SAPOL is yet to complete the analysis of existing arrangements for sale of its goods and services and the impact, if any, on revenue recognition has not yet been determined.

A range of new disclosures will also be required by the new standards in respect of SAPOL's revenue.

All other Australian accounting standards and interpretations with future effective dates are either not applicable or have no material impact on SAPOL.

34 Events after reporting period

Adjustments are made to amounts recognised in the financial statements, where an event occurs after 30 June 2018 and before the date the financial statements are authorised for issue, where those events provide information about conditions that existed at 30 June 2018.

Note disclosure is made about events between 30 June 2018 and the date the financial statements are authorised for issue where the events relate to a condition which arose after 30 June 2018 and which may have a material impact on the results of subsequent years.

SAPOL received funding of \$4.28 million in July 2018 under the Indigenous Advancement Strategy, under the Council of Australian Governments (COAG) Increasing Police Presence in Remote Communities Budget Measure, the specifics of which are subject to further negotiation with the relevant community.

South Australia Police
Notes to and forming part of the financial statements
for the year ended 30 June 2018

35 Transactions with SA Government

The following table discloses revenues, expenses, financial assets and liabilities where the counterparty/ transaction is with an entity within the SA Government as at the reporting date, classified according to their nature.

	Note	SA Government		Non-SA Government		Total	
		2018	2017	2018	2017	2018	2017
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Expenses							
Employee benefits expenses	3	33 037	32 406	717 337	688 781	750 374	721 187
Supplies and services	5						
Accommodation and property related		27 791	26 894	6 850	7 084	34 641	33 978
Administration		2 025	1 633	17 323	18 454	19 348	20 087
Collection costs		275	234	558	581	833	815
Communication and computing		10 847	9 383	22 458	19 775	33 305	29 158
Consultants		18	3	541	137	559	140
Employee programs & housing subsidies		7 890	7 710	3 406	3 243	11 296	10 953
Helicopter costs		1 532	1 129	29	49	1 561	1 178
Insurance		1 704	1 556	86	6	1 790	1 562
Legal		140	398	709	1 580	849	1 978
Minor equipment		52	16	4 966	4 258	5 018	4 274
Motor vehicle related		10 773	14 447	13 626	8 139	24 399	22 586
Shared Services SA		2 762	3 315	-	-	2 762	3 315
Uniforms		-	-	2 621	2 933	2 621	2 933
Utilities		1 583	979	3 752	2 855	5 335	3 834
Other		-	-	7 477	9 292	7 477	9 292
Depreciation and amortisation	6	-	-	28 079	28 079	28 079	28 079
Write down of non-current assets		-	43	7	-	7	43
Impairment loss		-	-	-	710	-	710
Payments to SA Government	13	34 895	832	-	-	34 895	832
Total expenses		135 324	100 978	829 825	795 956	965 149	896 934

**South Australia Police
(SAPOL)**

Administered Financial Statements

For the year ended 30 June 2018

South Australia Police
Statement of Administered Comprehensive Income
for the year ended 30 June 2018

		2018	2017
	Note	\$'000	\$'000
Administered expenses			
Employee benefits	A3	619	401
Supplies and services	A4	2 384	2 310
Intra-government transfers		11 475	11 528
Total administered expenses		14 478	14 239
Administered income			
Fees, fines and charges	A5	81 613	80 383
Total administered income		81 613	80 383
Revenues from / (payments to) SA Government			
Revenues from SA Government	A6	655	690
Payments to SA Government	A6	(68 775)	(66 605)
Total net revenues from SA Government		(68 120)	(65 915)
Net result		(985)	229
Total comprehensive result		(985)	229

The net result and total comprehensive result are attributable to the SA Government as owner.

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

South Australia Police
Statement of Administered Financial Position
as at 30 June 2018

	Notes	2018 \$'000	2017 \$'000
Administered current assets			
Cash and cash equivalents	A7	14 969	14 108
Receivables	A8	224	216
Total current assets		15 193	14 324
Total assets		15 193	14 324
Administered current liabilities			
Other liabilities	A9	15 345	13 491
Total current liabilities		15 345	13 491
Total liabilities		15 345	13 491
Net assets		(152)	833
Administered equity			
Retained earnings		(152)	833
Total equity		(152)	833

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

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

South Australia Police
Statement of Administered Changes in Equity
for the year ended 30 June 2018

	Retained earnings	Total equity
	\$'000	\$'000
Balance at 30 June 2016	604	604
Adjusted balance at 30 June 2016	604	604
Net result for 2016-17	229	229
Total comprehensive result for 2016-17	229	229
Balance at 30 June 2017	833	833
Net result for 2017-18	(985)	(985)
Total comprehensive result for 2017-18	(985)	(985)
Balance at 30 June 2018	(152)	(152)

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

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

South Australia Police
Statement of Administered Cash Flows
for the year ended June 2018

		2018 \$'000	2017 \$'000
	Note	Inflows (Outflows)	Inflows (Outflows)
Cash flows from operating activities			
Cash outflows			
Employee benefits		(619)	(401)
Supplies and services		(2 376)	(2 317)
Intra-government transfers		(11 475)	(11 528)
Cash used in operations		(14 470)	(14 246)
Cash inflows			
Fees, fines and charges		81 613	80 383
Exhibit monies		1 777	309
Unclaimed property		268	(25)
Cash generated from operations		83 658	80 667
Cash flows from SA Government			
Receipts from SA Government		647	684
Payments to SA Government		(68 974)	(63 777)
Cash generated from SA Government		(68 327)	(63 093)
Net cash provided by / (used in) operating activities	A11	861	3 328
Net increase / (decrease) in cash and cash equivalents		861	3 328
Cash and cash equivalents at the beginning of the reporting period		14 108	10 780
Cash and cash equivalents at the end of the reporting period	A7	14 969	14 108

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

South Australia Police
Schedule of Expenses and Income attributable to Administered Items
for the year ended June 2018

Activities - refer note A2	Expiation Fees		Victims of Crime Levy		Special Acts		Public Private Partnership (PPP)	
	2018	2017	2018	2017	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Administered expenses								
Employee benefits	-	-	-	-	619	401	-	-
Supplies and services	-	-	-	-	-	-	2 384	2 310
Intra-government transfers	-	-	11 293	11 327	-	-	-	-
Total administered expenses	-	-	11 293	11 327	619	401	2 384	2 310
Administered income								
Fees, fines and charges	67 815	66 605	11 293	11 327	-	-	2 384	2 310
Total income	67 815	66 605	11 293	11 327	-	-	2 384	2 310
Revenue from / (payments to) SA Government								
Revenues from SA Government	-	-	-	-	596	476	-	-
Payments to SA Government	(68 775)	(66 605)	-	-	-	-	-	-
Total net revenues from SA Government	(68 775)	(66 605)	-	-	596	476	-	-
Net result	(960)	-	-	-	(23)	75	-	-

Activities - refer note A2	Firearms Safety Training Levy		Other		Total	
	2018	2017	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Administered expenses						
Employee benefits	-	-	-	-	619	401
Supplies and services	-	-	-	-	2 384	2 310
Intra-government transfers	121	141	61	60	11 475	11 528
Total administered expenses	121	141	61	60	14 478	14 239
Administered income						
Fees, fines and charges	121	141	-	-	81 613	80 383
Total administered income	121	141	-	-	81 613	80 383
Revenue from / (payments to) SA Government						
Revenues from SA Government	-	-	59	214	655	690
Payments to SA Government	-	-	-	-	(68 775)	(66 605)
Total net revenues from SA Government	-	-	59	214	(68 120)	(65 915)
Net result	-	-	(2)	154	(985)	229

South Australia Police
Schedule of Assets and Liabilities attributable to Administered Items
as at 30 June 2018

Activities - refer note A2	Unclaimed Property		Exhibit Monies		Expiation Fees		Victims of Crime Levy		Special Acts	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Administered current assets										
Cash and cash equivalents	410	142	8 785	7 008	4 023	5 133	944	960	35	57
Receivables	-	-	-	-	-	-	-	-	-	-
Total current assets	410	142	8 785	7 008	4 023	5 133	944	960	35	57
Total assets	410	142	8 785	7 008	4 023	5 133	944	960	35	57
Administered current liabilities										
Other liabilities	410	142	8 785	7 008	4 982	5 133	944	960	-	-
Total current liabilities	410	142	8 785	7 008	4 982	5 133	944	960	-	-
Total liabilities	410	142	8 785	7 008	4 982	5 133	944	960	-	-
Net assets	-	-	-	-	(959)	-	-	-	35	57

Activities - refer note A2	Public Private Partnership (PPP)		Firearms Safety Training Levy		Other		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Administered current assets								
Cash and cash equivalents	-	-	-	32	772	776	14 969	14 108
Receivables	224	216	-	-	-	-	224	216
Total current assets	224	216	-	32	772	776	15 193	14 324
Total assets	224	216	-	32	772	776	15 193	14 324
Administered current liabilities								
Other liabilities	224	216	-	32	-	-	15 345	13 491
Total current liabilities	224	216	-	32	-	-	15 345	13 491
Total liabilities	224	216	-	32	-	-	15 345	13 491
Net assets	-	-	-	-	772	776	(152)	833

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

South Australia Police
Notes to and forming part of the Administered Financial Statements
For the year ended 30 June 2018

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 of the controlled financial statements of South Australia Police (SAPOL). SAPOL applies the same accounting policies to the administered financial statements as set out in the notes to the SAPOL's financial statements.

Departures from SAPOL 'Basis of financial statements'

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 following financial transactions are administered by SAPOL as at 30 June 2018.

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
For the year ended 30 June 2018

A2 Objectives and Activities (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.

A3 Employee benefits

	2018	2017
	\$'000	\$'000
Salaries and wages	619	401
Total employee benefits	619	401

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

A4 Supplies and services

	2018	2017
	\$'000	\$'000
PPP lease payments *	2 384	2 310
Total supplies and services	2 384	2 310

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

South Australia Police
Notes to and forming part of the Administered Financial Statements
For the year ended 30 June 2018

A5 Fees, fines and charges

	2018	2017
	\$'000	\$'000
Expiation revenue	67 815	66 605
PPP cost recovery *	2 384	2 310
Victims of Crime Levy	11 293	11 327
Firearms Safety Training Levy	121	141
Total fees, fines and charges	81 613	80 383

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

A6 Revenues from / (payments to) SA Government

	2018	2017
	\$'000	\$'000
Revenues from SA Government		
Appropriations from consolidated account pursuant to the <i>Appropriation Act</i>	59	214
Appropriations from consolidated account pursuant to the <i>Police Act 1998</i>	596	476
Total revenues from SA Government	655	690
Payments to SA Government		
Other payments to the consolidated account	(68 775)	(66 605)
Total payments to SA Government	(68 775)	(66 605)
Net revenues from SA Government	(68 120)	(65 915)

Appropriations are recognised on receipt.

A7 Cash and cash equivalents

	2018	2017
	\$'000	\$'000
Deposits with the Treasurer	14 969	14 108
Total cash and cash equivalents	14 969	14 108

A8 Receivables

	2018	2017
	\$'000	\$'000
Current		
Receivables	224	216
Total current receivables	224	216
Total receivables	224	216

South Australia Police
Notes to and forming part of the Administered Financial Statements
For the year ended 30 June 2018

A9 Other liabilities

	2018	2017
	\$'000	\$'000
Current		
Funds payable to SA Government	5 926	6 125
Exhibit monies held	8 785	7 008
Unclaimed property held for SA Government	410	142
Other payable to non-SA government	224	216
Total current other liabilities	15 345	13 491
Total other liabilities	15 345	13 491

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

A10 Unrecognised contractual commitments

Operating lease commitments

	2018	2017
	\$'000	\$'000
Within one year	2 453	2 374
Later than one year but not longer than five years	10 436	10 251
Later than five years	19 475	21 871
Total operating lease commitments	32 364	34 496

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

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

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

South Australia Police
Notes to and forming part of the Administered Financial Statements
For the year ended 30 June 2018

A11 Cash flow reconciliation

	2018 \$'000	2017 \$'000
Reconciliation of cash and cash equivalents at the end of the reporting period		
Cash and cash equivalents disclosed in the Statement of Administered Financial Position	14 969	14 108
Balance as per the Statement of Administered Cash Flows	14 969	14 108
Reconciliation of net cash provided by / (used in) operating activities to net result		
Net cash provided by/(used in) operating activities	861	3 328
Movement in assets and liabilities		
Increase/(decrease) in receivables	8	6
(Increase)/decrease in other liabilities	(1 854)	(3 105)
Net result	(985)	229

A12 Budgetary reporting and explanations of major variances between budget and actual amounts

Explanations are required to be provided for variances where the variance exceeds the greater of 10 per cent of the original budgeted amount and 5 per cent of original budgeted total expenses.

		Original budget ⁽¹⁾ 2018 \$'000	Actual 2018 \$'000	Variance \$'000
Statement of Comprehensive Income				
Expenses				
Employee benefits expense	a	465	619	154
Supplies and services		2 449	2 384	(65)
Intra-government transfers	b	13 201	11 475	(1 726)
Total expenses		16 115	14 478	(1 637)
Income				
Fees and charges	c	88 264	81 613	(6 651)
Total income		88 264	81 613	(6 651)
Net cost of providing services		72 149	67 135	(5 014)
Revenues from / (payments to) SA Government				
Revenue from SA Government	d	524	655	131
Payments to SA Government		(72 673)	(68 775)	3 898
Total net revenues from SA Government		(72 149)	(68 120)	4 029
Net result		-	(985)	(985)

⁽¹⁾ The budget process is not subject to audit. Budget information refers to the amounts presented to parliament in the original budgeted financial statements in respect of the reporting period (2017-18 Budget Paper 4). These original budgeted amounts have been presented and classified on a basis that is consistent with line items in the financial statements. However, these amounts have not been adjusted to reflect revised budgets or administrative restructures/machinery of government changes.

South Australia Police
Notes to and forming part of the Administered Financial Statements
For the year ended 30 June 2018

A12 Budgetary reporting and explanations of major variances between budget and actual amounts (continued)

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

- a Employee benefits expense – the 2017-18 increase includes leave paid as a lump sum in lieu of taken long service leave.
- b Intra-government transfers – Intra-government transfers mainly relate to Victims of Crime Levy (VOCL) receipts transferred to the Attorney-General's Department. The 2017-18 original budget was adjusted during the year for approved adjustments, mainly a volume adjustment based on expiated revenue trends and payment behaviour. The actual expenditure of \$11.476 million was marginally less than the approved revised budget of \$11.419 million due to lower VOCL receipts.
- c Fees and charges – The 2017-18 original budget was revised downwards during the year for approved adjustments, mainly a volume adjustment based on expiated revenue trends and as a result of delays in the installation of additional fixed speed/red light cameras. The actual income of \$81.613 million was slightly higher than the approved revised budget of \$80.043 million.
- d The revenue from SA Government increase in 2017-18 of \$0.131 million relates primarily to the Commissioner's lump sum payment in lieu of taken long service leave as per note above.

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

South Australia Police
Notes to and forming part of the Administered Financial Statements
For the year ended 30 June 2018

A13 Transactions with SA Government

		Non-SA					
		SA Government		Government		Total	
		2018	2017	2018	2017	2018	2017
	Note	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Expenses							
Employee benefits expense	A3	-	-	619	401	619	401
Supplies and services	A4						
PPP lease payments		-	-	2 384	2 310	2 384	2 310
Intra-government transfers		11 475	11 528	-	-	11 475	11 528
Payments to SA Government	A6	68 775	66 605	-	-	68 775	66 605
Total expenses		80 250	78 133	3 003	2 711	83 253	80 844
Income							
Fees fines and charges	A5						
Expiation revenue		-	-	67 815	66 605	67 815	66 605
PPP cost recovery		2 384	2 310	-	-	2 384	2 310
Victims of Crime Levy		-	-	11 293	11 327	11 293	11 327
Firearms Safety Training Levy		-	-	121	141	121	141
Revenue from SA government	A6	655	690	-	-	655	690
Total income		3 039	3 000	79 229	78 073	82 268	81 073
Financial assets							
Cash and cash equivalents	A7	14 969	14 108	-	-	14 969	14 108
Receivables	A8	223	216	-	-	223	216
Total financial assets		15 192	14 324	-	-	15 192	14 324
Financial liabilities							
Other Liabilities	A9						
Funds payable to SA Government		5 926	6 125	-	-	5 926	6 125
Exhibit monies held		-	-	8 785	7 008	8 785	7 008
Unclaimed property held for SA Government		410	142	-	-	410	142
Other payable to non-SA Government		-	-	224	216	224	216
Total financial liabilities		6 336	6 267	9 009	7 224	15 345	13 491