



**Government  
of South Australia**

Department of Human Services

# DEPARTMENT OF HUMAN SERVICES

## **2018-19 Annual Report**

### DEPARTMENT OF HUMAN SERVICES

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To:

Hon Michelle Lensink MLC  
Minister for Human Services

This annual report will be presented to Parliament to meet the statutory reporting requirements of the *Public Sector Act 2009*, *Public Sector Regulations 2010*, *Public Finance and Audit Act 1987*, *Carers Recognition Act 2005*, *Julia Farr Services (Trusts) Act 2007*, *Water Industry Act 2012*, and the *Youth Justice Administration Act 2016*, and meets the requirements of Premier and Cabinet Circular *PC013 Annual Reporting Requirements*.

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

Submitted on behalf of the Department of Human Services by:

Tony Harrison

Chief Executive



Date 30 September 2019

Signature

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## From the Chief Executive



In accordance with the *Public Sector Act 2019*, I am pleased to present the annual report for the South Australian Department of Human Services (DHS) for the year ended 30 June 2019. The report outlines the achievements and performance of DHS, including the financial performance of the department, for the 2018-19 financial year.

A primary focus of the department has continued to be the transition to the National Disability Insurance Scheme (NDIS), with the full Scheme becoming operational in South Australia from July 2018. I am pleased to report that the transition of state government disability clients to the NDIS is now complete.

Almost 30,000 South Australians are now accessing the NDIS, including around 16,000 who are receiving support for the first time.

On 1 November 2018, the department introduced free screening checks for volunteers, fulfilling the Government's election commitment to abolish all fees payable by volunteers for screenings undertaken by the DHS Screening Unit. The passing of the *Statutes Amendment (Screening) Act 2019*, which commenced on 1 July 2019, enshrines this in law.

Also commencing on 1 July 2019, the new Working with Children Check established under the *Child Safety (Prohibited Persons) Act 2016* has replaced the previous child-related employment screenings. Wide-ranging communications were undertaken to prepare organisations for this reform, with a stakeholder kit released in May 2019 to provide information and tools about the new check.

In 2018, a review was undertaken of the operational administration of the major household concessions managed by ConcessionsSA to identify potential efficiencies and improvement opportunities. In the past 12 months, the department has been undertaking a program of reforms to progress the priority recommendations which include reducing 'red tape' and simplifying the application process.

Released on 1 March 2019, *Committed to Safety: A Framework for Addressing Domestic, Family and Sexual Violence* was developed by the Office for Women following consultation with the women's safety sector and wider community. The document outlines a wide range of actions to address domestic, family and sexual violence and reflects South Australia's commitment to the National Plan to Reduce Violence against Women and their Children. The department has also continued to implement the Government's election commitments to support women and children at risk of domestic and family violence, through the implementation of the personal protection app and the statewide trial of the Domestic Violence Disclosure Scheme.

Since 2015, the department has released an annual Youth Strategy for South Australia, identifying priority areas for government focus and providing a platform for collaborative work. In 2018-19, DHS commenced the development of a three year Youth Action Plan for South Australia (2020-2022).

This longer timeframe aims to deliver a more strategic, sustainable and systemic approach, and will support coordinated and longer-term investment for young South Australians. It is anticipated that the Youth Action Plan will be finalised and launched in early 2020.

In the past 12 months, the department also experienced a significant change to its role and functions as a result of Machinery of Government (MOG) changes and the ongoing transfer of state disability services to the non-government sector. Through MOG changes, the Department of the Premier and Cabinet assumed responsibility for Multicultural Affairs and the SA Housing Authority commenced operations as a statutory corporation, separate to DHS.

Further changes to the department's organisational structure came into effect from 1 July 2019, including the establishment of the Community and Family Services Division which comprises Safer Family Programs, the Community Services Directorate and the Early Intervention Research Directorate. Safer Family Programs was established through MOG changes, which brought together staff and functions from the Department for Education and Department for Child Protection. The new unit consolidates direct service delivery and commissioning of non-government child abuse and neglect early intervention and prevention services that were spread across several government agencies.

Finally, I wish to take this opportunity to thank all DHS staff for their ongoing contribution to improving the wellbeing and safety of South Australians.



Tony Harrison

**Chief Executive**

Department of Human Services

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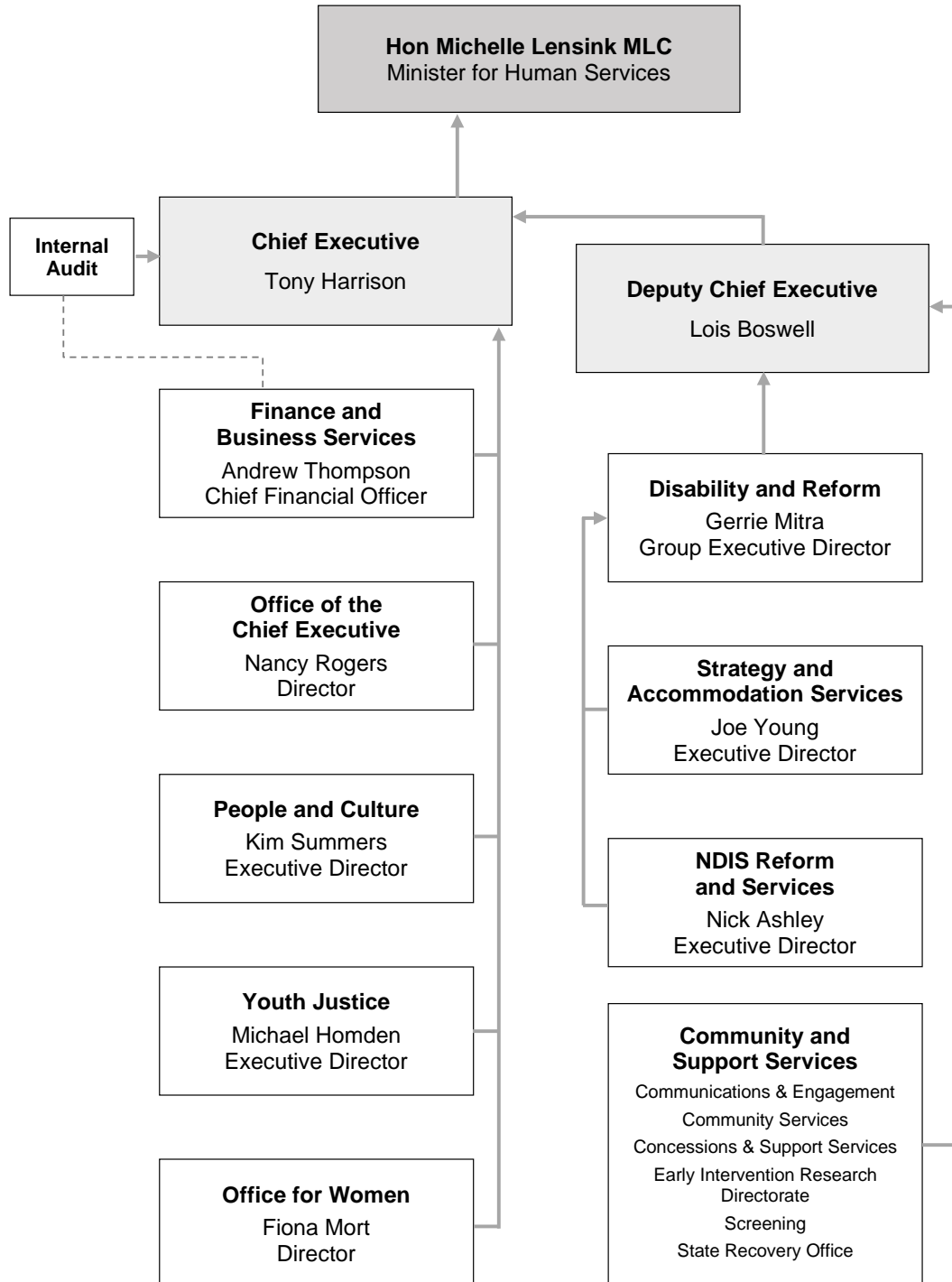
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## Overview: about the agency

### Our strategic focus

<b>Our Purpose</b>	The Department of Human Services (DHS) delivers strategies, programs and services that improve the wellbeing and safety of South Australians.
<b>Our Vision</b>	Fairness, opportunity and choice for all South Australians.
<b>Strategic Goals</b>	<ul style="list-style-type: none"> <li>• Better services and programs that make a lasting difference for individuals, families and communities</li> <li>• A customer-focused organisation that puts people first</li> <li>• Accountable, efficient, open and collaborative government</li> <li>• A motivated, skilled, safe and inclusive workforce.</li> </ul>
<b>Our Approach</b>	<ul style="list-style-type: none"> <li>• We focus on prevention, early intervention and connected services</li> <li>• We champion collaboration and engagement to get results</li> <li>• We reduce red tape</li> <li>• We prioritise agile and proactive design and delivery</li> <li>• We use data and evidence to plan and improve.</li> </ul>
<b>The Department</b>	<ul style="list-style-type: none"> <li>• Commissions human services across the not-for-profit sector</li> <li>• Invests in the community through grants and funding</li> <li>• Provides core services in areas including:             <ul style="list-style-type: none"> <li>– youth justice</li> <li>– disability accommodation</li> <li>– concessions and rebates</li> <li>– employment-related screening</li> <li>– family safety and support</li> </ul> </li> <li>• Leads government reform agendas, including disability inclusion and the transition to the NDIS, intensive family support services and women's equality and safety.</li> </ul>

## Our organisational structure



The above chart reflects the department's organisational structure as at 30 June 2019. Changes to the organisational structure came into effect from 1 July 2019, with the current chart available at [www.dhs.sa.gov.au/about-us](http://www.dhs.sa.gov.au/about-us).



## Changes to the agency

During 2018-19 there were the following changes to the agency's structure and objectives as a result of internal reviews or Machinery of Government (MOG) changes:

- On 1 July 2018, the Department of the Premier and Cabinet (DPC) assumed responsibility for Multicultural Affairs from the department, and the SA Housing Authority (SAHA) commenced operations as a statutory corporation, separate to DHS.
- In August 2018, the organisational structure of the department was reorganised to improve management-reporting processes and realign leadership roles. This included the establishment of the Community and Support Services Division, which consolidated functions that support and engage communities including Screening, Concessions and Support Services, Community Services and the State Recovery Office. A new Disability and Reform Division was also established to consolidate all aspects of disability service and NDIS reform processes.
- On 1 October 2018, the Early Intervention Research Directorate (EIRD) joined DHS from DPC as part of MOG changes. EIRD plays a leading role in collaboration between the government and academic sectors; ensuring child abuse and neglect early intervention and prevention is informed by evidence.

## Our Minister



### **Hon Michelle Lensink MLC Minister for Human Services**

Minister Lensink is responsible for the Human Services portfolio which comprises the communities, status of women, youth justice, NDIS and disability services and social housing programs.

Through DHS, the Minister has responsibility for community services and grant programs, concessions and financial resilience programs, youth justice, screening services, disaster recovery, and lead policy responsibility in relation to youth, volunteers and carers. Addressing domestic and family violence and managing the transition to the NDIS are key priorities of the Minister.

## **Our Executive team**

*DHS Executive Leadership Team as at 30 June 2019*

### **Tony Harrison, Chief Executive**

Tony Harrison was appointed to the position of Chief Executive in June 2016 and is responsible for the overall leadership and strategic direction of the department. Functions reporting directly to the Chief Executive include:

- Finance and Business Services
- Office of the Chief Executive
- People and Culture
- Youth Justice
- Office for Women.

### **Lois Boswell, Deputy Chief Executive**

Lois Boswell was appointed to the position of Deputy Chief Executive in August 2016. Functions reporting directly to the Deputy Chief Executive include:

- Community and Support Services Division, which includes Screening, Concessions and Support Services, Community Services, State Recovery Office, Early Intervention Research Directorate and Communications and Engagement
- Disability and Reform Division, which includes NDIS Reform and Services and Strategy and Accommodation Services.

### **Andrew Thompson, Chief Financial Officer, Finance and Business Services**

Finance and Business Services provides financial services to the department, including budgeting, financial analysis, monitoring and reporting, management accounting, strategic financial advice and liaison with the Department of Treasury and Finance. It also monitors financial compliance and coordinates financial authorisations, risk management and provides financial and accounting policy advice.

The division is also responsible for the department's Procurement and Grants Unit and Business Technology and Infrastructure functions.

### **Gerrie Mitra, Group Executive Director, Disability and Reform**

The Disability and Reform Division oversees disability service delivery areas, disability reform and NDIS implementation activities. The division comprises:

- Strategy and Accommodation Services
- NDIS Reform and Services.

**Joe Young, Executive Director, Strategy and Accommodation Services**

Strategy and Accommodation Services is responsible for supporting people with a disability in community based group homes, and residents at Highgate Park and the Northgate Aged Care Service. The directorate is also responsible for the transfer of government disability services to the non-government sector and the implementation of activities associated with the *Disability Inclusion Act 2018*. This includes consultation around a State Disability Inclusion Plan and progressing Disability Access and Inclusion Plans across government agencies.

**Nick Ashley, Executive Director, NDIS Reform and Services**

NDIS Reform and Services has oversight of the key elements of the planning and implementation of the transition to the NDIS and supports service transfer activities. The directorate also oversees services delivered through the Disability Transition Unit (formerly Disability SA - Community Services), Domiciliary Equipment Service, Independent Living Centre and Continence Resource Centre.

**Kim Summers, Executive Director, People and Culture**

People and Culture provides strategic leadership, advice and operational implementation of strategies that support the recruitment, performance, development, management and wellbeing of DHS employees. The DHS Incident Management Unit operates as an independent function within the division.

**Michael Homden, Executive Director, Youth Justice**

Youth Justice is responsible for the statutory supervision of young people in contact with the justice system. Responsibilities include the administration of the Adelaide Youth Training Centre and supervision of young people on community-based orders.

**Fiona Mort, Director, Office for Women**

Priorities of the Office for Women include addressing violence against women, improving women's participation in leadership and decision-making and women's economic empowerment. The Office for Women also provides high quality statewide information and referral services through the Women's Information Service and executive support to the Premier's Council for Women.

**Nancy Rogers, Director, Office of the Chief Executive**

The Office of the Chief Executive is responsible for a range of functions including executive support, governance responsibilities, correspondence and briefings, Cabinet coordination, Parliamentary business, coordination of policy advice on inter-governmental and intra-governmental matters, business intelligence and legal services.

## **Legislation administered by the agency**

*Carers Recognition Act 2005*

*Child Safety (Prohibited Persons) Act 2016*

*Children's Protection Law Reform (Transitional Arrangements and Related Amendments) Act 2017*

*Cost of Living Concessions Act 1986*

*Disability Inclusion Act 2018*

*Disability Services Act 1993*

*Julia Farr Services (Trusts) Act 2007*

*Not-for-Profit Sector Freedom to Advocate Act 2013*

*Supported Residential Facilities Act 1992*

*Volunteers Protection Act 2001*

*Youth Justice Administration Act 2016*

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

The South Australian Housing Trust, trading as the SA Housing Authority, is responsible to the Minister for Human Services to deliver better housing opportunities for all South Australians.

## The agency's performance

### Performance at a glance

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**29,034**

Number of NDIS participants with approved plan or supported in the Early Child Early Intervention gateway in South Australia

**\$160 million**

Approximate amount of funding allocated in household and transport concessions

**184,000**

Approximate number of eligible South Australians who received household concessions and rebates through DHS

---

**174,597**

Screening applications received and finalised during financial year

**\$3.2 million**

Approximate amount of grant funding distributed through Grants SA

**274**

Number of projects funded through Grants SA

---

**\$12 million**

Over \$12 million in funding was distributed through the Family and Community Development Fund

**\$24.6 million**

Total funding distributed through the SA HACC program

**300,000**

Approximate number of hours of service across the community through the SA HACC program

---

**765**

Number of women provided with information or advice through the Women's Domestic Violence Court Assistance Service

**102,526**

Number of client contacts with the Women's Information Service

**28**

Number of Gambling Help Services funded through the Gamblers Rehabilitation Fund

---

**9,664**

Number of young people who attended events during SA Youth Week

**4,333**

Total number of downloads of the WeDo volunteering app

**63,000**

Number of interpreting assignments completed by the Interpreting and Translating Centre

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## Agency contribution to whole of Government objectives

Key objective	Agency's contribution
More jobs	<p>The NDIS is predicted to create 6,000 full-time equivalent jobs in South Australia, with a number of initiatives being undertaken at both the Federal and state level aimed at market and workforce readiness, transition support and growth stimulation. South Australia is leading the design of a framework for the development of the <b>National NDIS Workforce</b>, in collaboration with the Commonwealth, New South Wales and Victoria.</p> <p>In 2018-19, the department's total spend with <b>Aboriginal businesses</b> was \$4 million with 30 different businesses. This exceeded the 0.5% target committed to by DHS, achieving over 1% of total spend.</p>
Lower costs	<p>DHS administers a range of <b>concessions and rebates</b> that provide assistance to low income South Australians. Concessions are provided for energy, water, sewerage, Emergency Services Levy (fixed property), Cost of Living Concession and Medical Heating and Cooling Concession. The department also supports people in financial need through the Emergency Electricity Payment Scheme, GlassesSA, the Personal Alert Systems Rebate Scheme, Transport Concession Card and the Funeral AssistanceSA Program.</p> <p>The <b>South Australian Concessions Energy Discount Offer (SACEDO)</b> is an ongoing energy offer available only to South Australian energy concession customers. In 2018-19, a new 20% discount deal was negotiated with Origin Energy on usage and supply charges, up from 18%, which commenced on 15 April 2019. This rate is fixed until 31 December 2019.</p> <p><b>Free screening checks for volunteers</b> commenced on 1 November 2018. Volunteers (and students) were previously charged \$59.40 (GST inclusive) per screening application.</p>
Better Services	<p>In 2018, a review was undertaken of the operational administration of the major household concessions managed by <b>ConcessionsSA</b> to identify potential efficiencies and improvement opportunities. The review recommendations continue to be implemented and are delivering better outcomes for customers, including processing times for customer applications being reduced from two to three months to less than one week.</p> <p>Commencing 1 July 2019, individuals are able to undertake their own <b>screening check applications</b> from start to finish. A new online application platform was implemented during 2018-19 to allow applicants to apply directly for screening checks.</p>

## Agency specific objectives and performance

Agency objectives	Indicators	Performance
<b>Provide efficient screening services</b>	Percentage of screening applications assessed within five business days of receipt.	During 2018-19, the DHS Screening Unit received and finalised over 174,000 screening applications. Of these, 76% (132,735) were finalised in under five business days and 98% (171,615) within 30 business days of receipt.
<b>Provide efficient, customer-focused concessions</b>	Recommendations from a review of ConcessionsSA are implemented to streamline administration and service delivery processes and achieve efficiencies.	<p>A program of reforms commenced to progress the priority recommendations of the review. A single combined application form for all household concessions was introduced. Operational systems were also improved so that customers no longer need to provide copies of a range of documents with their application or when their living arrangements change.</p> <p>These changes have resulted in a significant reduction in the time taken to process applications, from two to three months to less than one week. ConcessionsSA is also due to process 250,000 less sheets of paper each year.</p>
<b>Support volunteers and encourage volunteering</b>	Fees payable by volunteers for screening checks are abolished.	The State Government fulfilled its election commitment by abolishing screening fees payable by volunteers from 1 November 2018. As at 30 June 2019, over 42,000 volunteers had benefited from the introduction of free screening checks for volunteers.

Agency objectives	Indicators	Performance
	Extend the WeDo app	Stage three of the full implementation of the WeDo app was completed in March 2019 and included supporter packages to increase the rewards available to volunteers and information to businesses.
<b>Improve outcomes and opportunities for young people across South Australia</b>	A three-year Youth Action Plan for South Australia (2020-2022) is developed.	Consultation on the Youth Action Plan took place during SA Youth Week in April 2019.  It is anticipated that the Plan will be finalised and launched in early 2020.
<b>Protect the community and improve outcomes for young people in the youth justice system</b>	Number of Youth Justice clients who had one or more secure youth training centre admissions.	In 2018-19, 299 Youth Justice clients had one or more secure youth training centre admissions, compared to 329 in 2017-18.  To reduce training centre admissions, whilst also protecting the community, DHS is leading the co-design of the <i>Young People Connected. Communities Protected.</i> State Plan to strengthen the range of connected supports for young people across the youth justice continuum.
<b>Promote equality and inclusion for the LGBTIQ+ community</b>	Hold a LGBTIQ+ roundtable to consult with the community and stakeholders on mechanisms to ensure that voices are heard at the highest levels of government.	The LGBTIQ+ roundtable was held on 12 April 2019 at the Next Generation Health Club, Memorial Drive. A report from the roundtable will be issued in late 2019.



Agency objectives	Indicators	Performance
<b>Minimise the harms from problem gambling</b>	Implement Phase 2 of the Gambling Harm Minimisation Strategy, targeted to people from culturally and linguistically diverse (CALD) backgrounds.	The second phase of the Gambling Harm Minimisation Strategy was developed to educate individuals from CALD backgrounds and to minimise the risk of further gambling harm occurring. A suite of targeted educational materials will be made available for gaming venues by October 2019.
<b>Advance women's equality and safety</b>	<p>Develop a personal protection app to provide at-risk individuals with direct access to the South Australia Police and domestic and family violence services.</p> <p>Trial a Domestic Violence Disclosure Scheme.</p> <p>Hold a series of regional domestic and family violence roundtables.</p> <p>Develop a Women's Employment and Leadership Strategy.</p> <p>Celebrate the 125<sup>th</sup> anniversary of Women's suffrage in South Australia.</p>	<p>Since 26 November 2018, women in contact with the Domestic Violence Crisis Line have had access to the personal protection app as part of a safety plan. The app has been provided to over 40 women since it was introduced.</p> <p>The statewide trial of the Domestic Violence Disclosure Scheme commenced on 2 October 2018. Additional funding was provided in the 2019-20 State Budget to extend the trial until the end of June 2020.</p> <p>Regional roundtables were held in Mount Gambier, Whyalla, Port Lincoln and Murray Bridge.</p> <p>Consultation was held to inform the development of the strategy. The final strategy will be delivered in 2019-20.</p> <p>Celebrations were launched on 13 March 2019, and a range of events are taking place throughout the year. Small grants were provided to 28 organisations for commemorative activities.</p>

Agency objectives	Indicators	Performance
<p><b>Transition clients to the NDIS and support the full implementation of the NDIS in South Australia</b></p>	<p>All existing state funded clients transition to the NDIS by 30 June 2019.</p> <p>Finalise the step down of state individualised funding arrangements for clients in receipt of contracted services as they transition to the NDIS.</p> <p>A Disability Advocate is appointed to support people with disability through the NDIS transition.</p> <p>Adult Therapy Services and Child and Youth Services are transitioned to the non-government sector.</p>	<p>In 2018-19, the target to complete the transition of all State Government disability clients to the NDIS was achieved.</p> <p>As at 30 June 2019, 29,034 South Australians had transitioned to the NDIS.</p> <p>As people moved to the NDIS, State Government funding ceased and the NDIS commenced payment for services. Disability host grant and brokerage payments ceased on 30 June 2019 (with the exception of out-of-scope payments).</p> <p>On 27 November 2018, it was announced that Dr David Caudrey had been appointed as the Disability Advocate. The position commenced in January 2019, for a one-year term and is attached to the Office of the Public Advocate.</p> <p>Minda Inc was selected as the new provider of ASSIST Adult Therapy Services through a competitive tender process. The business transferred on 30 November 2018 and staff commenced on 3 December 2018.</p> <p>Child and Youth Services successfully transferred to the employee led mutual, trading as Kudos Services, on 1 October 2018 to provide Early Childhood Early Intervention and child and youth services under the NDIS.</p>

Agency objectives	Indicators	Performance
	<p>Clients, families, employees, unions and the sector are consulted on the design and implementation of a process for existing clients to receive their supported accommodation services from the non-government sector.</p> <p>A market process is commenced in collaboration with the Department of Treasury and Finance (DTF) to transfer the commercial services of Domiciliary Equipment Services (DES) to the non-government sector.</p>	<p>The following consultation was undertaken as part of a continuous process of listening and responding to stakeholders:</p> <ul style="list-style-type: none"> <li>• OzTrain conducted a consultation with staff, with the report released in December 2018.</li> <li>• The Australian Centre for Social Innovation (TACSI) consulted with clients, with the report released in April 2019.</li> <li>• KPMG consulted with the non-government sector.</li> </ul> <p>The department undertook a market process with DTF to transfer DES to the non-government sector. An initial market sounding concluded on 8 February 2019.</p> <p>A formal market process to identify a new provider commenced on 12 March 2019 and concluded in July 2019. However, a number of transfer objectives were not able to be satisfied.</p>

## Corporate performance summary

Budget Performance Indicators	2018-19 Target	2018-19 Actual	Achieved
Percentage of screening applications finalised within one calendar month (for screenings received and finalised in the same financial year)	95%	98%	✓
Number of active NDIS participants with approved plans <sup>1</sup>	32,284	27,900	✗
Percentage of interpreting and translating centre clients satisfied with accuracy of services <sup>2</sup>	99%	95%	✗
Percentage of interpreting and translating centre assignments completed to agreed or standard timelines <sup>2</sup>	98%	95%	✗
Percentage of agencies funded through the Gamblers Rehabilitation Fund which achieve agreed outcomes within DHS service agreements	100%	100%	✓
Number of clients engaged in the Financial Counselling Assistance Program	2,000	2,444	✓
Agencies funded through Grants SA achieving agreed outcomes as defined in service agreements	85%	92%	✓
Proportion of case plans completed in six weeks	75%	83%	✓
Proportion of community-based orders successfully completed	75%	79%	✓

<sup>1</sup> The published target represents the total number of South Australians anticipated to receive NDIS support by 30 June 2019. In South Australia, 29,034 participants had approved plans or were referred to Early Childhood Early Intervention (ECEI) supports as at 30 June 2019. 1,134 participants with approved plans have exited the Scheme, resulting in 27,900 active participants (including ECEI).

<sup>2</sup> Due to the small number of feedback survey respondents, small fluctuations in feedback are amplified in percentages. In 2018-19, 41 survey respondents provided a response to 281 questions in total. Of these responses, 14 (5%) were deemed to be unsatisfactory. Survey responses assist the Interpreting and Translating Centre to address areas of concern and improve services.

## Employment opportunity programs

Program name	Performance
Aboriginal Traineeship Program	<p>This is a State Government initiative to increase employment opportunities for Aboriginal people aged between 17 and 35.</p> <p>The department's program allocation for the 18 months from January 2019 until June 2020 is 11 trainees. As at 30 June 2019, six trainees have been recruited.</p>
DHS Graduate Program	<p>The department did not conduct an annual graduate intake in 2019, primarily due to Machinery of Government changes that resulted in Housing SA commencing operations as a statutory corporation, the SA Housing Authority, separate to DHS. Housing SA had previously been the primary recruiter of the department's graduates.</p>

## Agency performance management and development systems

Performance management and development system	Performance
<p>The department's Performance Development Framework provides a clear, structured approach to workforce development by supporting managers and employees to establish and maintain effective Performance Development Reviews.</p> <p>Reporting the completion of Performance Development Reviews on HR21 is mandatory to meet the department's reporting requirements.</p>	<p>The percentage of employees with a Performance Development Review in the past 12 months has increased from 73.6% in 2017-18 to 83.6% in 2018-19.</p> <p>As at 30 June 2019, 70.7% of Performance Development Reviews were current, having been reviewed in the second half of the 2018-19 financial year. Of the remaining reviews, 12.8% had expired being over six months, 11% had expired being over 12 months and 5.5% were not recorded, of which 1.7% were new starters with less than 90 days of service.</p>

## Work health, safety and return to work programs

Program name	Performance
Health & Safety Plan 2016-2018	Modelled on the <i>Building Safety Excellence in the Public Sector</i> (BSEPS) strategy, the Health & Safety Plan 2016-2018 assists DHS to maintain an effective health and safety management system and support an organisational culture where health and safety is an integral part of everything we do. In 2018-19, DHS continued to work closely with stakeholders to deliver the Plan and address shared risks as duty holders to improve safety performance across the department.
Influenza Vaccination Program	The Influenza Vaccination Program is part of the DHS Health and Wellbeing Program and contributes to infection control strategies and the prevention of seasonal pandemic influenza. All employees are encouraged to participate in the program, which promotes a healthy workplace, reduces influenza-related absenteeism, increases productivity and engagement, and prevents the flu spreading to other staff and clients.
Wellbeing and Safety Consultative Committee	<p>Following reforms to the department and Machinery of Government changes, a review was undertaken to consider how DHS could best support its workforce and consult on work health and safety (WHS) issues into the future.</p> <p>As a result, the Wellbeing and Safety Consultative Committee (WSCC) was established to provide strategic advice to the Chief Executive and Executive Leadership Team. It is also the principal forum for discussion and feedback about WHS strategic policy/program matters, monitoring and reviewing risks and performance, providing recommendations for strategic safety improvements and corrective actions.</p>
Risk Management	<p>DHS maintains a responsive safety management system to reduce the likelihood of serious harm or injuries to its workforce. The BSEPS strategy includes a target to reduce the overall number of new workplace injury claims for the public sector. The target is a 30% or more reduction in new claims by 2021-22 (from base year 2011-12).</p> <p>In DHS, the number of total new workplace injury claims continues to trend downward. During 2018-19, 196 claims were received, which represents a 12.5% reduction from the 224 claims received in 2017-18.</p>

Program name	Performance
Early Intervention	<p>DHS provides an integrated hazard and incident reporting system that initiates hazard alerts to key stakeholders. The BSEPS strategy requires agencies to initiate a return to work at the earliest opportunity, with 80% (or more) of all return to work assessments to be undertaken within two business days of a workplace manager/supervisor being notified of an injury.</p> <p>As at 30 June 2019, the department remains compliant with 88.27% of all return to work assessments being undertaken within two business days.</p>
Health and Safety Education	<p>The department delivers programs on key health safety and injury management topics to target audiences. These include:</p> <ul style="list-style-type: none"> <li>• <i>Passport to HR Success</i> covers some of the fundamental human resource processes, with the target audience being middle line managers with direct reports and human resource responsibilities. The program includes a comprehensive WHS component.</li> <li>• <i>Accommodation Services - Shift Supervisors Leadership Program</i> delivers an 'Identifying and Managing Risks' topic that covers preventive risk management including identifying what potential and current risk factors may influence their ability to carry out their roles and what can be done to prevent workplace injuries.</li> <li>• <i>Certificate III in Individual Support</i> and <i>Certificate IV in Leadership and Management</i> deliver topics on workplace hazards, consultation, risk management, injury prevention, safety systems and the Employee Assistance Program.</li> </ul>

Workplace injury claims	2018-19	2017-18	% Change
Total new workplace injury claims	196	224	-12.5%
Fatalities	0	0	0%
Seriously injured workers*	0	1	-100%
Significant injuries (where lost time exceeds a working week, expressed as frequency rate per 1,000 FTE)	25.46	24.64	+3.3%

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

<b>Work health and safety regulations</b>	<b>2018-19</b>	<b>2017-18</b>	<b>% Change</b>
Number of notifiable incidents ( <i>Work Health and Safety Act 2012</i> , Part 3)	11	9	+22.2%
Number of provisional improvement, improvement and prohibition notices ( <i>Work Health and Safety Act 2012</i> , Sections 90, 191 and 195)	0	4	-100%

<b>Return to work costs**</b>	<b>2018-19</b>	<b>2017-18</b>	<b>% Change</b>
Total gross workers compensation expenditure	\$6.66m	\$6.58m	+1.2%
Income support payments - gross	\$2.85m	\$2.67m	+6.7%

\*\* Before third party recovery

Data for previous years is available at: <https://data.sa.gov.au/data/organization/dept-of-human-services> under Government reporting and policy.

### Executive employment in the agency

<b>Executive classification</b>	<b>Number of executives</b>
EXEC0E	1
SAES1	22
SAES2	7

The number of executives is based on the number as at 30 June 2019.

Data for previous years is available at: <https://data.sa.gov.au/data/organization/dept-of-human-services> under Government reporting and policy.

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



## Financial performance

### Financial performance at a glance

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

<b>Statement of Comprehensive Income</b>	<b>2018-19 Budget \$000s</b>	<b>2018-19 Actual \$000s</b>	<b>Variation* \$000s</b>	<b>2017-18 Actual \$000s</b>
Expenses	1,233,454	1,773,597	540,143	1,521,586
Revenues	163,539	186,159	22,620	284,108
<b>Net cost of providing services</b>	<b>(1,069,915)</b>	<b>(1,587,438)</b>	<b>(517,523)</b>	<b>(1,237,478)</b>
Net Revenue from SA Government	1,050,210	1,548,186	497,976	1,257,615
<b>Net result</b>	<b>(19,705)</b>	<b>(39,252)</b>	<b>(19,547)</b>	<b>20,137</b>
<b>Total Comprehensive Result</b>	<b>(19,705)</b>	<b>(39,252)</b>	<b>(19,547)</b>	<b>20,346</b>

\* Variation between 2018-19 Budget and 2018-19 Actual

The 2018-19 Actual total comprehensive result is a deficit of \$39.252 million, which is \$19.547 million unfavourable when compared with the 2018-19 Budget. Explanations for variances in the above table are include in Note 1.4 of the Financial Statements.

<b>Statement of Financial Position</b>	<b>2018-19 Budget \$000s</b>	<b>2018-19 Actual \$000s</b>	<b>Variation* \$000s</b>	<b>2017-18 Actual \$000s</b>
Current assets	248,443	188,156	(60,287)	273,152
Non-current assets	152,802	170,873	18,071	193,304
<b>Total assets</b>	<b>401,245</b>	<b>359,029</b>	<b>(42,216)</b>	<b>466,456</b>
Current liabilities	131,726	111,100	(20,626)	164,831
Non-current liabilities	96,903	62,598	(34,305)	78,972
<b>Total liabilities</b>	<b>228,629</b>	<b>173,698</b>	<b>(54,931)</b>	<b>243,803</b>
<b>Net assets</b>	<b>172,616</b>	<b>185,331</b>	<b>12,715</b>	<b>222,653</b>
<b>Equity</b>	<b>172,616</b>	<b>185,331</b>	<b>12,715</b>	<b>222,653</b>

\* Variation between 2018-19 Budget and 2018-19 Actual

The increase in net assets between the 2018-19 Budget and 2018-19 Actual result is mainly due to the decrease in short and long term liabilities relating to employee provisions.

### Consultants disclosure

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

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

Consultancies	Purpose	Actual payment
All consultancies below \$10,000 each - combined	N/A	Nil

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

Consultancies	Purpose	Actual payment
Community Business Bureau	Undertake the NDIS Readiness Project to assist service providers make significant changes to enable them to function competitively in the NDIS environment. This is a continuation from the engagement undertaken in 2017-18.	\$303,875
Community Business Bureau	Undertake the Information, Linkages and Capacity Building Project to provide business support to organisations operating within identified thin market of disability service delivery in South Australia.	\$44,600
Dana Shen Consultancy	Develop the Child and Family Support System (A Co-design Approach) for the children and family support system.	\$69,550

<b>Consultancies</b>	<b>Purpose</b>	<b>Actual payment</b>
Julia Farr Association (Purple Orange)	Provide community forums, consultation sessions, reports and assist in developing the first State Disability Inclusion Plan, as required by the <i>Disability Inclusion Act 2018</i> .	\$37,017
Julia Farr Association (Purple Orange)	Host a co-design group to provide input into the consultation and initial feedback on the National Disability Data Assets.	\$18,764
KPMG Chartered Accountants	Scope options for the development of Supported Community Accommodation Services. The engagement leverages existing knowledge and networks to inform the development of a transition strategy for Accommodation Services.	\$69,195
Michelle Lyon-Green Consulting	Collection and presentation of key workforce data in the form of a workforce profile, a supply gap analysis, capability analysis and risk assessment for Disability Services.	\$31,750
OZ Train Pty Ltd	Design and undertake a range of consultation activities to support engagement of staff involved in the delivery of Accommodation Services.	\$125,975
SNAICC - National Voice for our Children (Aboriginal and Torres Strait Islander Corp)	Undertake the Culturally Responsive & Trauma Informed Service Delivery Pilot Project to develop training programs for staff.	\$37,941
The Australian Centre for Social Innovation Inc	To design and undertake a range of consultation activities to support the engagement of clients in the development of the transition strategy for Accommodation Services.	\$84,600
University of South Australia	Provide expert advice into the redesign of the child and family support system.	\$499,420

Consultancies	Purpose	Actual payment
VUCA Pty Ltd	Develop a cultural baseline across Youth Justice and further align to the 'desired culture' that will better support and enable the delivery of their strategic vision.	\$12,600
Exempt from Disclosure	Details of consultancies exempt from disclosure under Premier and Cabinet Circular 27.	\$394,414
	Total	\$1,729,701

Data for previous years is available at: <https://data.sa.gov.au/data/organization/dept-of-human-services> under Government reporting and policy.

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

### Contractors disclosure

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

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

Contractors	Purpose	Actual payment
All contractors below \$10,000 each - combined	Various	\$229,554

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

The following table shows contractors greater than \$10,000 (GST exclusive) reported under Note 3.1 *Supplies and services - Contractors and agency staff* of the DHS 2018-19 Controlled Financial Statements and under *Supplies and services* of the DHS 2018-19 Administered Financial Statements. This excludes transactions between government agencies and agency staff.

<b>Contractors</b>	<b>Purpose</b>	<b>Actual payment</b>
Accru Harris Orchard	Review of concessions processes	\$21,000
ACME Furniture Removals	Furniture transport services	\$24,114
Alister Morton, Physiotherapist	Provision of physiotherapy services	\$10,819
ASTAL	Advising and assisting transition project for DHS ICT	\$119,238
Bookabee Services Australia	Aboriginal Culture Awareness Training	\$23,300
Boundary Solutions	Facilities management	\$20,301
Charles Darwin University	External evaluation on the Community Services Support Program	\$126,932
Colmar Brunton	Multicultural South Australia water consumer project	\$10,900
Community Data Solutions	Business intelligence projects	\$71,782
Comunet Pty Ltd	Network infrastructure for Child and Youth Services Mutual	\$88,478
Creative Systems Pty Ltd	Supply and install office equipment	\$209,090
Crown Furniture	Furniture transport services	\$27,420
Dimension Data Australia P/L	Information technology services	\$25,757
District Council of Coober Pedy	Provision of a youth service for young Aboriginal people	\$12,809
Eric Dayton	Business intelligence project	\$64,200
Exon Security & Alarms	Security and alarm systems	\$19,527
Hannan Duck & Partners Pty Ltd	Accommodation Services Rostering Process Review project	\$30,000

<b>Contractors</b>	<b>Purpose</b>	<b>Actual payment</b>
Hender Consulting	Lean Six Sigma services	\$56,206
Inlingua Text Pty Ltd	Translation of information	\$12,015
Insync Solutions Pty Ltd	IDM (Identify Management) express onboarding analysis	\$54,000
Kerri Muller NRM	Supporting regional customers in financial difficulty	\$46,146
KPMG Chartered Accountants	Professional services for secondment	\$37,433
Minda Incorporated	Subcontracting of continuity of support services for clients transferring from DHS ASSIST Therapy Services	\$79,582
NEC Australia Pty Ltd	Hire of System Centre Configuration Manager Engineer	\$62,545
NEC IT Services Australia P/L	Maintenance of server and databases	\$168,210
Objective Corporation Limited	Objective support	\$49,492
OZ Train Pty Ltd	Engagement services for the transition process to the launch of the Child and Youth Services Mutual	\$11,500
Primed	Training workshops	\$10,000
Showpony Advertising	Business branding for Child and Youth Services Mutual	\$49,116
Simply Speaking	Public Participation Program	\$25,966
Square Holes Pty Ltd	Market research for Domiciliary Equipment Services	\$10,500
Sugarman Group International	Occupational therapy services	\$110,271
University of South Australia	Achieving water security for sustainability project	\$25,000
Wellness & Lifestyles Australia	Allied health care services	\$21,789

Contractors	Purpose	Actual payment
William Buck (SA) Pty Ltd	Establishment of payroll services to Child and Youth Services Mutual	\$14,890
	Total	\$1,750,328

Data for previous years is available at: <https://data.sa.gov.au/data/organization/dept-of-human-services> under Government reporting and policy.

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

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

### Other financial information

As required by the *Public Sector Act 2009* and Public Sector Regulations 2010, the audited financial statements of the department for the financial year ended 30 June 2019 are included in the Appendix to this report. The department's financial statements include both departmental and administered items.

The Financial Statements include assets, liabilities, income and expenses controlled or incurred by the department in its own right. The Administered Financial Statements include assets, liabilities, income and expenses which the department administers on behalf of the South Australian Government, but does not control. A separate set of financial statements is produced as these administered items are regarded as significant in respect to the department's operations.

### Other information

Nil to report

## Risk management

### Fraud detected in the agency

Category/nature of fraud	Number of instances
Incidents related to missing client funds	12
Incidents related to missing client property	12
Poor/inappropriate practices relating to departmental record keeping	4
Anomalies identified in relation to the provision of services provided by non-government organisations to clients	2

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

### Strategies implemented to control and prevent fraud

DHS has a zero tolerance to fraud and corruption and a commitment towards fostering a culture of trust, integrity and honesty. This is achieved through maintenance of a robust internal control environment, supported by the DHS Fraud and Corruption Framework, which documents the processes for identifying, responding to and reporting of fraud and activities that could be perceived as fraudulent or unethical.

As a major component of fraud and corruption relates to organisational financial interests, an integrated approach comprising, but not limited to risk assessments, internal controls, reporting systems, investigative capabilities, staff training, and communication exists.

This includes Internal Audit, which provides independent assurance that risk management, governance, and internal control processes are operating effectively by considering the risk of fraud and maladministration as a standard objective in their audit program.

The Incident Management Unit (IMU) ensures that care concerns and misconduct matters are responded to in accordance with relevant legislative and departmental policies. IMU also triages, investigates and determines all misconduct and fraud matters relating to DHS staff.

Data for previous years is available at: <https://data.sa.gov.au/data/organization/dept-of-human-services> under Government reporting and policy.



**Whistle-blowers disclosure**

Number of occasions on which public interest information has been disclosed to a responsible officer of the agency under the <i>Whistleblowers Protection Act 1993</i> :	0
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Data for previous years is available at: <https://data.sa.gov.au/data/organization/dept-of-human-services> under Government reporting and policy.

## Reporting required under any other act or regulation

Act or Regulation	Requirement
<b><i>Julia Farr Services (Trusts) Act 2007</i></b>	<p>9 - Annual report</p> <p>(1) The administrative unit of the Public Service that is primarily responsible for assisting a Minister in relation to the provision of disability services in the State must include in its annual report for each financial year a statement that sets out, insofar as is reasonably practicable, the following information, as at 30 March of the financial year to which the report relates, with respect to the persons who are residents of the Fullarton campus on 30 June 2007:</p> <ul style="list-style-type: none"> <li>(a) the number of persons resident at the Fullarton campus;</li> <li>(b) with respect to the persons resident at a place other than the Fullarton campus, a broad description of the nature of their accommodation;</li> <li>(c) during the preceding period of 12 months - <ul style="list-style-type: none"> <li>(i) the processes used to plan and implement the relocation of any person to accommodation other than the Fullarton campus;</li> <li>(ii) the number of persons who returned to accommodation at the Fullarton campus, and the circumstances of their return.</li> </ul> </li> </ul> <p>(2) A report under subsection (1) should be prepared in a manner that does not identify a particular person.</p>

As at 30 March 2019, 31 people with disability were living at the Fullarton campus, now known as Highgate Park.

During the 12 months since 30 March 2018, 28 clients have moved from Highgate Park to a variety of accommodation options. This includes one person who moved back to their family home, four who chose to move to a non-government service and three people over 65 years of age who moved to an aged care service close to their family. A further 20 people moved to purpose built houses which were part of the 100 new homes allocated for people with disability through the 1,000 Homes in 1,000 Days initiative.

Sadly, four residents passed away.

All people living at Highgate Park have participated in the Reconnecting to Community project, which has provided an opportunity to move to community accommodation. Of the remaining residents, 23 are preparing to move to houses being built through the 1,000 Homes in 1,000 Days initiative while eight have not decided on an accommodation option outside Highgate Park.

No previous residents returned to Highgate Park during the preceding 12 months and there were no new admissions.

Act or Regulation	Requirement
<b><i>Water Industry Act 2012</i></b>	<p>Part 10 - Miscellaneous</p> <p>87 - Consumer Advocacy and Research Fund</p> <p>(6) The administrative unit of the Public Service that is, under the Minister, responsible for the administration of this Act must, on or before 30 September in each year, present a report to that Minister on the operation of the Fund during the previous financial year.</p> <p>(7) A report under subsection (6) may be incorporated into the annual report of the relevant administrative unit.</p> <p>(8) The Minister must cause a copy of the report to be laid before both Houses of Parliament within 12 sitting days after the report is received by that Minister.</p>

The department provides funding to projects through the auspices of the Consumer Advocacy and Research Fund (CARF) to support advocacy or research in relation to water usage that promotes the interests of consumers with disability, on low-income and/or in regional areas. CARF receives \$250,000 (indexed) per annum, primarily from water retail licence fees.

Projects which received funding in 2018-19 included:

- *Water Pricing Inquiry Project* (conducted by Business SA) to provide a consumer perspective on the Government's election commitment to undertake an independent Water Pricing Inquiry.
- *High Water Needs of Consumers Living with a Disability Research Project* (conducted by Julia Farr Purple Orange) to document the particular conditions of people living with disability which necessitates high water use.
- *Supporting Regional Customers in Financial Difficulty Project* (conducted by Kerri Muller NRM Pty Ltd) that aims to provide minor and intermediate retailers with improved service options for customers in financial difficulty. This project also received funding in 2017-18.
- *SA Water Revenue Determination Project* (conducted by Uniting Communities) to provide a consumer perspective on SA Water's proposed expenditure over 2020-2024 within the Essential Services Commission of SA's, *SA Water Regulatory Determination 2020*.
- Sponsorship of the *2019 SACOSS Energy, Water and Telco Conference 'What Does it Mean to Put Consumers at the Heart'* which explored the consumer-centric transformation evolving in essential services across Australia.

Act or Regulation	Requirement
<b><i>Youth Justice Administration Act 2016</i></b>	<p>9 - Chief Executive's annual report</p> <p>(1) The Chief Executive must, not later than 30 September in each year, submit to the Minister a report on -</p> <p>(a) the operation of this Act and the work of the Department in relation to the administration of this Act for the financial year ending on the preceding 30 June; and</p> <p>(b) any other matter as the Minister may direct.</p> <p>(2) The Minister must, within 12 sitting days after receipt of a report under this section, cause a copy of the report to be laid before each House of Parliament.</p>

The *Youth Justice Administration Act 2016* and Youth Justice Administration Regulations 2016 came into operation on 1 December 2016. The legislation is reflected in the Youth Justice service model, promoting contemporary practice that recognises assessment, case planning and rehabilitation programs as key to reducing re-offending.

During 2018-19, the Youth Justice Division continued to ensure that operational practices are consistent with legislative requirements through ongoing review of procedures and staff training.

DHS is currently implementing section 21A of the Act, which came into operation on 22 October 2018. This new section requires all people employed to work in training centres to undergo psychological assessment of a kind determined by the Chief Executive.

In the past year, Youth Justice also continued to explore improvements to information technology systems to increase the capacity to record and analyse client data to regularly review practice and monitor legislative compliance.

During 2018-19, Youth Justice continued to provide reports and records as required by the Training Centre Visitor (TCV). The role and functions of the TCV were established under the Act and include independent monitoring to ensure that the rights of residents of training centres are upheld. The current South Australian Guardian for Children and Young People was appointed as the TCV on 11 July 2017.

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

Under Section 6 of the *Carers Recognition Act 2005*, the department is required to ensure all officers, staff and agents have an awareness and understanding of the principles of the Carers Charter, which promotes consultation with carers or their representatives in policy development, service planning and delivery. DHS must also consider carers who receive government services and carers who are employees.

The following information summarises actions undertaken by the department during 2018-19 to support compliance with Section 6:

- employees were exposed to the requirements of the Act and Carers Charter during induction and training
- flexible carer leave arrangements were available across the department
- responsibilities under the Act and Carers Charter were raised at carers' network and across-government meetings and during community forums
- young carers were provided with the opportunity to participate in the development of a three-year Youth Action Plan for South Australia
- the department, through the Community Services Directorate, continued to assist and liaise with other government departments that deliver services to carers or whose employees are carers
- South Australian Home and Community Care (SA HACC) program funding continued to be provided to five statewide carer support organisations for a range of carer services.

In addition to the above, the department consulted with the Department for Health and Wellbeing to identify carer services and supports for carers that will be available outside of the NDIS, through a range of government and non-government (community-based) initiatives and the Commonwealth Integrated Carer Support Service (ICSS).

Carers and service continuity remained a priority of the department during transition to the NDIS and implementation of the ICSS. DHS worked closely with the Carer Support Network SA during the roll-out of the NDIS, the Carer Gateway and establishment of Regional Delivery Partners under the ICSS.

## Public complaints

### Number of public complaints reported

Complaint categories	Sub-categories	Example	Number of Complaints 2018-19
Professional behaviour	Staff attitude	Failure to demonstrate values such as empathy, respect, fairness, courtesy, extra mile; cultural competency	19
Professional behaviour	Staff competency	Failure to action service request; poorly informed decisions; incorrect or incomplete service provided	8
Professional behaviour	Staff knowledge	Lack of service specific knowledge; incomplete or out-of-date knowledge	0
Communication	Communication quality	Inadequate, delayed or absent communication with customer	5
Communication	Confidentiality	Customer's confidentiality or privacy not respected; information shared incorrectly	0
Service delivery	Systems/ technology	System offline; inaccessible to customer; incorrect result/information provided; poor system design	0
Service delivery	Access to services	Service difficult to find; location poor; facilities/ environment poor standard; not accessible to customers with disabilities	66
Service delivery	Process	Processing error; incorrect process used; delay in processing application; process not customer responsive	3

<b>Complaint categories</b>	<b>Sub-categories</b>	<b>Example</b>	<b>Number of Complaints 2018-19</b>
Policy	Policy application	Incorrect policy interpretation; incorrect policy applied; conflicting policy advice given	0
Policy	Policy content	Policy content difficult to understand; policy unreasonable or disadvantages customer	0
Service quality	Information	Incorrect, incomplete, out dated or inadequate information; not fit for purpose	0
Service quality	Access to information	Information difficult to understand, hard to find or difficult to use; not plain English	0
Service quality	Timeliness	Lack of staff punctuality; excessive waiting times (outside of service standard); timelines not met	3
Service quality	Safety	Maintenance; personal or family safety; duty of care not shown; poor security service/ premises; poor cleanliness	8
Service quality	Service responsiveness	Service design doesn't meet customer needs; poor service fit with customer expectations	24
No case to answer	No case to answer	Third party; customer misunderstanding; redirected to another agency; insufficient information to investigate	0
		<b>Total</b>	<b>136</b>

Source: DHS Client Feedback System (note: complaints data is influenced by various factors including Machinery of Government changes, changes in service provision and relies on complaint data being entered into the Client Feedback System).



Additional Metrics	Total
Number of positive feedback comments	69
Number of negative feedback comments	136
Total number of feedback comments	205
% complaints resolved within policy timeframes	81%

Data for previous years is available at: <https://data.sa.gov.au/data/organization/dept-of-human-services> under Government reporting and policy.

### Service improvements for period

#### Service improvements that responded to customer complaints or feedback

##### ConcessionsSA

In response to customer feedback, ConcessionsSA simplified and streamlined concession processes in 2018-19 to reduce red tape. As a result, ConcessionsSA is due to process 250,000 less sheets of paper each year. Customer service improvements include:

- *Simplified concessions application form:* The number of questions on the customer application form was significantly reduced from 34 to 14 questions. Forms were also consolidated, resulting in a single application for all household concessions (energy, water, sewerage, Cost of Living and Emergency Services Levy).
- *Reduced supporting documents:* Operational systems were improved so that customers no longer need to provide copies of a range of documents with their application or when their living arrangements change.
- *Shift in customer communication channels:* DHS now seeks any missing customer information via communication over the phone, rather than by post.
- *Notification of approval:* Written notification was introduced to advise the customer that their application was approved, reducing any uncertainty for the customer. A summary of concession payment methods and timeframes is included to help keep the customer informed.

As a result of service improvements, the processing time for customer applications has been reduced from two to three months to less than one week.

In 2019-20, further work will be undertaken to simplify and streamline online forms and to utilise SMS technology to provide concessions notification updates to customers.

## **Service improvements that responded to customer complaints or feedback**

### **Interpreting and Translating Centre (ITC)**

Changes to the ITC Management System were made to address client complaints regarding invoicing and response times to booking confirmation. These include the centralisation of accounts and process enhancements.

### **Youth Justice**

In 2018-19, following research into alternative options to partially clothed searches at the Adelaide Youth Training Centre - Kurlana Tapa, Youth Justice implemented the use of ion scanning machines that can detect various forms of contraband, such as illegal drugs. This has contributed to a reduction in the number of partially clothed searches being undertaken.

## **Appendix: Audited financial statements 2018-19**



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## To the Acting Chief Executive Department of Human Services

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987*, I have audited the financial report of the Department of Human Services for the financial year ended 30 June 2019.

### Opinion

In my opinion, the accompanying financial report gives a true and fair view of the financial position of the Department of Human Services as at 30 June 2019, its financial performance and its cash flows for year then ended in accordance with the Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards.

The financial report comprises:

- a Statement of Comprehensive Income for the year ended 30 June 2019
- a Statement of Financial Position as at 30 June 2019
- a Statement of Changes in Equity for the year ended 30 June 2019
- a Statement of Cash Flows for the year ended 30 June 2019
- Disaggregated Disclosures – Expenses and Income for the year ended 30 June 2019
- notes, comprising significant accounting policies and other explanatory information
- a Statement of Administered Comprehensive Income for the year ended 30 June 2019
- a Statement of Administered Financial Position as at 30 June 2019
- a Statement of Administered Cash Flows for the year ended 30 June 2019
- a Schedule of Expenses and Income attributable to administered activities for the year ended 30 June 2019
- notes, comprising significant accounting policies and other explanatory information for administered items
- a Certificate from the Acting Chief Executive and the Acting Chief Financial Officer.

## **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 Department of Human Services. 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 Acting Chief Executive for the financial report**

The Acting Chief Executive is responsible for the preparation of the financial report that gives a true and fair view in accordance with the Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of the financial report that gives a true and fair view and that is free from material misstatement, whether due to fraud or error.

## **Auditor's responsibilities for the audit of the financial report**

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

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

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Department of Human Services' internal control

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Acting Chief Executive
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

I communicate with the Acting Chief Executive 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 'Richardson', with a long horizontal flourish extending to the right.

Andrew Richardson

**Auditor-General**

20 September 2019

# **Department of Human Services (DHS)**

## **Financial Statements**

For the year ended 30 June 2019





**Department of Human Services**  
**Certification of Financial Statements**  
*for the year ended 30 June 2019*

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We certify that the:

- financial statements of the Department of Human Services:
  - are in accordance with the accounts and records of the authority; and
  - comply with relevant Treasurer's Instructions; and
  - comply with relevant accounting standards; and
  - present a true and fair view of the financial position of the authority at the end of the financial year and the result of its operations and cash flows for the financial year.
- Internal controls employed by the Department of Human Services over its financial reporting and its preparation of the financial statements have been effective throughout the financial year.



Lois Boswell  
A/Chief Executive  
16 September 2019



Daniel Green  
A/Chief Financial Officer  
16 September 2019



**Department of Human Services**  
**Statement of Comprehensive Income**  
*for the year ended 30 June 2019*

		<b>2019</b>	<b>2018</b>
	<b>Note</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Expenses</b>			
Employee benefits expenses	2.3	307 762	388 631
Supplies and services	3.1	211 784	304 216
Depreciation and amortisation	3.2	10 829	11 301
Grants and subsidies	3.3	1 030 920	641 940
Net loss from disposal of property, plant and equipment	4.6	2 697	-
Other expenses	3.4	209 605	175 498
<b>Total expenses</b>		<b>1 773 597</b>	<b>1 521 586</b>
<b>Income</b>			
Fees and charges	4.2	51 244	125 401
Commonwealth grants and payments	4.3	101 198	115 882
Interest	4.4	5	3
Resources received free of charge	4.5	4 713	6 776
Net gain from disposal of property, plant and equipment	4.6	-	192
Other income	4.7	28 999	35 854
<b>Total income</b>		<b>186 159</b>	<b>284 108</b>
<b>Net cost of providing services</b>		<b>(1 587 438)</b>	<b>(1 237 478)</b>
<b>Revenues from / (payments to) SA Government</b>			
Revenues from SA Government	4.1	1 564 800	1 272 447
Payments to SA Government	4.1	(16 614)	(14 832)
<b>Total net revenues from SA Government</b>		<b>1 548 186</b>	<b>1 257 615</b>
<b>Net result</b>		<b>(39 252)</b>	<b>20 137</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified to net result:			
Changes in property, plant and equipment asset revaluation surplus		-	209
<b>Total other comprehensive income</b>		<b>-</b>	<b>209</b>
<b>Total comprehensive result</b>		<b>(39 252)</b>	<b>20 346</b>

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

**Department of Human Services**  
**Statement of Financial Position**  
*as at 30 June 2019*

	Note	2019 \$'000	2018 \$'000
<b>Current assets</b>			
Cash and cash equivalents	6.1	164 075	227 967
Receivables	6.2	23 683	25 586
Inventories	5.4	398	421
Non-current assets classified as held for sale	5.5	-	19 178
<b>Total current assets</b>		<b>188 156</b>	<b>273 152</b>
<b>Non-current assets</b>			
Receivables	6.2	729	15 900
Property, plant and equipment	5.1	163 055	168 209
Capital works in progress	5.2	3 066	4 774
Intangible assets	5.3	4 023	4 421
<b>Total non-current assets</b>		<b>170 873</b>	<b>193 304</b>
<b>Total assets</b>		<b>359 029</b>	<b>466 456</b>
<b>Current liabilities</b>			
Payables	7.1	29 256	92 329
Employee benefits	2.4	72 559	61 325
Provisions	7.2	6 135	6 456
Other current liabilities	7.3	3 150	4 721
<b>Total current liabilities</b>		<b>111 100</b>	<b>164 831</b>
<b>Non-current liabilities</b>			
Payables	7.1	3 200	4 807
Employee benefits	2.4	34 782	52 072
Provisions	7.2	23 748	19 873
Other non-current liabilities	7.3	868	2 220
<b>Total non-current liabilities</b>		<b>62 598</b>	<b>78 972</b>
<b>Total liabilities</b>		<b>173 698</b>	<b>243 803</b>
<b>Net assets</b>		<b>185 331</b>	<b>222 653</b>
<b>Equity</b>			
Contributed capital		74 325	74 325
Retained earnings		85 334	104 227
Asset revaluation surplus		25 672	44 101
<b>Total equity</b>		<b>185 331</b>	<b>222 653</b>

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

**Department of Human Services**  
**Statement of Changes in Equity**  
*for the year ended 30 June 2019*

	Note	Contributed capital	Asset revaluation surplus	Retained earnings	Total equity
		\$'000	\$'000	\$'000	\$'000
<b>Balance at 1 July 2017</b>		<b>74 325</b>	<b>43 005</b>	<b>84 977</b>	<b>202 307</b>
Net result for 2017-18		-	-	20 137	20 137
Gain/(loss) on revaluation of property, plant and equipment	5.1	-	209	-	209
<b>Total comprehensive result for 2017-18</b>		<b>-</b>	<b>209</b>	<b>20 137</b>	<b>20 346</b>
Transfer to retained earnings of net increment realised on sale of land and buildings		-	887	(887)	-
<b>Balance at 30 June 2018</b>		<b>74 325</b>	<b>44 101</b>	<b>104 227</b>	<b>222 653</b>
Net result for 2018-19		-	-	(39 252)	(39 252)
<b>Total comprehensive result for 2018-19</b>		<b>-</b>	<b>-</b>	<b>(39 252)</b>	<b>(39 252)</b>
Transfer to retained earnings of net increment realised on sale of land and buildings		-	(18 429)	18 429	-
<b>Transaction with SA Government as owner</b>					
Net assets received from an administrative restructure		-	-	1 930	1 930
<b>Balance at 30 June 2019</b>		<b>74 325</b>	<b>25 672</b>	<b>85 334</b>	<b>185 331</b>

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

**Department of Human Services**  
**Statement of Cash Flows**  
*for the year ended 30 June 2019*

		<b>2019</b>	<b>2018</b>
		<b>(Outflows)</b>	<b>(Outflows)</b>
		<b>Inflows</b>	<b>Inflows</b>
	<b>Note</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Cash flows from operating activities</b>			
<b>Cash outflows</b>			
Employee benefits payments		(291 476)	(392 091)
Payments for supplies and services*		(514 245)	(439 118)
Payments of grants and subsidies		(1 031 083)	(644 154)
<b>Cash used in operations</b>		<b>(1 836 805)</b>	<b>(1 475 363)</b>
<b>Cash inflows</b>			
Fees and charges		46 303	127 874
Receipts from Commonwealth		101 198	115 882
Interest received		5	3
GST recovered from the ATO		37 563	2 316
Other receipts		30 038	35 963
<b>Cash generated from operations</b>		<b>215 107</b>	<b>282 038</b>
<b>Cash flows from SA Government</b>			
Receipts from SA Government		1 564 800	1 272 447
Payments to SA Government		(16 614)	(4 750)
<b>Cash generated from SA Government</b>		<b>1 548 186</b>	<b>1 267 697</b>
<b>Net cash provided by operating activities</b>		<b>(73 512)</b>	<b>74 372</b>
<b>Cash flows from investing activities</b>			
<b>Cash outflows</b>			
Purchase of property, plant and equipment		(7 155)	(7 349)
<b>Cash used in investing activities</b>		<b>(7 155)</b>	<b>(7 349)</b>
<b>Cash inflows</b>			
Proceeds from sale of property, plant and equipment		16 775	14 934
<b>Cash generated from investing activities</b>		<b>16 775</b>	<b>14 934</b>
<b>Net cash provided by / (used in) investing activities</b>		<b>9 620</b>	<b>7 585</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(63 892)</b>	<b>81 957</b>
<b>Cash and cash equivalents at the beginning of the period</b>		227 967	146 010
<b>Cash and cash equivalents at the end of the period</b>	6.1	<b>164 075</b>	<b>227 967</b>

The accompanying notes form part of these financial statements.

\* Includes other expenses.

**Department of Human Services**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2019*

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**NOTES TO THE FINANCIAL STATEMENTS**

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**Department of Human Services**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2019*

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**Department of Human Services**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2019*

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**1. About the Department of Human Services**

The Department of Human Services (DHS/the department) is a not-for-profit government department of the state of South Australia. The department is established pursuant to the *Public Sector Act 2009* as an administrative unit acting on behalf of the Crown.

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

Administered financial statements relating to administered resources are presented separately.

**1.1. Basis of preparation**

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

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

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

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

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

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

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

**1.2. Objectives and Programs**

**Objectives**

The department delivers and funds quality services that protect and enhance the community's wellbeing and provide support to people when they need it. The department serves the Minister for Human Services.

The department has responsibility for the delivery of specific programs to the public with respect to activities assigned to the department under various Acts, as delegated by the Minister, to the Chief Executive of the department.

**Department of Human Services**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2019*

---

**1.2. Objectives and Programs (continued)**

**Program 1: Communities**

This program designs, commissions and connects community services that improve the lives of individuals and families across South Australia. This is achieved through partnerships, programs, grants and concessions that strengthen families and communities and support participation, safety and resilience. The program includes concessions that ease cost of living pressures; funding to the not-for-profit sector for a range of community services; interpreting and translating services; and the provision of screening services. It also includes grant programs and services to support young South Australians and grant programs designed to build community capacity and increase volunteering.

**Program 2: Status of Women**

The Status of Women program supports the full and equal participation of women in the social, political and economic life of the state. Priorities include addressing violence against women, equality for women in every aspect of life, and women's economic empowerment. The program provides policy advice and across-government leadership, funding to key initiatives, state-wide information and referral services through the Women's Information Service (WIS) and executive support to the Premier's Council for Women.

**Program 3: Youth Justice**

Youth Justice provides statutory services (both custodial and community based) to children and young people in the justice system which aim to reduce re-offending and acknowledge the victims of crime. The program supports young people to change and positively participate in the community, thus improving outcomes for young people, families and the broader community.

**Program 4: NDIS and Disability Services**

This program is responsible for South Australia's transition to the National Disability Insurance Scheme (NDIS), working closely with the National Disability Insurance Agency (NDIA), the Commonwealth Government and the non-government sector. The program provides state disability services, including supported community accommodation. It is also responsible for effective and transparent funding arrangements for individuals and services by non-government organisations to people with disabilities and their carers during the transition to the NDIS.

**Program 5: Social Housing**

This program facilitates the transfer of funding to the South Australian Housing Trust (SAHT) to enable it to develop, implement and provide housing services for people who are at risk or in high need and to work with government and non-government agencies to improve the standard of, and access to, housing across the state. The role of the SAHT includes the management of grants for housing services to low income households; specialist homelessness and domestic violence services; the management of public housing; Aboriginal housing; community housing; financial support for private rental; and the regulation of housing standards. The SAHT also provides housing strategy, policy development and advice to government.

**Department of Human Services**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2019*

**1.2. Objectives and Programs (continued)**

The tables on the following pages present expenses, income, assets and liabilities attributable to each program.

**Expenses and Income by program for the year ended 30 June 2019**

	<b>Communities</b>		<b>Status of Women</b>		<b>Youth Justice</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Expenses</b>						
Employee benefits expenses	48 307	68 058	2 224	2 077	37 468	33 595
Supplies and services	19 531	27 744	551	550	8 508	8 767
Depreciation and amortisation	2 626	2 600	12	75	3 311	3 126
Grants and subsidies	59 392	60 952	2 415	1 869	443	764
Net loss from disposal of property, plant and equipment	556	-	14	-	262	-
Other expenses	374	234	9	6	157	117
<b>Total expenses</b>	<b>130 786</b>	<b>159 588</b>	<b>5 225</b>	<b>4 577</b>	<b>50 149</b>	<b>46 369</b>
<b>Income</b>						
Fees and charges	21 103	23 125	199	268	1 886	2 337
Commonwealth grants and payments	2 721	26 271	-	150	-	-
Interest	-	1	-	-	-	-
Resources received free of charge	990	1 423	28	41	514	739
Net gain from disposal of property, plant and equipment	-	62	-	2	-	33
Other income	7 499	5 494	1 159	1 060	221	703
<b>Total income</b>	<b>32 313</b>	<b>56 376</b>	<b>1 386</b>	<b>1 521</b>	<b>2 621</b>	<b>3 812</b>
<b>Net cost of providing services</b>	<b>(98 473)</b>	<b>(103 212)</b>	<b>(3 839)</b>	<b>(3 056)</b>	<b>(47 528)</b>	<b>(42 557)</b>
<b>Revenues from / (payments to) SA Government</b>						
Revenues from SA Government	-	-	-	-	-	-
Payments to SA Government	-	-	-	-	-	-
<b>Total net revenues from SA Government</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net result</b>	<b>(98 473)</b>	<b>(103 212)</b>	<b>(3 839)</b>	<b>(3 056)</b>	<b>(47 528)</b>	<b>(42 557)</b>

**Department of Human Services**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2019*

**1.2. Objectives and Programs (continued)**

**Expenses and Income by program for the year ended 30 June 2019**

	<b>NDIS and Disability Services</b>		<b>Social Housing</b>		<b>General / Not Attributable</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Expenses</b>						
Employee benefits expenses	219 763	218 323	-	66 578	-	-
Supplies and services	183 194	262 980	-	4 175	-	-
Depreciation and amortisation	4 880	5 500	-	-	-	-
Grants and subsidies	134 582	267 240	834 088	311 115	-	-
Net loss from disposal of property, plant and equipment	1 865	-	-	-	-	-
Other expenses	209 065	175 141	-	-	-	-
<b>Total expenses</b>	<b>753 349</b>	<b>929 184</b>	<b>834 088</b>	<b>381 868</b>	<b>-</b>	<b>-</b>
<b>Income</b>						
Fees and charges	28 056	33 093	-	66 578	-	-
Commonwealth grants and payments	98 477	79 966	-	9 495	-	-
Interest	5	2	-	-	-	-
Resources received free of charge	3 181	4 573	-	-	-	-
Net gain from disposal of property, plant and equipment	-	95	-	-	-	-
Other income	20 006	28 369	114	228	-	-
<b>Total income</b>	<b>149 725</b>	<b>146 098</b>	<b>114</b>	<b>76 301</b>	<b>-</b>	<b>-</b>
<b>Net cost of providing services</b>	<b>(603 624)</b>	<b>(783 086)</b>	<b>(833 974)</b>	<b>(305 567)</b>	<b>-</b>	<b>-</b>
<b>Revenues from / (payments to) SA Government</b>						
Revenues from SA Government	-	-	-	-	1 564 800	1 272 447
Payments to SA Government	-	-	-	-	(16 614)	(14 832)
<b>Total net revenues from SA Government</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 548 186</b>	<b>1 257 615</b>
<b>Net result</b>	<b>(603 624)</b>	<b>(783 086)</b>	<b>(833 974)</b>	<b>(305 567)</b>	<b>1 548 186</b>	<b>1 257 615</b>

**Department of Human Services**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2019*

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**1.2. Objectives and Programs (continued)**

**Expenses and Income by program for the year ended 30 June 2019**

	<b>Total</b>	
	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Expenses</b>		
Employee benefits expenses	307 762	388 631
Supplies and services	211 784	304 216
Depreciation and amortisation	10 829	11 301
Grants and subsidies	1 030 920	641 940
Net loss from disposal of property, plant and equipment	2 697	-
Other expenses	209 605	175 498
<b>Total expenses</b>	<b>1 773 597</b>	<b>1 521 586</b>
<b>Income</b>		
Fees and charges	51 244	125 401
Commonwealth grants and payments	101 198	115 882
Interest	5	3
Resources received free of charge	4 713	6 776
Net gain from disposal of property, plant and equipment	-	192
Other income	28 999	35 854
<b>Total income</b>	<b>186 159</b>	<b>284 108</b>
<b>Net cost of providing services</b>	<b>(1 587 438)</b>	<b>(1 237 478)</b>
<b>Revenues from / (payments to) SA Government</b>		
Revenues from SA Government	1 564 800	1 272 447
Payments to SA Government	(16 614)	(14 832)
<b>Total net revenues from SA Government</b>	<b>1 548 186</b>	<b>1 257 615</b>
<b>Net result</b>	<b>(39 252)</b>	<b>20 137</b>

**Department of Human Services**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2019*

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**1.3. Changes to the Department of Human Services**

Transferred in

As a result of administrative arrangements outlined in a Chief Executive letter of agreement on 24 September 2018, Early Intervention and Research Development (EIRD) became a business unit of DHS. Assets and liabilities relating to this business unit were transferred from the Department of the Premier and Cabinet (DPC) to the department, effective 1 October 2018. This included six positions (5.6 FTE) and budget funding of \$2.455 million.

Total income and expenses attributable to EIRD for 2018-19 were:

	<b>DPC</b>	<b>DHS</b>	<b>Total</b>
	<b>July 2018 to</b>	<b>Oct 2018 to</b>	
	<b>Sept 2018</b>	<b>June 2019</b>	
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Employee benefits expenses	189	631	<b>820</b>
Supplies and services	51	976	<b>1 027</b>
Grants, subsidies and client payments	496	136	<b>632</b>
<b>Total expenses</b>	<b>736</b>	<b>1 743</b>	<b>2 479</b>
<b>Net result</b>	<b>(736)</b>	<b>(1 743)</b>	<b>(2 479)</b>

On transfer of EIRD, the department recognised the following assets and liabilities:

	<b>EIRD</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>
Payables	11	<b>11</b>
Employee benefits	65	<b>65</b>
Provisions	10	<b>10</b>
<b>Total liabilities</b>	<b>86</b>	<b>86</b>
<b>Total net assets transferred</b>	<b>(86)</b>	<b>(86)</b>

**Department of Human Services**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2019*

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**1.3. Changes to the Department of Human Services (continued)**

Transferred out

**Multicultural Affairs SA**

As a result of administrative arrangements outlined as per the *Public Sector (Reorganisation of Public Sector Operations) Notice 2018* dated 14 June 2018, the department relinquished responsibility for Multicultural Affairs SA (MSA), a business unit of the department. Assets and liabilities relating to this business unit were transferred to DPC effective 1 July 2018.

**SA Housing Authority tranche 1**

As a result of administrative arrangements outlined as per the *Public Sector (Reorganisation of Public Sector Operations-South Australian Housing Trust) Notice 2018* dated 28 June 2018, the department relinquished responsibility for Housing SA (HSA), a nominal business unit of the department. Assets and liabilities relating to this business unit were transferred to the SA Housing Authority effective 1 July 2018.

**SA Housing Authority tranche 2**

As a result of administrative arrangements outlined as per *Public Sector (Reorganisation of Public Sector Operations-South Australian Housing Trust No. 2) Notice 2018* dated 6 December 2018, further assets and liabilities relating to HSA were transferred to the SA Housing Authority effective 1 December 2018.

	<b>MSA</b>	<b>HSA tranche 1</b>	<b>HSA tranche 2</b>	<b>HSA</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>Total</b>
				<b>\$'000</b>
Payables	50	1 777	122	1 899
Employee benefits	453	22 165	1 088	23 253
Provisions	66	1 189	238	1 427
<b>Total liabilities</b>	<b>569</b>	<b>25 131</b>	<b>1 448</b>	<b>26 579</b>
<b>Total net assets transferred</b>	<b>(569)</b>	<b>(25 131)</b>	<b>(1 448)</b>	<b>(26 579)</b>

In previous years, DHS recovered costs for the provision of employee related services to HSA tranche 1. Due to this arrangement the transition of tranche 1 to HSA has no impact on equity.

Net assets transferred by the department as a result of the administrative restructure were recognised at the carrying amount. The net assets transferred were treated as a distribution to the government as owner.

There were no functions transferred in or out of the department in the 2017-18 financial year.

**Department of Human Services**  
**Notes to and forming part of the financial statements**  
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**1.3. Changes to the Department of Human Services (continued)**

*Other changes*

The introduction of the National Disability Insurance Scheme (NDIS) and Commonwealth aged care reforms have significantly changed the role of the state as a funder and provider of disability and domiciliary care services. Both reforms are designed to provide funding and choice to people with a disability and older people. The State Government has previously announced that State Government disability services will be transitioned to the non-government sector.

***NDIS bilateral agreements***

Financial contributions to the NDIS were governed until 30 June 2018 by arrangements outlined in the Bilateral Agreement for the Transition to the NDIS. Contributions were based on the actual numbers of clients that have transitioned to the NDIS, adjusted for state funded NDIS service provision (known as in-kind services) and any excess cash build up in the NDIA (known as cash ceiling adjustments). Given the slower than projected transition of adult clients into the NDIS, the overall NDIS contribution was lower than originally estimated, and expenditure on State disability services was higher.

The Bilateral Agreement for Full Scheme NDIS outlines the roles and responsibilities of the Commonwealth and South Australia in relation to governance, policy, market development, oversight and funding arrangements. Under these new financial arrangements in place from 1 July 2018, the State's fixed annual contribution during 2018-19 was adjusted for in-kind service delivery, cash ceiling adjustments and for the full cost of maintaining the state disability system as a result of the delay in transition of state clients to the NDIS.

***Adult Therapy Services (ASSIST)***

ASSIST included episodic allied health/therapy services for adults with disability, mostly across metropolitan Adelaide. ASSIST transferred to Minda on 30 November 2018.

***Child & Youth Services (CYS)***

CYS provided a range of services to children and young people with disabilities. CYS was also the NDIA partner for Early Childhood Early Intervention (ECEI) in South Australia for children 0-6 years.

CYS transitioned to the non-government sector on 1 October 2018 through creation of an Employee-Led Mutual, which delivers services to children and young people with a disability.

***Highgate Park***

Highgate Park provides high-level support in an institutional setting for residents living with disability, with some in residential aged care.

DHS is continuing to support current residents to transition to appropriate supported community living if they choose and prepare for the NDIS.

***Domiciliary Equipment Service (DES)***

DES provides equipment and home modifications services across the disability, ageing and health sectors.

The State Government announced that the commercial functions of DES would be transferred to the non-government sector through a market process which commenced in 2018-19.



**Department of Human Services**  
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**1.4. Budget performance**

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

		<b>Original budget 2019 \$'000</b>	<b>Actual 2019 \$'000</b>	<b>Variance \$'000</b>
<b>Statement of Comprehensive Income</b>				
<b>Expenses</b>				
Employee benefits expenses		297 165	307 762	10 597
Supplies and services		255 360	211 784	(43 576)
Depreciation and amortisation		11 412	10 829	(583)
Grants and subsidies	a	548 923	1 030 920	481 997
Net loss from disposal of property, plant and equipment		-	2 697	2 697
Other expenses	b	120 594	209 605	89 011
<b>Total expenses</b>		<b>1 233 454</b>	<b>1 773 597</b>	<b>540 143</b>
<b>Income</b>				
Fees and charges		43 792	51 244	7 452
Commonwealth grants and payments		103 420	101 198	(2 222)
Interest		-	5	5
Resources received free of charge		-	4 713	4 713
Other income		16 327	28 999	12 672
<b>Total income</b>		<b>163 539</b>	<b>186 159</b>	<b>22 620</b>
<b>Net cost of providing services</b>		<b>(1 069 915)</b>	<b>(1 587 438)</b>	<b>(517 523)</b>
<b>Revenues from / (payments to) SA Government</b>				
Revenues from SA Government	c	1 067 165	1 564 800	497 635
Payments to SA Government		(16 955)	(16 614)	341
<b>Total net revenues from SA Government</b>		<b>1 050 210</b>	<b>1 548 186</b>	<b>497 976</b>
<b>Net result</b>		<b>(19 705)</b>	<b>(39 252)</b>	<b>(19 547)</b>

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

- a) Primarily due to a once-off grant funding increase to SA Housing Authority to enable it to reprioritise operations and support its viability (net of \$503.5 million); this is partially offset by the continued step down of state individualised funding arrangements for clients in receipt of contracted services as they transition to the NDIS.
- b) Primarily due to an increase in NDIS contributions due to the transition of clients and services to the NDIS in 2018-19.
- c) Primarily due to a once-off grant funding increase to SA Housing Authority to enable it to reprioritise operations and support its viability (net of \$503.5 million).

**Department of Human Services**  
**Notes to and forming part of the financial statements**  
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**1.4. Budget performance (continued)**

		Original budget 2019 \$'000	Actual 2019 \$'000	Variance \$'000
<b>Investing expenditure summary</b>	<b>Note</b>			
Total new and existing projects	d	770	3 457	2 687
Total annual programs	e	1 728	2 749	1 021
<b>Total investing expenditure</b>		<b>2 498</b>	<b>6 206</b>	<b>3 708</b>

- d) The total existing projects expenditure was higher than original budget primarily due to the approved carryover of existing capital projects, not originally completed in 2017-18. Cabinet also, approved additional funding for the upgrade of the Screening Unit IT system in 2018-19 as part of the implementation of the *Child Safety (Prohibited Persons) Act 2016*. In addition, there were upgrades to the Adelaide Youth Training Centre, including solar panels.
- e) The total annual program was higher than original budget primarily due to the ongoing demand for disability equipment in Domiciliary Equipment Services.

**1.5. Significant transactions with government related entities**

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

**Department of Human Services**  
**Notes to and forming part of the financial statements**  
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**2. Board, committees and employees**

The Chief Executive is responsible to the Premier and the department's Minister for supporting the achievement of the Government's objectives, the effective management of the department and the general conduct of its employees. A performance agreement, developed between the Chief Executive and Minister, outlines key agency leadership priorities and indicators of success for the financial year.

The Executive Leadership Team (ELT) is the principal governance and management body of DHS. ELT supports the Chief Executive to set and effectively monitor the strategic agenda, direction governance, performance and culture of the department.

DHS board and committees are tasked with providing oversight and leadership of specific department responsibilities. This includes the Risk Management and Audit Committee which is responsible for overseeing risk management, internal controls, financial reporting, auditing and monitoring compliance with laws, policies and relevant codes of conduct, and reports to the Chief Executive.

**2.1. Key management personnel**

Key management personnel of the department include:

- the Minister for Human Services
- Chief Executive
- Deputy Chief Executive
- Chief Financial Officer
- Executive Director, Strategy and Accommodation Services
- Executive Director, Disability and Domiciliary Care Services
- Executive Director, NDIS Reform and Services
- Group Executive Director, Disability and Reform
- Executive Director, People and Culture
- Executive Director, Youth Justice
- Director, Office for Women
- Director, Office of the Chief Executive
- Executive Director, Housing SA
- Executive Director, Corporate Services

Total compensation for key management personnel was \$3.671 million in 2018-19 and \$4.392 million in 2017-18.

The compensation disclosed in this note excludes salaries and other benefits the Minister for Human 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) under section 6 the *Parliamentary Remuneration Act 1990*.

**Department of Human Services**  
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**2.1. Key management personnel (continued)**

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Compensation</b>		
Salaries and other short term employee benefits	2 421	2 822
Post-employment benefits	588	729
Other long-term employment benefits	131	98
Termination benefits	531	743
<b>Total</b>	<b>3 671</b>	<b>4 392</b>

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

Compensation of key management personnel is disclosed above. The department had no material transactions or balances and/or transactions outside normal day-to-day operations to disclose.

**2.2. Board and committee members**

Members during the 2019 financial year were:

**Risk Management and Audit Committee**

M Patetsos	Chair	Appointed	25/07/2006		
P Bull*	Member			Ceased	10/08/2018
Y Sneddon	Member	Appointed	13/03/2012		
L Young*	Member			Ceased	29/03/2019
J King	Member	Appointed	17/12/2018		
N Ashley*	Member	Appointed	3/08/2018		
K Summers*	Member	Appointed	30/04/2019		

**Gambling Advisory Committee**

W Bevan	Chair	Appointed	27/12/2017		
C Carter	Member	Appointed	10/11/2017		
L Nguyen	Member	Appointed	19/10/2016		
J Sleep	Member	Appointed	10/11/2017		

**Premier's Council for Women**

M A Silva	Chair	Appointed	1/07/2016		
M Hagias	Deputy Chair	Appointed	1/07/2016		
L Hallahan	Member	Appointed	31/01/2017		
A Lee	Member	Appointed	1/08/2016		
L Marrone*	Member			Ceased	30/06/2019
K Matthias	Member			Ceased	30/06/2019
A Mundkur	Member	Appointed	31/01/2017		
E O'Loughlin	Member	Appointed	1/08/2016		
L Pascale	Member			Ceased	30/06/2019
N Saunders	Member	Appointed	1/02/2016		
V Welgraven*	Member	Appointed	1/08/2016		

**Department of Human Services**  
**Notes to and forming part of the financial statements**  
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**2.2. Board and committee members (continued)**

**State Emergency Relief Fund Committee**

V Faggotter*	Chair	Reappointed	1/04/2019		
J Ullianich	Chair			Ceased	31/03/2019
A Chooi *	Member			Ceased	15/05/2019
B Grear *	Member	Appointed	8/12/2016		
G Cornish*	Member	Appointed	1/06/2019		
A Lloyd-Wright *	Member	Appointed	15/02/2018		
L Houston*	Member	Appointed	1/06/2019		

**Supported Community Accommodation Services\*\***

J Curran	Chair			Dissolved	30/06/2018
S Blewett	Member			Dissolved	30/06/2018
J Brown	Member			Dissolved	30/06/2018
A Burgess	Member			Dissolved	30/06/2018
S Campbell	Member			Dissolved	30/06/2018
C Locher	Member			Dissolved	30/06/2018
J Ullianich	Member			Dissolved	30/06/2018

**Grants SA Assessment Panel\*\*\***

E Carson	Chair	Appointed	1/07/2018		
J Stone	Member	Appointed	1/09/2017		
V Madan	Member			Ceased	30/06/2019
H Anstiss	Member	Appointed	1/07/2016		
H Nguyen	Member	Appointed	1/07/2016		
A Fantasia	Member			Ceased	24/08/2018

\* In accordance with the Premier and Cabinet's Circular PC016 *Remuneration for Government Appointed Part-time Board and Committee*, government employees did not receive any remuneration for board/committee duties during the financial year.

\*\* Supported Community Accommodation Services was appointed and dissolved by the Minister during 2017-18, final payments to these members were paid during the 2018-19 financial year.

\*\*\* The Grants SA Assessment Panel has been included for the first time this year. The 2017-18 disclosure has also been updated to include the payments to Panel members.

As a result of administrative arrangements, the South Australian Multicultural and Ethnic Affairs Commission transitioned to the Department of the Premier and Cabinet effective 1 July 2018. No board fees were incurred by the Department during 2018-19 financial year.

**Department of Human Services**  
**Notes to and forming part of the financial statements**  
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**2.2. Board and committee members (continued)**

**Board and committee remuneration**

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

	<b>2019</b>	<b>2018</b>
\$0 - \$19 999	41	52
\$20 000 - \$39 999	-	2
<b>Total number of members</b>	<b>41</b>	<b>54</b>

The total remuneration received or receivable by members was \$0.041 million (\$0.24 million). Remuneration of members includes sitting fees, superannuation contributions, salary sacrifice benefits, fringe benefits and related fringe benefits tax.

**2.3. Employee benefits expense**

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
Salaries and wages	201 875	285 543
Targeted voluntary separation packages	26 800	2 499
Employee on-cost - superannuation	21 881	32 021
Annual leave	20 956	28 944
Workers compensation	12 543	6 032
Employee on-cost - other	12 473	17 395
Long service leave	5 735	6 974
Eligible termination payments *	2 856	4 606
Skills and experience retention leave	1 046	1 515
Board and committee fees	59	202
Additional compensation	407	1 723
Other employee related expenses	1 131	1 177
<b>Total employee benefits expenses</b>	<b>307 762</b>	<b>388 631</b>

\* Includes incentive payments for CYS Mutual and ASSIST employees in 2018-19 and Domiciliary Care employees in 2017-18.

**Department of Human Services**  
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**2.3. Employee benefits expense (continued)**

**Remuneration of employees**

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

	<b>2019</b>	<b>2018</b>
\$149 000 - 151 000	N/A	4
\$151 001 - 171 000	7	14
\$171 001 - 191 000	13	12
\$191 001 - 211 000	5	4
\$211 001 - 231 000	1	3
\$231 001 - 251 000	5	4
\$251 001 - 271 000	4	3
\$271 001 - 291 000	5	4
\$291 001 - 311 000	9	1
\$311 001 - 331 000	4	-
\$331 001 - 351 000	3	2
\$351 001 - 371 000	4	-
\$411 001 - 431 000	1	-
\$431 001 - 451 000	1	-
\$451 001 - 471 000	1	1
\$551 001 - 571 000	-	1
\$631 001 - 651 000	-	1
<b>Total</b>	<b>63</b>	<b>54</b>

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

The table includes all employees who received remuneration equal to or greater than the base executive remuneration level during the year. Remuneration of employees reflects all costs of employment including salaries and wages, payments in lieu of leave, superannuation contributions, salary sacrifice benefits, fringe benefits and any tax paid or payable in respect of those benefits.

The total number of executives for 2019 are 27 (36) and non-executive are 36 (18).

Total remuneration received by these employees for the year was \$16 million (\$12 million).

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**2.3. Employee benefits expense (continued)**

**Targeted voluntary separation packages (TVSPs)**

The number of employees who received a TVSP during the reporting period was 345 (28)

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
Amounts paid to separated employees:		
Targeted voluntary separation packages	26 800	2 499
Leave paid to those employees	8 805	1 165
Recovery from the Department of Treasury and Finance	(27 470)	-
<b>Net cost to the department</b>	<b>8 135</b>	<b>3 664</b>

**2.4. Employee benefits liability**

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Current</b>		
Accrued salaries and wages	37 171	13 097
Annual leave	20 453	29 508
Long service leave	13 878	16 997
Skills and experience retention leave	1 057	1 723
<b>Total current employee benefits</b>	<b>72 559</b>	<b>61 325</b>
<b>Non-current</b>		
Long service leave	34 782	52 072
<b>Total non-current employee benefits</b>	<b>34 782</b>	<b>52 072</b>
<b>Total employee benefits</b>	<b>107 341</b>	<b>113 397</b>

Paid Days Off and Days In Lieu accruals have been reclassified to accrued salary and wages from note 7.1 payables, the 2017-18 comparatives have been updated to reflect this change in methodology.

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

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

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

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

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



**Department of Human Services**  
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**2.4. Employee benefits liability (continued)**

***Long service leave***

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

**3. Expenses**

Aside from employee expenses, grants and subsidies are DHS' largest expenditure category. During 2018-19, the major recipients were the South Australian Housing Authority and non-government organisations.

Under Supplies and Services, brokerage care services is the largest expenditure, which has significantly decreased in 2018-19 due to eligible disability clients transitioning to the NDIS.

Employee benefits expenses are disclosed in note 2.3.

**3.1. Supplies and services**

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
Brokerage care services	115 140	195 115
Accommodation and property related	26 364	26 919
Communication and computing	14 701	15 797
Contractors and agency staff	13 058	10 810
Client related expenses	5 887	6 173
Business services	5 202	6 855
Minor equipment	4 896	8 751
Motor vehicles	3 945	5 851
Repairs and maintenance	3 201	3 641
Consultants	1 730	2 385
Drugs and medical supplies	1 677	1 717
Printing, stationery, postage and periodicals	1 441	2 129
Seminars, courses and training	1 195	1 513
Managed payments	1 167	1 152
Travel and accommodation	1 076	1 143
Insurance	780	761
Advertising and promotions	357	871
Interpreter and translator fees	17	44
Homelessness services*	-	4 175
Other	9 950	8 414
<b>Total supplies and services</b>	<b>211 784</b>	<b>304 216</b>

\* The Homelessness program was transferred to the South Australian Housing Authority as at 1 July 2018.

**Department of Human Services**  
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**3.1. Supplies and services (continued)**

***Operating leases payments***

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

***Consultants***

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

	<b>No.</b>	<b>2019 \$'000</b>	<b>No.</b>	<b>2018 \$'000</b>
Below \$10 000	-	-	1	2
\$10 000 or above	14	1 730	7	2 383
<b>Total</b>	<b>14</b>	<b>1 730</b>	<b>8</b>	<b>2 385</b>

**3.2. Depreciation and amortisation**

	<b>2019 \$'000</b>	<b>2018 \$'000</b>
Buildings and improvements	3 994	4 231
Independent living equipment program	2 661	2 506
Computer software	2 446	2 091
Leasehold improvements	1 162	1 952
Other plant and equipment	538	505
Computing equipment	15	7
Motor vehicles	13	9
<b>Total depreciation and amortisation</b>	<b>10 829</b>	<b>11 301</b>

All non-current assets, having a limited useful life, are systematically depreciated/amortised over their useful lives in a manner that reflects the consumption of their service potential.

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.

The department did not revalue its controlled land and buildings during 2018-19. The Administered buildings have been revalued in 2018-19.

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

**Department of Human Services**  
**Notes to and forming part of the financial statements**  
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**3.2. Depreciation and amortisation (continued)**

***Review of accounting estimates***

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

***Useful life***

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

<b>Class of asset</b>	<b>Useful life (years)</b>
Buildings	40-50
Leasehold improvements	Life of lease
Plant and equipment	5-15
Motor vehicles	3-5
Computer equipment	3-5
Computer software	3-5
Independent living equipment program (ILEP)	3-5

The amortisation period and the amortisation method for intangible assets is reviewed on an annual basis.

**Department of Human Services**  
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**3.3. Grants and subsidies**

<b>Grants and subsidies by program</b>	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
Grants to SAHT (Commonwealth and State Contribution)	834 169	245 654
Disability Grants	132 737	262 806
Home and Community Care	27 330	27 363
Family and Community Development	11 732	11 286
Adults With Chronic Conditions	5 490	-
Financial Hardship Programs (formerly Affordable Living Programs)	5 099	4 977
Supported Residential Facilities	3 270	4 413
Aboriginal Community Benefit Grants	2 112	1 994
Youth Portfolio (formerly Office for Youth)	1 297	2 056
NDIS Sector Development	220	1 467
Specialist Homelessness Services	-	65 461
Other	7 464	14 463
<b>Total grants and subsidies</b>	<b>1 030 920</b>	<b>641 940</b>

<b>Grants and subsidies by recipient type</b>		
SAHT	834 169	245 654
Non-Government Organisations (NGOs)	175 641	360 071
SA Health Units	9 174	10 405
Local Government	7 513	7 552
Individualised funding	2 663	14 274
Universities	461	625
Glasses SA (formerly Spectacles SA)	444	351
SA Government entities - other	422	2 109
Commonwealth & other State/Territory Governments	403	880
Other	30	19
<b>Total grants and subsidies</b>	<b>1 030 920</b>	<b>641 940</b>

**Department of Human Services**  
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**3.3. Grants and subsidies (continued)**

**Funding to Non-Government Organisations**

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
Minda Incorporated	24 375	50 454
Community Accommodation and Respite Agency Inc (CARA)	20 983	35 720
Royal District Nursing Service of SA Inc.	11 412	5 677
Community Living Australia	7 769	15 732
Anglicare SA	6 315	13 986
Lighthouse Disability	5 944	15 378
Uniting Communities	5 457	12 001
Community Living Options Inc.	5 214	9 825
Orana Inc	4 770	10 386
Life Without Barriers	3 701	6 380
Child and Youth Services Mutual Ltd.	3 534	-
Homecare Plus	3 185	4 030
EBL Disability Services Inc.	2 960	6 726
Hills Community Options Inc.	2 782	5 001
Disability Living Inc.	2 659	5 275
Baptist Care SA Inc.	2 620	6 627
Spastic Centres of South Australia (SCOSA) Inc.	2 483	6 780
UnitingCare Wesley Port Adelaide Inc. (formerly Uniting Care Wesley Port)	2 248	5 471
Autism Association of SA Inc.	2 043	3 759
Centacare Catholic Family Services	2 022	12 271
Royal Society for the Blind of SA Inc.	1 987	2 777
UnitingCare Wesley Bowden Inc.	1 962	2 987
Good Shepherd Microfinance	1 512	1 476
Amandus Lutheran Disability Services Inc. (formerly Shimron House)	1 430	2 354
Incompro Aboriginal Association Inc.	1 419	1 857
Ngaanyatjarra Pitjantjatjara Yankunytjatjara Women's Council	1 329	1 803
UnitingCare Wesley Country SA Inc.	1 275	4 901
Anglican Community Care Inc.	1 211	3 415
Calvary Home Care Services	1 204	2 540
Barkuma Inc.	1 170	2 167
Novita Children's Services Inc.	1 167	3 046
Individual Supported Accommodation Service Inc.	1 122	2 212
Northern Carer's Network Inc.	1 090	1 055
Other	35 287	96 002
<b>Total funding to Non-Government Organisations</b>	<b>175 641</b>	<b>360 071</b>

Payments to non-government organisations greater than \$1.0 million in 2018-19 are individually disclosed above. Payments less than \$1.0 million are included in 'Other'. Payments are also net of grant recoveries during 2018-19.

**Department of Human Services**  
**Notes to and forming part of the financial statements**  
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**3.4. Other expenses**

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
NDIS payments	183 147	96 082
Aged Care and Disability Services Reform – payment to the Commonwealth *	24 802	77 800
Allowances for doubtful debts	(372)	1 214
Assets transferred at nil consideration **	1 656	-
Donated assets	5	7
Other	367	395
<b>Total other expenses</b>	<b>209 605</b>	<b>175 498</b>

\* From 1 July 2011, as part of the National Health Reform Agreement, funding and program responsibility for basic community care services and packaged community care and residential care delivered through the Commonwealth aged care program, for people under the age of 65 years (under the age of 50 for Indigenous Australians) was assumed by the South Australian Government. The State reflects these changed responsibilities through a payment to the Commonwealth for the services Commonwealth provides to clients that are the responsibility of the State under the terms of the agreement. During 2015–16, these arrangements were incorporated in the 'Transition to a National Disability Insurance Scheme' bilateral agreement. These arrangements ceased in 2018-19 with the expiration of the agreement.

\*\* The transfer of \$1.656 million relates to the transfer of Lot 41, Parks that transferred to Department of Education in June 2019.

**Other**

Audit fees paid / payable to the Auditor-General's Department relating to work performed under the *Public Finance and Audit Act* were \$0.328 million (\$0.340 million). No other services were provided by the Auditor-General's Department.

**4. Income**

The existence of the department and the ongoing delivery of current programs and services is dependent on government policy and on continuing appropriations by Parliament. Appropriation received during the year is reported under Net Revenues from SA Government.

Commonwealth grants and payments mainly relate to revenue from the DisabilityCare Australia Fund as a contribution towards NDIS expenditure.

**Department of Human Services**  
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**4.1. Net revenues from SA Government**

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Revenues from SA Government</b>		
Appropriations from Consolidated Account pursuant to the <i>Appropriation Act</i>	1 537 330	1 263 685
DTF - Contingency Funds	27 470	8 762
<b>Total revenues from SA Government</b>	<b>1 564 800</b>	<b>1 272 447</b>
<b>Payments to SA Government</b>		
Other payments to the Consolidated Account	(16 614)	(14 832)
<b>Total payments to SA Government</b>	<b>(16 614)</b>	<b>(14 832)</b>
<b>Net revenues from SA Government</b>	<b>1 548 186</b>	<b>1 257 615</b>

***Appropriations***

Appropriations are recognised on receipt.

Total revenues from Government consist of \$1 537.330 million (\$1 263.685 million), inclusive of \$6.122 million (\$7.349 million) for capital projects. The original amount appropriated to the department under the annual Appropriation Act was not varied however an additional advance of \$470.165 million was received from the Treasurer via the Governor's Appropriation Fund.

***Other payments to the Consolidated Account***

Other payments to the Consolidated Account include payments made during 2018-19 for proceeds relating to the sale of assets classified as held for sale.

**Department of Human Services**  
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**4.2. Fees and charges**

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
Fees, fines and penalties	17 954	18 448
Recoveries	14 702	15 388
Business services *	9 100	16 454
Patient and client fees	7 406	8 389
Rent	1 969	116
Insurance recoveries	113	28
Employee services **	-	66 578
<b>Total fees and charges</b>	<b>51 244</b>	<b>125 401</b>

\* Represents services provided to SA Housing Authority as per the Memorandum of Administrative Arrangements (MOAA).

\*\* Represents the recovery of costs for the provision of employee related services to HSA. Due to the administrative restructure, recovery costs were not applicable for 2018-19.

**4.3. Commonwealth grants**

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
DisabilityCare Australia Fund	70 560	33 000
Continuity of Support Programme	25 370	6 749
Commonwealth Home Support Programme	2 429	25 881
Residential Aged Care	2 400	2 525
National Partnership Payments - Homelessness	-	9 045
Aged Care and Disability Services Reform – Specialist Disability Services *	-	32 354
NDIS Sector Development	-	1 188
Information, Linkages and Capacity Building	-	4 000
Other	439	1 140
<b>Total Commonwealth grants and payments</b>	<b>101 198</b>	<b>115 882</b>

\* As part of the National Health Reform Agreement, funding and policy responsibility for basic community care services and specialist disability services delivered by the States in accordance with their responsibilities under the National Disability Agreement for people aged 65 years and over (50 years and over for Indigenous Australians) was assumed by the Commonwealth Government from 1 July 2011. These changed responsibilities are reflected through a contribution from the Commonwealth for services provided to clients which are the responsibility of the Commonwealth under the terms of the agreement. During 2015–16, these arrangements were incorporated in the 'Transition to a National Disability Insurance Scheme' bilateral agreement. These arrangements ceased in 2018-19 with the expiration of the agreement.

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

All funds are used appropriately in line with the agreements.

There was no contributed income in 2017-18 that related to projects that commenced in 2018-19.

**4.4. Interest**

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
Cash and cash equivalents	5	3
<b>Total interest revenues</b>	<b>5</b>	<b>3</b>



**Department of Human Services**  
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**4.5. Resources received free of charge**

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
Shared Services SA	4 713	6 776
<b>Total resources received free of charge</b>	<b>4 713</b>	<b>6 776</b>

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.

**4.6. Net gain / (loss) from disposal of property, plant and equipment**

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Land and buildings</b>		
Proceeds from disposal	16 775	14 862
Less carrying amount of assets disposed	(19 428)	(14 579)
<b>Net gain / (loss) from disposal of land and buildings</b>	<b>(2 653)</b>	<b>283</b>
<b>Plant and equipment</b>		
Less carrying amount of assets disposed	(44)	(91)
<b>Net gain / (loss) from disposal of plant and equipment</b>	<b>(44)</b>	<b>(91)</b>
<b>Total assets</b>		
Proceeds from disposal	16 775	14 862
Less total carrying amount of assets disposed	(19 472)	(14 670)
<b>Total net gain / (loss) from disposal of assets</b>	<b>(2 697)</b>	<b>192</b>

**4.7. Other income**

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
NDIS revenue	10 765	13 545
Other grants from SA Government agencies	9 542	9 751
Community Development Fund	3 000	3 000
Hire charges	1 872	2 337
Minor equipment	1 671	572
Other*	2 149	6 649
<b>Total other income</b>	<b>28 999</b>	<b>35 854</b>

\* The 2018-19 amount includes revenue received from the sale of ASSIST. The 2017-18 amount includes revenue received from the sale of Domiciliary Care.

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**5. Non-financial assets**

DHS assets are primarily made up of land and buildings, including the Adelaide Youth Training Centre building in Cavan. DHS also hold assets for the independent living equipment program (ILEP) which are specifically designed disability equipment managed by Domiciliary Equipment Services.

**5.1. Property, plant and equipment**

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Land and buildings</b>		
Land at fair value	61 650	62 650
Buildings and improvements at fair value	101 362	100 358
Accumulated depreciation	(12 884)	(9 034)
<b>Total land and buildings</b>	<b>150 128</b>	<b>153 974</b>
<b>Leasehold improvements</b>		
Leasehold improvements at fair value	14 568	16 551
Accumulated amortisation	(12 290)	(12 165)
<b>Total leasehold improvements</b>	<b>2 278</b>	<b>4 386</b>
<b>Computing equipment</b>		
Computing equipment at fair value	422	350
Accumulated depreciation	(337)	(344)
<b>Total computing equipment</b>	<b>85</b>	<b>6</b>
<b>Motor vehicles</b>		
Motor vehicles at fair value	130	184
Accumulated depreciation	(97)	(138)
<b>Total motor vehicles</b>	<b>33</b>	<b>46</b>
<b>Independent living equipment program</b>		
Independent living equipment program at fair value	21 305	18 235
Accumulated depreciation	(14 570)	(12 540)
<b>Total independent living equipment program</b>	<b>6 735</b>	<b>5 695</b>
<b>Other plant and equipment</b>		
Other plant and equipment at fair value	6 809	6 669
Accumulated depreciation	(3 013)	(2 567)
<b>Total other plant and equipment</b>	<b>3 796</b>	<b>4 102</b>
<b>Total property, plant and equipment</b>	<b>163 055</b>	<b>168 209</b>

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

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

**Department of Human Services**  
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**5.1. Property, plant and equipment (continued)**

**Impairment**

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

**Reconciliation of land, buildings and leasehold improvements during 2018-19**

	<b>Land</b>	<b>Buildings and improvements</b>	<b>Leasehold improvements</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Carrying amount at the beginning of the period	62 650	91 324	4 386	158 360
Disposals	-	-	(250)	(250)
Donated assets	(1 000)	(656)	-	(1 656)
Depreciation and amortisation for the year	-	(3 994)	(1 162)	(5 156)
Transfers (to)/from works in progress	-	1 804	-	1 804
Transfers out through administrative restructures	-	-	(696)	(696)
<b>Carrying amount at the end of the period</b>	<b>61 650</b>	<b>88 478</b>	<b>2 278</b>	<b>152 406</b>

**Reconciliation of land, buildings and leasehold improvements during 2017-18**

	<b>Land</b>	<b>Buildings and improvements</b>	<b>Leasehold improvements</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Carrying amount at the beginning of the period	67 025	96 536	6 298	169 859
Disposals	(3 100)	(974)	(30)	(4 104)
Assets classified as held for sale	(1 275)	(94)	-	(1 369)
Depreciation and amortisation for the year	-	(4 231)	(1 952)	(6 183)
Transfers (to)/from works in progress	-	75	70	145
Transfers (to)/from assets held for sale	-	12	-	12
<b>Carrying amount at the end of the period</b>	<b>62 650</b>	<b>91 324</b>	<b>4 386</b>	<b>158 360</b>

**Department of Human Services**  
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**5.1. Property, plant and equipment (continued)**

**Reconciliation of plant and equipment**

The following table shows the movement of plant and equipment during 2018-19.

	<b>Computing equipment</b>	<b>Motor vehicles</b>	<b>Independent living equipment program</b>	<b>Other plant and equipment</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Carrying amount at the beginning of the period	6	46	5 695	4 102	9 849
Purchases	-	-	632	-	632
Disposals	-	-	(27)	(17)	(44)
Depreciation and amortisation for the year	(15)	(13)	(2 661)	(538)	(3 227)
Donated Assets	-	-	-	(4)	(4)
Transfers (to)/from works in progress	94	-	3 096	253	3 443
<b>Carrying amount at the end of the period</b>	<b>85</b>	<b>33</b>	<b>6 735</b>	<b>3 796</b>	<b>10 649</b>

**Reconciliation of plant and equipment**

The following table shows the movement of plant and equipment during 2017-18.

	<b>Computing equipment</b>	<b>Motor vehicles</b>	<b>Independent living equipment program</b>	<b>Other plant and equipment</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Carrying amount at the beginning of the period	13	35	6 697	4 118	10 863
Purchases	-	20	692	256	968
Disposals	-	-	(65)	(26)	(91)
Depreciation and amortisation for the year	(7)	(9)	(2 506)	(505)	(3 027)
Transfers between other classes	-	-	-	(12)	(12)
Donated Assets	-	-	-	(7)	(7)
Transfers (to)/from works in progress	-	-	877	278	1 155
<b>Carrying amount at the end of the period</b>	<b>6</b>	<b>46</b>	<b>5 695</b>	<b>4 102</b>	<b>9 849</b>

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**5.2. Capital works in progress**

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
Property, plant and equipment in progress at cost	3 066	4 774
<b>Total capital works in progress</b>	<b>3 066</b>	<b>4 774</b>

The following table shows the movement of capital works in progress:

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
Carrying amount at the beginning of the period	4 774	3 746
Purchases	6 523	6 381
Transfers to completed works	(7 295)	(5 281)
WIP adjustments	(936)	(72)
<b>Carrying amount of capital work in progress</b>	<b>3 066</b>	<b>4 774</b>

**5.3. Intangible assets**

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Computer software</b>		
Internally developed computer software	2 015	1 624
Accumulated amortisation	(1 095)	(507)
Purchased computer software	9 981	8 323
Accumulated amortisation	(6 878)	(5 019)
<b>Total computer software</b>	<b>4 023</b>	<b>4 421</b>

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

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

The internally developed computer software includes the Screening Assessment Management System (SAMS) online system with a remaining useful life of 2 years and a carrying amount of \$0.730 million. The purchased computer software includes the Screening Continuous Monitoring System (CMS) and the Concessions Cost of Living Information System (COLIN), with remaining useful lives of 2 and 3 years and carrying amounts of \$1.031 million and \$1.566 million respectively.

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

**Reconciliation of intangible assets**

The following table shows the movement of intangible assets.

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
Carrying amount at the beginning of the period	4 421	2 531
Transfers to/(from) works in progress	2 048	3 981
Amortisation	(2 446)	(2 091)
<b>Carrying amount at the end of the period</b>	<b>4 023</b>	<b>4 421</b>

**Department of Human Services**  
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**5.4. Inventories**

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
Inventories held for distribution at cost - stores	398	421
<b>Total inventories</b>	<b>398</b>	<b>421</b>

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

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

***Cost of inventories***

The cost recognised as an expense for raw materials and consumables is \$0.023 million.

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

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
Land	-	19 095
Building	-	83
<b>Total non-current assets classified as held for sale</b>	<b>-</b>	<b>19 178</b>

All assets held for sale in 2017-18 were sold during 2018-19.

Non-current assets classified as held for sale represents land and buildings which are surplus to the department's requirements.

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

**Department of Human Services**  
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**6. Financial assets**

**6.1. Cash and cash equivalents**

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
Special deposit accounts with the Treasurer	162 484	226 214
Cash on hand	5	5
Advance accounts	95	95
Other deposits	1 491	1 653
<b>Total cash and cash equivalents</b>	<b>164 075</b>	<b>227 967</b>

***Deposits with the Treasurer***

The department has two deposit accounts with the Treasurer:

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

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

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**6.2. Receivables**

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Current</b>		
<b>Trade receivables</b>		
From non-SA government entities	11 258	4 082
From SA government entities	7 181	7 066
Less impairment of receivables	(870)	(1 418)
<b>Total trade receivables</b>	<b>17 569</b>	<b>9 730</b>
Accrued revenue	3 211	56
Prepayments	1 278	2 464
Goods and Services Tax receivable	915	2 527
Overpaid salaries	582	503
Employee related services recoverable*	-	10 008
Other receivables	128	298
<b>Total current receivables</b>	<b>23 683</b>	<b>25 586</b>
<b>Non-current</b>		
Other receivables	729	697
Employee related services recoverable*	-	15 203
<b>Total non-current receivables</b>	<b>729</b>	<b>15 900</b>
<b>Total receivables</b>	<b>24 412</b>	<b>41 486</b>

\*This relates to HSA employees which transferred as of 1 July 2018 to the SA Housing Authority.

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

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

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

Refer to note 11.3 for further information on risk management.

**Impairment of receivables**

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Carrying amount at the beginning of the period</b>	<b>1 418</b>	<b>415</b>
Increase/(decrease) in the allowance	(392)	1 214
Amounts written off	(156)	(211)
<b>Carrying amount at the end of the period</b>	<b>870</b>	<b>1 418</b>

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



**Department of Human Services**  
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**7. Liabilities**

Employee benefits liabilities are disclosed in note 2.4.

**7.1. Payables**

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Current</b>		
Employment on-costs	5 700	8 075
Trade payables	5 907	35 642
Accrued expenses	16 885	47 076
Other	764	1 536
<b>Total current payables</b>	<b>29 256</b>	<b>92 329</b>
<b>Non-current</b>		
Employment on-costs	3 200	4 807
<b>Total non-current payables</b>	<b>3 200</b>	<b>4 807</b>
<b>Total payables</b>	<b>32 456</b>	<b>97 136</b>

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

***Employment on-costs***

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

The department makes contributions to several State Government and externally managed superannuation schemes. These contributions are treated as an expense when they occur. There is no liability for payments to beneficiaries as they have been assumed by the respective superannuation schemes.

As a result of an actuarial assessment performed by the Department of Treasury and Finance, the proportion of long service leave taken as leave has remain unchanged from the 2018 rate of 41% and the average factor for the calculation of employer superannuation cost on-costs has changed from the 2018 rate 9.9% to 9.8%. These rates are used in the employment on-cost calculation. The impact of these changes is immaterial.

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**7.2. Provisions**

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Current</b>		
Insurance	90	130
Workers compensation	5 994	6 206
Additional compensation	51	120
<b>Total current provisions</b>	<b>6 135</b>	<b>6 456</b>
<b>Non-current</b>		
Insurance	80	80
Workers compensation	21 630	18 123
Additional compensation	2 038	1 670
<b>Total non-current provisions</b>	<b>23 748</b>	<b>19 873</b>
<b>Total provisions</b>	<b>29 883</b>	<b>26 329</b>

**Reconciliation of insurance**

The following table shows the movement of insurance during 2018-19:

	<b>Public liability</b>	<b>Property</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Carrying amount at the beginning of the period	170	40	210
Increase to provision due to new claims	4	-	4
Reduction due to payments	(50)	-	(50)
Net revision of estimates	6	-	6
<b>Carrying amount at the end of the period</b>	<b>130</b>	<b>40</b>	<b>170</b>

The following table shows the movement of insurance during 2017-18:

	<b>Public liability</b>	<b>Property</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Carrying amount at the beginning of the period	140	40	180
Increase to provision due to new claims	11	-	11
Reduction due to payments	(11)	-	(11)
Net revision of estimates	30	-	30
<b>Carrying amount at the end of the period</b>	<b>170</b>	<b>40</b>	<b>210</b>

**Department of Human Services**  
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**7.2. Provisions (continued)**

**Reconciliation of workers compensation**

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
Carrying amount at the beginning of the period	24 329	25 139
Increase to provision due to revision of estimates	12 083	5 850
Reduction due to payments	(8 788)	(6 660)
<b>Carrying amount at the end of the period</b>	<b>27 624</b>	<b>24 329</b>

**Reconciliation of additional compensation**

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
Carrying amount at the beginning of the period	1 790	-
Increase to provision due to revision of estimates	351	1 790
Reduction due to payments	(52)	-
<b>Carrying amount at the end of the period</b>	<b>2 089</b>	<b>1 790</b>

A provision has been reported to reflect unsettled workers compensation and additional workers compensation claims. The workers compensation provision and additional workers compensation provision is based on an actuarial assessment of the outstanding liability as at 30 June 2019 provided by a consulting actuary engaged through the Office of the Commissioner for the Public Sector. The provision is for the estimated cost of ongoing payments to employees as required under current legislation and enterprise bargaining agreements.

The additional compensation provision provides continuing benefits to workers who have suffered eligible work-related injuries and whose entitlements have ceased under the statutory workers compensation scheme.

The department is responsible for the payment of workers compensation and additional workers compensation claims.

**Department of Human Services**  
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**7.3. Other liabilities**

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Current</b>		
Unclaimed monies	245	246
Unearned revenue	1 895	3 361
Lease incentive	710	784
Other liabilities	300	330
<b>Total current other liabilities</b>	<b>3 150</b>	<b>4 721</b>
<b>Non-current</b>		
Lease incentive	868	2 220
<b>Total non-current other liabilities</b>	<b>868</b>	<b>2 220</b>
<b>Total other liabilities</b>	<b>4 018</b>	<b>6 941</b>

**8. Other disclosures**

**8.1. Equity**

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

**Department of Human Services**  
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**8.2. Cash flow**

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

**Cash flow reconciliation**

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Reconciliation of cash and cash equivalents at the end of the reporting period</b>		
Cash and cash equivalents disclosed in the Statement of Financial Position	164 075	227 967
Balance as per the Statement of Cash Flows	164 075	227 967
<b>Reconciliation of net cash provided by / (used in) operating activities to net cost of providing services</b>		
Net cash provided by operating activities	(73 512)	74 372
Revenues from SA Government	(1 564 800)	(1 272 447)
Payments to SA Government	16 614	4 750
<b>Add / (less) non-cash Items</b>		
Depreciation and amortisation	(10 829)	(11 301)
Lease incentive amortisation	1 426	(765)
Donated assets	(1 661)	(7)
Transfer to the Consolidated Account	-	10 082
Gain/(loss) from disposal of non-current assets	(2 697)	192
<b>Movement in assets and liabilities</b>		
Increase/(decrease) in receivables	(34 614)	(1 312)
Increase/(decrease) in inventories	(23)	2
(Increase)/decrease in payables and provisions	97 320	(42 782)
(Increase)/decrease in employee benefits	(17 585)	3 191
(Increase)/decrease in other liabilities	2 923	(1 453)
<b>Net cost of providing services</b>	<b>(1 587 438)</b>	<b>(1 237 478)</b>

**Department of Human Services**  
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**9. Changes in accounting policy**

**9.1. Treasurer's Instructions (Accounting Policy Statements)**

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

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

Changes that impact on these financial statements are:

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

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

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

**9.2. AASB 9 Financial Instruments**

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

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

- *AASB 101 Presentation of Financial Statements* requires the impairment of financial assets to be presented in a separate line item in the Statement of Comprehensive Income. In prior year, this information was presented as part of other expenses. This was deemed immaterial and was not applied.
- *AASB 7 Financial Instruments: Disclosures* requires amended disclosures due to changes arising from AASB 9, these disclosures have been provided for the current year because the comparatives have not been restated.

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

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

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**9.2. AASB 9 Financial Instruments (continued)**

The total impact on the department's retained earnings as at 1 July 2018 is as follows:

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

***Impairment of financial assets***

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

- trade receivables from provision of services
- debt investments carried at amortised cost i.e. bonds and debentures with the South Australian Government Financing Authority (SAFA).

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

***Trade receivables***

New impairment requirements result in a provision being applied to all receivables rather than only on those receivables that are credit impaired. The department has adopted the simplified approach under AASB 9 Financial Instruments and measured lifetime expected credit losses on all trade receivables using a provision matrix approach as a practical expedient to measure the impairment provision. This resulted in a decrease of the loss allowance on 1 July 2018 of \$0.136 million for trade receivables external to Government. The change was deemed immaterial therefore not adjusted through equity.

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

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

***Investments with SAFA***

The only investments with SAFA relate to the Administered Items statements, no investments held with SAFA relate to controlled money.

The department does not hold any bonds or debenture assets with SAFA.

Deposits held with SAFA previously classified as held-to-maturity are now classified at amortised cost. There was no variance between the previous carrying amount (at 30 June 2018) and the revised carrying amount (at 1 July 2018) to be recognised in the retained earnings opening balance.

Deposits with SAFA are considered to be a low credit risk. Applying the expected credit loss model on transition did not result in the recognition of loss allowance, due to Government's high quality credit risk.

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**10. Outlook**

**10.1. Unrecognised contractual commitments**

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

**Capital commitments**

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
Within one year	-	553
<b>Total capital commitments</b>	<b>-</b>	<b>553</b>

There are no capital commitments for 2018-19.

**Operating lease commitments**

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

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
Within one year	7 270	13 917
Later than one year but not longer than five years	6 823	18 863
Later than five years	1 505	2 111
<b>Total operating lease commitments</b>	<b>15 598</b>	<b>34 891</b>

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

For comparability, the 2017-18 figures have been updated to include the fleet vehicles commitments.



**Department of Human Services**  
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**10.2. Contingent assets and liabilities**

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

**Contingent assets**

The department has no contingent assets for 2018-19.

**Contingent liabilities**

DHS is aware of a claim for back payment to staff at Adelaide Youth Training Centre related to Crib Breaks. This matter is the subject of an application to the South Australian Employment Tribunal (SAET) and the amount of any remuneration that may need to be made to current or past staff cannot be quantified at this time.

**10.3. Impact of standards and statements not yet effective**

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

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

The material impacts on the department are outlined below.

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

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

The department applies the 5-step approach to recognising revenue:

1. identify the contract with the customer
2. identify the performance obligations in the contract
3. determine the transaction price
4. allocate the transaction price to each performance obligation
5. recognise revenue when (or as) performance obligations are satisfied.

The objective of AASB 15 is that recognition of revenue depicts the transfer of promised goods or services to customers in an amount that reflects the consideration to which an entity expects to be entitled in exchange for those goods or services. Transactions that fall within the scope of multiple standards are separated into components, so that each component can be accounted for under the relevant standards.

The department will apply the new standards, except where recognition is required under a different standard (refer to AASB 15.5). Where revenue does not meet the recognition criteria under AASB 15, classification is made under AASB 1058.

**Department of Human Services**  
**Notes to and forming part of the financial statements**  
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**10.3 Impact of standards and statements not yet effective (continued)**

***Impact on 2019-20 financial statements***

Three of the department's fee-for-service functions meet the requirements of AASB 15, including:

- Interpreting and Translating Services (ITC)
- Screening Unit
- Domiciliary Equipment Services (excluding rental services).

ITC and Screening Unit fees revenue are disclosed under *Fees and Charges – Fees, fines and penalties*. Domiciliary Equipment Services equipment revenue is classified under *Other revenue*:

- *Minor equipment*
- *NDIS revenue*.

Under AASB 15, recognition of these fee-for-service agreements occur at the point where a good/service is provided. Minor timing differences exist between the recognition of revenue and the posting of the transaction to the general ledger. There is no change required in the treatment for these functions as the difference has no material impact on the department's year end reporting. As such, there is no expected material impact for 2019-20.

DHS identified instances where agreements fall within the scope of AASB 15 and AASB 1058, including: elements of a contract may meet the recognition criteria under AASB 15 however the performance obligations could not be reliably measured and/or separated from the contract overall, or the element was considered immaterial. Due to this, the accounting treatment remains unchanged.

All other revenue (including grants) are classified under AASB 1058. While agreements exist, DHS has assessed that there are no specific performance obligations, at this point in time. As such, these revenues are recognised upon receipt.

Overall, based on the information currently available, adopting AASB 15 and AASB 1058 is not expected to have a material impact on the timing of recognition of revenue by the department. The department will continue to regularly review revenue streams to ensure classification is appropriately treated and disclosed.

**Department of Human Services**  
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**10.3. Impact of standards and statements not yet effective (continued)**

***Related accounting policies***

The Treasurer's Instructions (*Accounting Policy Statements*) 2019 sets out key requirements that the department must adopt for the transition to AASB 15 and AASB 1058. These requirements include that the department will:

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

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

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

**AASB 16 Leases**

The department will adopt AASB 16 *Leases* from 1 July 2019.

***Objective***

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

**Department of Human Services**  
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**10.3. Impact of standards and statements not yet effective (continued)**

***Impact on 2019-20 financial statements***

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

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

The majority of lease arrangements for the department are for properties through the Department of Planning, Transport and Infrastructure (DPTI) and vehicles through the SAFA. DPTI and SAFA provided lease information to the department for financial statement disclosures.

Other lease arrangements were analysed by the respective divisional representatives and no impact has been noted. This is mainly due to the exemptions and expedients allowed under the standard.

Based on the analysis to date, DHS does not have any peppercorn leases as a lessee or any external leases.

The estimated impact is set out below.

	<b>As at 1 July 2019 \$'000</b>
-	
<b><u>Assets</u></b>	
Right-of-use assets	34 006
<b><u>Liabilities</u></b>	
Lease liabilities	(35 114)
<b>Net impact on equity</b>	<b>(1 108)</b>

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

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

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

	<b>2020 \$'000</b>
Depreciation and amortisation	6 584
Supplies and services	(6 862)
Borrowing costs	573
<b>Net impact on net cost of providing services</b>	<b>295</b>

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

**Department of Human Services**  
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**10.3. Impact of standards and statements not yet effective (continued)**

***Related accounting policies***

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

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

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

- not apply AASB 16 to leases of intangible assets
- adopt \$15 000 as the threshold to determine whether an underlying asset is a low value asset and must apply the low value asset recognition exemption to all low value assets
- apply the short-term leases recognition exemption for all classes of underlying asset
- separate non-lease components from lease components
- adopt the revaluation model, where permitted
- where required, apply the relevant lessee's incremental borrowing rate published by the Department of Treasury and Finance
- on initial recognition not record at fair-value leases that have significantly below-market terms and conditions principally to enable the department to further its objectives, unless they have already been recorded at fair-value prior to 1 July 2019.

**10.4. Events after the reporting period**

Adjustments are made to amounts recognised in the financial statements, where an event occurs after 30 June 2019 and before the date the financial statements are authorised for issue, where those events provide information about conditions that existed at 30 June 2019. Note disclosure is made about events between 30 June 2019 and the date the financial statements are authorised for issue where the events relate to a condition which arose after 30 June 2019 and which may have a material impact on the results of subsequent years.

As per the Public Sector (Reorganisation of Public Sector Operations – Child and Family Intensive Support System) Notice 2019 dated 27 June 2019, responsibility for Child and Family Support Services (CFSS) transitioned from the Department of Education and the Department of Child Protection to DHS. This was effective from 1 July 2019 and included the management of staff (231.3 FTE), assets, liabilities and outcomes.

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**11. Measurement and risk**

**11.1. Long service leave liability – measurement**

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

The actuarial assessment performed by the Department of Treasury and Finance has provided a basis for the measurement of long service leave and is based on actuarial assumptions on expected future salary and wages levels, experience of employee departures and periods of service. These assumptions are based on employee data over SA Government entities.

AASB 119 *Employee Benefits* requires the use of the yield on long-term Commonwealth Government bonds as the discount rate in the measurement of the long service leave liability. The yield on long-term Commonwealth Government bonds has decreased from 2018 (2.5%) to 2019 (1.25%).

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

The net financial effect of the changes to actuarial assumptions in the current financial year is an increase in the long service leave liability of \$4.458 million. The impact on future periods is impracticable to estimate as the long service leave liability is calculated using a number of demographical and financial assumptions – including the long-term discount rate.

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

The unconditional portion of the long service leave provision is classified as current as the department does not have an unconditional right to defer settlement of the liability for at least 12 months after reporting date. The unconditional portion of long service leave relates to an unconditional legal entitlement to payment arising after 10 years of service.

**11.2. Fair value**

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

***Initial recognition***

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

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

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**11.2. Fair value (continued)**

**Revaluation**

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

The revaluation process is reviewed by the department each year.

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

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

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

**Fair value hierarchy**

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

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

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

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

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

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

**Fair value measurements at 30 June 2019**

		<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Recurring fair value measurements</b>	<b>Note</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Land	5.1	61 650	-	61 650
Buildings	5.1	25 376	63 102	88 478
Leasehold improvements	5.1	-	2 278	2 278
Other	5.1	-	10 649	10 649
<b>Total recurring fair value measurements</b>		<b>87 026</b>	<b>76 029</b>	<b>163 055</b>
<b>Total fair value measurements</b>		<b>87 026</b>	<b>76 029</b>	<b>163 055</b>

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**11.2. Fair value (continued)**

**Fair value measurements at 30 June 2018**

		<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>Note</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Recurring fair value measurements</b>				
Land	5.1	62 650	-	62 650
Buildings	5.1	26 375	64 949	91 324
Leasehold improvements	5.1	-	4 386	4 386
Other	5.1	-	9 849	9 849
<b>Total recurring fair value measurements</b>		<b>89 025</b>	<b>79 184</b>	<b>168 209</b>
<b>Non-recurring fair value measurements</b>				
Land held for sale	5.5	19 178	-	19 178
<b>Total non-recurring fair value measurements</b>		<b>19 178</b>	<b>-</b>	<b>19 178</b>
<b>Total fair value measurements</b>		<b>108 203</b>	<b>79 184</b>	<b>187 387</b>

***Land and buildings***

The department's land and buildings were subject to a full site revaluation as at 30 June 2016. The professional valuer engaged to perform the independent valuations was Mrs Brooke Parish, API Certified Practising Valuer (Property). Australian Valuation Solutions Pty Ltd.

An independent desktop valuation of land and buildings was performed in June 2019 by a Certified Practising Valuer from Jones Long LaSalle Public Sector Valuations Pty Ltd (JLL) as at 30 June 2019. The results of the valuation were considered to have an immaterial impact on the department's assets and the Administered land and were not processed. However, the revaluation was processed for Administered buildings as this was considered to have a material impact.

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

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

***Plant and equipment***

All items of plant and equipment had a fair value at the time of acquisition less than \$1 million and had an estimated useful life of less than three years. Plant and equipment have not been revalued in accordance with APS 116.D. The carrying value of these items are deemed to approximate fair value.



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**11.2. Fair value measurements (continued)**

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

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

2019	Leasehold		
	Buildings	improvements	Other
	\$'000	\$'000	\$'000
<b>Opening balance at the beginning of the period</b>	<b>64 949</b>	<b>4 386</b>	<b>9 849</b>
Acquisitions	-	-	632
Donated Assets	-	-	(4)
Disposals	-	(250)	(44)
Disposal through administrative restructures	-	(696)	-
Transfers (to)/from work in progress	65	-	3 443
<b>Gains/(losses) for the period recognised in net result:</b>			
Depreciation	(1 912)	(1 162)	(3 227)
<b>Total gains/(losses) recognised in net result</b>	<b>(1 912)</b>	<b>(1 162)</b>	<b>(3 227)</b>
<b>Carrying amount at the end of the period</b>	<b>63 102</b>	<b>2 278</b>	<b>10 649</b>

2018	Leasehold		
	Buildings	improvements	Other
	\$'000	\$'000	\$'000
<b>Opening balance at the beginning of the period</b>	<b>66 860</b>	<b>6 298</b>	<b>10 863</b>
Acquisitions	-	-	968
Donated Assets	-	-	(7)
Disposals	-	(30)	(91)
Transfer between asset classes	-	-	(12)
Transfers (to)/from work in progress	-	70	1 155
<b>Gains/(losses) for the period recognised in net result:</b>			
Depreciation	(1 911)	(1 952)	(3 027)
<b>Total gains/(losses) recognised in net result</b>	<b>(1 911)</b>	<b>(1 952)</b>	<b>(3 027)</b>
<b>Carrying amount at the end of the period</b>	<b>64 949</b>	<b>4 386</b>	<b>9 849</b>

**11.3. Financial instruments**

**Financial risk management**

Departmental risk management policies are in accordance with the *Risk Management Policy Statement* issued by the Premier and Treasurer and the principles established in the *Australian Standard Risk Management Principles and Guidelines*.

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

**Liquidity risk**

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

Refer to notes 1.4 and 4.1 for further information.

**Department of Human Services**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2019*

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**11.3. Financial instruments (continued)**

**Credit risk**

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

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

**Impairment of financial assets**

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

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

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

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

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

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

	<b>Debtor gross carrying amount \$'000</b>	<b>Loss %</b>	<b>Lifetime expected losses \$'000</b>
Current (not past due)	1 176	-	-
1 - 30 days past due	1 298	2.43	32
31 - 60 days past due	5 320	7.00	373
61 - 90 days past due	2 652	15.23	403
More than 90 days past due	812	7.63	62
<b>Loss allowance</b>	<b>11 258</b>		<b>870</b>

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

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

**Department of Human Services**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2019*

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**11.3. Financial instruments (continued)**

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

Receivables with a contractual amount of \$0.156 million written off during the year are still subject to enforcement activity.

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

All of the department's debt investments at amortised cost are considered to have low credit risk and the consideration of expected credit loss was limited to 12 months expected losses.

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

***Market risk***

The department does not trade in foreign currency, nor enter into transactions for speculative purposes, nor for hedging. The department 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 Treasurer's Instruction 23 *Management of Foreign Currency Exposures*.

There have been no changes in risk exposure since the last reporting period.

***Categorisation of financial instruments***

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

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

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

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

The department 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 balances (refer to note 7.1 and 6.2).

**Department of Human Services**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2019*

**11.3. Financial instruments (continued)**

***Classification applicable from 1 July 2018 under AASB 9 Financial Instruments***

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

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

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

The department measures all financial instruments at amortised cost.

Category of financial asset and financial liability	Note	Carrying amount / fair value \$'000	2019 Contractual maturities		
			Within 1 year \$'000	1-5 years \$'000	More than 5 years \$'000
<b>Financial assets</b>					
Cash and cash equivalents	6.1	164 075	164 075	-	-
Receivables	6.2	22 219	21 490	729	-
<b>Total financial assets</b>		<b>186 294</b>	<b>185 565</b>	<b>729</b>	<b>-</b>
<b>Financial liabilities</b>					
Payables	7.1	23 254	23 254	-	-
<b>Total financial liabilities</b>		<b>23 254</b>	<b>23 254</b>	<b>-</b>	<b>-</b>

Category of financial asset and financial liability	Note	Carrying amount / fair value \$'000	2018 Contractual maturities		
			Within 1 year \$'000	1-5 years \$'000	More than 5 years \$'000
<b>Financial assets</b>					
Cash and cash equivalents	6.1	227 967	227 967	-	-
Receivables	6.2	36 495	20 595	7 538	8 362
<b>Total financial assets</b>		<b>264 462</b>	<b>248 562</b>	<b>7 538</b>	<b>8 362</b>
<b>Financial liabilities</b>					
Payables	7.1	83 915	83 915	-	-
<b>Total financial liabilities</b>		<b>83 915</b>	<b>83 915</b>	<b>-</b>	<b>-</b>

***Receivables and payables***

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

The receivables amount disclosed here excludes prepayments as they are not financial assets.

**Department of Human Services  
(DHS)**

**Administered Financial Statements**

For the year ended 30 June 2019



**Department of Human Services**  
**Statement of Administered Comprehensive Income**  
*for the year ended 30 June 2019*

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	Note	2019 \$'000	2018 \$'000
<b>Administered expenses</b>			
Employee benefits expenses		372	605
Supplies and services		1 807	1 970
Depreciation and amortisation		2 534	2 531
Grants, subsidies and client payments	A4.1	190 215	201 702
Client Trust payments	A7.2	11 945	12 833
<b>Total administered expenses</b>		<b>206 873</b>	<b>219 641</b>
<b>Administered income</b>			
Revenues from SA Government		184 530	196 450
Grants and contributions		10 639	10 660
Fees and charges		491	1 211
Interest		322	342
Client Trust receipts	A7.2	11 606	12 512
Other revenues		379	385
<b>Total administered income</b>		<b>207 967</b>	<b>221 560</b>
<b>Net result</b>		<b>1 094</b>	<b>1 919</b>
<b>Other comprehensive income</b>			
Net gain/(loss) on revaluation of property, plant and equipment		3 072	-
<b>Total other comprehensive income</b>		<b>3 072</b>	<b>-</b>
<b>Total comprehensive result</b>		<b>4 166</b>	<b>1 919</b>

The accompanying notes form part of these financial statements.

**Department of Human Services**  
**Statement of Administered Financial Position**  
*as at 30 June 2019*

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	<b>Note</b>	<b>2019 \$'000</b>	<b>2018 \$'000</b>
<b>Administered current assets</b>			
Cash and cash equivalents	A6.1	74 294	70 642
Receivables		39	30
<b>Total current assets</b>		<b>74 333</b>	<b>70 672</b>
<b>Administered non-current assets</b>			
Property, plant and equipment	A5.1	25 409	24 817
Investment property	A5.2	1 400	1 400
Capital works in progress	A5.3	-	39
Intangible assets	A5.4	1	5
<b>Total non-current assets</b>		<b>26 810</b>	<b>26 261</b>
<b>Total assets</b>		<b>101 143</b>	<b>96 933</b>
<b>Administered current liabilities</b>			
Payables		10 485	10 448
Employee benefits		7	-
<b>Total current liabilities</b>		<b>10 492</b>	<b>10 448</b>
<b>Total liabilities</b>		<b>10 492</b>	<b>10 448</b>
<b>Net assets</b>		<b>90 651</b>	<b>86 485</b>
<b>Administered equity</b>			
Retained earnings		60 096	59 002
Asset revaluation surplus		30 555	27 483
<b>Total equity</b>		<b>90 651</b>	<b>86 485</b>

The accompanying notes form part of these financial statements.



**Department of Human Services**  
**Statement of Administered Cash Flows**  
*as at 30 June 2019*

		<b>2019</b>	<b>2018</b>
		<b>Inflows</b>	<b>Inflows</b>
		<b>(Outflows)</b>	<b>(Outflows)</b>
	<b>Note</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Cash flows from operating activities</b>			
<b>Cash outflows</b>			
Employee benefits payments		(366)	(633)
Concessions		(156 533)	(161 421)
Grants, subsidies and client payments		(34 403)	(41 494)
Payments for supplies and services		(1 048)	(3 267)
Client Trust payments		(11 955)	(12 707)
<b>Cash used in operations</b>		<b>(204 305)</b>	<b>(219 522)</b>
<b>Cash inflows</b>			
Receipts from SA Government		184 530	196 450
Fees and charges		492	1 239
Grants and contributions		10 639	10 660
Interest received		322	341
Client Trust receipts		11 606	12 512
Other receipts		379	385
<b>Cash generated from operations</b>		<b>207 968</b>	<b>221 587</b>
<b>Net cash provided by / used in operating activities</b>	<b>A7.1</b>	<b>3 663</b>	<b>2 065</b>
<b>Cash flows from investing activities</b>			
<b>Cash outflows</b>			
Purchase of property, plant and equipment		(11)	-
<b>Cash used in investing activities</b>		<b>(11)</b>	<b>-</b>
<b>Net cash provided by / used in investing activities</b>		<b>(11)</b>	<b>-</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>		<b>3 652</b>	<b>2 065</b>
Cash and cash equivalents at the beginning of the period		70 642	68 577
<b>Cash and cash equivalents at the end of the period</b>	<b>A6.1</b>	<b>74 294</b>	<b>70 642</b>

The accompanying notes form part of these financial statements.

**Department of Human Services**  
**Disaggregated Administered Statement of Comprehensive Income**  
*for the year ended 30 June 2019*

	<b>Gambler's Rehabilitation Fund</b>		<b>Charitable Social Welfare Fund</b>		<b>Home for Incurables Trust</b>		<b>Disability Services Donations and Bequests</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Administered expenses</b>								
Employee benefits expenses	-	-	-	-	-	-	-	-
Supplies and services	1 216	1 257	130	160	223	293	80	143
Depreciation and amortisation	4	5	-	-	2 530	2 526	-	-
Grants, subsidies and client payments	6 084	5 835	3 573	4 269	496	482	-	-
Client Trust payments	-	-	-	-	-	-	-	-
<b>Total administered expenses</b>	<b>7 304</b>	<b>7 097</b>	<b>3 703</b>	<b>4 429</b>	<b>3 249</b>	<b>3 301</b>	<b>80</b>	<b>143</b>
<b>Administered income</b>								
Revenues from SA Government	444	374	-	-	-	-	-	-
Grants and contributions	6 355	6 361	4 000	4 000	-	-	-	-
Fees and charges	84	42	53	338	332	354	-	-
Interest	17	18	-	-	52	59	3	5
Client Trust receipts	-	-	-	-	-	-	-	-
Other revenues	378	371	-	-	1	-	-	2
<b>Total administered income</b>	<b>7 278</b>	<b>7 166</b>	<b>4 053</b>	<b>4 338</b>	<b>385</b>	<b>413</b>	<b>3</b>	<b>7</b>
<b>Net result</b>	<b>(26)</b>	<b>69</b>	<b>350</b>	<b>(91)</b>	<b>(2 864)</b>	<b>(2 888)</b>	<b>(77)</b>	<b>(136)</b>

**Department of Human Services**  
**Disaggregated Administered Statement of Comprehensive Income**  
*for the year ended 30 June 2019*

	Supported Residential Facilities Indemnity Fund		Client Trust Accounts		Minister's Salary		Health and Aged Care Services Donations and Bequests	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
<b>Administered expenses</b>								
Employee benefits expenses	-	-	-	-	372	605	-	-
Supplies and services	-	-	-	-	-	-	20	47
Depreciation and amortisation expenses	-	-	-	-	-	-	-	-
Grants, subsidies and client payments	-	-	-	-	-	-	-	-
Client Trust payments	-	-	11 945	12 833	-	-	-	-
<b>Total administered expenses</b>	-	-	<b>11 945</b>	<b>12 833</b>	<b>372</b>	<b>605</b>	<b>20</b>	<b>47</b>
<b>Administered income</b>								
Revenues from SA Government	-	-	-	-	365	605	-	-
Grants and contributions	-	-	-	-	-	-	-	-
Fees and charges	-	-	-	-	-	-	-	-
Interest	1	1	239	249	-	-	8	8
Client Trust receipts	-	-	11 606	12 512	-	-	-	-
Other revenues	-	-	-	-	-	-	-	11
<b>Total administered income</b>	<b>1</b>	<b>1</b>	<b>11 845</b>	<b>12 761</b>	<b>365</b>	<b>605</b>	<b>8</b>	<b>19</b>
<b>Net result</b>	<b>1</b>	<b>1</b>	<b>(100)</b>	<b>(72)</b>	<b>(7)</b>	<b>-</b>	<b>(12)</b>	<b>(28)</b>

**Department of Human Services**  
**Disaggregated Administered Statement of Comprehensive Income**  
*for the year ended 30 June 2019*

	<b>Concessions</b>		<b>Community Service Obligations</b>		<b>State Emergency Relief Fund</b>		<b>Duke of Edinburgh Trust</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Administered expenses</b>								
Employee benefits expenses	-	-	-	-	-	-	-	-
Supplies and services	-	4	-	-	-	-	-	-
Depreciation and amortisation expenses	-	-	-	-	-	-	-	-
Grants, subsidies and client payments	155 810	160 602	18 995	24 952	-	-	-	23
Client Trust payments	-	-	-	-	-	-	-	-
<b>Total administered expenses</b>	<b>155 810</b>	<b>160 606</b>	<b>18 995</b>	<b>24 952</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>23</b>
<b>Administered income</b>								
Revenues from SA Government	161 343	166 010	19 646	25 571	-	-	-	-
Grants and contributions	-	22	-	-	-	-	-	-
Fees and charges	-	444	-	-	-	-	-	-
Interest	-	-	-	-	2	2	-	-
Client Trust receipts	-	-	-	-	-	-	-	-
Other revenues	-	-	-	-	-	1	-	-
<b>Total administered income</b>	<b>161 343</b>	<b>166 476</b>	<b>19 646</b>	<b>25 571</b>	<b>2</b>	<b>3</b>	<b>-</b>	<b>-</b>
<b>Net result</b>	<b>5 533</b>	<b>5 870</b>	<b>651</b>	<b>619</b>	<b>2</b>	<b>3</b>	<b>-</b>	<b>(23)</b>

**Department of Human Services**  
**Disaggregated Administered Statement of Comprehensive Income**  
*for the year ended 30 June 2019*

	Personal Alert Systems Rebate Scheme		Consumer Advocacy & Research Fund		Homelessness Social Impact Bond		Total	
	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000	2019 \$'000	2018 \$'000
<b>Administered expenses</b>								
Employee benefits expenses	-	-	-	-	-	-	372	605
Supplies and services	-	-	138	66	-	-	1 807	1 970
Depreciation and amortisation	-	-	-	-	-	-	2 534	2 531
Grants, subsidies and client payments	4 918	4 083	339	256	-	1 200	190 215	201 702
Client Trust payments	-	-	-	-	-	-	11 945	12 833
<b>Total administered expenses</b>	<b>4 918</b>	<b>4 083</b>	<b>477</b>	<b>322</b>	<b>-</b>	<b>1 200</b>	<b>206 873</b>	<b>219 641</b>
<b>Administered income</b>								
Revenues from SA Government	2 732	2 690	-	-	-	1 200	184 530	196 450
Grants and contributions	-	-	284	277	-	-	10 639	10 660
Fees and charges	19	33	3	-	-	-	491	1 211
Interest	-	-	-	-	-	-	322	342
Client Trust receipts	-	-	-	-	-	-	11 606	12 512
Other revenues	-	-	-	-	-	-	379	385
<b>Total administered income</b>	<b>2 751</b>	<b>2 723</b>	<b>287</b>	<b>277</b>	<b>-</b>	<b>1 200</b>	<b>207 967</b>	<b>221 560</b>
<b>Net result</b>	<b>(2 167)</b>	<b>(1 360)</b>	<b>(190)</b>	<b>(45)</b>	<b>-</b>	<b>-</b>	<b>1 094</b>	<b>1 919</b>

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

**Department of Human Services**  
**Notes to and forming part of the Administered financial statements**  
*for the year ended 30 June 2019*

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**NOTES TO THE FINANCIAL STATEMENTS**

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**Department of Human Services**  
**Notes to and forming part of the Administered financial statements**  
*for the year ended 30 June 2019*

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**A1. Basis of preparation**

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

**A2. Objectives/activities of the department's administered items**

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

- Client Trust Accounts
- Charitable and Social Welfare Fund (Previously referred to as Community Benefit SA Program)
- Community Service Obligations\*
- Concessions
- Consumer Advocacy & Research Fund
- Disability Services Donations and Bequests
- Duke of Edinburgh Trust\*\*
- Gambler's Rehabilitation Fund
- Health and Aged Care Services Donations and Bequests
- Home for Incurables Trust\*\*\*
- Homelessness Social Impact Bond\*\*\*\*
- Minister's Salary
- Personal Alert Systems Rebate Scheme
- State Emergency Relief Fund
- Supported Residential Facilities Indemnity Fund

\* A portion of Community Service Obligations relating to HomeStart, transferred to the SA Housing Authority (SAHA) during 2018-19. The department continues to administer Community Service Obligations for water and sewerage concessions.

\*\* The Duke of Edinburgh Trust transitioned to the Friends of the Duke of Edinburgh Award in Australia Incorporated on 30 June 2018. This administered item has been disclosed for comparative purposes only.

\*\*\* Effective 1 July 2007, the Minister for Human Services became the trustee of the Home for Incurables Trust by virtue of the vesting of assets and liabilities of the former Julia Farr Services (JFS). Separate financial information pertaining to the Home for Incurables Trust is in note A10.

\*\*\*\* The Homelessness Social Impact Bond transferred to the SAHA during 2018-19.

**Department of Human Services**  
**Notes to and forming part of the Administered financial statements**  
*for the year ended 30 June 2019*

**A3. Budget performance**

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

	<b>Original budget 2019 \$'000</b>	<b>Actual 2019 \$'000</b>	<b>Variance \$'000</b>
<b>Statement of Comprehensive Income</b>			
<b>Administered expenses</b>			
Employee benefits expenses	364	372	8
Supplies and services	1 289	1 807	518
Depreciation and amortisation	2 530	2 534	4
Grants, subsidies and client payments	202 698	190 215	(12 483)
Client Trust payments	15 842	11 945	(3 897)
<b>Total administered expenses</b>	<b>222 723</b>	<b>206 873</b>	<b>(15 850)</b>
<b>Administered income</b>			
Revenues from SA Government	192 650	184 530	(8 120)
Grants and contributions	10 639	10 639	-
Fees and charges	496	491	(5)
Interest	443	322	(121)
Client Trust receipts	15 497	11 606	(3 891)
Other revenues	395	379	(16)
<b>Total administered income</b>	<b>220 120</b>	<b>207 967</b>	<b>(12 153)</b>
<b>Net result</b>	<b>(2 603)</b>	<b>1 094</b>	<b>3 697</b>
<b>Other comprehensive income</b>			
Net gain/(loss) on revaluation of property, plant and equipment	-	3 072	3 072
<b>Total other comprehensive income</b>	<b>-</b>	<b>3 072</b>	<b>3 072</b>
<b>Total comprehensive result</b>	<b>(2 603)</b>	<b>4 166</b>	<b>6 769</b>

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

	<b>Original budget 2019 \$'000</b>	<b>Actual 2019 \$'000</b>	<b>Variance \$'000</b>
<b>Investing expenditure summary</b>			
Total existing programs	-	11	11
<b>Total investing expenditure</b>	<b>-</b>	<b>11</b>	<b>11</b>

- a) The total existing project expenditure was higher than original budget primarily due to works undertaken as part of the upgrade of Highgate Park. A budget carryover transferred funds from 2017-18 to fund these works.



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**A4. Expenses**

**A4.1 Grants, subsidies and client payments**

		<b>2019</b>	<b>2018</b>
	<b>Note</b>	<b>\$'000</b>	<b>\$'000</b>
Gamblers Rehabilitation		6 084	5 835
Charitable Social Welfare Fund		3 573	4 269
Home for Incurables Trust		496	482
Duke of Edinburgh Trust		-	23
Concessions	A4.2	155 810	160 602
Community Service Obligations		18 995	24 952
Personal Alert Systems Rebate Scheme		4 918	4 083
Consumer Advocacy & Research Fund		339	256
Homelessness Social Impact Bond		-	1 200
<b>Total grants, subsidies and client payments</b>		<b>190 215</b>	<b>201 702</b>

**A4.2 Concessions**

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
Water and sewerage rates	51 357	50 621
Energy	40 478	38 729
Transport	29 317	31 526
Emergency Services Levy*	-	6 479
Cost of Living	32 641	31 239
Emergency electricity payments	367	403
Other	1 650	1 605
<b>Total concessions</b>	<b>155 810</b>	<b>160 602</b>

\* Expenditure for the Emergency Services Levy remission transferred to the Department of Treasury and Finance in 2018-19.

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**A5. Non-financial assets**

**A5.1 Property, plant and equipment**

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Land and buildings</b>		
Land at fair value	11 250	11 250
Buildings and improvements at fair value	12 002	15 731
Accumulated depreciation - buildings and improvements	-	(4 542)
Carpark at fair value	12	-
Accumulated depreciation - carpark	(12)	-
<b>Total land and buildings</b>	<b>23 252</b>	<b>22 439</b>
<b>Plant and equipment</b>		
Plant and equipment at cost (deemed fair value)	2 873	2 824
Accumulated depreciation	(716)	(446)
<b>Total plant and equipment</b>	<b>2 157</b>	<b>2 378</b>
<b>Total property, plant and equipment</b>	<b>25 409</b>	<b>24 817</b>

An independent desktop valuation of land and buildings was performed as at 30 June 2019. The results of the revaluation were processed for Administered buildings as the results were deemed to have a material impact. The results for Administered land were deemed immaterial and was not processed.

The following table shows the movement of land, buildings and improvements and plant and equipment during 2018-19:

	<b>Land</b>	<b>Buildings and improvements</b>	<b>Plant and equipment</b>	<b>Total</b>
<b>2019</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Carrying amount at the beginning of period	11 250	11 189	2 378	24 817
Depreciation	-	(2 259)	(271)	(2 530)
Net revaluation increment/(decrement)	-	3 072	-	3 072
Transfers from capital works in progress	-	-	50	50
<b>Carrying amount at the end of period</b>	<b>11 250</b>	<b>12 002</b>	<b>2 157</b>	<b>25 409</b>

The following table shows the movement of land, buildings and improvements and plant and equipment during 2017-18:

	<b>Land</b>	<b>Buildings and improvements</b>	<b>Plant and equipment</b>	<b>Total</b>
<b>2018</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Carrying amount at the beginning of period	11 250	13 449	2 644	27 343
Depreciation	-	(2 260)	(266)	(2 526)
<b>Carrying amount at the end of period</b>	<b>11 250</b>	<b>11 189</b>	<b>2 378</b>	<b>24 817</b>

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**A5.2 Investment property**

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
Investment building	600	600
<b>Fair value at the end of the period</b>	<b>600</b>	<b>600</b>
	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
Investment land	800	800
<b>Fair value at the end of the period</b>	<b>800</b>	<b>800</b>
<b>Total investment property at the end of the period</b>	<b>1 400</b>	<b>1 400</b>

The investment property is held to earn rental income and/or for capital appreciation. The investment property is initially recognised at cost. Costs incurred subsequent to initial acquisition are capitalised when it is probable that future economic benefits in excess of the originally assessed performance of the asset will flow to the department.

Subsequent to initial recognition at cost, the investment property is revalued to fair value with changes in the fair value recognised as income or expense in the period that they arise. An independent desktop valuation of the investment property was performed at 30 June 2019. The results of the valuation were considered to have an immaterial impact and were not processed. The investment property is not depreciated however is tested for impairment.

Rental income from the leasing of the investment property is recognised in the Statement of Comprehensive Income as part of other revenue, on a straight line basis over the lease term.

The following table shows the movement of investment property during 2018-19:

	<b>Investment land</b>	<b>Investment building</b>	<b>Total</b>
<b>2019</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Carrying amount at the beginning of the period	800	600	1 400
<b>Carrying amount at the end of the period</b>	<b>800</b>	<b>600</b>	<b>1 400</b>

The following table shows the movement of investment property during 2017-18:

	<b>Investment land</b>	<b>Investment building</b>	<b>Total</b>
<b>2018</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Carrying amount at the beginning of the period	800	600	1 400
<b>Carrying amount at the end of the period</b>	<b>800</b>	<b>600</b>	<b>1 400</b>

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**A5.3 Capital works in progress**

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
Capital works in progress	-	39
<b>Total capital works in progress</b>	<b>-</b>	<b>39</b>

The following table shows the movement of capital works in progress during 2018-19:

	<b>Capital works in progress</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>2019</b>		
Carrying amount at the beginning of the period	39	39
Purchases	11	11
Transfers to completed works	(50)	(50)
<b>Carrying amount at the end of the period</b>	<b>-</b>	<b>-</b>

The following table shows the movement of capital works in progress during 2017-18:

	<b>Capital works in progress</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>2018</b>		
Carrying amount at the beginning of the period	-	-
Purchases	39	39
<b>Carrying amount at the end of the period</b>	<b>39</b>	<b>39</b>

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**A5.4 Intangible assets**

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
Purchase computer software	40	40
Accumulated amortisation	(39)	(35)
<b>Total intangible assets</b>	<b>1</b>	<b>5</b>

The following table shows the movement in intangible assets:

	<b>Computer software</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>2019</b>		
Carrying amount at the beginning of period	5	5
Amortisation	(4)	(4)
<b>Carrying amount at the end of period</b>	<b>1</b>	<b>1</b>

	<b>Computer software</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>2018</b>		
Carrying amount at the beginning of period	10	10
Amortisation	(5)	(5)
<b>Carrying amount at the end of period</b>	<b>5</b>	<b>5</b>

**A.6. Financial assets**

**A6.1 Cash and cash equivalents**

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
Special deposit account with the Treasurer	58 473	54 756
Deposit account with SAFA	14 725	14 850
Other deposits	1 096	1 036
<b>Total cash and cash equivalents</b>	<b>74 294</b>	<b>70 642</b>

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**A7. Other disclosures**

**A7.1 Cash flow reconciliation**

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Reconciliation of cash and cash equivalents at the end of the reporting period</b>		
Cash and cash equivalents disclosed in the Statement of Financial Position	74 294	70 642
Balance as per the Statement of Cash Flows	74 294	70 642
<b>Reconciliation of net cash provided by / (used in) operating activities to net cost of providing services</b>		
Net cash provided by/(used in) operating activities	3 663	2 065
Less revenues from SA Government	(184 530)	(196 450)
<b>Add / less non-cash items</b>		
Depreciation and amortisation	(2 534)	(2 531)
<b>Movement in assets and liabilities</b>		
Increase/(decrease) in receivables	9	(159)
Increase/ (decrease) in other assets	-	39
(Increase)/decrease in payables	(37)	2 505
(Increase)/decrease in employee benefits	(7)	-
<b>Net cost of providing services</b>	<b>(183 436)</b>	<b>(194 531)</b>

**A7.2 Client Trust accounts**

The department acts as trustee of client trust accounts, including clients of the former Intellectual Disability Services Council Incorporated (IDSC) and the former JFS. These amounts cannot be used by the department to achieve its own objectives, and accordingly are not included in the controlled financial statements. Client Trust receipts include interest revenue of \$0.239 million (2018: \$0.249 million).

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
Opening balance at the beginning of the period	13 851	13 923
Add receipts	11 845	12 761
Less expenses	(11 945)	(12 833)
<b>Closing balance at the end of the period</b>	<b>13 751</b>	<b>13 851</b>

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**A7.3 Disability Services donations and bequests**

The department receives and administers donations and bequests held by Disability Services. Both donations and bequests must be used to benefit the community and public and cannot be used by the department to achieve its own objectives.

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
Opening balance at the beginning of the period	257	393
Add receipts	3	7
Less expenses	(80)	(143)
<b>Closing balance at the end of the period</b>	<b>180</b>	<b>257</b>

**A7.4 Health and Aged Care Services donations and bequests**

Donations and bequests must be used to benefit the community and public and cannot be used by the department to achieve its own objectives.

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
Opening balance at the beginning of the period	563	591
Add receipts	8	19
Less expenses	(20)	(47)
<b>Closing balance at the end of the period</b>	<b>551</b>	<b>563</b>

**A7.5 Duke of Edinburgh Trust**

This account was established to support the delivery of the Duke of Edinburgh Award. The department no longer manages the delivery of the Award and transferred the remaining administration of funds to a non-government organisation to support disadvantaged South Australians to participate in the Duke of Edinburgh's Award program.

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
Opening balance at the beginning of the period	-	23
Less expenses	-	(23)
<b>Closing balance at the end of the period</b>	<b>-</b>	<b>-</b>

The Duke of Edinburgh Trust was transitioned to the Friends of the Duke of Edinburgh Award in Australia Incorporated on 30 June 2018. This administered item has been disclosed for comparative purposes only.

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**A7.6 Consumer Advocacy & Research Fund**

The Consumer Advocacy & Research Fund (the Fund) was established under the *Water Industry Act 2012* part 10, section 87. The Fund commenced on 1 July 2012 and supports research or advocacy that promotes the interests of consumers with a disability, on a low income or located in a regional area of the state.

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
Opening balance at the beginning of the period	425	470
Add receipts	287	277
Less expenses	(477)	(322)
<b>Closing balance at the end of the period</b>	<b>235</b>	<b>425</b>

**A7.7 State Emergency Relief Fund**

The State Emergency Relief Fund (the Fund) is established as part of the *Emergency Management Act 2004*. The Fund's main purpose is to provide financial support for the relief of persons who suffer injury, loss or damage as a result of a declared emergency within South Australia.

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
Opening balance at the beginning of the period	68	65
Add receipts	2	3
<b>Closing balance at the end of the period</b>	<b>70</b>	<b>68</b>

**A7.8 Supported Residential Facilities Indemnity Fund**

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
Opening balance at the beginning of the period	49	48
Add receipts	1	1
<b>Closing balance at the end of the period</b>	<b>50</b>	<b>49</b>

This note has been prepared to meet the requirements of section 56 (11) of the *Supported Residential Facilities Act 1992* in reporting upon the operations of the Supported Residential Facilities Indemnity Fund (the Fund).



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**A8. Measurement and risk**

**A8.1 Fair value**

The fair value of non-financial assets must be estimated for recognition and measurement or for disclosure purposes. The department 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 three levels.

The department had no valuations categorised into level 1.

There have been no transfers of assets between level 2 and 3 fair value hierarchy levels in 2019 or 2018. The department's policy is to recognise transfers into and out of fair value hierarchy levels as at the end of the reporting period.

**Fair value measurement as at 30 June 2019**

	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Recurring fair value measurements</b>			
Land	11 250	-	11 250
Buildings	12 002	-	12 002
Plant and equipment	-	2 157	2 157
Investment property	1 400	-	1 400
<b>Total recurring fair value measurements</b>	<b>24 652</b>	<b>2 157</b>	<b>26 809</b>
<b>Total fair value measurements</b>	<b>24 652</b>	<b>2 157</b>	<b>26 809</b>

**Fair value measurement as at 30 June 2018**

	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Recurring fair value measurements</b>			
Land	11 250	-	11 250
Buildings	11 189	-	11 189
Plant and equipment	-	2 378	2 378
Investment property	1 400	-	1 400
<b>Total recurring fair value measurements</b>	<b>23 839</b>	<b>2 378</b>	<b>26 217</b>
<b>Total fair value measurements</b>	<b>23 839</b>	<b>2 378</b>	<b>26 217</b>

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**A8. Measurement and risk (continued)**

**Valuation techniques and inputs**

There were no changes in valuation techniques during 2018-19.

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

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

	<b>Plant and equipment</b>
	<b>\$'000</b>
<b>Opening balance at the beginning of the period</b>	2 378
Transfers (to)/from capital works in progress	50
<b>Gains/(losses) for the period recognised in net result:</b>	
Depreciation	(271)
<b>Total gains/(losses) recognised in net result</b>	(271)
<b>Carrying amount at the end of the period</b>	<b>2 157</b>

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

	<b>Plant and equipment</b>
	<b>\$'000</b>
<b>Carrying amount at the beginning of the period</b>	2 644
<b>Gains/(losses) for the period recognised in net result:</b>	
Depreciation	(266)
<b>Total gains/(losses) recognised in net result</b>	(266)
<b>Carrying amount at the end of the period</b>	<b>2 378</b>

**A9. Outlook**

**A9.1 Contingent assets and liabilities**

The department is not aware of any contingent assets or liabilities.

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**A10. Home for Incurables Trust**

As part of wide ranging reforms relating to the delivery of disability services by the department, effective 1 July 2007, JFS was dissolved and all assets and liabilities vested in or held by JFS were transferred or assigned or vested with the Minister for Human Services. Certain assets held by the former JFS are subject to the terms and conditions of the Home for Incurables Trust. The original Trust was established in June 1879 and was varied by the Supreme Court on 7 November 1997.

The former Board of JFS was trustee of the Home for Incurables Trust and on dissolution, the Board of JFS resolved to resign as trustee of the Home for Incurables Trust. The Minister for Human Services is the trustee for the Home for Incurables Trust.

The role of the Trust is " ... *to apply property vested in it for the purpose of providing for persons whose ability to live independently is temporarily or permanently impaired or in jeopardy as a consequence of an acquired brain injury or degenerative neurological condition or a physical condition resulting in disability including but not limiting the foregoing in any way whatsoever, the following services and facilities;*

*(a) by providing for them, in a variety of residential, centre and community based settings*

*(i) accommodation*

*(ii) nursing, medical, allied health and attendant care service*

*(iii) personal and community support services*

*(iv) technical and personal support aids*

*(v) rehabilitation, respite and recreational services*

*(vi) out-patient and day care services*

*(vii) measures and services to enhance their quality of life*

*(b) by providing facilities for education research with respect to such persons*

*(c) by providing any services and facilities ancillary or in relation to the foregoing or by providing additional services and facilities that may be appropriate from time to time."*

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**A10. Home for Incurables Trust (continued)**

The following income, expenses, assets and liabilities of the Home for Incurables Trust have been included in the administered items financial statements but are separately disclosed in the following schedules in accordance with the governance requirements of the Trust.

<b>Schedule of Expenses and Income - Home for Incurables Trust</b> for the year ended 30 June 2019	<b>2019</b> <b>\$'000</b>	<b>2018</b> <b>\$'000</b>
<b>Expenses</b>		
Supplies and services	223	293
Depreciation and amortisation	2 530	2 526
Grants, subsidies and client payments	496	482
<b>Total expenses</b>	<b>3 249</b>	<b>3 301</b>
<b>Income</b>		
Rental income	332	354
Interest	52	59
<b>Total income</b>	<b>384</b>	<b>413</b>
<b>Net result</b>	<b>(2 865)</b>	<b>(2 888)</b>
<b>Total comprehensive result</b>	<b>(2 865)</b>	<b>(2 888)</b>

<b>Schedule of Financial Position - Home for Incurables Trust</b> as at 30 June 2019	<b>2019</b> <b>\$'000</b>	<b>2018</b> <b>\$'000</b>
<b>Current assets</b>		
Special deposits with the Treasurer	728	1 160
Deposits with SAFA	2 070	2 035
Receivables	10	-
<b>Total current assets</b>	<b>2 808</b>	<b>3 195</b>
<b>Non-current assets</b>		
Property, plant and equipment	25 409	24 817
Investment property	1 400	1 400
Capital works in progress	-	39
<b>Total non-current assets</b>	<b>26 809</b>	<b>26 256</b>
<b>Total assets</b>	<b>29 617</b>	<b>29 451</b>
<b>Current liabilities</b>		
Payables	6	47
<b>Total current liabilities</b>	<b>6</b>	<b>47</b>
<b>Total liabilities</b>	<b>6</b>	<b>47</b>
<b>Net assets</b>	<b>29 611</b>	<b>29 404</b>

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**A10. Home for Incurables Trust (continued)**

<b>Schedule of Changes in Equity - Home for Incurables Trust</b> for the year ended 30 June 2019	<b>Asset revaluation surplus</b> \$'000	<b>Retained earnings</b> \$'000	<b>Total equity</b> \$'000
<b>Balance at 30 June 2017</b>	27 483	4 809	32 292
Net result for 2017-18	-	(2 888)	(2 888)
<b>Total comprehensive result for 2017-18</b>	-	<b>(2 888)</b>	<b>(2 888)</b>
<b>Balance at 30 June 2018</b>	<b>27 483</b>	<b>1 921</b>	<b>29 404</b>
Net result for 2018-19	-	(2 865)	(2 865)
Net gain/(loss) on revaluation of property, plant and equipment	3 072	-	3 072
<b>Total comprehensive result for 2018-19</b>	<b>3 072</b>	<b>(2 865)</b>	<b>207</b>
<b>Balance at 30 June 2019</b>	<b>30 555</b>	<b>(944)</b>	<b>29 611</b>

<b>Schedule of Administered Cash Flows - Home for Incurables Trust</b> for the year ended 30 June 2019	<b>2019 Inflows (Outflows) \$'000</b>	<b>2018 Inflows (Outflows) \$'000</b>
<b>Cash flows from operating activities</b>		
<b>Cash outflows</b>		
Supplies and services	(265)	(285)
Grants, subsidies and client payments	(496)	(482)
<b>Cash used in operations</b>	<b>(761)</b>	<b>(767)</b>
<b>Cash inflows</b>		
Interest revenue	52	58
Rental revenue	320	480
Other receipts	3	-
<b>Cash generated from operations</b>	<b>375</b>	<b>538</b>
<b>Net cash provided by / (used in) operating activities</b>	<b>(386)</b>	<b>(229)</b>
<b>Cash flows from investing activities</b>		
<b>Cash outflows</b>		
Payments for plant, equipment and investments	(11)	-
<b>Cash used in investing activities</b>	<b>(11)</b>	<b>-</b>
<b>Net cash provided by / (used in) investing activities</b>	<b>(11)</b>	<b>-</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>(397)</b>	<b>(229)</b>
Cash and cash equivalents at the beginning of the reporting period	3 195	3 424
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>2 798</b>	<b>3 195</b>

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**A10. Home for Incurables Trust (continued)**

**Accounting policies**

*Cash and cash equivalents*

Cash and cash equivalents as reported in the Schedule of Assets and Liabilities - Home for Incurables Trust includes cash on hand, deposits held at call and other short-term, highly liquid investments with maturities of three months or less that are readily convertible to cash and which are subject to insignificant risk of changes in value. Cash is measured at nominal value.

**Reconciliation of property, plant and equipment - Home for Incurables Trust**

<b>Property, plant and equipment</b>	<b>2019 \$'000</b>	<b>2018 \$'000</b>
<b>Land and buildings</b>		
Land at fair value	11 250	11 250
Buildings and improvements at fair value	12 002	15 731
Accumulated depreciation - buildings and improvements	-	(4 542)
Carpark at fair value	12	-
Accumulated depreciation - carpark	(12)	-
<b>Total land and buildings</b>	<b>23 252</b>	<b>22 439</b>
<b>Property, plant and equipment</b>		
Other plant and equipment at cost (deemed fair value)	2 873	2 824
Accumulated depreciation - other plant and equipment at cost	(716)	(446)
<b>Total plant and equipment</b>	<b>2 157</b>	<b>2 378</b>
<b>Total property, plant and equipment</b>	<b>25 409</b>	<b>24 817</b>

**Department of Human Services**  
**Notes to and forming part of the Administered financial statements**  
*for the year ended 30 June 2019*

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**A10. Home for Incurables Trust (continued)**

**Reconciliation of land, buildings, plant and equipment - Home for Incurables Trust**

The following table shows the movement of land, buildings and improvements and plant and equipment for the Home for Incurables Trust during 2018-19:

	<b>Land</b>	<b>Buildings and improvements</b>	<b>Plant and equipment</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Carrying amount at the beginning of the period	11 250	11 189	2 378	24 817
Depreciation and amortisation for the period	-	(2 259)	(271)	(2 530)
Revaluation increment/(decrement)	-	3 072	-	3 072
Transfers from work in progress	-	-	50	50
<b>Carrying amount at the end of the period</b>	<b>11 250</b>	<b>12 002</b>	<b>2 157</b>	<b>25 409</b>

The following table shows the movement of land, buildings and improvements and plant and equipment for the Home for Incurables Trust during 2017-18:

	<b>Land</b>	<b>Buildings and improvements</b>	<b>Plant and equipment</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Carrying amount at the beginning of the period	11 250	13 449	2 644	27 343
Depreciation and amortisation for the period	-	(2 260)	(266)	(2 526)
<b>Carrying amount at the end of the period</b>	<b>11 250</b>	<b>11 189</b>	<b>2 378</b>	<b>24 817</b>

**Department of Human Services**  
**Notes to and forming part of the Administered financial statements**  
*for the year ended 30 June 2019*

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**A10. Home for Incurables Trust (continued)**

**Reconciliation of capital work in progress - Home for Incurables Trust**

The following table shows the movement of capital work in progress for the Home for Incurables Trust during 2018-19:

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
Carrying amount at the beginning of the year	39	-
Purchases	11	39
Transfers to completed works	(50)	-
<b>Total capital work in progress</b>	<b>-</b>	<b>39</b>

**Investment property - Home for Incurables Trust**

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
Investment building	600	600
<b>Fair value at the end of the period</b>	<b>600</b>	<b>600</b>

	<b>2019</b>	<b>2018</b>
	<b>\$'000</b>	<b>\$'000</b>
Investment land	800	800
<b>Fair value at the end of the period</b>	<b>800</b>	<b>800</b>

<b>Total investment property at the end of the period</b>	<b>1 400</b>	<b>1 400</b>
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