



**Government
of South Australia**

Department of Human Services

Department of Human Services

2017-18 Annual Report

Department of Human Services

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To:

Hon Michelle Lensink MLC

Minister for Human Services

This annual report is to be presented to Parliament to meet the statutory reporting requirements of the *Public Sector Act 2009*, *Public Finance and Audit Act 1987* and other legislation as required, and meets the requirements of Premier and Cabinet Circular *PC013 Annual Reporting*.

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

Submitted on behalf of the Department of Human Services by:

Lois Boswell

Acting Chief Executive



28 September 2018

Signature

Date

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

Agency purpose or role

The Department of Human Services (DHS) delivers and funds quality services that protect and enhance the community's wellbeing, provides support to people when they need it, and supports an inclusive South Australia.

The department brings together a range of services, funding and policy responsibilities. These include community services and grant programs that improve the lives of individuals and families; concessions and financial resilience programs; youth justice; and employment screening services. The department has lead responsibility for implementing the Government's commitments to advance women's equality and reduce violence against women; and to support a safe and successful transition to the National Disability Insurance Scheme. DHS also has lead policy responsibility in relation to youth, volunteers and carers, and coordinates disaster relief and recovery.

The department was also responsible for Multicultural SA and the delivery of social housing and homelessness services, prior to the machinery of government changes commencing 1 July 2018.

Objectives

DHS has three strategic objectives:

- Support independence and participation
- Make our communities stronger
- Provide the best services.

Key strategies and their relationship to SA Government objectives

Key strategy	SA Government objective
Transition management of Domiciliary Care and State Government disability services to the non-government sector and implement changes in departmental functions and staffing; develop a Disability Inclusion Act.	Support national reforms to disability and aged care and meet obligations under the Bilateral Agreement for Full Scheme Implementation of the National Disability Insurance Scheme (NDIS) to achieve a successful transition to the NDIS in South Australia.

Key strategy	SA Government objective
Lead implementation of Domestic Violence policies and initiatives including minimum practice standards for perpetrator interventions, host Domestic and Family Violence Roundtables, promote women's equality, provide information and referral services.	Advance equality and safety for women across South Australia; implement the Third Action Plan under the National Plan to Reduce Violence Against Women and their Children.
Uphold the provisions and principles of the <i>Youth Justice Administration Act 2016</i> in all policies and practices to protect and support the rights, wellbeing and rehabilitation of young people.	Provide custodial and community based services to children and young people in the justice system with the aim to reduce reoffending and acknowledge the victims of crime. Support young people to change and positively participate in the community.
Provide affordable living programs and a range of concessions and rebates which provide assistance to people across the community; deliver grants and initiatives which build individual community capacity.	Build resilience and improve outcomes for individuals, families and communities in partnership with key stakeholders including not-for-profit organisations.
Launch the Youth Safety Strategy to keep young people safe from relationship, family and sexual violence.	Keep people and communities safe.
Implement the National Affordable Housing Agreement and National Partnership Agreements on remote housing and homelessness; contribute to establishment of the South Australia Housing Authority as a separate entity from the department.	Provide housing options that are affordable and suitable. This includes social housing, homelessness services and private rental assistance.

Agency programs and initiatives and their effectiveness and efficiency

Program name	Indicators of performance/ effectiveness/ efficiency	Outcome for South Australia
Domiciliary Care	<p>Action: Successful transition of Domiciliary Care to non-government management</p> <p>Outcome: ACHIEVED</p>	<p>The transition of all funded services within Domiciliary Care Services to the Royal District Nursing Services (RDNS) was completed on 29 June 2018. This included the Commonwealth Home Support Programme (CHSP), State Adults with Chronic Conditions program, as well as in-house corporate functions.</p> <p>The move to non-government management will positively shape future services for older people by helping to create a stronger and more diverse sector.</p>

Program name	Indicators of performance/ effectiveness/ efficiency	Outcome for South Australia
Screening Services	<p>Action: Assess 95% of screening applications within 30 business days of receipt</p> <p>Outcome: ACHIEVED</p>	<p>During 2017-18, the DHS Screening Unit received and finalised over 155,000 screening applications. Of these, 95.3% were processed within six weeks of receipt (30 business days) and 85.5% in less than three weeks (15 business days).</p> <p>The efficient processing of screening applications is essential as any unnecessary delays in an applicant receiving a clearance may impact their ability to work, study or volunteer in the community.</p>
South Australian Energy Concession Discount Offer (SACEDO)	<p>Action: Procure a competitive electricity offer for energy concession customers</p> <p>Outcome: ACHIEVED</p>	<p>In 2017, an open market procurement process invited all energy retailers to provide an electricity offer tailored to the needs of South Australian energy concession customers. Origin was selected as the SACEDO supplier on the basis that it offered the best deal overall for many energy concession customers. Independent modelling showed that the offer could deliver households an annual power bill saving of between \$253 and \$531 - compared to the standing energy contract, dependent on individual household circumstances.</p> <p>As at 30 June 2018, approximately 50,000 energy concession customers had taken up the SACEDO - all new energy concession customers are eligible. Some customers have presented the offer to their existing energy retailer and been provided with a comparable energy plan.</p>
Making an Impact: Northern Adelaide	<p>Action: Increase prevention and diversion from the youth justice system for Aboriginal young people and increase community-led solutions</p> <p>Outcome: ONGOING</p>	<p>This initiative aims to reduce the over-representation of Aboriginal and Torres Strait Islander young people in contact with the criminal justice system, and to improve outcomes for Aboriginal young people and increase community safety. A local <i>Aboriginal Youth Justice Action Plan</i> has been developed and implemented, with an initial focus on the northern suburbs of Adelaide.</p> <p>Highlights in 2017-18 include establishment of a grandmothers and carers community action group; the Yunga Nungas Future Leaders trial pilot to create diversionary supports and opportunities, which has contributed to a significant decline in offending by the target group; and establishment of a point of arrest working group to improve diversion outcomes for Aboriginal young people.</p>

Program name	Indicators of performance/ effectiveness/ efficiency	Outcome for South Australia
Ceduna Service Reform	<p>Action: Lead the co-design of an integrated Ceduna community services system to contribute to a reduction in alcohol and other drug related harm.</p> <p>Outcome: ACHIEVED AND ONGOING</p>	<p>Ceduna Service Reform is a co-design initiative to achieve a locally driven, coordinated, proactive and culturally safe system to improve the safety and wellbeing of transient Aboriginal people in and around Ceduna who are affected by drug and alcohol use.</p> <p>Six Ceduna Service Reform data measures relating to alcohol and other drug use and risk behaviours have been monitored since 2015, and show a reduction in alcohol and other drug related harm.</p>
In-Venue Gambling Harm Minimisation Strategy (Phase One)	<p>Action: Develop an In-Venue Gambling Harm Minimisation Strategy</p> <p>Outcome: ACHIEVED</p>	<p>The Office for Problem Gambling, in collaboration with the Independent Gambling Authority, Consumer and Business Services and the gaming industry, have developed a suite of in-venue messaging to support industry to provide assistance to patrons with problematic gambling behaviour.</p> <p>In 2017-18, Phase One of the Strategy was introduced into gaming venues as part of the Gambling Codes of Practice and included posters, brochures and wallet cards. Phase Two will commence in 2018-19, targeting culturally and linguistically diverse gaming patrons.</p>
Domestic Violence Stakeholder Roundtable	<p>Action: Host a domestic violence stakeholder roundtable in the first 30 days of the new government</p> <p>Outcome: ACHIEVED</p>	<p>On 13 April 2018, a Domestic Violence Roundtable was held in Adelaide to discuss the Government's commitments to addressing violence against women. It was an opportunity for participants to discuss their priorities, ideas for reform and other issues related to violence against women. A follow up survey enabled participants to provide further feedback.</p> <p>A second Roundtable was held in Berri on 29 June 2018, with further Roundtables to be held in regional areas of South Australia.</p>
Women's Information Service (WIS) Metro Outreach	<p>Action: Establish WIS satellite services in two Children's Centres (Aldinga Beach and Parafield Gardens)</p> <p>Outcome: ACHIEVED</p>	<p>Locating this volunteer program within Children's Centres enables the WIS to connect with women in their local area and:</p> <ul style="list-style-type: none"> • significantly increases the visibility of the WIS in the community • provides safe locations for women to access vital information • creates professional/personal development opportunities for local women via training and volunteer activities.

Program name	Indicators of performance/ effectiveness/ efficiency	Outcome for South Australia
Adelaide Youth Training Centre - Behaviour Support Framework	<p>Action: Formally implement the refreshed Behaviour Support Framework in the Adelaide Youth Training Centre</p> <p>Outcome: ACHIEVED</p>	<p>During 2017-18, the refreshed Behaviour Support Framework (BSF) moved from pilot to full implementation. The Framework provides a suite of protective actions that encourage and support young people to develop positive behaviours and take responsibility in a safe and secure environment.</p> <p>The BSF operational manual was published, supported by a comprehensive training package delivered to all operational staff.</p> <p>This aligns and complies with the <i>Youth Justice Administration Act 2016</i>.</p>
Disability Inclusion Bill	<p>Action: Re-introduce the Disability Inclusion Bill</p> <p>Outcome: ACHIEVED</p>	<p>The Disability Inclusion Bill articulates the State Government's role in disability under the NDIS and provides the legal framework to support a whole-of-government approach to access and inclusion for people with disability.</p> <p>The Bill passed both Houses of Parliament on 6 June 2018, with the <i>Disability Inclusion Act 2018</i> commencing 1 July 2018.</p> <p>The Act provides for the establishment of a State Disability Inclusion Plan, requires all state authorities to have Disability Access and Inclusion Plans and establishes important functions that will be required with the transition to the NDIS, including worker screening.</p>
Client Transition into NDIS	<p>Action: Monitoring the transition of existing DHS and state funded clients to the NDIS</p> <p>Outcome: ONGOING</p>	<p>The National Disability Insurance Agency (NDIA) is working to transition clients to the scheme but has announced delays. As at 30 June 2018, 18,565 participants in South Australia are receiving NDIS supports, 7,392 below target.</p> <p>A Transition Recovery Plan has been put in place to maximise delivery of new plans whilst also working through the backlog of expired plans and scheduled plan reviews. The NDIA is dedicating all available resources and working with Partners in the Community to speed the transition.</p> <p>DHS is closely monitoring the progress of transition.</p>

Program name	Indicators of performance/ effectiveness/ efficiency	Outcome for South Australia
Sector Development Provider Readiness Project	<p>Action: Build capacity amongst NDIS service providers, reduce the risk of market failure and retain a diversity of service providers in the sector</p> <p>Outcome: ACHIEVED</p>	<p>Through this project, the Community Business Bureau (CBB) has been contracted to provide intensive one-on-one assistance to organisations, to make significant transformational changes to their business models to function in a competitive NDIS environment where services are purchased on an individual basis.</p> <p>Providers may apply for a grant of up to \$10,000 to assist with NDIS readiness activities. The project is scheduled to conclude in December 2018.</p>
Accommodation Services - NDIS Transition	<p>Action: Build capacity of NDIS participants pre-transition</p> <p>Outcome: PARTIALLY ACHIEVED</p>	<p>442 NDIS eligible participants living in the community and their families or guardians have been supported to prepare for transition to the NDIS. 154 of the 442 eligible participants have now transitioned to the NDIS and have their first plan.</p> <p>Engaging with NDIS participants and their families has been essential to building their capacity to understand their NDIS plans and how to access their funded supports into the future.</p>
Highgate Park	<p>Action: Transition people residing at Highgate Park to community living options if they chose to do so</p> <p>Outcome: PARTIALLY ACHIEVED</p>	<p>The department engaged with residents at Highgate Park to promote and increase their understanding of community living. New accommodation options were identified through State Government housing initiatives.</p> <p>Highgate Park residents have made a number of new connections in preparation for successful transitions to community living. Interest in exploring community living amongst Highgate Park residents has increased from 25% in 2016 to 83% in 2018.</p>
DHS Equipment Program	<p>Action: Provide support to people who are not transitioned to the NDIS or ageing programs</p> <p>Outcome: ACHIEVED</p>	<p>DHS has continued to provide equipment and home modification services to people who are awaiting transition to the NDIS, as well as those who are ineligible for the NDIS or other Commonwealth funded ageing programs. These services support people to remain living safely in their homes and participate in the community.</p> <p>During 2017-18, 23,456 equipment items and services were provided across a range of programs that included adults with disability, people with palliative conditions, adults with chronic conditions, and older people requiring higher cost or customised items.</p>

Program name	Indicators of performance/ effectiveness/ efficiency	Outcome for South Australia
Strathmont Centre	Action: Successful devolution of Strathmont Centre Outcome: ACHIEVED	<p>DHS has been working for many years to progressively move residents of the Strathmont Centre into supported accommodation in the community. The last resident relocated to his new home in the community on 24 July 2018, following a supported transition.</p> <p>The institutional disability accommodation section of the site has now closed.</p>
Remote Housing	Action: Number of dwellings built and refurbished in remote communities Outcome: PARTIALLY ACHIEVED	<p>Under the National Partnership on Remote Housing, South Australia had planned to construct 17 new properties and upgrade 26.</p> <p>As at 30 June 2018, 13 new properties had been constructed with 27 upgrades completed. The additional bedrooms have significantly reduced overcrowding in remote Aboriginal communities, while leveraging social outcomes through economic opportunity for Aboriginal business enterprise and Aboriginal employment.</p>
Specialist Homelessness Services	Action: Target 70% of people presenting as rough sleeping by supporting into accommodation Outcome: ACHIEVED	<p>During 2017-18, 82% of rough sleepers were supported into accommodation. Services not only include accommodation but meals and material assistance, counselling, assertive outreach, individualised case management, assistance in accessing healthcare and access to education and employment opportunities. Through this support, people can begin to feel safe and secure and be part of the wider community.</p>
Tika Tirka (formally Ninti Ngura)	Action: Establish a 20-bed education and employment housing facility for post-secondary study and vocational training Outcome: ACHIEVED	<p>Tika Tirka will provide post-secondary students from remote and outer regional areas the opportunity to pursue vocational training and tertiary studies in Adelaide. The service model includes a range of personal development, civic participation and academic mentoring support services.</p> <p>The building will provide independent accommodation for up to 20 students with a mix of flexible common and private spaces. Site works commenced in April 2018, with construction commencing in May 2018.</p>

Program name	Indicators of performance/ effectiveness/ efficiency	Outcome for South Australia
Pinery Wellbeing and Resilience Project	Action: Deliver workshops to support wellbeing and resilience for those affected by the 2015 Pinery Fire Outcome: ACHIEVED	The Pinery Wellbeing and Resilience Project was a joint project between the State Recovery Office and the South Australian Health and Medical Research Institute (SAMHRI). Three workshops were held in 2017 and 2018 across regions impacted by the 2015 Pinery Fire to embed wellbeing and resilience strategies into the community ethos.
State Recovery Plan	Action: Develop and integrate the State Recovery Plan into the State Emergency Management Plan Outcome: ACHIEVED	<p>The State Recovery Plan was improved, refined and integrated back into the State Emergency Management Plan following the Burns Review into the State response to the severe weather and power outage in September/October 2016. The State Recovery Plan consolidated the transition arrangements from response to recovery, and clarified guidelines for the activation of recovery programs and services.</p> <p>The consultation process leading to the refinement of the State Recovery Plan raised greater awareness about recovery and improved recovery arrangements across government agencies.</p>

Legislation administered by the agency

As at 30 June 2018, the department was responsible for administering the following legislation:

Carers Recognition Act 2005
Community Housing Providers (National Law) (South Australia) Act 2013
Cost of Living Concessions Act 1986
Disability Inclusion Act 2018 (commenced 1 July 2018)
Disability Services Act 1993
Housing Agreement Act 1991
Housing Improvement Act 2016
Julia Farr Services (Trusts) Act 2007
Not-for-Profit Sector Freedom to Advocate Act 2013
South Australian Housing Trust Act 1995
Supported Residential Facilities Act 1992
Volunteers Protection Act 2001
Youth Justice Administration Act 2016

Organisation of the agency

As at 30 June 2018, the key divisions of the department were:

Community Services
Corporate Services
Disability and Domiciliary Care Services
Disability SA
Finance and Business Services
Housing SA
NDIS Reform
Office for Women
Office of the Chief Executive
People and Culture
Screening Unit
Youth Justice

The department's current organisational chart is available at www.dhs.sa.gov.au/about-us.

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

Nil to report

Employment opportunity programs

Program name	Result of the program
DHS Graduate Program	The DHS Graduate Program is coordinated annually to help secure the department's future workforce. Recruitment for the 2018 program began in July 2017, with 20 successful graduates commencing with the department between January and March 2018. Successful applicants are employed on an initial 12-month contract.
Flexibility for the Future	<p>Flexibility for the Future is a State Government initiative to increase the uptake of flexible and part-time working arrangements, and convert the savings into trainee and graduate positions.</p> <p>The graduates from the 2018 DHS Graduate Program have contributed towards the department's annual program allocation of 56 graduates and trainees.</p>

Agency performance management and development systems

Performance management and development system	Assessment of effectiveness and efficiency
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>The percentage of employees with a Performance Development Review in the past 12 months has increased from 58% in 2016-17 to 73.6% in 2017-18.</p> <p>As at 30 June 2018, 44.2% of Performance Development Reviews were current, having been reviewed in the second half of the 2017-18 financial year. Of the remaining 55.8% reviews, 48.7% had expired and 7.1% were not recorded, of which 1.9% were new starters with less than 90 days of service.</p> <p>Reporting the completion of Performance Development Reviews on HR21 is mandatory to meet the department's reporting requirements.</p>

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

Program name and brief description	Effectiveness
Health & Safety Plan 2016-2018	<p>The Health & Safety Plan 2016-2018 assists DHS to maintain an effective health and safety management system, and supports an organisational culture where health and safety is an integral part of everything we do.</p> <p>In 2017-18, we continued to work closely with Executive, line managers, workers and external stakeholders to deliver our Plan, and address the shared risks we face as duty holders to improve safety performance across the department.</p>
Work-related Mental Disorders and Suicide Prevention	<p>DHS is working towards creating sustainable change in attitudes to mental illness and suicide to reduce stigma and facilitate early intervention. The department is working to develop early detection, intervention and prevention strategies, and increase the knowledge and skills of managers and workers to monitor and address workplace risks to mental health and wellbeing, and support employees who may be experiencing difficulties.</p> <p>This supports the strategic directions of the <i>South Australian Suicide Prevention Plan 2017-2021</i> and the <i>South Australian Mental Health Strategic Plan 2017-2022</i>, as related to mental health and wellbeing, and the prevention of suicide, through fostering mentally healthy workplaces.</p>

Program name and brief description	Effectiveness
People at Work Survey	<p>The 2017 People at Work survey was conducted to identify and measure workplace psychological risks. In addition, the survey considered exposure to workplace bullying, workload, conflict and cognitive/emotional demand and the associated impacts (i.e. musculoskeletal symptoms, job burnout, sleep disturbances, intention to take sick leave for stress-related conditions, staff turnover and job dissatisfaction).</p> <p>Approximately 16.3% of the DHS workforce (773 employees) participated in the survey. Data analysis included comparison to the 2016 national benchmarks obtained from the People at Work research project conducted between 2008 and 2015. The psychosocial risk factors identified for DHS were comparable to the Australian benchmarks.</p>
Risk Management	<p>DHS maintains a responsive health and safety system to reduce the likelihood of serious harm or injuries to its workforce. In 2017-18, the DHS Risk Management program focussed on known and foreseeable risks, and provided managers and workers with access to topical guidance materials, procedures and tools to make informed risk-based decisions.</p> <p>During 2017-18, there were 224 new workplace injury claims compared to 247 in 2016-17. This represents a 9% reduction in claims.</p>
Early Intervention	<p>The department provides an integrated hazard and incident reporting system that initiates hazard alerts to key stakeholders. All hazards, incidents and injuries are reviewed and early intervention measures actioned in the recovery and return to work process, with the support of workplace managers and the affected employees.</p> <p>During 2017-18, 95.11% of new claims had a return to work assessment within two business days, compared to 94.78% in 2016-17.</p>

Work health and safety and return to work performance

	2017-18	2016-17	% Change (+ / -)
Workplace injury claims			
Total new workplace injury claims	224	247	-9.31%
Fatalities	0	0	0%
Seriously injured workers*	1	2	-50%
Significant injuries (where lost time exceeds a working week, expressed as frequency rate per 1000 FTE)	24.64	31.05	-26.01%

Work health and safety regulation			
Number of notifiable incidents (<i>WHS Act 2012, Part 3</i>)	9	15	-40%
Number of provisional improvement, improvement and prohibition notices (<i>WHS Act 2012 Sections 90, 191 and 195</i>)	4	4	0%
Return to work costs**			
Total gross workers compensation expenditure (\$)	6.58m	10.25m	-35.78%
Income support payments - gross (\$)	2.67m	4.74m	-43.57%

*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)*

**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, Annual Reporting.

Fraud detected in the agency

Category/nature of fraud	Number of instances
Missing funds/property	1
Misconduct	2

Strategies implemented to control and prevent fraud

DHS has continued to build a culture across the department that has zero tolerance to fraud and corruption, with regular department-wide communication and a robust internal control environment. The South Australian Government Fraud and Corruption Policy is the guiding document for fraud and corruption. The DHS Fraud and Corruption Framework, which highlights processes for identifying, responding to and reporting of fraud and other similar malpractices, was reviewed and updated to ensure it was consistent with this policy.

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

This includes Internal Audit, which continues to include the consideration of the risk of fraud and maladministration as a standard objective in their audit program.

The Incident Management Unit also continues to ensure that care concerns and misconduct matters are responded to in accordance with relevant legislative and departmental policies.

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

Whistle-blowers' disclosure

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

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

Executive employment in the agency

Executive classification	Number of executives
EXEC0E	1
SAES1	26
SAES2	9

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

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

Consultants

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

Consultants	Purpose	Value
Community Business Bureau Inc	Undertake the NDIS Readiness Project to assist both large and small government and non-government service providers who have been identified as needing assistance to make significant transformational changes to enable them to function in a competitive NDIS environment. This includes developing a new business model and mentoring the service provider in operationalising their action plan.	\$1,100,509
KPMG	Options for the transition of government run services as a result of the NDIS.	\$878,347

Gyre Digital Pty Ltd	Review all key aspects of Concessions, with a view to identifying potential efficiencies and opportunities for improvements. Advice and options will be provided to streamline administration and service delivery processes, gain operational efficiencies and determine appropriate staffing levels within Concessions.	\$195,000
Limebridge Australia	Review the current customer service experience in the Screening Unit and provide an actionable plan to improve the experience delivered that will meet the expectation of the South Australian public.	\$108,000
KPMG	Shaping the future of South Australia report.	\$50,000
KPMG	NDIS industry and workforce development analysis with five sub projects including: <ul style="list-style-type: none"> • delivery of a draft project plan • development of a data tool to support analysis • assessment of market development risk and opportunities • assessment of industry and workforce impacts • delivery of findings in a report. 	\$27,273
Manpower Services Australia Pty Ltd	System review and development of feasibility analysis report to establish scope and costs for the department to adopt the Budget Management System.	\$24,028
Total consultancies below \$10,000 each		\$1,630
Total all consultancies		\$2,384,787

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

See also the Consolidated Financial Report of the Department of Treasury and Finance <http://treasury.sa.gov.au/> for total value of consultancy contracts across the SA Public Sector.

Contractors

The following is a summary of external contractors that have been engaged by the agency, the nature of work undertaken and the total cost of the work undertaken (above a threshold of \$10,000).

Contractor	Purpose	Value (GST Exclusive)
Access Hardware Pty Ltd	Security upgrade of Jonal Drive	\$53,670
Acme Furniture Removals	Removal and relocation of furniture and equipment	\$10,468
Adelaide Industrial Labour	Temporary labour hire	\$430,667
Alister Morton, Physiotherapist	Training in Disability Dynamics	\$10,629

Astal	Temporary labour hire	\$113,850
Australia Post Commission	Monthly commission fee for payment Domiciliary Care client accounts	\$166,470
Australian Institute of Forensic Psychology Pty Ltd	Applicant Suitability Matrix Tests	\$19,500
Australian Integrated Security CCTV Unit Trust	Security surveillance installation and servicing	\$43,734
Australian Postal Corporation	Mail services	\$94,612
Axios IT Pty Ltd	Standard software assurance services for Domiciliary Care Therapy Solutions	\$46,654
Bentleys	Domiciliary Equipment Services pricing review services	\$18,409
Bluesky Mobility	Lift maintenance and upgrade	\$10,487
Bookabee Australia	Aboriginal Cultural Awareness Training	\$35,380
Boundary Solutions Pty Ltd	Electrical security needs	\$16,072
Careerlink People Solutions	Temporary labour hire	\$638,580
Chaplaincy Services SA Incorporated	Chaplaincy	\$89,400
Charles Darwin University	Evaluation of Community Services support program and planning future moves	\$61,274
CKM Management Solutions	Screening Unit review	\$20,615
Community Data Solutions	Software maintenance and upgrade for CommCI Project	\$122,419
Data Drift	Business Intelligence Projects	\$136,900
Davies & Stewart Consulting	Temporary labour hire	\$120,677
Deloitte Risk Advisory Pty Limited	Threat and Vulnerability Management Assessment Services	\$20,277
Department of Planning, Transport and Infrastructure	Facilities Management Contract	\$519,511
DFP Recruitment Services Pty Ltd	Temporary labour hire	\$169,858
Exon Security and alarms	Security and alarm Services	\$30,560
Expert Data Cabling Pty Ltd	Jonal Drive Fibre Installation	\$33,312
Expose Data Pty Ltd	Data and reporting for Domiciliary Care	\$11,891
Flick Anticimex Pty Ltd	Washroom and hygiene solutions	\$11,325
Fusion5 Pty Ltd	Plan, configure and deploy new service management software	\$50,830

Gramac Solutions	Temporary labour hire	\$16,782
Hays Personnel Services	Temporary labour hire	\$1,389,233
Hendercare Pty Ltd	Temporary labour hire	\$80,530
Hoban Recruitment	Temporary labour hire	\$133,390
Homecare Plus	Temporary labour hire	\$71,445
Hudson Global Resources	Temporary labour hire	\$175,368
Inlingua Text Pty Ltd	Interpreting and translating	\$19,264
Kemp Carpenters Pty Ltd	Supply and install office equipment	\$12,631
KPPM Strategy	Port Augusta Social Vision Review	\$23,500
Manpower Services (Australia) Pty Ltd	Net Developer	\$61,106
Maxima Training Group (Aust) Limited	Temporary labour hire	\$50,217
Modis Staffing Pty Ltd	Temporary labour hire	\$238,214
MSS Security Pty Ltd	Security services	\$13,373
NEC Australia Pty Ltd	IT Project	\$29,661
NPY Women's Council	Care services	\$10,536
Nursing Agency of Australia	Temporary labour hire	\$2,173,988
Objective Corporation Limited	Objective support	\$43,743
On Creative Pty Ltd	Services Provided for Domiciliary Equipment Services branding and Communication Platform	\$18,920
Oz-Train Pty. Ltd.	NDIS Projects	\$128,109
PriceWaterhouseCoopers	Professional services for secondment	\$22,383
Procurement Advisory Services	Prepare and facilitate planning workshop and objective setting	\$12,932
Programmed Health Professionals Pty Ltd	Temporary labour hire	\$506,766
Randstad Pty Ltd	Temporary labour hire	\$374,758
Sentencing Australia	Records Sentencing Project	\$236,368
SMS Management & Technology	IT services	\$20,888
Square Holes Pty Ltd	Market Research for Domiciliary Equipment Services	\$28,477
Steve Pike	Property maintenance	\$11,200
Sugarman Group International	Care services	\$13,557
Susan Janet Matas	Project and administration work for the Procurement and Grants Unit	\$50,288
Talent International (SA) Pty Ltd	Temporary labour hire	\$325,823

VUCA Pty Ltd	Change Management Planning and recruitment assessments	\$31,314
Wellness and Lifestyles Australia	Care services	\$28,631
Your Nursing Agency Pty Ltd	Temporary labour hire	\$945,360

Data is available at: <https://data.sa.gov.au/data/organization/dept-of-human-services> under Government Reporting and Policy, Annual Reporting.

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

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

Financial performance of the agency

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

The audited financial statements of the department provide a true and fair view of the financial position of the department as at 30 June 2018 and its financial performance and cash flows during the financial year.

The total comprehensive result for the department for the year ended 30 June 2018 was \$20.3 million.

Summary Income Statement

	2017-18 \$'000	2016-17 \$'000
Total Expenses	1,521,586	1,339,941
Total Income	284,108	219,894
Net cost of providing services	(1,237,478)	(1,120,047)
Total net revenues from SA Government	1,257,615	1,125,904
Net result	20,137	5,857
Total other comprehensive income	209	-
Total comprehensive result	20,346	5,857

Other financial information

The department complies with across government monitoring and reporting requirements. This includes monthly reporting to the Department of Treasury and Finance on year to date performance and end of year projections.

DHS administers certain revenues, expenses, assets and liabilities on behalf of its Minister, which are disclosed in the administered financial statements. The total comprehensive result of the Administered Items for the year ended 30 June 2018 was \$1.9 million.

In 2017-18, the department paid 98.9% of all invoices (based on volume) within 30 calendar days.

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

Nil to report

Section B: Reporting required under any other act or regulation

Julia Farr Services (Trusts) Act 2007

9 - Annual report

- (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:
 - (a) the number of persons resident at the Fullarton campus;
 - (b) with respect to the persons resident at a place other than the Fullarton campus, a broad description of the nature of their accommodation;
 - (c) during the preceding period of 12 months -
 - (i) the processes used to plan and implement the relocation of any person to accommodation other than the Fullarton campus;
 - (ii) the number of persons who returned to accommodation at the Fullarton campus, and the circumstances of their return.
- (2) A report under subsection (1) should be prepared in a manner that does not identify a particular person.

As at 30 March 2018, 63 people with disability were living at the Fullarton campus, now known as Highgate Park. Those who have moved out during the past 12 months have moved to supported accommodation within the non-government sector, while two people over 65 years of age moved to residential aged care services to be close to family. Sadly, three 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 options. Thirty people have identified that they wish to move to this housing initiative, which is part of the 100 new homes to be allocated for people with disability through the 1,000 Homes in 1,000 Days initiative. The new homes for people with disability will be available between September 2018 and February 2019.

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

Youth Justice Administration Act 2016

Part 2 - Administration of youth justice

9 - Chief Executive's annual report

- (1) The Chief Executive must, not later than 30 September in each year, submit to the Minister a report on -
 - (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
 - (b) any other matter as the Minister may direct.

The *Youth Justice Administration Act 2016* and Youth Justice Administration Regulations 2016 are 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 2017-18, the Youth Justice Division continued to ensure that operational practices are consistent with legislative requirements. This included revision of procedures related to protective actions and completion of the Behaviour Support Framework manual, a guide for staff in the progression model that encourages and supports young people to develop positive behaviours and take responsibility.

The Act established the role of the Training Centre Visitor to provide independent monitoring and ensure that the rights of residents of training centres are upheld. On 11 July 2017, the current South Australian Guardian for Children and Young People was appointed as the Training Centre Visitor.

DHS is preparing for implementation of the new section 21A of the Act, which requires all people employed to work in training centres to undergo psychological assessment of a kind determined by the Chief Executive. This included the development of regulations to exclude certain people from the requirements (e.g. employees who have no contact with residents, people supervised by staff at all times, registered health professionals and registered teachers) and provide an additional 12 months for government departments and service providers to complete the assessment of current employees affected by the legislation. This legislation will come into operation on 22 October 2018.

The Youth Justice Division continues to explore improvements to information technology systems to increase the capacity to record and analyse client data to monitor compliance with the legislation, regularly review practice and provide reports and records as required by the Training Centre Visitor.

Water Industry Act 2012

Part 10 - Miscellaneous

87 - Consumer Advocacy and Research Fund

- (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.
- (7) A report under subsection (6) may be incorporated into the annual report of the relevant administrative unit.

During 2017-18, the department funded a number of activities through the auspices of the Consumer Advocacy and Research Fund (CARF) to support research or advocacy in relation to water usage that promotes the interests of consumers with disability, on low-income and/or in regional areas. The fund receives \$250,000 (indexed) per annum, primarily from water retail licence fees.

Projects which received CARF funding in 2017-18 included the:

- *Financial Counselling Services Guarantee for SA Water Customers Project* (conducted by the South Australian Financial Counsellors Association) that undertook a feasibility study of the merits of fast tracking access for SA Water customers to hardship financial counselling support services.
- *Supporting Regional Customers in Financial Difficulty Project* (conducted by Kerri Muller NRM Pty Ltd) that will provide minor and intermediate retailers with improved service options for customers in financial difficulty.
- *Multicultural Water Consumers Project* (conducted by Colmar Brunton Research) that will document the particular issues for consumers from culturally and linguistically diverse backgrounds relating to the use of, cost of, quality of, or access to water.
- *Achieving Water Security for Sustainable Farming Families and Communities Project* (conducted by the University of South Australia) that will seek to improve the sustainability of South Australia's farming families by delivering better policies and enhanced equity of water sharing from rural farm dams through the development of a Water Equity Typology (WET) model.

Reporting required under the *Carers' Recognition Act 2005*

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

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

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 and service planning. The department must also consider carers in their interaction with government services and carers who are public sector employees.

The following summarises the actions of the department in 2017-18 to ensure compliance with section 6:

- employees were exposed to the principles of the Act and the Carers Charter during induction and through ongoing development and training
- flexible carer leave arrangements were accessible for employees
- the DHS Community Services Division reviewed the We Care Action Plan (*We Care: Our Plan for South Australian Carers*) in collaboration with other government agencies that support and employ carers
- responsibilities under the Carers Charter were highlighted at carers' network and across-government meetings and the department facilitated meetings between SA Health and service providers in relation to new carer initiatives
- the department consulted with carer service providers in October 2017, to develop a more streamlined and flexible funding agreement
- service continuity for clients, carers and their families was a priority during the transfer of Domiciliary Care to the non-government sector.

Through the Community Services Division, the department also met regularly with statewide carer support organisations on a range of matters.

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

Summary of complaints by subject

Public complaints received by Department of Human Services	
Category of complaints by subject	Number of instances
Service delivery	190
Staff competence and conduct	73
Service access (including delays and availability)	33
Communication (including inadequate/no response to a complaint, inadequate information and staff not returning phone calls)	49
Other	12

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

Complaint outcomes

Nature of complaint or suggestion	Services improved or changes as a result of complaints or consumer suggestions
Accessibility of feedback sites	The DHS feedback page has been streamlined to ensure it is easier for customers to use. The new page is consistent with the SA.GOV.AU feedback site, and provides a more streamlined customer experience and improved accessibility.
Communication from the DHS Screening Unit	In response to feedback and complaints about a lack of communication, the Screening Unit now sends out progress emails at the various stages in the assessment process to both the applicant and their requesting organisation.
Resident at Adelaide Youth Training Centre (AYTC) complaint regarding their lack of rapport with Case Coordinator	All Case Coordinator allocations to AYTC residents are now subject to an assessment regarding the best 'fit' to establish a good rapport.
Customer difficulty providing evidence of eligibility for GlassesSA	In January 2018, the GlassesSA IT system was upgraded to enable optometrists to verify eligibility without the need for customers to obtain Centrelink Income Statements and to simplify processes.

Appendix: Audited financial statements 2017-18



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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 2018.

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 2018, its financial performance and its cash flows for year then ended in accordance with the Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards.

The financial report comprises:

- a Statement of Comprehensive Income for the year ended 30 June 2018
- a Statement of Financial Position as at 30 June 2018
- a Statement of Changes in Equity for the year ended 30 June 2018
- a Statement of Cash Flows for the year ended 30 June 2018
- Disaggregated Disclosures – Expenses and Income for the year ended 30 June 2018
- notes, comprising significant accounting policies and other explanatory information
- a Statement of Administered Comprehensive Income for the year ended 30 June 2018
- a Statement of Administered Financial Position as at 30 June 2018
- a Statement of Administered Changes in Equity for the year ended 30 June 2018
- a Statement of Administered Cash Flows for the year ended 30 June 2018
- a Schedule of Expenses and Income attributable to administered activities for the year ended 30 June 2018
- notes, comprising significant accounting policies and other explanatory information for administered items
- a Certificate from the Acting Chief Executive and the 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

- 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 'A. Richardson', with a long horizontal flourish extending to the right.

Andrew Richardson

Auditor-General

20 September 2018



Certification of the financial statements

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 as at 30 June 2018 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.

A handwritten signature in blue ink, reading 'Lois Boswell'.

Lois Boswell
A/Chief Executive
14 / 9 / 2018

A handwritten signature in blue ink, reading 'Andrew Thompson'.

Andrew Thompson
Chief Financial Officer
Finance and Business Services
14 / 9 / 2018

**Department of Human Services
(DHS)**

Financial Statements

For the year ended 30 June 2018

Department of Human Services
Statement of Comprehensive Income
for the year ended 30 June 2018

		2018	2017
	Note	\$'000	\$'000
Expenses			
Employee benefits expenses	3	388 631	376 959
Supplies and services	5	304 556	285 762
Depreciation and amortisation	6	11 301	11 603
Grants, subsidies and client payments	7	641 940	567 113
Net loss from disposal of non-current assets	13	-	22
Other expenses	8	175 158	98 482
Total expenses		1 521 586	1 339 941
Income			
Revenues from fees and charges	9	125 401	116 765
Commonwealth revenues	10	115 882	75 181
Interest revenues	11	3	1
Resources received free of charge	12	6 776	-
Net gain from disposal of non-current assets	13	192	-
Other income	14	35 854	27 947
Total income		284 108	219 894
Net cost of providing services		(1 237 478)	(1 120 047)
Revenues from / (payments to) SA Government			
Revenues from SA Government	15	1 272 447	1 125 904
Payments to SA Government	15	14 832	-
Total net revenues from SA Government		1 257 615	1 125 904
Net result		20 137	5 857
Other comprehensive income			
<i>Items that will not be reclassified to net result:</i>			
Changes in revaluation surplus		209	-
Total other comprehensive income		209	-
Total comprehensive result		20 346	5 857

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

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

Department of Human Services
Statement of Financial Position
as at 30 June 2018

	Note	2018 \$'000	2017 \$'000
Current assets			
Cash and cash equivalents	17	227 967	146 010
Receivables	18	25 586	27 211
Inventories	19	421	419
Non-current assets classified as held for sale	20	19 178	28 075
Total current assets		273 152	201 715
Non-current assets			
Receivables	18	15 900	15 587
Property, plant and equipment	22	168 209	180 722
Capital works in progress	23	4 774	3 746
Intangible assets	24	4 421	2 531
Total non-current assets		193 304	202 586
Total assets		466 456	404 301
Current liabilities			
Payables	26	92 040	49 910
Employee benefits	27	61 614	60 799
Provisions	28	6 456	8 314
Other current liabilities	29	4 721	1 738
Total current liabilities		164 831	120 761
Non-current liabilities			
Payables	26	4 807	5 165
Employee benefits	27	52 072	56 078
Provisions	28	19 873	17 005
Other non-current liabilities	29	2 220	2 985
Total non-current liabilities		78 972	81 233
Total liabilities		243 803	201 994
Net assets		222 653	202 307
Equity			
Contributed capital		74 325	74 325
Retained earnings		104 227	84 977
Asset revaluation surplus		44 101	43 005
Total equity		222 653	202 307

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

Unexpended funding commitments	16
Unrecognised contractual commitments	30
Contingent assets and liabilities	31

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

Department of Human Services
Statement of Changes in Equity
for the year ended 30 June 2018

	Contributed capital	Asset revaluation surplus	Retained earnings	Total equity
	\$'000	\$'000	\$'000	\$'000
Balance at 30 June 2016	74 325	46 772	73 051	194 148
Prior period adjustments	-	-	2 302	2 302
Restated balance at 30 June 2016	74 325	46 772	75 353	196 450
Net result for 2016-17	-	-	5 857	5 857
Transfer to retained earnings of net increment realised on sale of land and buildings	-	(3 767)	3 767	-
Total comprehensive result for 2016-17	-	(3 767)	9 624	5 857
Balance at 30 June 2017	74 325	43 005	84 977	202 307
Net result for 2017-18	-	-	20 137	20 137
Gain/(loss) on revaluation of property, plant and equipment	-	209	-	209
Total comprehensive result for 2017-18	-	209	20 137	20 346
Transfer to retained earnings of net increment realised on sale of land and buildings	-	887	(887)	-
Balance at 30 June 2018	74 325	44 101	104 227	222 653

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

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

Department of Human Services
Statement of Cash Flows
for the year ended 30 June 2018

		2018	2017
		(Outflows)	(Outflows)
		Inflows	Inflows
	Note	\$'000	\$'000
Cash flows from operating activities			
Cash outflows			
Employee benefits payments		(392 091)	(388 994)
Payments for supplies and services*		(439 118)	(414 282)
Payments of grants and subsidies		(644 154)	(566 969)
Cash used in operations		(1 475 363)	(1 370 245)
Cash inflows			
Fees and charges		127 874	117 087
Receipts from Commonwealth		115 882	52 028
Interest received		3	1
GST recovered from the ATO		2 316	57 528
Other receipts		35 963	27 661
Cash generated from operations		282 038	254 305
Cash flows from SA Government			
Receipts from SA Government		1 272 447	1 125 904
Payments to SA Government		(4 750)	-
Cash generated from SA Government		1 267 697	1 125 904
Net cash provided by operating activities	32	74 372	9 964
Cash flows from investing activities			
Cash outflows			
Purchase of property, plant and equipment (including work in progress)		(7 349)	(10 328)
Cash used in investing activities		(7 349)	(10 328)
Cash inflows			
Proceeds from sale of property, plant and equipment		14 934	4 931
Cash generated from investing activities		14 934	4 931
Net cash provided by / (used in) investing activities		7 585	(5 397)
Net increase in cash and cash equivalents		81 957	4 567
Cash and cash equivalents at the beginning of the reporting period		146 010	141 443
Cash and cash equivalents at the end of the reporting period	17	227 967	146 010

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

* Includes other expenses.

Department of Human Services
Notes to and forming part of the financial statements
for the year ended 30 June 2018

1 Basis of financial statements

1.1 Reporting entity

The Department of Human Services (DHS/the department) is a government department of the state of South Australia, established pursuant to the *Public Sector Act 2009*. The department is an administrative unit acting on behalf of the Crown.

The name Department of Human Services came into effect by way of Proclamation (Administrative Unit – Alteration of Titles) under section 26 of the *Public Sector Act 2009* on 17 May 2018. For the period 1 July 2017 to 16 May 2018, the department was known as the Department for Communities and Social Inclusion. The Alteration of Titles proclamation did not impact on the purpose, objectives and structure of the department. The comparative year information reflects the previously titled Department for Communities and Social Inclusion.

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

1.2 Statement of compliance

The financial statements have been prepared in compliance with section 23 of the *Public Finance and Audit Act 1987* (PFAA).

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

The department has applied AAS that are applicable to not-for-profit entities, as the department is a not-for-profit entity.

1.3 Basis of preparation

The preparation of the financial statements requires the use of certain accounting estimates, where management is required to exercise its judgement in the process of applying the department's accounting policies. The areas involving a higher degree of judgement or where assumptions and estimates are significant to the financial statements are outlined in the applicable notes.

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

The preparation of the financial statements also requires compliance with APS issued pursuant to section 41 of the PFAA. In the interest of public accountability and transparency, the APS require the following note disclosures which have been included in this financial report:

- revenues, expenses, financial assets and financial liabilities where the counterparty/transaction is with an entity within the SA Government as at reporting date, classified according to their nature. A threshold of \$0.1 million for separate identification of these items applies
- expenses incurred as a result of engaging consultants
- employee targeted voluntary separation package (TVSP) information
- employees whose normal remuneration is equal to or greater than the base executive remuneration level (within \$0.01 million bandwidths) and the aggregate of the remuneration paid or payable or otherwise made available, directly or indirectly by the department to those employees
- board/committee member and remuneration information, where a board or committee member is entitled to receive income from membership other than direct out of pocket reimbursement
- the historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item measured on a different basis.

The financial statements have been prepared based on a 12 month period and presented in Australian currency.

Department of Human Services
Notes to and forming part of the financial statements
for the year ended 30 June 2018

1 Basis of financial statements (continued)

1.3 Basis of preparation (continued)

The existence of the department and the ongoing delivery of current programs and services are dependent on government policy and on continuing appropriations by Parliament.

The department does not control any other entity and has no interests in unconsolidated structured entities. Transactions and balances relating to administered resources are not recognised as departmental income, expenses, assets and liabilities. As administered items are significant in relation to the department's overall financial performance and position, they are disclosed in the administered financial statements. Except as otherwise disclosed, administered items are accounted for on the same basis and using the same accounting policies as for departmental items.

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

Assets and liabilities are characterised as either current or non-current in nature. The department has a clearly identifiable operating cycle of twelve months. Therefore assets and liabilities that will be realised as part of the normal operating cycle will be classified as current assets or current liabilities. All other assets and liabilities are classified as non-current.

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

1.4 Comparative information

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

Where the department has applied an accounting policy retrospectively, such items are reclassified retrospectively in the financial statements.

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

Prior period adjustments

There were prior period adjustments made during the 2016-17 financial year, relating to corrections to leave liability entitlements and assets which were previously recorded as an expense.

The prior period adjustments are summarised as follows:

- additions of land \$0.3 million
- additions and disposals of plant and equipment at written down value \$0.15 million
- corrections to leave liability \$1.85 million.

1.5 Taxation

The department is not subject to Income Tax. DHS is liable for Payroll Tax, Fringe Benefits Tax (FBT), Goods and Services Tax (GST), and Emergency Services Levy (ESL).

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

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

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

Department of Human Services
Notes to and forming part of the financial statements
for the year ended 30 June 2018

1 Basis of financial statements (continued)

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.

2 Objectives and activities of the Department of Human Services

2.1 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.

The department also functions as a service provider to the South Australian Housing Trust (SAHT). The financial affairs of SAHT do not form part of the department's financial report.

2.2 Machinery of government changes

The election of a new government in South Australia in March 2018 resulted in a range of changes to the South Australian public service including the change in name from the Department for Communities and Social Inclusion to the Department of Human Services and machinery of government transfers related to Housing SA and Multicultural Affairs.

In relation to Housing SA, under section 9(1) of the Public Sector Act 2009, commencing 1 July 2018, all employees of the business unit known as Housing SA within the Department of Human Services immediately before 1 July 2018 were transferred to the employment of the Chief Executive, South Australian Housing Trust. Any associated budget transfers were effective from 1 July 2018.

With respect to Multicultural Affairs, under section 9(1) of the Public Sector Act 2009, commencing 1 July 2018, 11 employees of the Department of Human Services were transferred to the Department of Premier and Cabinet. The budget transfer for Multicultural Affairs also came into effect on 1 July 2018.

2.3 Transition to the National Disability Insurance Scheme (NDIS), Commonwealth Aged Care and Service Reform

Background

The introduction of the 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 announced that State Government disability services will be transitioned to the non-government sector over the next few years. The previous State Government had also determined that Domiciliary Care would be transferred to non-government sector management.

NDIS bilateral agreements

Financial contributions to the NDIS during 2017-18 were governed by arrangements outlined in the Bilateral Agreement for the Transition to the NDIS. Contributions are 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.

Department of Human Services
Notes to and forming part of the financial statements
for the year ended 30 June 2018

2 Objectives and activities of the Department of Human Services (continued)

Going forward, the Bilateral Agreement for Full Scheme NDIS was signed in June 2018 and outlines the roles and responsibilities of the Commonwealth and South Australia in relation to governance, policy, market development, oversight and funding arrangements from 1 July 2018. Under these new financial arrangements, the State's fixed annual contribution will be 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.

Supported Community Accommodation (Accommodation Services)

Supported Community Accommodation provides 24/7 support to around 500 clients in approximately 200 homes within metropolitan Adelaide and two regional areas.

The previous government established (by Regulation) a public corporation to manage supported accommodation services in the transition to the NDIS. These Regulations came into effect on 21 November 2017, and provided a framework for establishing a public corporation, overseen by a Board of Directors.

As part of the incoming State Government's Our First 100 Days, a commitment was made to provide a timetable for all State disability services to be transferred to the non-government sector, including group homes. In June 2018, the State Government announced it will withdraw from the provision of supported community accommodation services, while supporting clients to choose an alternative provider from the non-government sector during this term of government. Decisions on how supported community accommodation clients will transition are yet to be finalised. Details will be designed following consultation with clients, families, employees, unions and the sector.

This decision means that the public corporation is no longer required, and accordingly it ceased all operations from 30 June 2018, and was dissolved through Regulation as Gazetted on 16 August 2018. Transactions related to the public corporation are included in the financial statements for the department and board membership for the public corporation is disclosed in Note 4.

Domiciliary Care

Domiciliary Care provides home support services through the Commonwealth Home Support Programme and SA Adults with Chronic Conditions Program.

Domiciliary Care services completed transition to the Royal District Nursing Service (RDNS) SA (Silver Chain Group) on 29 June 2018. The majority of the staff moved to the new provider.

Adult Therapy Services (ASSIST)

ASSIST Therapy Services includes episodic allied health/therapy services for adults with disability, mostly across metropolitan Adelaide.

On 31 July 2018, the State Government announced that the transition of ASSIST Therapy Services to Minda will likely occur by late 2018.

Child & Youth Services (CYS)

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

CYS will transfer to the NGO sector through creation of an Employee-Led Mutual, which will deliver services to children and young people with a disability. The majority of CYS employees have taken up the offer to join the new organisation.

The transfer is intended for the end of September 2018. In the interim, DHS will provide the services.

Highgate Park

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

Department of Human Services
Notes to and forming part of the financial statements
for the year ended 30 June 2018

2 Objectives and activities of the Department of Human Services (continued)

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

DHS Equipment Program – Domiciliary Equipment Service (DES)

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

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

2.4 Activities

In achieving its objectives, the department provides a range of services classified into the following activities for 2017-18.

2017-18

Thriving Communities

This program develops, implements and contributes to initiatives and services which improve outcomes for individuals, families and communities, in partnership with other key stakeholders, including not-for-profit organisations. The program includes affordable living programs and state concessions; programs and grants which promote opportunity, build community capacity and help communities prosper; community sector partnerships and development; the coordination of state recovery efforts; youth justice programs; and initiatives which advance and support gender equality. High-level strategic and policy advice is provided across government in areas including the status of women, volunteering, carers, multicultural affairs and youth.

Community Care Services

This program includes a range of services which enable vulnerable South Australians to live independently and safely in the community. This includes Domiciliary Care Services and services provided through the South Australian Home and Community Care (HACC) program.

Social Housing

The focus of this program is to develop, implement and provide housing service responses 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 existing affordable social and privately rented housing across the state.

This program encompasses the management of grants for housing services to low income households; support to people who are at risk or in high need, including specialist homelessness and domestic violence services; the management of public housing; metropolitan, rural and remote Aboriginal housing; the regulation of community housing; financial support for private rental; addressing private rental housing that is unsafe or unsuitable; and emergency relief and recovery services. The program also provides social housing strategy, policy development, advice to the government and includes the State Recovery Office (SRO).

Disability SA

Disability SA is responsible for providing services across the state to people with a disability living in the community. Services include information, advice, intake, assessment and case management as well as specialist support for both children and adults through allied health and therapy service provision.

During 2017-18, Disability SA clients will be progressively transitioned into the National Disability Insurance Scheme (NDIS).

Disability Services

Disability Services provides services to people with disabilities including accommodation and supports to live in the community.

Department of Human Services
Notes to and forming part of the financial statements
for the year ended 30 June 2018

2 Objectives and activities of the Department of Human Services (continued)

Activities (continued)

NDIS Reform

NDIS Reform is responsible for the coordination and implementation of the National Disability Insurance Scheme (NDIS) across DHS and the Government of South Australia. NDIS Reform works closely with the National Disability Insurance Agency (NDIA) and the Commonwealth Government to deliver an agreed program of work to manage the transition to NDIS. The NDIS Reform program is also responsible for effective and transparent funding arrangements for individuals and services by non-government organisations to people with disabilities and their carers.

2016-17

The 2016-17 amounts for these programs differ from the amounts presented in the 2016-17 audited financial statements to reflect 2017-18 changes to departmental functions and refinements to the allocation of corporate overheads. As such, the 2016-17 amounts have been adjusted for comparative purposes.

Department of Human Services
Notes to and forming part of the financial statements
for the year ended 30 June 2018

Expenses and Income by Activity for the year ended 30 June 2018

Activities - refer note 2	Community Care					
	Thriving Communities		Services		Social Housing	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Expenses						
Employee benefits expenses	74 794	67 882	26 226	25 654	67 807	68 808
Supplies and services	25 686	20 981	10 838	12 196	4 520	4 634
Depreciation and amortisation	5 041	3 924	752	1 024	12	14
Grants, subsidies and client payments	34 125	29 147	31 778	30 725	311 116	223 269
Net loss from disposal of non-current assets	-	3	-	-	-	-
Other expenses	313	143	42	303	6	5
Total expenses	139 959	122 080	69 636	69 902	383 461	296 730
Income						
Revenues from fees and charges	22 369	17 422	3 246	4 430	66 788	67 589
Commonwealth revenues	540	770	25 881	26 093	9 495	9 788
Interest revenues	-	-	-	1	-	-
Net gain from disposal of non-current assets	86	-	10	-	2	-
Other income	8 366	4 695	968	677	378	479
Total income	31 361	22 887	30 105	31 201	76 663	77 856
Net cost of providing services	(108 598)	(99 193)	(39 531)	(38 701)	(306 798)	(218 874)
Revenues from / (payments to) SA Government						
Revenues from SA Government	-	-	-	-	-	-
Total net revenues from SA Government	-	-	-	-	-	-
Net result	(108 598)	(99 193)	(39 531)	(38 701)	(306 798)	(218 874)

Department of Human Services
Notes to and forming part of the financial statements
for the year ended 30 June 2018

Expenses and Income by Activity for the year ended 30 June 2018

Activities - refer note 2

	Disability SA		Disability Services		NDIS Reform	
	2018	2017	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Expenses						
Employee benefits expenses	43 723	46 966	158 437	151 631	17 644	16 018
Supplies and services	16 736	14 210	56 483	56 404	190 293	177 337
Depreciation and amortisation	976	955	4 160	4 925	360	761
Grants, subsidies and client payments	600	381	36	2	264 285	283 589
Net loss from disposal of non-current assets	-	-	-	19	-	-
Other expenses	-	1	558	351	174 239	97 679
Total expenses	62 035	62 513	219 674	213 332	646 821	575 384
Income						
Revenues from fees and charges	972	483	20 317	19 359	11 709	7 482
Commonwealth revenues	-	-	2 525	2 374	77 441	36 156
Interest revenues	-	-	3	-	-	-
Net gain from disposal of non-current assets	-	-	44	-	50	-
Other income	14 069	11 656	13 702	7 144	5 147	3 296
Total income	15 041	12 139	36 591	28 877	94 347	46 934
Net cost of providing services	(46 994)	(50 374)	(183 083)	(184 455)	(552 474)	(528 450)
Revenues from / (payments to) SA Government						
Revenues from SA Government	-	-	-	-	-	-
Total net revenues from SA Government	-	-	-	-	-	-
Net result	(46 994)	(50 374)	(183 083)	(184 455)	(552 474)	(528 450)

Department of Human Services
Notes to and forming part of the financial statements
for the year ended 30 June 2018

Expenses and Income by Activity for the year ended 30 June 2018

Activities - refer note 2

	General / Not Attributable		Total	
	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000
Expenses				
Employee benefits expenses	-	-	388 631	376 959
Supplies and services	-	-	304 556	285 762
Depreciation and amortisation	-	-	11 301	11 603
Grants, subsidies and client payments	-	-	641 940	567 113
Net loss from disposal of non-current assets	-	-	-	22
Other expenses	-	-	175 158	98 482
Total expenses	-	-	1 521 586	1 339 941
Income				
Revenues from fees and charges	-	-	125 401	116 765
Commonwealth revenues	-	-	115 882	75 181
Interest revenues	-	-	3	1
Net gain from disposal of non-current assets	-	-	192	-
Other income	-	-	42 630	27 947
Total income	-	-	284 108	219 894
Net cost of providing services	-	-	(1 237 478)	(1 120 047)
Revenues from / (payments to) SA Government				
Revenues from SA Government	1 257 615	1 125 904	1 257 615	1 125 904
Total net revenues from SA Government	1 257 615	1 125 904	1 257 615	1 125 904
Net result	1 257 615	1 125 904	20 137	5 857

Department of Human Services
Notes to and forming part of the financial statements
for the year ended 30 June 2018

3 Employee benefits expense

	2018	2017
	\$'000	\$'000
Salaries and wages	285 543	283 802
Superannuation	32 021	31 654
Annual leave	28 944	29 622
Payroll tax	17 395	17 311
Workers compensation	6 032	6 473
Additional compensation	1 723	-
Long service leave	6 974	4 336
Board and committee fees	202	63
Skills and experience retention leave	1 515	1 502
Other employee related expenses	1 177	1 259
Eligible termination payments *	4 606	114
Targeted voluntary separation payments	2 499	823
Total employee benefits expenses	388 631	376 959

* Includes incentive payments for Domiciliary Care employees transferred to Royal District Nursing Service (RDNS) SA (Silver Chain Group)

Targeted voluntary separation packages (TVSPs)

	2018	2017
	\$'000	\$'000
Amounts paid to separated employees:		
Targeted voluntary separation payments	2 499	823
Leave paid to those employees	1 165	317
Net cost to the department	3 664	1 140

The number of employees who received a TVSP during the reporting period was 28 (2017: 12)

Key management personnel

The department has 19 key management personnel including:

- the Minister for Communities and Social Inclusion, Social Housing, Youth, Volunteers, Status of Women and Multicultural Affairs
- the Minister for Disabilities
- the Minister for Human Services
- members of the Executive Leadership Team (Chief Executive, Deputy Chief Executive and 11 other members)
- the Chief Executive of Supported Community Accommodation Services
- staff members who were past members of the Executive Leadership Team or who acted for members of the Executive Leadership Team for 30 consecutive days or more during the year (2 members).

These key management personnel have had responsibility for the strategic direction and management of the department during the year. The compensation detailed below excludes salaries and other benefits the Ministers received. The Ministers' remuneration and allowances are set by the *Parliamentary Remuneration Act 1990* and the Remuneration Tribunal of SA respectively and are payable from the Consolidated Account (via the Department of Treasury and Finance (DTF)) under section 6 of the *Parliamentary Remuneration Act 1990*.

Department of Human Services
Notes to and forming part of the financial statements
for the year ended 30 June 2018

3 Employee benefits expense (continued)

	2018	2017
	\$'000	\$'000
Compensation		
Salaries and other short term employee benefits	2 822	2 542
Post-employment benefits	729	775
Other long-term employment benefits	98	-
Termination benefits	743	-
Total	4 392	3 317

Remuneration of employees

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

	2018	2017
\$147 000 - 149 000 *	N/A	1
\$149 001 - 159 000	10	11
\$159 001 - 169 000	7	5
\$169 001 - 179 000	8	6
\$179 001 - 189 000	5	4
\$189 001 - 199 000	-	3
\$199 001 - 209 000	3	4
\$209 001 - 219 000	3	3
\$219 001 - 229 000	1	1
\$229 001 - 239 000	3	1
\$239 001 - 249 000	1	-
\$249 001 - 259 000**	2	1
\$259 001 - 269 000	1	1
\$269 001 - 279 000**	2	2
\$279 001 - 289 000	1	1
\$289 001 - 299 000**	2	2
\$299 001 - 309 000	-	1
\$339 001 - 349 000**	2	-
\$439 001 - 449 000	-	1
\$449 001 - 459 000	1	-
\$559,001 - 569,000**	1	-
\$629,001 - 639,000**	1	-
Total	54	48

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

** Includes employees who received termination payments.

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, FBT, any other salary sacrifice benefits and termination payments. The total remuneration received by these employees for the year was \$12 million (2017: \$9.65 million).

Department of Human Services
Notes to and forming part of the financial statements
for the year ended 30 June 2018

4 Remuneration of board and committee members

There are various committees, forums, groups, panels and councils that have been created to assist the department in meeting its objectives. In addition, there are committees that have been created by the Minister. Where any of the members are remunerated, certain disclosures are required under the Accounting Policy Framework.

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

Risk Management and Audit Committee

M Patetsos	Chair	appointed	25 Jul 2006	
P Bull *		appointed	01 Jul 2007	
G Holdich		appointed	19 Jun 2016	ceased 30 Jun 2018
Y Sneddon		appointed	13 Mar 2012	
L Young *		appointed	01 Jan 2012	

The Risk Management and Audit Committee 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.

Gambling Advisory Committee

W Woehlert	Chair	appointed	10 Nov 2014	ceased 09 Nov 2017
W Bevan	Chair	appointed	27 Dec 2017	
C Carter		appointed	10 Nov 2017	
W J Guppy		appointed	10 Nov 2014	ceased 09 Nov 2017
L Nguyen		appointed	19 Oct 2016	
M Penfold		appointed	10 Nov 2014	ceased 09 Nov 2017
J Sleep		appointed	10 Nov 2017	

Premier's Council for Women

M A Silva	Chair	appointed	01 Jul 2016	
M Hagias-Tramontin	Deputy Chair	appointed	01 Jul 2016	ceased 31 Jan 2018
L E Hallahan		appointed	31 Jan 2017	
A Lee		appointed	01 Aug 2016	
L Marrone *		appointed	01 Aug 2016	
K Matthias		appointed	31 Jan 2017	
A Mundkur		appointed	31 Jan 2017	
E O'Loughlin		appointed	01 Aug 2016	
L Pascale		appointed	01 Aug 2016	
N M Saunders *		appointed	01 Feb 2016	ceased 30 Jun 2018
V Welgraven *		appointed	01 Aug 2016	

Department of Human Services
Notes to and forming part of the financial statements
for the year ended 30 June 2018

4 Remuneration of board and committee members (continued)

State Emergency Relief Fund Committee

J J Ullianich	Chair	appointed	29 Nov 2015	
A Lloyd-Wright *		appointed	15 Feb 2018	
A Chooi *		appointed	16 May 2016	
V M Faggotter *		appointed	29 Nov 2015	
B P Grear *		appointed	08 Dec 2016	
J D Ross *		appointed	05 Jun 2015	ceased 04 Jan 2018

South Australian Multicultural and Ethnic Affairs Commission

G Portolesi	Chair	appointed	01 Sep 2014	ceased 16 Feb 2018
N A Schueler	Deputy Chair	appointed	01 Jan 2000	
Y Chen		appointed	01 Jul 2015	
M Dieu		appointed	07 Jun 2007	
A Fantasia		appointed	01 Jul 2015	
V Madan		appointed	09 Sep 2010	
M D M Marial		appointed	01 Jul 2015	
J J Masika *		appointed	29 Jan 2012	
H Q Nguyen		appointed	01 Jul 2015	
T Nowak		appointed	07 Jun 2012	
P Ppiros		appointed	01 Jan 2012	
M A Silva		appointed	01 Jan 2012	
S Skaka		appointed	29 Jan 2009	ceased 29 Dec 2017
M Skalban *		appointed	15 Jan 2004	

Supported Community Accommodation Services

J Curran	Chair	appointed	11 Dec 2017	ceased 30 Jun 2018
S Blewett		appointed	11 Dec 2017	ceased 30 Jun 2018
J Brown		appointed	11 Dec 2017	ceased 30 Jun 2018
A Burgess		appointed	11 Dec 2017	ceased 30 Jun 2018
S Campbell		appointed	11 Dec 2017	ceased 30 Jun 2018
C Locher		appointed	11 Dec 2017	ceased 30 Jun 2018
J J Ullianich		appointed	11 Dec 2017	ceased 30 Jun 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.

Department of Human Services
Notes to and forming part of the financial statements
for the year ended 30 June 2018

4 Remuneration of board and committee members (continued)

Total remuneration received, or due to be receivable by members was \$0.23 million (2017: \$0.11 million) including superannuation.

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

	2018	2017
\$0	21	22
\$1 - \$9 999	19	21
\$10 000 - \$19 999	6	1
\$20 000 - \$29 999	2	-
\$30 000 - \$39 999	-	1
Total number of members	48	45

Benefits given by the department to superannuation funds or otherwise in connection with the retirement of members were \$0.02 million (2017: \$0.01 million).

During the financial year, no loans were made to members. At the reporting date, no outstanding loans exist with members.

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

Department of Human Services
Notes to and forming part of the financial statements
for the year ended 30 June 2018

5 Supplies and services

	2018	2017
	\$'000	\$'000
Accommodation and property related	26 919	24 769
Advertising and promotions	871	783
Brokerage care services	195 115	180 859
Business services	6 855	6 645
Client related expenses	6 173	6 300
Communication and computing	15 797	15 287
Contractors and agency staff	10 810	9 898
Consultants	2 385	616
Drugs and medical supplies	1 717	1 815
Homelessness services	4 175	4 207
Insurance	761	769
Interpreter and translator fees	44	74
Managed payments	1 152	1 209
Minor equipment	8 751	9 487
Motor vehicles	5 851	6 120
Printing, stationery, postage and periodicals	2 129	1 929
Repairs and maintenance	3 641	4 666
Seminars, courses and training	1 513	805
Travel and accommodation	1 143	1 145
Other	8 414	8 035
Total supplies and services (excluding audit fees)	304 216	285 418
Audit fees *	340	344
Total audit fees	340	344
Total supplies and services (including audit fees)	304 556	285 762

* Audit fees paid/payable to the Auditor-General's Department relating to work performed under the *Public Finance and Audit Act 1987*. No other services were provided by Auditor-General's Department.

The total supplies and services amount disclosed includes GST amounts not recoverable from the Australian Taxation Office due to the department not holding a tax invoice or payments relating to third party arrangements.

5.1 Operating leases

Operating lease payments are recognised as an expense in the Statement of Comprehensive Income on a straight line basis over the lease term, which is representative of the pattern of benefits derived from the leased assets.

5.2 Consultants

The number and dollar amount of consultancies paid/payable (included in Supplies and services expenses) fell within the following bands:

	2018	2018	2017	2017
	Number	\$'000	Number	\$'000
Below \$10 000	1	2	3	15
Above \$10 000	7	2 383	4	601
Total paid / payable to the consultants engaged	8	2 385	7	616

Department of Human Services
Notes to and forming part of the financial statements
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6 Depreciation and amortisation

	2018	2017
	\$'000	\$'000
Depreciation		
Buildings and improvements	4 231	5 297
Computing equipment	7	6
Motor vehicles	9	10
Independent living equipment program	2 506	2 231
Other plant and equipment	505	384
Total depreciation	7 258	7 928
Amortisation		
Leasehold improvements	1 952	2 175
Computer software	2 091	1 500
Total amortisation	4 043	3 675
Total depreciation and amortisation	11 301	11 603

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.

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

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

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

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

6.1 Useful life

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

Class of asset	Useful life (years)
Buildings	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

Department of Human Services
Notes to and forming part of the financial statements
for the year ended 30 June 2018

6 Depreciation and amortisation (continued)

6.2 Revision of accounting estimates

The residual value of assets, useful lives and amortisation methods are reviewed and adjusted if appropriate, on an annual basis.

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

7 Grants, subsidies and client payments

7.1 Grants, subsidies and client payments by program

	2018	2017
	\$'000	\$'000
Disability Grants	262 806	281 220
Grants to SAHT (State Contribution including Tax Equivalents Regime)	171 243	86 904
Grants to SAHT (Commonwealth Contribution)	74 411	74 494
Specialist Homelessness Services	65 461	63 396
Home and Community Care	27 363	26 730
Family and Community Development	11 286	11 051
Financial Hardship Programs (formerly Affordable Living Programs)	4 977	4 858
Supported Residential Facilities	4 413	3 995
Aboriginal Community Benefit Grants	1 994	2 008
Office for Youth	2 056	1 591
NDIS Sector Development	1 467	1 246
Other	14 463	9 620
Total grants, subsidies and client payments	641 940	567 113

7.2 Grants, subsidies and client payments by recipient type

Non-Government Organisations (NGOs)	7.3	360 071	363 505
SAHT		245 654	161 398
Individualised funding		14 274	16 898
SA Health Units		10 405	11 424
Local Government		7 552	8 095
SA Government entities - other		2 109	3 219
Commonwealth & other State/Territory Governments		880	1 187
Universities		625	575
Glasses SA (formerly Spectacles SA)		351	345
Other		19	467
Total grants, subsidies and client payments		641 940	567 113

Department of Human Services
Notes to and forming part of the financial statements
for the year ended 30 June 2018

7 Grants, subsidies and client payments (continued)

7.3 Funding to Non-Government Organisations

	2018	2017
	\$'000	\$'000
Minda Incorporated	50 454	54 035
Community Accommodation and Respite Agency Inc (CARA)	35 720	36 179
Community Living Australia	15 732	15 716
Lighthouse Disability	15 378	15 224
Anglicare SA	13 986	14 905
Centacare Catholic Family Services	12 271	12 212
Uniting Communities	12 001	10 101
Orana Inc	10 386	11 007
Community Living Options Inc.	9 825	9 282
Spastic Centres of South Australia (SCOSA) Inc.	6 780	8 098
EBL Disability Services Inc.	6 726	7 500
Baptist Care SA Inc.	6 627	5 403
Life Without Barriers	6 380	5 441
Royal District Nursing Service of SA Inc.	5 677	5 996
UnitingCare Wesley Port Adelaide Inc.	5 471	5 706
Disability Living Inc.	5 275	5 084
Hills Community Options Inc.	5 001	4 481
Women's Safety Services SA Inc.	4 994	1 171
UnitingCare Wesley Country SA	4 731	4 747
Homecare Plus	4 030	4 014
Autism Association of SA Inc.	3 759	3 723
The Salvation Army	3 711	3 957
Anglican Community Care Inc.	3 415	3 294
Novita Children's Services Inc.	3 046	6 638
Uniting Care Wesley Adelaide Inc.	2 987	2 430
St John's Youth Services Inc.	2 816	2 712
Bedford Phoenix Inc .	2 742	2 690
Community Living Project Inc.	2 733	2 734
Royal Society for the Blind of SA Inc.	2 777	3 151
Calvary Home Care Services	2 540	2 129
Kincare Homecare SA	2 492	2 559
Amandus Lutheran Disability Services Inc.	2 354	2 272
Individual Supported Accommodation Service Inc.	2 212	2 256
Barkuma Inc.	2 167	2 535
SYC Ltd	2 151	1 929
Guide Dogs Association of SA and NT Inc.	2 137	2 476
Offenders Aid and Rehabilitation Services of SA Inc.	2 063	1 991
Comrec Australia Pty Ltd	2 025	2 617
Victim Support Service Inc.	1 984	1 195
Lutheran Community Care	1 963	1 829
Incompro Aboriginal Association Inc.	1 857	1 600
Southern Junction Community Services Inc.	1 854	1 790
Ngaanyatjarra Pitjantjatjara Yankunytjatjara Women's Council	1 803	1 760
Barossa Enterprises	1 743	1 934
Hutt Street Centre	1 651	1 792

Department of Human Services
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7 Grants, subsidies and client payments (continued)

7.3 Funding to Non-Government Organisations (continued)

	2018	2017
	\$'000	\$'000
The Trustee for the Nextt Health Trust	1 560	1 426
Northern Domestic Violence Service Inc.	1 516	1 460
Neami Ltd	1 510	-
Lifestyle Assistance and Accommodation Service Inc.	1 502	1 562
Good Shepherd Microfinance	1 476	1 441
Catholic Diocese of Port Pirie	1 460	1 600
Xlent Disability Services	1 297	1 330
Relationships Australia SA	1 250	1 207
Enhanced Lifestyles Inc.	1 137	1 234
Aboriginal Family Support	1 132	1 069
St Vincent De Paul Society SA Inc.	1 072	1 035
Northern Carer's Network Inc.	1 055	1 014
Windamere Park	905	1 239
Southern Adelaide Domestic Violence Service	892	1 728
Community Bridging Services	807	1 027
Central Eastern Domestic Violence Service	-	1 932
Other	43 073	42 906
Total funding to Non-Government Organisations	360 071	363 505

Payments to non-government organisations greater than \$1.0 million are individually disclosed above. Payments less than \$1.0 million are included in 'Other'.

Department of Human Services
Notes to and forming part of the financial statements
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8 Other expenses

	2018	2017
	\$'000	\$'000
Aged Care and Disability Services Reform – payment to the Commonwealth *	77 800	59 353
Allowances for doubtful debts	1 214	136
Assets transferred at nil consideration **	-	600
Donated assets	7	-
Impairment loss	-	116
NDIS payments	96 082	38 194
Other	55	83
Total other expenses	175 158	98 482

* 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. For 2017-18, this includes a payment of \$25.9 million related to the transition of clients over the age of 65 years to the Commonwealth Continuity of Support Programme.

** Transfer of Lot 3, The Parks Community Centre to Port Adelaide Enfield Council.

9 Revenues from fees and charges

	2018	2017
	\$'000	\$'000
Employee services *	66 578	66 989
Insurance recoveries	28	160
Recoveries	15 388	8 189
Business services **	16 454	16 220
Fees, fines and penalties	18 448	16 351
Rent	116	168
Patient and client fees	8 389	8 688
Total revenues from fees and charges	125 401	116 765

* Represents the recovery of costs for the provision of employee related services to SAHT.

** Represents services provided to SAHT as per the Memorandum of Administrative Arrangements (MOAA).

Department of Human Services
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10 Commonwealth revenues

	2018	2017
	\$'000	\$'000
National Partnership Payments - Homelessness	9 045	8 870
Commonwealth Home Support Programme	25 881	26 093
Aged Care and Disability Services Reform – Specialist Disability Services *	32 354	31 260
Residential Aged Care	2 525	2 374
NDIS Sector Development	1 188	3 396
Information, Linkages and Capacity Building	4 000	1 500
Continuity of Support Programme	6 749	-
DisabilityCare Australia Fund	33 000	-
Other	1 140	1 688
Total Commonwealth revenues	115 882	75 181

* From 1 July 2011, 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. 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.

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.

11 Interest revenues

	2018	2017
	\$'000	\$'000
Interest on funds held	3	1
Total interest revenues	3	1

12 Resources received free of charge

	2018	2017
	\$'000	\$'000
Resources received free of charge	6 776	-
Total interest revenues	6 776	-

On the 21 November 2016, approval was given by Cabinet to cease the intra-government charging model for services provided by Shared Services SA (SSSA) to general government sector agencies. As a result of this change, effective from 2017-18, SSSA is directly appropriation funded for the services provided by SSSA to general government agencies. Under AASB 1004 Contributions, the contribution of services provided by SSSA to government agencies are disclosed in the financial statements as income because the fair value of the services can be reliably measured and the services would have been purchased if they had not been donated. A corresponding expense is recognised in the financial statements (see note 5).

Department of Human Services
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for the year ended 30 June 2018

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

	2018	2017
	\$'000	\$'000
Land and buildings		
Proceeds from disposal	14 862	4 878
Less net book value of assets disposed*	(14 579)	(4 878)
Net gain / (loss) from disposal of land and buildings	283	-
Plant and equipment		
Proceeds from disposal	-	53
Less net book value of assets disposed	(91)	(75)
Net gain / (loss) from disposal of plant and equipment	(91)	(22)
Total assets		
Proceeds from disposal	14 862	4 931
Less net book value of assets disposed	(14 670)	(4 953)
Total net gain / (loss) from disposal of total assets	192	(22)

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

* Includes leasehold improvement of \$0.03 million.

14 Other income

	2018	2017
	\$'000	\$'000
NDIS revenue	13 545	12 021
Minor equipment	572	167
Hire charges	2 337	1 434
Other grants from SA Government agencies	9 751	10 831
Community Development Fund	3 000	3 000
Other*	6 649	494
Total other income	35 854	27 947

* The amount includes revenue received from the sale of Domiciliary Care.

Department of Human Services
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15 Revenues from / (payments to) SA Government

	2018	2017
	\$'000	\$'000
Revenues from SA Government		
Appropriations from Consolidated Account pursuant to the <i>Appropriation Act</i>	1 263 685	1 125 583
DTF - Contingency Funds	8 762	321
Total revenues from SA Government	1 272 447	1 125 904
Payments to SA Government		
Other payments to the Consolidated Account	(14 832)	-
Total payments to SA Government	(14 832)	-
Net revenues from SA Government	1 257 615	1 125 904

Appropriations are recognised as revenues when the department obtains control over the funding. Control over appropriations is normally obtained upon receipt.

Department of Human Services
Notes to and forming part of the financial statements
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16 Unexpended funding commitments

The department is engaged in a variety of funding programs involving State and Commonwealth sources which provide monies to the department on the premise that these funds are expended in a manner consistent with the terms of the program.

As at 30 June 2018, the department had outstanding funding commitments to the following programs:

Operating funding commitments	2018	2017
	\$'000	\$'000
Community Infrastructure Investment Fund (CIIF)	392	-
Changing Places - Construction of facilities and two Marveloos	290	-
Living Safe Together Intervention Program - Countering Violent Extremism	195	36
Energy Discount Offer	104	-
Community Visitors Scheme - Mental Health	53	91
24/7 Street Beat Co-ordinator	36	31
Magill Decommissioning and Demolition	28	27
Parks Community Centre Redevelopment	-	730
NDIS Sector Development Funding	-	659
Disability Reform Consultancy	-	281
National Affordable Housing Agreement (NAHA) and National Partnership Agreement on Homelessness (NPAH)	-	152
Community Passenger Network	-	110
Riverland Storms Recovery - Assessment and Support	-	94
National Outcome Standards for Perpetrator Interventions (NOSPI)	-	68
Intervention Orders	-	44
State Recovery - Funding for Pinery Bushfire	-	32
Aboriginal Forum	-	22
National Consultant, Disaster Recovery	-	18
Total operating funding commitments	1 098	2 395
Capital funding commitments		
Adelaide Youth Training Centre - Major Security Works	622	879
Cost of Living Information System	390	121
Continuous Monitoring of Screening	259	-
Adelaide Youth Training Centre — Room Upgrades	185	-
Adelaide Youth Training Centre - new centre at Goldsbrough Road	-	160
Total capital funding commitments	1 456	1 160
Total unexpended funding commitments	2 554	3 555

Department of Human Services
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17 Cash and cash equivalents

	2018	2017
	\$'000	\$'000
Special deposit account with the Treasurer	226 214	145 709
Cash on hand	5	-
Advance accounts	95	100
Other deposits	1 653	201
Total cash and cash equivalents	227 967	146 010

Deposits with the Treasurer

This includes \$142.9 million (2017: \$124.17 million) held within the Accrual Appropriation Excess Funds Account. The balance of these funds is not available for general use and can only be used in accordance with the Treasurer's or Under Treasurer's approval. Cash is measured at nominal amounts.

18 Receivables

	2018	2017
	\$'000	\$'000
Current		
Debtors	11 502	11 022
Less allowance for doubtful debts	(1 418)	(415)
	10 084	10 607
Employee related services recoverable	10 008	10 456
Overpaid salaries	503	491
Prepayments	2 464	814
Goods and Services Tax receivable	2 527	4 843
Total current receivables	25 586	27 211
Non-current		
Debtors	697	512
Employee related services recoverable	15 203	15 075
Total non-current receivables	15 900	15 587
Total receivables	41 486	42 798

Movement in the allowance for doubtful debts

The allowance for doubtful debts is recognised when there is objective evidence that a receivable is impaired.

An allowance for doubtful debt has been expensed in note 8 for specific debtors and debtors assessed on a collective basis for which such evidence exists.

	2018	2017
	\$'000	\$'000
Carrying amount at the beginning of the period	415	614
Increase/(decrease) in the allowance	1 214	58
Amounts written off	(211)	(257)
Carrying amount at the end of the period	1 418	415

Department of Human Services
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18 Receivables (continued)

In 2017-18, the department has recognised a bad and doubtful debt expense of \$1.2 million. In 2016-17, the department recognised a bad and doubtful debt recovery of \$0.06 million.

Interest rate and credit risk

Receivables are raised for all goods and services provided for which payment has not been received. Receivables are normally settled within 30 days. Trade receivables, prepayments and accrued revenues are non-interest bearing.

Other than recognised in the allowance for doubtful debts, it is not anticipated that counterparties will fail to discharge their obligations. The carrying amount of receivables approximates net fair value due to being receivable on demand.

There is no concentration of credit risk to non-public sector debtors.

19 Inventories

	2018	2017
	\$'000	\$'000
Inventories held for distribution at cost - stores	421	419
Total inventories	421	419

Inventories are stated at the lower of cost and their net realisable value. Inventories held for use by the department are measured at cost, with cost being allocated in accordance with the first-in, first-out method.

20 Non-current assets classified as held for sale

	2018	2017
	\$'000	\$'000
Land	19 095	28 075
Building	83	-
Total non-current assets classified as held for sale	19 178	28 075

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

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

Non-current assets classified as held for sale are presented separately from the other assets in the Statement of Financial Position.

Reconciliation of non-current assets classified as held for sale movement	2018	2017
	\$'000	\$'000
Carrying amount at the beginning of the period	28 075	33 069
Impairment loss	-	(116)
Transfers from property, plant and equipment	1 369	-
Revaluation increment/(decrement)	209	-
Assets sold	(10 475)	(4 878)
Total non-current assets classified as held for sale	19 178	28 075

Department of Human Services
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21 Non-current assets

Revaluation

All 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.

Every year, the department has an independent Certified Practising Valuer undertake a desktop valuation. Every five years a full valuation is performed by an Independent Certified Practising Valuer.

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.

The department has taken the exemption available under Accounting Policy Framework III paragraph APS 3.18 to take the asset revaluation adjustment to the asset revaluation surplus on a class basis rather than an individual asset basis.

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 assets.

Any revaluation increment is credited to the revaluation surplus, except to the extent that it reverses a revaluation decrease of the same asset class previously recognised as an expense, in which case the increase is recognised as income. Any revaluation decrease is recognised as an expense, except to the extent that it offsets a previous revaluation increase for the same asset class, in which case the decrease is debited directly to the asset revaluation surplus to the extent of the credit balance existing in the revaluation surplus for that asset class.

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

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.

Department of Human Services
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22 Property, plant and equipment

	2018	2017
	\$'000	\$'000
Land and buildings		
Site land at fair value	62 650	67 025
Buildings and improvements at fair value	100 358	101 833
Accumulated depreciation	(9 034)	(5 297)
Total land and buildings	153 974	163 561
Leasehold improvements		
Leasehold improvements at cost (deemed fair value)	16 551	16 644
Accumulated amortisation	(12 165)	(10 346)
Total leasehold improvements	4 386	6 298
Computing equipment		
Computing equipment at cost (deemed fair value)	350	451
Accumulated depreciation	(344)	(438)
Total computing equipment	6	13
Motor vehicles		
Motor vehicles at cost (deemed fair value)	184	164
Accumulated depreciation	(138)	(129)
Total motor vehicles	46	35
Independent living equipment program		
Independent living equipment program at cost (deemed fair value)	18 235	17 760
Accumulated depreciation	(12 540)	(11 063)
Total independent living equipment program	5 695	6 697
Other plant and equipment		
Other plant and equipment at cost (deemed fair value)	6 669	6 467
Accumulated depreciation	(2 567)	(2 349)
Total other plant and equipment	4 102	4 118
Total property, plant and equipment	168 209	180 722

Department of Human Services
Notes to and forming part of the financial statements
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22 Property, plant and equipment (continued)

22.1 Acquisition and recognition

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

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

The department capitalises all non-current tangible assets with a value of \$0.01 million or greater.

Works in progress (WIP) are projects which are incomplete as at reporting date.

22.2 Impairment

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

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

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

There was no impairment loss recognised in 2017-18.

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

	Site land	Buildings and improvements	Leasehold improvements	Total
	\$'000	\$'000	\$'000	\$'000
Carrying amount at the beginning of the period	67 025	96 536	6 298	169 859
Purchases	-	-	-	-
Prior period adjustments	-	-	-	-
Disposals	(3 100)	(974)	(30)	(4 104)
Disposals - sales/write-offs	-	-	-	-
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 between other classes	-	12	-	12
Carrying amount at the end of the period	62 650	91 324	4 386	158 360

Department of Human Services
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22 Property, plant and equipment (continued)

22.4 Reconciliation of land, buildings and leasehold improvements

The following table shows the movement of land, buildings and improvements, and leasehold improvements during 2016-17.

	Site land	Buildings and improvements	Leasehold improvements	Total
	\$'000	\$'000	\$'000	\$'000
Carrying amount at the beginning of the period	67 325	101 833	8 348	177 506
Purchases	-	-	30	30
Prior period adjustments	300	-	-	300
Depreciation and amortisation for the year	-	(5 297)	(2 175)	(7 472)
Assets transferred out at nil consideration	(600)	-	-	(600)
Transfers to/(from) works in progress	-	-	95	95
Carrying amount at the end of the period	67 025	96 536	6 298	169 859

22.5 Reconciliation of plant and equipment

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

	Computing equipment	Motor vehicles	Independent living equipment program	Other plant and equipment	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
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)	(3027)
Transfers between other classes	-	-	-	(12)	(12)
Donated Assets	-	-	-	(7)	(7)
Transfers to/(from) works in progress	-	-	877	278	1 155
Carrying amount at the end of the period	6	46	5 695	4 102	9 849

Department of Human Services
Notes to and forming part of the financial statements
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22 Property, plant and equipment (continued)

22.6 Reconciliation of plant and equipment

The following table shows the movement of plant and equipment during 2016-17.

	Computing equipment	Motor vehicles	Independent living equipment program	Other plant and equipment	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying amount at the beginning of the period	19	24	5 066	2 908	8 017
Purchases	-	-	3 526	67	3 593
Prior period adjustments	-	-	168	(16)	152
Disposals	-	-	(60)	(15)	(75)
Depreciation and amortisation for the year	(6)	(10)	(2 231)	(384)	(2 631)
Transfers to/(from) works in progress	-	21	228	1 558	1 807
Carrying amount at the end of the period	13	35	6 697	4 118	10 863

23 Capital works in progress

	2018 \$'000	2017 \$'000
Property, plant and equipment in progress at cost	4 774	3 746
Total capital works in progress	4 774	3 746

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

	2018 \$'000	2017 \$'000
Carrying amount at the beginning of the period	3 746	1 965
Purchases	6 381	5 331
Transfers to completed works	(5 281)	(3 365)
WIP adjustments	(72)	(185)
Carrying amount of capital work in progress	4 774	3 746

Department of Human Services
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24 Intangible assets

	2018	2017
	\$'000	\$'000
Internally developed intangible assets		
Computer software at cost	9 947	5 966
Accumulated amortisation	(5 526)	(3 435)
Total internally developed intangible assets	4 421	2 531
Total intangible assets	4 421	2 531

The following table shows the movement of intangible assets.

	2018	2017
	\$'000	\$'000
Carrying amount at the beginning of the period	2 531	2 568
Transfers to/(from) works in progress	3 981	1 463
Amortisation	(2 091)	(1 500)
Carrying amount at the end of the period	4 421	2 531

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

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

The acquisition of or internal development of software is capitalised only when the expenditure meets the definition criteria (identifiability, control, and the existence of future economic benefits), the recognition criteria (probability of future economic benefits and cost can be reliably measured) and when the amount of expenditure is greater than or equal to \$0.01 million.

The internally developed computer software includes the department's continuous monitoring system and the SAMS online system – stage 2 with a remaining useful life of 3 years and a carrying amount of \$1.71 million and \$0.91 million respectively.

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

Impairment

There were no indications of impairment on intangible assets for 2017-18 and 2016-17.

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25 Fair value measurements

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.

The department classifies fair value measurement using the following fair value hierarchy that reflects the significance of the inputs used in making the measurement, 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 has no assets categorised into level 1.

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

The department's current use is the highest and best use of the asset unless other factors suggest an alternative use is feasible. As the department did not identify any factors to suggest an alternative use, fair value measurement was based on current use.

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

Asset classes where written down cost is deemed to be fair value include:

- leasehold improvements
- capital works in progress
- plant and equipment
- motor vehicles
- computer equipment
- independent living equipment program

Refer to notes 21 and 24 for disclosure regarding fair value measurement techniques and inputs used to develop fair value measurements for non-financial assets.

Department of Human Services
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25 Fair value measurements (continued)

25.1 Fair value hierarchy

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

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

Fair value measurements at 30 June 2018

		Level 2	Level 3	Total
	Note	\$'000	\$'000	\$'000
Recurring fair value measurements				
Land	22	62 650	-	62 650
Buildings	22	26 375	64 949	91 324
Leasehold improvements	22	-	4 386	4 386
Plant and equipment	22	-	9 849	9 849
Total recurring fair value measurements		89 025	79 184	168 209
Non-recurring fair value measurements				
Land held for sale	20	19 178	-	19 178
Total non-recurring fair value measurements		19 178	-	19 178
Total fair value measurements		108 203	79 184	187 387

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

Fair value measurements at 30 June 2017

		Level 2	Level 3	Total
	Note	\$'000	\$'000	\$'000
Recurring fair value measurements				
Land	22	67 025	-	67 025
Buildings	22	29 676	66 860	96 536
Leasehold improvements	22	-	6 298	6 298
Plant and equipment	22	-	10 863	10 863
Total recurring fair value measurements		96 701	84 021	180 722
Non-recurring fair value measurements				
Land held for sale	20	28 075	-	28 075
Total non-recurring fair value measurements		28 075	-	28 075
Total fair value measurements		124 776	84 021	208 797

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25 Fair value measurements (continued)

Valuation techniques and inputs

Valuation techniques used to derive level 3 fair values together with the reconciliation of level 3 fair value measurements. There were no changes in valuation techniques during 2017-18 and 2016-17.

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

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

	Buildings	Plant & equipment	Leasehold improvements
2017	\$'000	\$'000	\$'000
Opening balance at the beginning of the period	68 770	8 017	8 348
Acquisitions	-	3 593	30
Prior period adjustments	-	152	-
Disposals	-	(75)	-
Transfers to/(from) work in progress	-	1 807	95
Gains/(losses) for the period recognised in net result:			
Depreciation	(1 910)	(2 631)	(2 175)
Total gains/(losses) recognised in net result	(1 910)	(2 631)	(2 175)
Carrying amount at the end of the period	66 860	10 863	6 298

Department of Human Services
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26 Payables

	2018	2017
	\$'000	\$'000
Current		
Creditors	37 393	30 220
Accrued expenses	46 736	10 862
Employment on-costs *	7 785	8 479
Other	126	349
Total current payables	92 040	49 910
Non-current		
Employment on-costs *	4 807	5 165
Total non-current payables	4 807	5 165
Total payables	96 847	55 075

* Employment on-costs include Payroll Tax, workers' compensation levies and superannuation contributions. 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.

Interest rate and credit risk

Payables are measured at nominal amounts.

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

Department of Human Services
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27 Employee benefits - Liability

	2018	2017
	\$'000	\$'000
Current		
Annual leave	29 508	32 322
Long service leave	16 997	17 911
Skills and experience retention leave	1 723	2 040
Accrued salaries and wages	13 386	8 526
Total current employee benefits	61 614	60 799
Non-current		
Long service leave	52 072	56 078
Total non-current employee benefits	52 072	56 078
Total employee benefits	113 686	116 877

Employee benefits accrue for employees 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 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 skills and experience retention leave liability 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 is estimated to be less than the annual entitlement for sick leave.

Long service leave

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

The estimated liability for long service leave is based on actuarial assumptions over expected future salary and wage levels, experience of employee departures and periods of service. These assumptions are based on employee data over SA Government entities.

The yield on long-term Commonwealth Government bonds has remained unchanged from 2017 (2.5%) to 2018 (2.5%).

Current long service leave reflects the portion of leave expected to be settled within the next 12 months, based on previous experience.

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

The Department of Treasury and Finance use the Budget Management System (BMS) to perform an actuarial valuation of long service leave for the whole of government. The actuarial assessment performed by the DTF also left the salary inflation rate at 3% for annual leave and skills, experience and retention leave liability. As a result, there is no net financial effect resulting from changes in the salary inflation rate.

Department of Human Services
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27 Employee benefits - Liability (continued)

The actuarial valuation, which is essentially a net present value calculation, is heavily influenced by inputs:

- the long term salary inflation rate was 4% in 2017, and remains the same for 2018
- the duration over which the liability is to be paid was 9.5 years in 2017 has increased to 10 years in 2018.

The main reason for a decrease on the Provision is the reduced number of employees.

The net financial effect of the changes in the current financial year is an increase in long service leave liability and employee benefit expenses of \$1.27 million. The impact on future periods is impracticable to estimate as the long service leave liability is calculated using a number of assumptions - a key assumption is the long-term discount rate.

28 Provisions

		2018	2017
		\$'000	\$'000
Current	Note		
Insurance	28.1	130	100
Workers compensation	28.2	6 206	8 214
Additional compensation	28.3	120	-
Other provisions	28.4	-	-
Total current provisions		6 456	8 314
Non-current			
Insurance	28.1	80	80
Workers compensation	28.2	18 123	16 925
Additional compensation	28.3	1 670	-
Total non-current provisions		19 873	17 005
Total provisions		26 329	25 319

Department of Human Services
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28 Provisions (continued)

28.1 Reconciliation of insurance

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

	Public liability	Property	Total
	\$'000	\$'000	\$'000
Carrying amount at the beginning of the period	140	40	180
Increase to provision due to new claims	30	-	30
Carrying amount at the end of the period	170	40	210

The following table shows the movement of insurance during 2016-17:

	Public liability	Property	Total
	\$'000	\$'000	\$'000
Carrying amount at the beginning of the period	150	40	190
Increase to provision due to new claims	11	3	14
Reduction due to payments	(11)	-	(11)
Net revision of estimates	(10)	(3)	(13)
Carrying amount at the end of the period	140	40	180

28.2 Reconciliation of workers compensation

	2018	2017
	\$'000	\$'000
Carrying amount at the beginning of the period	25 139	28 888
Increase to provision due to revision of estimates	5 850	5 993
Reduction due to payments	(6 660)	(9 742)
Carrying amount at the end of the period	24 329	25 139

28.3 Reconciliation of additional compensation

	2018	2017
	\$'000	\$'000
Carrying amount at the beginning of the period	-	-
Increase to provision due to revision of estimates	1 790	-
Carrying amount at the end of the period	1 790	-

28.4 Reconciliation of other provisions

	2018	2017
	\$'000	\$'000
Carrying amount at the beginning of the period	-	145
Reduction due to payments	-	(145)
Carrying amount at the end of the period	-	-

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28 Provisions (continued)

Workers Compensation

A liability has been reported to reflect unsettled workers compensation claims. The workers compensation provision is based on an actuarial assessment of the outstanding liability as at 30 June 2018 provided by a consulting actuary engaged through the Office for the Public Sector (a division of the Department of the Premier and Cabinet). The provision is for the estimated cost of ongoing payments to employees as required under current legislation. The department is responsible for the payment of workers compensation claims.

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

Following changes to relevant Public Sector Enterprise Agreements and Awards, the department has recognised an Additional Compensation provision as at 30 June 2018.

The new 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. Eligible injuries are non-serious injuries sustained in circumstances which involved, or appeared to involve, the commission of a criminal offence, or which arose from a dangerous situation.

The Additional Compensation provision is based on an actuarial assessment of the outstanding liability as at 30 June 2018 provided by a consulting actuary engaged by the Office for the Public Sector. The liability was calculated in accordance with Australian Accounting Standard AASB 137 'Provisions, Contingent Liabilities and Contingent Assets' as the present value of the expenditures expected to be required to settle obligations incurred as at 30 June. The liability comprises an estimate for known claims and an estimate of incurred but not reported (IBNR) applications. No risk margin is included in the estimate.

Key assumptions in the estimate include:

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

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

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

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29 Other liabilities

	2018	2017
	\$'000	\$'000
Current		
Unclaimed monies	246	226
Unearned revenue	3 361	728
Lease incentive	784	784
Other liabilities	330	-
Total current other liabilities	4 721	1 738
Non-current		
Lease incentive	2 220	2 985
Total non-current other liabilities	2 220	2 985
Total other liabilities	6 941	4 723

30 Unrecognised contractual commitments

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

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

Capital commitments

	2018	2017
	\$'000	\$'000
Within one year	553	353
Total capital commitments	553	353

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:

	2018	2017
	\$'000	\$'000
Within one year	11 295	12 742
Later than one year but not longer than five years	17 555	24 886
Later than five years	2 111	3 865
Total operating lease commitments	30 961	41 493

The department has many lease agreements. These leases are for administrative purposes and vary in length. Lease payments are monthly and predominantly paid in advance. Some lease agreements have renewal options for a determined period, exercisable by both the lessor and lessee.

Department of Human Services
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31 Contingent assets and liabilities

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

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

Contingent assets

The department has a contingent asset for 2017-18. The department has a potential claim with a service provider who is in liquidation. The department is currently not in a position to determine if recovery is possible or for how much.

Contingent liabilities

The department is not aware of any contingent liabilities.

32 Cash flow reconciliation

	2018	2017
	\$'000	\$'000
Reconciliation of cash and cash equivalents at the end of the reporting period		
Cash and cash equivalents disclosed in the Statement of Financial Position	227 967	146 010
Balance as per the Statement of Cash Flows	227 967	146 010
Reconciliation of net cash provided by / (used in) operating activities to net cost of providing services		
Net cash provided by operating activities	74 372	9 964
Revenues from SA Government	(1 272 447)	(1 125 904)
Payments to SA Government	4 750	-
Add / (less) non-cash items		
Depreciation and amortisation	(11 301)	(11 603)
Lease incentive amortisation	(765)	(784)
Donated assets	(7)	-
Assets transferred out at nil consideration	-	(600)
Transfer to the Consolidated Account	10 082	-
Impairment of non-current assets	-	(116)
Gain/(loss) from disposal of non-current assets	192	(22)
Movement in assets and liabilities		
Increase/(decrease) in receivables	(1 312)	4 946
Increase/(decrease) in inventories	2	(51)
(Increase)/decrease in payables and provisions	(42 782)	(3 846)
(Increase)/decrease in employee benefits	3 191	6 973
(Increase)/decrease in other liabilities	(1 453)	996
Net cost of providing services	(1 237 478)	(1 120 047)

Department of Human Services
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33 Related party transactions

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

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

Significant transactions with government related entities

The department had no significant transactions with government related entities unless disclosed elsewhere in the financial report.

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

Quantitative information about transactions and balances between DHS and other SA Government controlled entities is disclosed at note 38.

Transactions with key management personnel and other related parties

Compensation of key management personnel is disclosed in note 3. The department had no material transactions or balances and/or transactions outside normal day-to-day operations to disclose.

Department of Human Services
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34 Budgetary reporting

		Original budget ⁽¹⁾ 2018 \$'000	Actual 2018 \$'000	Variance \$'000
Statement of Comprehensive Income	Note			
Expenses				
Employee benefits expenses		389 309	388 631	(678)
Supplies and services		276 247	304 556	28 309
Depreciation and amortisation		11 992	11 301	(691)
Grants, subsidies and client payments		613 857	641 940	28 083
Net loss from disposal of non-current assets		208	-	(208)
Other expenses		148 975	175 158	26 183
Total expenses		1 440 588	1 521 586	80 998
Income				
Revenues from fees and charges		115 054	125 401	10 347
Commonwealth revenues		157 919	115 882	(42 037)
Interest revenues		-	3	3
Resources received free of charge		-	6 776	6 776
Net gain from disposal of non-current assets		-	192	192
Other income		11 226	35 854	24 628
Total income		284 199	284 108	(91)
Net cost of providing services		(1 156 389)	(1 237 478)	(81 089)
Revenues from / (payments to) SA Government				
Revenues from SA Government	a	1 157 391	1 272 447	115 056
Payments to SA Government		(19 955)	(14 832)	5 123
Total net revenues from SA Government		1 137 436	1 257 615	120 179
Net result		(18 953)	20 137	39 090
Other comprehensive income				
Items that will not be reclassified to net result				
Changes in revaluation surplus		-	209	209
Total other comprehensive income		-	209	209
Total comprehensive result		(18 953)	20 346	39 299

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

The following are brief explanations of variances between original budget and actual amounts. Explanations are required to be provided for variances where the variance exceeds the greater of 10% of the original budgeted amount and 5% of original budgeted total expenses

- a The variance is primarily due to net increases in grants to SAHT and deferral of receipts from the Disability Care Australia Fund in line with revised Commonwealth arrangements.

Department of Human Services
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34 Budgetary reporting (continued)

Investing expenditure

		Original budget ⁽¹⁾	Actual	Variance
		2018	2018	
Investing expenditure summary	Note	\$'000	\$'000	\$'000
Total new and existing projects		4 389	4 577	188
Total annual programs	a	1 686	2 683	997
Total investing expenditure		6 075	7 260	1 185

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

The following are brief explanations of variances between original budget and actual amounts. Explanations are provided for variances where the variance exceeds the greater of 10% of the original budgeted amount and 5% of original budgeted total expenses.

- a The total annual program was higher than original budget primarily due to the ongoing demand for disability equipment in Domiciliary Equipment Services.

35 Financial risk management / financial instruments

Financial risk management

Departmental risk management policies are in accordance with the *Risk Management Policy Statement 2009* issued by the Premier and Treasurer and the principles established in the Australian Standard *Risk Management Principles and Guidelines*.

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

Liquidity risk

Liquidity risk arises where the department is unable to meet its financial obligations as they are due to be settled. The department is funded principally from appropriation by the SA Government. The department works with DTF to determine the cash flows associated with its government approved program of work and to ensure funding is provided through the SA Government budgetary process to meet the expected cash flows. The department settles undisputed accounts within 30 days from the date of the invoice or the date the invoice is first received.

The department considers its liquidity risk is minimal based on past experience and current assessment of risk.

The carrying amount of financial liabilities shown at note 35.2 represent the department's maximum exposure to financial liabilities.

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 notes.

Refer to note 35.2 for the carrying amounts of each of the following categories of financial assets and liabilities: receivables; and payables measured at cost.

DHS does not recognise any financial assets or financial liabilities at fair value, but does disclose fair value in the notes. All of the resulting fair value estimates are included in level 2 as all significant inputs required are observable. The carrying value less impairment provisions of receivables and payables is a reasonable approximation of their fair values due to the short-term nature of these (refer notes 18 and 26).

Department of Human Services
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35 Financial risk management / financial instruments (continued)

Credit risk

Credit risk arises when there is the possibility of the department's debtors defaulting on their contractual obligations resulting in financial loss to the department.

The department has minimal concentration of credit risk to the non-public sector. The department does not engage in high risk hedging for its financial assets.

Allowances for impairment of financial assets are calculated on past experience and current and expected changes in client credit rating. Other than receivables, there is no evidence to indicate that financial assets are impaired. Refer to note 18 for information on the allowance for impairment in relation to receivables.

35.1 Ageing analysis of financial assets

The following table discloses the ageing of financial assets that are past due but not impaired and impaired financial assets.

	Carrying amount \$'000	Not past due and not impaired \$'000	Past due but not impaired			Impaired financial assets \$'000
			Overdue for less than 30 days \$'000	Overdue for 30 - 60 days \$'000	Overdue for more than 60 days \$'000	
2018						
Not Impaired						
Receivables	12 135	7 555	2 717	204	241	1 418
Impaired						
Receivables	-	-	-	-	-	(1 418)
	12 135	7 555	2 717	204	241	-
2017						
Not Impaired						
Receivables	9 132	225	4 072	4 017	403	415
Impaired						
Receivables	-	-	-	-	-	(415)
	9 132	225	4 072	4 017	403	-

Receivable amounts disclosed here exclude amounts relating to statutory receivables (amounts owing to Government). They are carried at cost.

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35 Financial risk management / financial instruments (continued)

Table 35.2 Maturity analysis of financial assets and liabilities

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
Financial assets					
Cash and cash equivalents	17	227 967	227 967	-	-
Receivables ⁽¹⁾⁽²⁾	18	36 495	20 595	7 538	8 362
Total financial assets		264 462	248 562	7 538	8 362
Financial liabilities					
Payables	26	83 915	83 915	-	-
Total financial liabilities		83 915	83 915	-	-

Category of financial asset and financial liability	Note	Carrying amount / fair value \$'000	2017 Contractual maturities		
			Within 1 year \$'000	1-5 years \$'000	More than 5 years \$'000
Financial assets					
Cash and cash equivalents	17	146 010	146 010	-	-
Receivables ⁽¹⁾⁽²⁾	18	37 141	21 715	7 152	8 274
Total financial assets		183 151	167 725	7 152	8 274
Financial liabilities					
Payables	26	41 087	41 087	-	-
Total financial liabilities		41 087	41 087	-	-

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

⁽²⁾ Receivable amounts disclosed here exclude prepayments. Prepayments are presented in note 18 as prepaid supplies and services in accordance with paragraph 78(b) of AASB 101 *Presentation of Financial Statements*. However, prepayments are not financial assets as defined in AASB 132 *Financial Instruments: Presentation* as the future economic benefit of these assets is the receipt of goods and services rather than the right to receive cash or another financial asset.

Department of Human Services
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36 Impact of standards and statements not yet implemented

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

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

AASB 9 Financial Instruments

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

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

- Trade receivables and loan receivables will be classified and measured at amortised cost, similar to the current classification of loans and receivables. However, new impairment requirements will result in a provision being applied to all receivables rather than only on those receivables that are credit impaired. The Agency will be adopting the simplified approach under AASB 9 Financial Instruments and measure lifetime expected credit losses on all trade receivables and contract assets using a provision matrix approach as a practical expedient to measure the impairment provision. The agency has not yet calculated net impact.
- All financial liabilities listed in the financial instruments / financial risk management note 35 will continue to be measured at amortised cost. The Agency does not expect a material change in the reported value of financial liabilities.

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

AASB 16 Leases

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

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

Department of Human Services
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36 Impact of standards and statements not yet implemented (continued)

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

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

The Agency has not yet quantified the exact impact on the Statement of Comprehensive Income or the Statement of Financial Position of applying AASB 16 Leases to its current operating leases, including the extent of additional disclosures required. The exact impact will not be known until the year of transition.

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

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

The Agency's current operating lease commitments note (refer note 30) provides an indication of the amounts to be recognised 'on-balance sheet' at transition (an expected increase in lease liabilities with a corresponding right-of-use asset). The reclassification between supplies and services expense and depreciation/interest has not yet been estimated.

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

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

- Special purpose grants received to construct non-financial assets controlled by the Agency will be recognised as a liability, and subsequently recognised progressively as revenue as the Agency satisfies its performance obligations under the grant. At present, such grants are recognised as revenue upfront.
- Under the new standards, other grants presently recognised as revenue upfront may be eligible to be recognised as revenue progressively as the associated performance obligations are satisfied, but only if the associated performance obligations are enforceable and sufficiently specific. The Agency has commenced evaluating the existing grant arrangement as to whether revenue from those grants could be deferred under the new requirements – however, no conclusion or the potential impact, if any, has been determined at the present time.
- Grants that are not enforceable and/or not sufficiently specific will not qualify for deferral, and continue to be recognised as revenue as soon as they are controlled. The Agency receives several grants from the Australian Government for which there are not any sufficiently specific performance obligations – these grants are expected to continue being recognised as revenue upfront, assuming there is no change to the current grant arrangements.

Department of Human Services
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36 Impact of standards and statements not yet implemented (continued)

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

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

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

37 Events after the reporting period

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

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

Refer to note 2.2 and 2.3 relating to the Machinery of Government changes and transition to the NDIS, Commonwealth Aged Care and Service Reform.

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38 Transactions with SA Government

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

		SA Government		Non-SA Government		Total	
		2018	2017	2018	2017	2018	2017
	Note	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Expenses							
Employee benefits expense	3	23 427	23 784	365 204	353 175	388 631	376 959
Supplies and services	5						
Accommodation and property related		17 073	16 439	9 846	8 330	26 919	24 769
Advertising and promotions		72	25	799	758	871	783
Brokerage care services		1 952	1 797	193 163	179 062	195 115	180 859
Business services		6 820	6 619	35	26	6 855	6 645
Client related expenses		48	89	6 125	6 211	6 173	6 300
Communication and computing		2 933	2 560	12 864	12 727	15 797	15 287
Contractors and agency staff		551	912	10 259	8 986	10 810	9 898
Consultants		-	-	2 385	616	2 385	616
Homelessness services		4 175	4 207	-	-	4 175	4 207
Drugs and medical supplies		1	7	1 716	1 808	1 717	1 815
Insurance		757	768	4	1	761	769
Interpreter and translator fees		-	-	44	74	44	74
Managed payments		1 152	1 164	-	45	1 152	1 209
Minor equipment		125	1 147	8 626	8 340	8 751	9 487
Motor vehicles		5 274	5 687	577	433	5 851	6 120
Printing, stationery, postage and periodicals		24	21	2 105	1 908	2 129	1 929
Repairs and maintenance		38	736	3 603	3 930	3 641	4 666
Seminars, courses and training		193	73	1 320	732	1 513	805
Travel and accommodation		2	-	1 141	1 145	1 143	1 145
Other		1 284	1 623	7 130	6 412	8 414	8 035
Audit fees paid/payable to the Auditor-General's Department		340	344	-	-	340	344
Depreciation and amortisation expense	6	-	-	11 301	11 603	11 301	11 603
Grants, subsidies and client payments	7	258 168	176 041	383 772	391 072	641 940	567 113
Other expenses	8						
Aged Care and Disability Services Reform – payment to the Commonwealth		-	-	77 800	59 353	77 800	59 353
Bad and doubtful debts		-	-	1 214	136	1 214	136
Assets transferred at nil consideration		-	-	-	600	-	600
Donated assets		-	-	7	-	7	-
Impairment loss		-	-	-	116	-	116
NDIS payments		-	-	96 082	38 194	96 082	38 194
Other		14	5	41	78	55	83
Payments to SA Government	15	14 832	-	-	-	14 832	-
Total expenses		339 255	244 048	1 197 163	1 095 871	1 536 418	1 339 919

Department of Human Services
Notes to and forming part of the financial statements
for the year ended 30 June 2018

38 Transactions with SA Government (continued)

		SA Government		Non-SA Government		Total	
		2018	2017	2018	2017	2018	2017
	Note	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Income							
Revenue from fees and charges	9						
Employee services		66 578	66 989	-	-	66 578	66 989
Insurance recoveries		24	160	4	-	28	160
Recoveries		5 157	4 310	10 231	3 879	15 388	8 189
Business services		16 454	16 220	-	-	16 454	16 220
Fees, fines and penalties		13 183	10 520	5 265	5 831	18 448	16 351
Rent		73	130	43	38	116	168
Patient and client fees		-	-	8 389	8 688	8 389	8 688
Commonwealth revenues	10	-	-	115 882	75 181	115 882	75 181
Interest revenues	11	3	1	-	-	3	1
Revenue Received Free of Charge	12	6 776	-	-	-	6 776	-
Net gain/(loss) from disposal of non-current assets	13	192	(22)	-	-	192	(22)
Other Income	14						
NDIS revenue		128	-	13 417	12 021	13 545	12 021
Minor equipment		401	124	171	43	572	167
Hire charges		1 582	972	755	462	2 337	1 434
Community development fund		3 000	3 000	-	-	3 000	3 000
State capital grants		-	-	-	-	-	-
Other grants from SA Government agencies		9 282	10 160	469	671	9 751	10 831
Other		623	205	6 026	289	6 649	494
Revenues from SA Government	15	1 272 447	1 125 904	-	-	1 272 447	1 125 904
Total income		1 395 903	1 238 673	160 652	107 103	1 556 555	1 345 776
Financial assets							
Cash and cash equivalents	17	227 967	146 010	-	-	227 967	146 010
Receivables	18						
Debtors		5 407	7 457	6 792	4 077	12 199	11 534
Employee related services recoverable		25 211	25 531	-	-	25 211	25 531
Overpaid salaries		-	-	503	491	503	491
Prepayments		78	78	2 386	736	2 464	814
GST input tax recoverable		-	-	2 527	4 843	2 527	4 843
Total financial assets		258 663	179 076	12 208	10 147	270 871	189 223
Financial liabilities							
Payables	26						
Creditors		21 142	22 086	16 251	8 134	37 393	30 220
Accrued expenses		808	4 402	45 928	6 460	46 736	10 862
Employee benefit on-costs		5 815	6 346	6 777	7 298	12 592	13 644
Other		-	51	126	298	126	349
Employee benefits	27	-	-	113 686	116 877	113 686	116 877
Other liabilities	29						
Unclaimed monies		-	-	246	226	246	226
Unearned revenue		8	71	3 353	657	3 361	728
Lease incentive		3 004	3 769	-	-	3 004	3 769
Other liabilities		-	-	330	-	330	-
Total financial liabilities		30 777	36 725	186 697	139 950	217 474	176 675

**Department of Human Services
(DHS)**

Administered Financial Statements

For the year ended 30 June 2018

Department of Human Services
Statement of Administered Comprehensive Income
for the year ended 30 June 2018

	Note	2018 \$'000	2017 \$'000
Administered expenses			
Employee benefits		605	695
Supplies and services		1 969	1 550
Depreciation and amortisation		2 531	2 395
Grants, subsidies and client payments	A4	201 702	186 823
Client Trust payments	A14	12 833	13 462
Total administered expenses		219 640	204 925
Administered income			
Grants and contributions		10 660	10 126
Recoveries, fees and charges		1 211	473
Interest revenues		341	363
Client Trust receipts	A14	12 512	13 394
Other income		385	384
Total administered income		25 109	24 740
Net cost of providing services		(194 531)	(180 185)
Revenues from SA Government			
Revenues from SA Government		196 450	191 383
Total revenues from SA Government		196 450	191 383
Net result		1 919	11 198
Total comprehensive result		1 919	11 198

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

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

Department of Human Services
Statement of Administered Financial Position
as at 30 June 2018

	Note	2018 \$'000	2017 \$'000
Administered current assets			
Cash and cash equivalents	A7	70 642	68 577
Receivables		30	189
Total current assets		70 672	68 766
Administered non-current assets			
Property, plant and equipment	A8.1	24 817	27 343
Investment property	A8.2	1 400	1 400
Capital works in progress	A8.3	39	-
Intangibles	A8.4	5	10
Total non-current assets		26 261	28 753
Total assets		96 933	97 519
Administered current liabilities			
Payables		10 448	12 953
Total current liabilities		10 448	12 953
Total liabilities		10 448	12 953
Net assets		86 485	84 566
Administered equity			
Retained earnings		59 002	57 083
Asset revaluation surplus		27 483	27 483
Total equity		86 485	84 566

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

Unexpended funding commitments	A6
Unrecognised contractual commitments	A10
Contingent assets and liabilities	A12

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

Department of Human Services
Statement of Administered Changes in Equity
for the year ended 30 June 2018

	Asset revaluation surplus	Retained earnings	Total equity
	\$'000	\$'000	\$'000
Balance at 30 June 2016	27 483	45 885	73 368
Net result for 2016-17	-	11 198	11 198
Total comprehensive result for 2016-17	-	11 198	11 198
Balance at 30 June 2017	27 483	57 083	84 566
Net result for 2017-18	-	1 919	1 919
Total comprehensive result for 2017-18	-	1 919	1 919
Balance at 30 June 2018	27 483	59 002	86 485

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

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

Department of Human Services
Statement of Administered Cash Flows
for the year ended 30 June 2018

		2018	2017
		Inflows	Inflows
		(Outflows)	(Outflows)
		\$'000	\$'000
Cash flows from operating activities	Note		
Cash outflows			
Employee benefits payments		(633)	(695)
Concessions		(161 421)	(160 535)
Payments of grants, subsidies and client payments		(41 494)	(33 718)
Payments for supplies and services		(3 267)	(155)
Client Trust payments		(12 707)	(13 588)
Cash used in operations		(219 522)	(208 691)
Cash inflows			
Recoveries, fees and charges		1 239	486
Grants and contributions		10 660	10 126
Interest received		341	363
Client Trust receipts		12 512	13 394
Other receipts		385	384
Cash generated from operations		25 137	24 753
Cash flows from SA Government			
Receipts from SA Government		196 450	191 383
Cash generated from SA Government		196 450	191 383
Net cash provided by / (used in) operating activities	A11	2 065	7 445
Cash flows from investing activities			
Cash outflows			
Purchase of property, plant and equipment		-	(805)
Cash used in investing activities		-	(805)
Net cash provided by / (used in) investing activities		-	(805)
Net increase / (decrease) in cash and cash equivalents		2 065	6 640
Cash and cash equivalents at the beginning of the reporting period		68 577	61 937
Cash and cash equivalents at the end of the reporting period	A7	70 642	68 577

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

Department of Human Services
Notes to and forming part of the financial statements
for the year ended 30 June 2018

Activities - refer note A2	Gambler's Rehabilitation Fund		Community Benefit SA Program		Home for Incurables Trust		Disability Services Donations and Bequests	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Administered expenses								
Employee benefits	-	-	-	-	-	-	-	-
Supplies and services	1 257	986	160	148	293	136	143	11
Depreciation and amortisation	5	5	-	-	2 526	2 390	-	-
Grants, subsidies and client payments	5 835	5 822	4 269	4 189	482	471	-	-
Client Trust payments	-	-	-	-	-	-	-	-
Total administered expenses	7 097	6 813	4 429	4 337	3 301	2 997	143	11
Administered income								
Revenues from SA Government	374	324	-	-	-	-	-	-
Grants and contributions	6 361	5 845	4 000	4 000	-	-	-	-
Recoveries, fees and charges	42	63	338	70	354	322	-	-
Interest revenues	18	16	-	-	59	77	5	5
Client Trust receipts	-	-	-	-	-	-	-	-
Other income	371	364	-	-	-	-	2	11
Total administered income	7 166	6 612	4 338	4 070	413	399	7	16
Net result	69	(201)	(91)	(267)	(2 888)	(2 598)	(136)	5

Department of Human Services
Notes to and forming part of the financial statements
for the year ended 30 June 2018

Activities - refer note A2	Supported Residential Facilities Indemnity Fund		Client Trust Accounts		Minister's Salary		Health and Aged Care Services Donations and Bequests	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Administered expenses								
Employee benefits	-	-	-	-	605	695	-	-
Supplies and services	-	-	-	-	-	-	47	12
Depreciation and amortisation expenses	-	-	-	-	-	-	-	-
Grants, subsidies and client payments	-	-	-	-	-	-	-	-
Client Trust payments	-	-	12 833	13 462	-	-	-	-
Total administered expenses	-	-	12 833	13 462	605	695	47	12
Administered income								
Revenues from SA Government	-	-	-	-	605	695	-	-
Grants and contributions	-	-	-	-	-	-	-	-
Recoveries, fees and charges	-	-	-	-	-	-	-	-
Interest revenues	1	1	249	250	-	-	8	8
Client Trust receipts	-	-	12 512	13 394	-	-	-	-
Other income	-	-	-	-	-	-	11	-
Total administered income	1	1	12 761	13 644	605	695	19	8
Net result	1	1	(72)	182	-	-	(28)	(4)

Department of Human Services
Notes to and forming part of the financial statements
for the year ended 30 June 2018

Activities - refer note
A2

	Concessions		Community Service Obligations		State Emergency Relief Fund		Duke of Edinburgh Trust	
	2018	2017	2018	2017	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Administered expenses								
Employee benefits	-	-	-	-	-	-	-	-
Supplies and services	3	-	-	-	-	257	-	-
Depreciation and amortisation expenses	-	-	-	-	-	-	-	-
Grants, subsidies and client payments	160 602	152 796	24 952	19 312	-	-	23	-
Client Trust payments	-	-	-	-	-	-	-	-
Total administered expenses	160 605	152 796	24 952	19 312	-	257	23	-
Administered income								
Revenues from SA Government	166 010	161 848	25 571	24 624	-	-	-	-
Grants and contributions	22	5	-	-	-	-	-	-
Recoveries, fees and charges	444	18	-	-	-	-	-	-
Interest revenues	-	-	-	-	1	6	-	-
Client Trust receipts	-	-	-	-	-	-	-	-
Other income	-	-	-	-	1	9	-	-
Total administered income	166 476	161 871	25 571	24 624	2	15	-	-
Net result	5 871	9 075	619	5 312	2	(242)	(23)	-

Department of Human Services
Notes to and forming part of the financial statements
for the year ended 30 June 2018

Activities - refer note A2	Personal Alert Systems Rebate Scheme		Consumer Advocacy & Research Fund		Homelessness Social Impact Bond		Total	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Administered expenses								
Employee benefits	-	-	-	-	-	-	605	695
Supplies and services	-	-	66	-	-	-	1 969	1 550
Depreciation and amortisation	-	-	-	-	-	-	2 531	2 395
Grants, subsidies and client payments	4 083	2 680	256	353	1 200	1 200	201 702	186 823
Client Trust payments	-	-	-	-	-	-	12 833	13 462
Total administered expenses	4 083	2 680	322	353	1 200	1 200	219 640	204 925
Administered income								
Revenues from SA Government	2 690	2 692	-	-	1 200	1 200	196 450	191 383
Grants and contributions	-	-	277	276	-	-	10 660	10 126
Recoveries, fees and charges	33	-	-	-	-	-	1 211	473
Interest revenues	-	-	-	-	-	-	341	363
Client Trust receipts	-	-	-	-	-	-	12 512	13 394
Other income	-	-	-	-	-	-	385	384
Total administered income	2 723	2 692	277	276	1 200	1 200	221 559	216 123
Net result	(1 360)	12	(45)	(77)	-	-	1 919	11 198

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

Department of Human Services
Notes to and forming part of the financial statements
for the year ended 30 June 2018

A1 Basis of preparation and accounting policies

The Department of Human Services (DHS / the department) applies the same accounting policies to the administered financial statements as set out in the notes to the department's financial statements. The basis of preparation for the administered financial statements is the same as the basis outlined in note 1.

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

* 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 A21.

A3 Consultants

	2018 Number	2018 \$'000	2017 Number	2017 \$'000
Above \$10,000	-	-	1	29
Total paid / payable to the consultants engaged	-	-	1	29

Department of Human Services
Notes to and forming part of the financial statements
for the year ended 30 June 2018

A4 Grants, subsidies and client payments

	2018	2017
	\$'000	\$'000
Gamblers Rehabilitation	5 835	5 822
Community Benefit SA Program	4 269	4 189
Home for Incurables Trust	482	471
Duke of Edinburgh Trust	23	-
Concessions	A5 160 602	152 796
Community Service Obligations	24 952	19 312
Personal Alert Systems Rebate Scheme	4 083	2 680
Consumer Advocacy & Research	256	353
Homelessness Social Impact Bond	1 200	1 200
Total grants, subsidies and client payments	201 702	186 823

A5 Concessions

	2018	2017
	\$'000	\$'000
Water and sewerage rates	50 621	47 118
Energy	38 729	34 635
Council rates	-	5
Transport	31 526	31 035
Emergency Services Levy	6 479	6 147
Cost of Living	31 239	31 973
Emergency electricity payments	403	427
Other	1 605	1 456
Total concessions	160 602	152 796

Department of Human Services
Notes to and forming part of the financial statements
for the year ended 30 June 2018

A6 Unexpended funding commitments

The department is engaged in a variety of funding programs involving State and Commonwealth sources who provide monies to the department on the premise that these funds are expended in a manner consistent with the terms of the program.

As at 30 June 2018, the department had outstanding funding commitments to the following programs:

	2018	2017
	\$'000	\$'000
Community Benefit SA Program	197	445
Gambler's Rehabilitation Fund	287	238
Consumer Advocacy and Research Fund	-	120
Total operating funding commitments	484	803
Highgate Park - Upgrade of critical infrastructure	102	156
Highgate Park facilities works	149	155
Total capital funding commitments	251	311
Total unexpended funding commitments	735	1 114

A7 Cash and cash equivalents

	2018	2017
	\$'000	\$'000
Special deposit account with the Treasurer	54 756	51 667
Special deposit account with SAFA	14 850	16 153
Other deposits	1 036	757
Total cash and cash equivalents	70 642	68 577

A8 Property, plant and equipment

A8.1 Property, plant and equipment

	2018	2017
	\$'000	\$'000
Land and buildings		
Site land at fair value	11 250	11 250
Buildings and improvements at fair value	15 731	15 732
Accumulated depreciation	(4 542)	(2 283)
Total land and buildings	22 439	24 699
Other plant and equipment		
Other plant and equipment at cost (deemed fair value)	2 824	2 824
Accumulated depreciation	(446)	(180)
Total other plant and equipment	2 378	2 644
Total property, plant and equipment	24 817	27 343

Department of Human Services
Notes to and forming part of the financial statements
for the year ended 30 June 2018

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

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

The following table shows the movement of land, buildings and improvements and plant and equipment during 2016-17:

	Site land	Buildings and improvements	Plant and equipment	Total
2017	\$'000	\$'000	\$'000	\$'000
Carrying amount at the beginning of period	11 250	15 720	459	27 429
Transfers to/(from) capital works in progress	-	-	2 304	2 304
Depreciation	-	(2 271)	(119)	(2 390)
Carrying amount at the end of period	11 250	13 449	2 644	27 343

Department of Human Services
Notes to and forming part of the financial statements
for the year ended 30 June 2018

A8 Property, plant and equipment (continued)

A8.2 Investment property

	2018	2017
	\$'000	\$'000
Investment building	600	600
Fair value at the end of the period	600	600
	2018	2017
	\$'000	\$'000
Investment land	800	800
Fair value at the end of the period	800	800
Total investment property at the end of the period	1 400	1 400

Investment properties are held to earn rentals and/or for capital appreciation. Investment properties are 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, investment properties are revalued to fair value with changes in the fair value recognised as income or expense in the period that they arise. Investment properties are not depreciated however are tested for impairment.

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

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

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

The following table shows the movement of investment property during 2016-17:

	Investment land	Investment building	Total
	\$'000	\$'000	\$'000
2017			
Carrying amount at the beginning of the period	800	600	1 400
Carrying amount at the end of period	800	600	1 400

Department of Human Services
Notes to and forming part of the financial statements
for the year ended 30 June 2018

A8 Property, plant and equipment (continued)

A8.3 Capital works in progress

	2018	2017
	\$'000	\$'000
Capital works in progress	39	-
Total capital works in progress	39	-

A8.4 Intangible assets

	2018	2017
	\$'000	\$'000
Computer software - at cost (deemed fair value)	40	40
Accumulated amortisation	(35)	(30)
Total intangible assets	5	10

The following table shows the movement in intangible assets:

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

	Computer software	Total
	\$'000	\$'000
2017		
Carrying amount at the beginning of period	15	15
Amortisation	(5)	(5)
Carrying amount at the end of period	10	10

Department of Human Services
Notes to and forming part of the financial statements
for the year ended 30 June 2018

A9 Fair value measurement

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.

Fair value measurement as at 30 June 2018

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

Fair value measurement as at 30 June 2017

	Level 2	Level 3	Total
	\$'000	\$'000	\$'000
Recurring fair value measurements			
Land	11 250	-	11 250
Buildings	13 449	-	13 449
Plant and equipment	-	2 644	2 644
Investment property	1 400	-	1 400
Total recurring fair value measurements	26 099	2 644	28 743
Total fair value measurements	26 099	2 644	28 743

There have been no transfers of assets between level 2 and 3 fair value hierarchy levels in 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.

Department of Human Services
Notes to and forming part of the financial statements
for the year ended 30 June 2018

Valuation techniques and inputs

There were no changes in valuation techniques during 2017-18.

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 2018

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

Reconciliation of level 3 recurring fair value measurements at 30 June 2017

	Plant and equipment
	\$'000
Carrying amount at the beginning of the period	459
Transfers to/(from) capital works in progress	2 304
Gains/(losses) for the period recognised in net result:	
Depreciation	(119)
Total gain/(losses) recognised in net result	(119)
Carrying amount at the end of the period	2 644

A10 Unrecognised contractual commitments

Capital commitments

	2018	2017
	\$'000	\$'000
Within one year	-	8
Total capital commitments	-	8

Department of Human Services
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A11 Cash flow reconciliation

	2018	2017
	\$'000	\$'000
Reconciliation of cash and cash equivalents at the end of the reporting period		
Cash and cash equivalents disclosed in the Statement of Financial Position	70 642	68 577
Balance as per the Statement of Cash Flows	70 642	68 577
Reconciliation of net cash provided by / (used in) operating activities to net cost of providing services		
Net cash provided by/(used in) operating activities	2 065	7 445
Less revenues from SA Government	(196 450)	(191 383)
Add / (less) non-cash Items		
Depreciation and amortisation	(2 531)	(2 395)
Movement in assets and liabilities		
Increase/(decrease) in receivables	(159)	(684)
Increase/ (decrease) in other assets	39	-
(Increase)/decrease in payables	2 505	6 832
Net cost of providing services	(194 531)	(180 185)

A12 Contingent assets and liabilities

Contingent assets

The department is not aware of any contingent assets.

Contingent liabilities

The department is not aware of any contingent liabilities.

Department of Human Services
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A13 Budgetary reporting and explanations of major variances

	Original budget ⁽¹⁾	Actual	Variance
	2018	2018	
	\$'000	\$'000	\$'000
Statement of Comprehensive Income			
Administered expenses			
Employee benefits	715	605	(110)
Supplies and services	1 471	1 969	498
Depreciation and amortisation	2 312	2 531	219
Grants, subsidies and client payments	206 483	201 702	(4 781)
Client Trust payments	15 446	12 833	(2 613)
Total administered expenses	226 427	219 640	(6 787)
Administered income			
Grants and contributions	10 622	10 660	38
Recoveries, fees and charges	488	1 211	723
Interest revenues	431	341	(90)
Client Trust receipts	15 110	12 512	(2 598)
Other income	383	385	2
Total administered income	27 034	25 109	(1 925)
Net cost of providing services	(199 393)	(194 531)	4 862
Revenues from SA Government			
Revenues from SA Government	197 004	196 450	(554)
Total net revenues from SA Government	197 004	196 450	(554)
Net result	(2 389)	1 919	4 308
	Original budget ⁽¹⁾	Actual	Variance
	2018	2018	
	\$'000	\$'000	\$'000
Investing expenditure summary			
Total existing programs	-	39	39
Total investing expenditure	-	39	39

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

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.

Department of Human Services
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A14 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 \$0.25 million (2017: \$0.25 million).

	2018	2017
	\$'000	\$'000
Opening balance at the beginning of the period	13 923	13 741
Add receipts	12 761	13 644
Less expenses	(12 833)	(13 462)
Closing balance at the end of the period	13 851	13 923

A15 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.

	2018	2017
	\$'000	\$'000
Opening balance at the beginning of the period	393	388
Add receipts	7	16
Less expenses	(143)	(11)
Closing balance at the end of the period	257	393

A16 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.

	2018	2017
	\$'000	\$'000
Opening balance at the beginning of the period	591	595
Add receipts	19	8
Less expenses	(47)	(12)
Closing balance at the end of the period	563	591

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A17 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.

	2018	2017
	\$'000	\$'000
Opening balance at the beginning of the period	23	23
Less expenses	(23)	-
Closing balance at the end of the period	-	23

A18 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.

	2018	2017
	\$'000	\$'000
Opening balance at the beginning of the period	470	547
Add receipts	277	276
Less expenses	(322)	(353)
Closing balance at the end of the period	425	470

A19 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. As at 30 June 2018, the fund held \$0.07 million (2017:\$ 0.07 million).

The South Australian Pinery Fire Appeal commenced in 2015-16 as a result of fires causing major damage in Owen, Hamley Bridge, Wasleys, Kapunda, Freeling, Tarlee and Greenock. Collections for the SA Pinery Fire Appeal officially closed on 30 June 2016.

	2018	2017
	\$'000	\$'000
Opening balance at the beginning of the period	65	307
Add receipts	2	15
Less expenses	-	(257)
Closing balance at the end of the period	67	65

Department of Human Services
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A20 Supported Residential Facilities Indemnity Fund

	2018	2017
	\$'000	\$'000
Opening balance at the beginning of the period	48	47
Receipts	1	1
Closing balance at the end of the period	49	48

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).

A21 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."*

Department of Human Services
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A21 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.

Schedule of Expenses and Income - Home for Incurables Trust for the year ended 30 June 2018	2018 \$'000	2017 \$'000
Expenses		
Supplies and services	293	136
Depreciation and amortisation	2 526	2 390
Grants, subsidies and client payments	482	471
Total expenses	3 301	2 997
Income		
Rental income	354	322
Interest	59	77
Total income	413	399
Net result	(2 888)	(2 598)
Total comprehensive result	(2 888)	(2 598)

Department of Human Services
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A21 Home for Incurables Trust (continued)

Schedule of Financial Position - Home for Incurables Trust as at 30 June 2018	2018 \$'000	2017 \$'000
Current assets		
Special deposits with the Treasurer	1 160	437
Deposits with SAFA	2 035	2 987
Receivables	-	126
Total current assets	3 195	3 550
Non-current assets		
Property, plant and equipment	24 817	27 343
Investment property	1 400	1 400
Capital works in progress	39	-
Total non-current assets	26 256	28 743
Total assets	29 451	32 293
Current liabilities		
Payables	48	2
Total current liabilities	48	2
Total liabilities	48	2
Net assets	29 403	32 291

Schedule of Changes in Equity - Home for Incurables Trust for the year ended 30 June 2018	Asset revaluation surplus \$'000	Retained earnings \$'000	Total equity \$'000
Balance at 30 June 2016	27 483	7 406	34 889
Net result for 2016-17	-	(2 598)	(2 598)
Total comprehensive result for 2016-17	-	(2 598)	(2 598)
Balance at 30 June 2017	27 483	4 808	32 291
Net result for 2017-18	-	(2 888)	(2 888)
Total comprehensive result for 2017-18	-	(2 888)	(2 888)
Balance at 30 June 2018	27 483	1 920	29 403

Department of Human Services
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A21 Home for Incurables Trust (continued)

	2018 Inflows (Outflows) \$'000	2017 Inflows (Outflows) \$'000
Schedule of Administered Cash Flows - Home for Incurables Trust for the year ended 30 June 2018		
Cash flows from operating activities		
Cash outflows		
Supplies and services	(285)	(234)
Grants, subsidies and client payments	(482)	(471)
Cash used in operations	(767)	(705)
Cash inflows		
Interest revenue	58	77
Rental revenue	480	196
Cash generated from operations	538	273
Net cash provided by / (used in) operating activities	(229)	(432)
Cash flows from investing activities		
Cash outflows		
Payments for plant, equipment and investments	-	(805)
Cash used in investing activities	-	(805)
Net cash provided by / (used in) investing activities	-	(805)
Net increase / (decrease) in cash and cash equivalents	(229)	(1 237)
Cash and cash equivalents at the beginning of the reporting period	3 424	4 661
Cash and cash equivalents at the end of the reporting period	3 195	3 424

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.

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A21 Home for Incurables Trust (continued)

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

Property, plant and equipment	2018 \$'000	2017 \$'000
Land and buildings		
Site land at fair value	11 250	11 250
Buildings and improvements at fair value	15 731	15 732
Accumulated depreciation - buildings and improvements	(4 542)	(2 283)
Total land and buildings	22 439	24 699
Property, plant and equipment		
Other plant and equipment at cost (deemed fair value)	2 824	2 824
Accumulated depreciation - other plant and equipment at cost	(446)	(180)
Total plant and equipment	2 378	2 644
Total property, plant and equipment	24 817	27 343

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 2017-18:

	Site land	Buildings and improvements	Plant and equipment	Total
	\$'000	\$'000	\$'000	\$'000
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)
Carrying amount at the end of the period	11 250	11 189	2 378	24 817

The following table shows the movement of land, buildings and improvements and plant and equipment for the Home for Incurables Trust during 2016-17:

	Site land	Buildings and improvements	Plant and equipment	Total
	\$'000	\$'000	\$'000	\$'000
Carrying amount at the beginning of the period	11 250	15 720	459	27 429
Depreciation and amortisation for the period	-	(2 271)	(119)	(2 390)
Transfers to/(from) work in progress	-	-	2 304	2 304
Carrying amount at the end of the period	11 250	13 449	2 644	27 343

Department of Human Services
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A21 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 2017-18:

	2018	2017
	\$'000	\$'000
Carrying amount at the beginning of the year	-	1 499
Purchases	39	805
Transfers to completed works	-	(2 304)
Total capital work in progress	39	-

Investment property - Home for Incurables Trust

	2018	2017
	\$'000	\$'000
Investment building	600	600
Fair value at the end of the period	600	600

	2018	2017
	\$'000	\$'000
Investment land	800	800
Fair value at the end of the period	800	800

Total investment property at the end of the period	1 400	1 400
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