

# Department of Human Services

Financial report  
for the year ended  
30 June 2021



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## To the Chief Executive Department of Human Services

### Opinion

I have audited the financial report of the Department of Human Services for the financial year ended 30 June 2021.

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 2021, its financial performance and its cash flows for year then ended in accordance with relevant 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 2021
- a Statement of Financial Position as at 30 June 2021
- a Statement of Changes in Equity for the year ended 30 June 2021
- a Statement of Cash Flows for the year ended 30 June 2021
- notes, comprising significant accounting policies and other explanatory information
- a Statement of Administered Comprehensive Income for the year ended 30 June 2021
- a Statement of Administered Financial Position as at 30 June 2021
- a Statement of Administered Changes in Equity for the year ended 30 June 2021
- a Statement of Administered Cash Flows for the year ended 30 June 2021
- a Disaggregated Administered Statement of Comprehensive Income for the year ended 30 June 2021
- notes, comprising significant accounting policies and other explanatory information for administered items
- a Certificate from the 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 (including Independence Standards)* have been met.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

## **Responsibilities of the Chief Executive for the financial report**

The Chief Executive is responsible for the preparation of the financial report that gives a true and fair view in accordance with relevant 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.

In preparing the financial report, the Chief Executive is responsible for assessing the entity's ability to continue as a going concern, taking into account any policy or funding decisions the government has made which affect the continued existence of the entity. The Chief Executive is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the assessment indicates that it is not appropriate.

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

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 2021.

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

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

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Department of Human Services' internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Chief Executive
- conclude on the appropriateness of the Chief Executive's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify the opinion. My conclusion is based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern
- 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 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.



Andrew Richardson

**Auditor-General**

22 September 2021

**Department of Human Services**

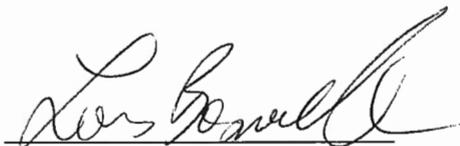
**Financial Statements  
For the year ended 30 June 2021**

**Department of Human Services**  
**Certification of Financial Statements**  
*for the year ended 30 June 2021*

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We certify that the:

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



Lois Boswell  
Chief Executive

16 September 2021.



Nick Ashley  
Chief Financial Officer

16 September 2021

**Department of Human Services**  
**Statement of Comprehensive Income**  
*for the year ended 30 June 2021*

	Note	2021 \$'000	2020 \$'000
<b>Income</b>			
Appropriation	2.1	908 105	945 357
Fees and charges	2.2	14 360	18 731
Commonwealth-sourced grants and funding	2.3	106 620	102 477
SA Government grants, subsidies and transfers	2.4	28 091	41 178
Sales of goods and services	2.5	23 625	25 411
Resources received free of charge	2.6	5 175	4 165
Other income	2.7	1 505	5 424
<b>Total income</b>		<b>1 087 481</b>	<b>1 142 743</b>
<b>Expenses</b>			
Employee benefits expenses	3.3	250 466	283 706
Supplies and services	4.1	87 260	96 214
Depreciation and amortisation	4.2	10 626	12 301
Grants and subsidies	4.3	78 833	81 212
NDIS Contributions	4.4	656 207	612 017
Net loss from disposal of assets	4.5	3 358	257
Borrowing costs	4.6	26	38
Other expenses	4.7	366	335
<b>Total expenses</b>		<b>1 087 142</b>	<b>1 086 080</b>
<b>Net result</b>		<b>339</b>	<b>56 663</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to net result:</b>			
Changes in property, plant and equipment asset revaluation surplus		(9 510)	2 544
<b>Total other comprehensive income</b>		<b>(9 510)</b>	<b>2 544</b>
<b>Total comprehensive result</b>		<b>(9 171)</b>	<b>59 207</b>

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

**Department of Human Services**  
**Statement of Financial Position**  
*as at 30 June 2021*

	Note	2021 \$'000	2020 \$'000
<b><u>Current assets</u></b>			
Cash and cash equivalents	6.1	151 310	145 924
Receivables	6.2	71 511	71 464
Inventories	5.7	266	241
Non-current assets held for sale	5.6	2 724	-
<b>Total current assets</b>		<b>225 811</b>	<b>217 629</b>
<b><u>Non-current assets</u></b>			
Receivables	6.2	765	827
Property, plant and equipment	5.1	118 801	162 254
Capital works in progress	5.4	910	3 223
Intangible assets	5.5	2 892	2 861
<b>Total non-current assets</b>		<b>123 368</b>	<b>169 165</b>
<b>Total assets</b>		<b>349 179</b>	<b>386 794</b>
<b><u>Current liabilities</u></b>			
Payables	7.1	21 053	21 952
Financial liabilities	7.2	537	1 021
Employee benefits	3.4	36 199	40 279
Provisions	7.3	7 781	7 426
Other current liabilities	7.4	1 324	894
<b>Total current liabilities</b>		<b>66 894</b>	<b>71 572</b>
<b><u>Non-current liabilities</u></b>			
Payables	7.1	3 479	3 856
Financial liabilities	7.2	303	977
Employee benefits	3.4	37 005	41 598
Provisions	7.3	28 086	25 960
Other non-current liabilities	7.4	5 515	476
<b>Total non-current liabilities</b>		<b>74 388</b>	<b>72 867</b>
<b>Total liabilities</b>		<b>141 282</b>	<b>144 439</b>
<b>Net assets</b>		<b>207 897</b>	<b>242 355</b>
<b><u>Equity</u></b>			
Contributed capital		74 325	74 325
Retained earnings		114 866	139 814
Asset revaluation surplus		18 706	28 216
<b>Total equity</b>		<b>207 897</b>	<b>242 355</b>

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

**Department of Human Services**  
**Statement of Changes in Equity**  
*for the year ended 30 June 2021*

	Note	Contributed capital \$'000	Asset revaluation surplus \$'000	Retained earnings \$'000	Total equity \$'000
Balance at 1 July 2019		74 325	25 672	88 747	188 744
<b>Net result for 2019-20</b>		-	-	56 663	56 663
Gain/(loss) on revaluation of property, plant and equipment		-	2 544	-	2 544
<b>Total comprehensive result for 2019-20</b>		-	<b>2 544</b>	<b>56 663</b>	<b>59 207</b>
Net assets received from an administrative restructure		-	-	(5 596)	(5 596)
<b>Balance at 30 June 2020</b>		<b>74 325</b>	<b>28 216</b>	<b>139 814</b>	<b>242 355</b>
<b>Net result for 2020-21</b>		-	-	339	339
Gain/(loss) on revaluation of property, plant and equipment		-	(9 510)	-	(9 510)
<b>Total comprehensive result for 2020-21</b>		-	<b>(9 510)</b>	<b>339</b>	<b>(9 171)</b>
Net liabilities transferred out from an administrative restructure	1.4	-	-	713	713
Crown land transferred as distribution by owners		-	-	(26 000)	(26 000)
<b>Balance at 30 June 2021</b>		<b>74 325</b>	<b>18 706</b>	<b>114 866</b>	<b>207 897</b>

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

**Department of Human Services**  
**Statement of Cash Flows**  
*for the year ended 30 June 2021*

	Note	2021 \$'000	2020 \$'000
<b><u>Cash flows from operating activities</u></b>			
<i>Cash inflows</i>			
Appropriation		908 105	945 357
Fees and charges		8 551	38 157
Receipts from Commonwealth-sourced grants		106 620	102 477
SA Government grants subsidies and transfers		28 091	39 635
Sales of goods and services		23 625	25 411
GST recovered from the ATO		19 376	14 873
Other receipts		1 434	6 321
<b>Cash generated from operations</b>		<b>1 095 802</b>	<b>1 172 231</b>
<i>Cash outflows</i>			
Employee benefits payments		(256 311)	(311 015)
Payments for supplies and services		(96 722)	(116 488)
Payments of grants and subsidies		(78 833)	(81 212)
Payments for NDIS contributions		(657 217)	(673 891)
Interest paid		(26)	(38)
<b>Cash used in operations</b>		<b>(1 089 109)</b>	<b>(1 182 644)</b>
<b>Net cash provided by/(used in) operating activities</b>	8.2	<b>6 693</b>	<b>(10 413)</b>
<b><u>Cash flows from investing activities</u></b>			
<i>Cash inflows</i>			
Proceeds from sale of assets		1 364	28
<b>Cash generated from investing activities</b>		<b>1 364</b>	<b>28</b>
<i>Cash outflows</i>			
Purchase of property, plant and equipment and intangible assets		(1 562)	(6 370)
<b>Cash used in investing activities</b>		<b>(1 562)</b>	<b>(6 370)</b>
<b>Net cash provided by/(used in) investing activities</b>		<b>(198)</b>	<b>(6 342)</b>
<b><u>Cash flows from financing activities</u></b>			
<i>Cash inflows</i>			
Cash received from restructuring activities		-	158
<b>Cash generated from financing activities</b>		<b>-</b>	<b>158</b>
<i>Cash outflows</i>			
Repayment of leases		(1 109)	(1 554)
<b>Cash used in financing activities</b>		<b>(1 109)</b>	<b>(1 554)</b>
<b>Net cash provided by/(used in) financing activities</b>		<b>(1 109)</b>	<b>(1 396)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>5 386</b>	<b>(18 151)</b>
<b>Cash and cash equivalents at the beginning of the period</b>		<b>145 924</b>	<b>164 075</b>
<b>Cash and cash equivalents at the end of the period</b>	6.1	<b>151 310</b>	<b>145 924</b>

The accompanying notes form part of these financial statements.

**Department of Human Services**  
**Notes to and forming part of the financial statements**  
*For the year ended 30 June 2021*

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**NOTES TO THE FINANCIAL STATEMENTS**

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**Department of Human Services**  
**Notes to and forming part of the financial statements**  
*For the year ended 30 June 2021*

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

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

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

Administered financial statements relating to administered resources are presented separately.

**1.1. Basis of preparation**

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

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

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

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

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

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

**Department of Human Services**  
**Notes to and forming part of the financial statements**  
*For the year ended 30 June 2021*

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**1.2. Objectives and Programs**

**Objectives**

The Department of Human Services delivers strategies, programs and services that improve the wellbeing and safety of South Australians.

**Program 1: Communities**

This program commissions, funds and delivers community and family services that improve the lives of individuals and families across South Australia. The program fosters inclusion, participation, safety and resilience across the South Australia community.

The program includes concessions and rebates which increase financial resilience; investing in the community through grants and funding; earlier intervention and targeted services to keep children safe in their families and communities and connected to culture; interpreting and translating services; and employment-related screening services. It also includes grant programs and strategies to support young South Australians and increase volunteering.

**Program 2: Status of Women**

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

**Program 3: Youth Justice**

The Youth Justice program is responsible for the statutory supervision of young people in contact with the justice system. Youth Justice aims to address offending behaviours and connect young people in the youth justice system and their families with connected supports, programs and services to improve outcomes and contribute to community safety.

**Program 4: Disability**

This program includes strategies to advance the inclusion of people with a disability, including working with the National Disability Insurance Agency (NDIA), NDIS Quality and Safeguarding Commission, the Commonwealth Government and the non-government sector. It also includes the provision of state disability services, including supported community accommodation.

**Department of Human Services**  
**Notes to and forming part of the financial statements**  
*For the year ended 30 June 2021*

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

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

**Income and Expenses by program for the year ended 30 June 2021**

	Communities		Status of Women		Youth Justice	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
<b>Income</b>						
Appropriation	-	-	-	-	-	-
Fees and charges	3 639	3 291	36	71	635	717
Commonwealth-sourced grants and funding	2 228	2 814	7 045	2 756	51	45
SA Government grants, subsidies and transfers	21 716	26 410	832	298	-	-
Sales of goods and services	22 033	19 294	-	-	3	1
Resources received free of charge	1 231	871	35	25	603	477
Other income	362	360	4	6	109	131
<b>Total income</b>	<b>51 209</b>	<b>53 040</b>	<b>7 952</b>	<b>3 156</b>	<b>1 401</b>	<b>1 371</b>
<b>Expenses</b>						
Employee benefits expenses	62 611	65 458	2 143	2 167	31 660	35 355
Supplies and services	28 264	28 521	1 184	713	8 212	8 822
Depreciation and amortisation	3 109	3 700	12	15	3 731	3 451
Grants and subsidies	71 774	69 767	6 085	4 965	606	425
NDIS Contributions	-	-	-	-	-	-
Net loss from disposal of assets	-	(4)	-	-	-	19
Borrowing costs	7	13	-	-	2	4
Other expenses	82	69	2	2	40	38
<b>Total expenses</b>	<b>165 847</b>	<b>167 524</b>	<b>9 426</b>	<b>7 862</b>	<b>44 251</b>	<b>48 114</b>
<b>Net result</b>	<b>(114 638)</b>	<b>(114 484)</b>	<b>(1 474)</b>	<b>(4 706)</b>	<b>(42 850)</b>	<b>(46 743)</b>

**Department of Human Services**  
**Notes to and forming part of the financial statements**  
*For the year ended 30 June 2021*

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

**Income and Expenses by program for the year ended 30 June 2021**

	Disability		General / Not Attributable		Total	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
<b>Income</b>						
Appropriation	-	-	908 105	945 357	908 105	945 357
Fees and charges	10 050	14 652	-	-	14 360	18 731
Commonwealth-sourced grants and funding	97 296	96 862	-	-	106 620	102 477
SA Government grants, subsidies and transfers	2 100	1 574	3 443	12 896	28 091	41 178
Sales of goods and services	1 589	6 116	-	-	23 625	25 411
Resources received free of charge	3 306	2 792	-	-	5 175	4 165
Other income	1 030	4 927	-	-	1 505	5 424
<b>Total income</b>	<b>115 371</b>	<b>126 923</b>	<b>911 548</b>	<b>958 253</b>	<b>1 087 481</b>	<b>1 142 743</b>
<b>Expenses</b>						
Employee benefits expenses	154 052	180 726	-	-	250 466	283 706
Supplies and services	49 600	58 158	-	-	87 260	96 214
Depreciation and amortisation	3 774	5 135	-	-	10 626	12 301
Grants and subsidies	368	6 055	-	-	78 833	81 212
NDIS Contributions	656 207	612 017	-	-	656 207	612 017
Net loss from disposal of assets	3 358	242	-	-	3 358	257
Borrowing costs	17	21	-	-	26	38
Other expenses	242	226	-	-	366	335
<b>Total expenses</b>	<b>867 618</b>	<b>862 580</b>	<b>-</b>	<b>-</b>	<b>1 087 142</b>	<b>1 086 080</b>
<b>Net result</b>	<b>(752 247)</b>	<b>(735 657)</b>	<b>911 548</b>	<b>958 253</b>	<b>339</b>	<b>56 663</b>

**Department of Human Services**  
**Notes to and forming part of the financial statements**  
*For the year ended 30 June 2021*

**1.3. Impact of COVID-19 pandemic on the department**

Although the COVID-19 pandemic impacted on areas of the department's service delivery and internal processes, it did not have a material impact on its financial statements. Where possible, impacts are identified under the relevant disclosure notes.

**1.4. Changes to the department**

***Transferred out***

The transfer of State Recovery Office (SRO) employees to the Department of the Premier and Cabinet (DPC), effective from 1 July 2020, is pursuant to section 9(3) of the *Public Sector Act 2009*, which provides that a public sector agency may transfer an employee of the agency to other employment within the public sector on conditions that maintain the substantive remuneration level of the employee or are agreed to by the employee.

**The following assets and liabilities were transferred to DPC:**

	SRO \$'000	Total \$'000
Receivables	23	23
<b>Total assets</b>	<b>23</b>	<b>23</b>
Payables	386	386
Employee benefits	304	304
Other liabilities	46	46
<b>Total liabilities</b>	<b>736</b>	<b>736</b>
<b>Total net liabilities transferred</b>	<b>713</b>	<b>713</b>

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

**Cessation of Domiciliary Equipment Services (DES)**

DES was established in 1995, responding to the need of clients of the South Australian Government's Domiciliary Care service. Since that time, DES provided support to people living with disability and those in end stages of life, to access equipment and home modifications allowing more people choice to continue living in their communities. In November 2019, in response to the introduction of the National Disability Insurance Scheme (NDIS) and Commonwealth reforms to ageing, DHS committed to DES transitioning service delivery to the non-government sector. During a 12 month period ending in December 2020, all externally funded service delivery was progressively withdrawn, with this activity transitioning to the non-government sector. In addition, equipment was also transferred to various parties, refer to note 4.5. The South Australian Government funded DHS Equipment Program, which provides equipment services and home modifications for South Australians who are otherwise ineligible for these services through Commonwealth Government options, remains part of ongoing DHS operations. Equipment and home modifications needed by these clients are now sourced from Equipment Program preferred suppliers.

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

The budget performance table compares the department's outcomes against budget information presented to Parliament (2020-21 Budget Paper 4). Appropriation reflects appropriation issued to special deposit accounts controlled by the department. The budget amounts have not been adjusted to reflect revised budgets or administrative restructures. The budget process is not subject to audit.

<b>Statement of Comprehensive Income</b>	<b>Original budget 2021 \$'000</b>	<b>Actual 2021 \$'000</b>	<b>Variance \$'000</b>
<b>Income</b>			
Appropriation	907 939	908 105	166
Fees and charges	10 891	14 360	3 469
Commonwealth-sourced grants and funding	106 796	106 620	(176)
SA Government grants, subsidies and transfers	28 745	28 091	(654)
Sales of goods and services	21 492	23 625	2 133
Resources received free of charge	-	5 175	5 175
Other income	837	1 505	668
<b>Total income</b>	<b>1 076 700</b>	<b>1 087 481</b>	<b>10 781</b>
<b>Expenses</b>			
Employee benefits expenses	259 633	250 466	(9 167)
Supplies and services	61 540	87 260	25 720
Depreciation and amortisation	10 177	10 626	449
Grants and subsidies	96 454	78 833	(17 621)
NDIS contributions	656 472	656 207	(265)
Net loss from disposal of assets	-	3 358	3 358
Borrowing costs	64	26	(38)
Other expenses	14 915	366	(14 549)
<b>Total expenses</b>	<b>1 099 255</b>	<b>1 087 142</b>	<b>(12 113)</b>
<b>Net result</b>	<b>(22 555)</b>	<b>339</b>	<b>22 894</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to net result</b>			
Changes in property, plant and equipment asset revaluation surplus	-	(9 510)	(9 510)
<b>Total other comprehensive income</b>	<b>-</b>	<b>(9 510)</b>	<b>(9 510)</b>
<b>Total comprehensive result</b>	<b>(22 555)</b>	<b>(9 171)</b>	<b>13 384</b>

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

**Department of Human Services**  
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**1.5 Budget performance (continued)**

	Note	Original budget 2021 \$'000	Actual 2021 \$'000	Variance \$'000
<b>Investing expenditure summary</b>				
Total new and existing projects		6 776	7 135	359
Total annual programs and leases		2 021	1 025	(996)
<b>Total investing expenditure</b>		<b>8 797</b>	<b>8 160</b>	<b>(637)</b>

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

Significant transactions with the SA Government are identifiable throughout this financial report, including:

- Note 2.2 Business services with the SA Housing Authority
- Note 2.4 SA Government grants, subsidies and transfers
- Note 4.1 Accommodation provided by the Department for Infrastructure and Transport.

**2. Income**

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

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

**2.1. Appropriation**

	2021 \$'000	2020 \$'000
Appropriation from Consolidated Account pursuant to the <i>Appropriation Act</i>	907 939	876 999
Appropriation from Governor's Appropriation Fund	166	68 358
<b>Total appropriation</b>	<b>908 105</b>	<b>945 357</b>

Appropriation is recognised upon receipt.

Appropriation pursuant to the *Appropriation Act* (the Act) consists of \$907.939 million (\$876.999 million) for operational funding, inclusive of \$9.444 million (\$10.874 million) for capital projects. This appropriation comprises money issued and applied to the department per Schedule 1 of the Act, varied pursuant to section 5 of the Act for changed functions and duties of the department (refer to note 1.4 for details of these transferred functions).

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

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
Client fees	5 995	6 630
Recoveries	4 847	8 066
Fees, fines and penalties	1 469	1 820
Business services *	1 155	1 213
Rent	886	946
Insurance recoveries	8	56
<b>Total fees and charges</b>	<b>14 360</b>	<b>18 731</b>

\* Represents services provided to SA Housing Authority as per the Memorandum of Administrative Arrangements (MOAA), revenue is recognised when services are provided. All other revenue from fees and charges are recognised as income on receipt.

**2.3. Commonwealth-sourced grants and funding**

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
DisabilityCare Australia Fund	75 249	72 704
Continuity of Support Programme	19 597	22 065
COVID-19 Domestic Violence Support	7 042	2 754
Residential Aged Care	2 390	2 363
Commonwealth Home Support Programme	1 621	2 449
Other	721	142
<b>Total Commonwealth-sourced grants and funding</b>	<b>106 620</b>	<b>102 477</b>

Commonwealth-sourced grants and funding are recognised in accordance with AASB 1058 as income on receipt.

Income from the DisabilityCare Australia Fund and Covid-19 Domestic Violence Support is provided under national partnership agreements between the Commonwealth of Australia and the States and Territories. For accounting purposes, the performance obligations under the funding agreements lie with the State and not the Department.

The Continuity of Support Programme is funded under agreement between the Commonwealth and the department. Performance obligations under the agreement are not sufficiently specific.

**2.4. SA Government grants, subsidies and transfers**

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
National Education Reform Agreement	9 857	19 288
Community and Jobs Support Fund	6 203	350
Community Development Fund	3 000	3 000
APY Lands Youth Programs and Family Services	2 327	2 293
DTF Contingency Fund - TVSP reimbursement	2 167	12 156
DTF Contingency Fund - Other	1 276	740
Other grants from SA Government agencies	3 261	3 351
<b>Total SA Government grants, subsidies and transfers</b>	<b>28 091</b>	<b>41 178</b>

SA Government grants, subsidies and transfers are recognised in accordance with AASB 1058 as income on receipt, because the funding arrangements either have no enforceable agreement or the performance obligations are not sufficiently specific.

**Department of Human Services**  
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**2.5. Sales of goods and services**

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
Screening check fees	15 331	14 029
Interpreter and translator services	6 694	5 260
Domiciliary Equipment Services - minor equipment and home modifications	946	6 122
Accommodation Services Supported Independent Living	654	-
<b>Total sales of goods and services</b>	<b>23 625</b>	<b>25 411</b>

All revenue from the sales of goods and services is revenue recognised from contracts with customers. Revenue is recognised at a point in time when the department satisfies performance obligation by transferring the provided goods and services to its customer.

The department recognises revenue (contract with customer) from the following major sources:

***Screening check fees***

The department's screening unit provides checks of workers and volunteers to organisations, contributing to creating safe environments for children and other vulnerable people. Prices are set by the State Government, with volunteer checks provided free of charge.

Approximately 82% of requests are paid upon request and approximately 18% paid by account. Refunds may occasionally occur within a few days of the initial request, often due to a request relating to a current existing screening check.

After a request, the screening check is usually provided within three weeks, with the exception of a small number of checks that may require further investigation or are complex in nature. Under AASB 15, recognition occurs at point in time that the screening check is provided.

***Interpreter and translator services***

The department's Interpreting and Translating Centre (ITC) provides interpreting and translating assignments to private and business clients from a wide range of cultural and linguistic backgrounds.

Base fee schedules are used to calculate each service request. In some instances, a service may change upon delivery. For example, an extension in translating is required at the time of providing the service and the quoted price may be adjusted. Under AASB 15, recognition occurs at point in time of the service being provided.

***Domiciliary Equipment Services - minor equipment and home modifications***

DES ceased during 2020-21. DES provided minor equipment, equipment hire services and home modification services in South Australia. Equipment sales and home modification services were classified under AASB 15.

Set fee schedules existed for items of minor equipment and equipment items used in home modification services. This was used as a base to calculate an order. Under AASB 15, recognition occurred at point in time the equipment was delivered or installed.

***Accommodation Services Supported Independent Living***

Group home care is provided by direct service staff. Under AASB 15, revenue is recognised at the point in time when the service is provided to a client. This can be received directly from the client, NDIS Plan Manager or the NDIS portal.

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

	2021	2020
	\$'000	\$'000
Services received free of charge - Shared Services SA	3 756	4 165
Services received free of charge - Department of the Premier and Cabinet	1 419	-
<b>Total services received free of charge</b>	<b>5 175</b>	<b>4 165</b>

Contributions of services are recognised only when a fair value can be determined reliably, and the services would be purchased if they had not been donated.

Shared Services SA and the DPC are directly appropriation funded for the services provided to general government agencies.

The department receives Financial Accounting, Taxation, Payroll, Accounts Payable and Accounts Receivable services from Shared Services SA free of charge.

From DPC, the department receives Centralised IT and Telecommunication services by ICT and Digital Government (previously known as StateNet).

**2.7. Other income**

	2021	2020
	\$'000	\$'000
DES hire charges	591	1 577
DES NDIS hire charges	44	2 831
Other	870	1 016
<b>Total other income</b>	<b>1 505</b>	<b>5 424</b>

**3. Board, committees and employees**

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

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

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

**Department of Human Services**  
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**3.1. Key management personnel**

Key management personnel of the department include the Minister, the Chief Executive Officer and 10 executive positions. Total compensation for key management personnel was \$2.728 million in 2020-21 and \$4.794 million in 2019-20.

The compensation disclosed in this note excludes salaries and other benefits the Minister for Human Services receives. The Minister's remuneration and allowances are set by the *Parliamentary Remuneration Act 1990* and the Remuneration Tribunal of SA respectively and are payable from the Consolidated Account (via the Department of Treasury and Finance) under section 6 the *Parliamentary Remuneration Act 1990*. Refer to the Administered Financial Statement for disclosures of the Minister's remuneration paid and recovered from the Consolidated Account.

<b>Compensation</b>	<b>2021 \$'000</b>	<b>2020 \$'000</b>
Salaries and other short term employee benefits	2 489	3 336
Post-employment benefits	239	330
Termination benefits	-	633
Other long-term employment benefits	-	495
<b>Total</b>	<b>2 728</b>	<b>4 794</b>

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

The department had no material transactions or balances and/or transactions outside normal day-to-day operations to disclose during the reporting period with key management personnel or their close family.

**3.2. Board and committee members**

Members during the 2021 financial year were:

**Risk Management and Audit Committee**

C Mitchell	Chair	Appointed	5/06/2020		
E Moran	Member	Appointed	20/05/2020		
J King	Member	Appointed	17/12/2018		
N Ashley *	Member	Appointed	3/08/2018	Resigned	18/05/2021
K Summers *	Member	Appointed	30/04/2019	Resigned	28/08/2020
A Hayes*	Member	Appointed	7/10/2020		
S Charlton*	Member	Appointed	18/05/2021		

**Premier's Council for Women**

M A Silva	Chair	Reappointed	1/07/2019
M Hagias	Deputy Chair	Reappointed	1/07/2019
L Hallahan	Member	Reappointed	1/07/2019
A Lee	Member	Reappointed	1/07/2019
E O'Loughlin	Member	Reappointed	1/07/2019
N Saunders *	Member	Reappointed	1/02/2020
V Welgraven*	Member	Reappointed	1/07/2019
S Mapuvire	Member	Appointed	1/07/2019
L Tyler	Member	Appointed	1/07/2019
J Danvers	Member	Appointed	1/07/2019
M Veitch	Member	Appointed	1/07/2020

**Department of Human Services**  
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**3.2. Board and committee members (continued)**

**State Emergency Relief Fund Committee**

V Faggotter	Chair	Reappointed	1/04/2019		
B Gear *	Member	Reappointed	8/12/2019		
G Cornish*	Member	Reappointed	1/09/2019	Resigned	28/02/2021
L Houston*	Member	Reappointed	1/09/2019	Resigned	28/02/2021
M Griffiths*	Member	Appointed	15/11/2019		
J Brayley*	Member	Appointed	13/01/2020		
A Loechel	Member	Appointed	13/01/2020	Resigned	28/02/2021
N Day	Member	Appointed	13/01/2020	Resigned	28/02/2021
D Waters	Member	Appointed	4/05/2020	Resigned	28/02/2021
P Austin	Member	Appointed	27/01/2020	Resigned	28/02/2021
R Green*	Member	Appointed	1/03/2021		
N Ashley*	Member	Appointed	1/03/2021		

**Grants SA Assessment Panel**

P Maher *	Chair/Member	Appointed	1/07/2019	Resigned	18/06/2021
S Mitchell*	Member	Appointed	6/07/2020	Resigned	7/05/2021
T Strub*	Member	Appointed	9/07/2020	Resigned	21/05/2021
E Purvis*	Member	Appointed	15/07/2020	Resigned	22/07/2020
N Lionnet*	Member	Appointed	27/07/2020	Resigned	2/11/2020
E Bullitis*	Member	Appointed	5/08/2020	Resigned	12/08/2020
R Greenrod*	Member	Appointed	15/08/2020	Resigned	22/08/2020
R Kowalewski*	Member	Appointed	21/08/2020	Resigned	24/05/2021
B Powles*	Member	Appointed	17/08/2020	Resigned	20/05/2021
A Lambert*	Member	Appointed	19/08/2020	Resigned	26/08/2020
S McArdle*	Member	Appointed	4/09/2020	Resigned	28/09/2020
F Cisneros*	Member	Appointed	10/09/2020	Resigned	17/09/2020
S Maiorana*	Member	Appointed	17/09/2020	Resigned	28/10/2020
J Rutherford*	Member	Appointed	22/09/2020	Resigned	22/04/2021
R Osborn*	Member	Appointed	7/10/2020	Resigned	24/05/2021
K Graves*	Member	Appointed	15/10/2020	Resigned	21/10/2020
R Dolling*	Member	Appointed	21/10/2020	Resigned	28/10/2020
S Horne*	Member	Appointed	29/10/2020	Resigned	6/11/2020
G Pike*	Member	Appointed	19/11/2020	Resigned	4/05/2021
M Ingrammes*	Member	Appointed	27/04/2021	Resigned	6/05/2021
C Sellar*	Member	Appointed	29/04/2021	Resigned	24/05/2021
H Christopher*	Member	Appointed	30/04/2021	Resigned	24/05/2021
N Gani*	Member	Appointed	23/05/2021	Resigned	25/05/2021
S Sansome*	Member	Appointed	17/05/2021	Resigned	18/05/2021
C McLaren*	Member	Appointed	17/05/2021	Resigned	25/05/2021

**Department of Human Services**  
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**3.2. Board and committee members (continued)**

**Gambling Advisory Committee**

The Committee was abolished on 30 July 2020 as a result of changes to the Gaming Machines Act 1992, effective on the same date.

W Bevan	Chair	Appointed	27/12/2017
J Sleep	Member	Appointed	10/11/2017
C Carter	Member	Appointed	10/11/2017

\* 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.

**Board and committee remuneration**

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

	<b>2021</b>	<b>2020</b>
\$0 - \$19 999	53	38
\$20 000 - \$39 999	1	-
<b>Total number of members</b>	<b>54</b>	<b>38</b>

The total remuneration received or receivable by members was \$0.059 million (\$0.038 million). Remuneration of members includes sitting fees, superannuation contributions, salary sacrifice benefits, fringe benefits and related fringe benefits tax. Where a board or committee member has, during the year, been appointed, resigned, retired or term ceased, this has been disclosed, as illustrated above

**3.3. Employee benefits expenses**

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
Salaries and wages	184 834	201 874
Employee on-cost - superannuation	20 661	21 274
Annual leave	19 213	20 040
Workers compensation	11 064	12 940
Employee on-cost - other	11 352	12 120
Targeted voluntary separation packages	2 382	11 941
Skills and experience retention leave	776	1 083
Eligible termination payments	241	959
Board and committee fees	143	79
Long service leave *	(1 010)	766
Other employee related expenses	810	630
<b>Total employee benefits expenses</b>	<b>250 466</b>	<b>283 706</b>

\*Due to the changes on the discount rate for long service leave liability measurement, this has resulted the decrease in the long service leave revaluation. Refer to Note 10.1.

**Employment on-costs - superannuation**

The superannuation employment on-cost charge represents the department's contributions to superannuation plans in respect of current services of current employees. DTF centrally recognises the superannuation liability in the whole-of-government financial statements.

**Department of Human Services**  
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**3.3. Employee benefits expenses (continued)**

**Remuneration of employees**

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

	2021	2020
	No.	No.
\$154 001 to \$174 000	12	7
\$174 001 to \$194 000	5	7
\$194 001 to \$214 000	6	7
\$214 001 to \$234 000	4	5
\$234 001 to \$254 000	-	1
\$254 001 to \$274 000	2	2
\$274 000 to \$294 000	2	3
\$294 001 to \$314 000	3	5
\$314 001 to \$334 000	-	1
\$354 001 to \$374 000	1	-
\$374 001 to \$394 000	-	1
\$414 001 to \$434 000	-	1
\$454 001 to \$474 000	1	-
\$534 001 to \$554 000	-	1
\$1 274 001 to \$1 294 000	-	1
<b>Total</b>	<b>36</b>	<b>42</b>

Total remuneration received by these employees for the year was \$7.862 million (\$11.099 million).

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

The total number of executives for 2021 are 22 (28) and non-executive are 14 (14).

**Targeted voluntary separation packages**

The number of employees who received a TVSP during the reporting period was 30 (153).

	2021	2020
	\$'000	\$'000
<b>Amounts paid to separated employees:</b>		
Targeted voluntary separation packages	2 382	11 941
Leave paid to separated employees	1 085	7 786
Recovery from the Department of Treasury and Finance	(2 167)	(12 156)
<b>Net cost to the department</b>	<b>1 300</b>	<b>7 571</b>

**Department of Human Services**  
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**3.4. Employee benefits liability**

	2021	2020
	\$'000	\$'000
<b><u>Current</u></b>		
Annual leave	23 271	22 560
Long service leave	2 785	3 131
Accrued salaries and wages	9 010	13 490
Skills and experience retention leave	1 133	1 098
<b>Total current employee benefits</b>	<b>36 199</b>	<b>40 279</b>
<b><u>Non-current</u></b>		
Long service leave	37 005	41 598
<b>Total non-current employee benefits</b>	<b>37 005</b>	<b>41 598</b>
<b>Total employee benefits</b>	<b>73 204</b>	<b>81 877</b>

***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 in full is expected to be payable within 12 months and is measured at the undiscounted amount expected to be paid.

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

***Long service leave***

The liability for long service leave is measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Details about the measurement of long service leave liability is provided in note 10.1.

**Department of Human Services**  
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**4. Expenses**

Employee benefits expenses are disclosed in note 3.3.

Aside from employee expenses, NDIS contributions and supplies and services are DHS' largest expenditure categories. Under supplies and services, accommodation is the largest balance.

**4.1. Supplies and services**

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
Accommodation	17 300	22 630
Contractors and agency staff	17 263	15 160
Information technology and communication charges	12 426	15 962
Business services	6 337	5 622
Brokerage care services	5 510	3 766
Client related expenses	5 284	5 507
Crimtrac history check fees	4 017	3 564
Motor vehicles	2 387	2 192
Minor equipment	1 780	3 425
Program partnering contributions	1 735	687
Repairs and maintenance	1 198	2 406
Printing stationery postage and periodicals	1 186	1 185
Seminars courses and training	1 111	1 065
Social impact investment program	880	-
Drugs and medical supplies	870	1 150
Insurance	796	708
Travel and accommodation	538	1 074
Consultants	529	550
Short term leases	490	824
Low-value leases	24	231
Other	5 599	8 506
<b>Total supplies and services</b>	<b>87 260</b>	<b>96 214</b>

***Accommodation***

Most of the department's accommodation is provided by the Department for Infrastructure and Transport (DIT) under Memoranda of Administrative Arrangement (MoAA) issued in accordance with Government-wide accommodation policies. These arrangements do not meet the definition of a lease and accordingly are expensed (disclosed within Accommodation).

**Department of Human Services**  
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**4.2. Depreciation and amortisation**

	2021	2020
	\$'000	\$'000
Buildings	4 804	3 937
Computer software	2 102	2 661
Independent living equipment program	1 149	2 579
Accommodation and leasehold improvements	781	971
Plant and equipment	700	571
Right-of-use vehicles	753	1 283
Right-of-use buildings	294	251
Computing equipment	39	38
Motor vehicles	4	10
<b>Total depreciation and amortisation</b>	<b>10 626</b>	<b>12 301</b>

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

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

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

**Useful life**

Depreciation and amortisation are calculated on a straight-line basis. Property, plant and equipment and intangible assets depreciation and amortisation are calculated over the estimated useful life as follows:

<b>Class of asset</b>	<b>Useful life (years)</b>
Buildings	1-50
Accommodation and leasehold improvements	1-10
Plant and equipment	1-15
Right-of-use property, plant and equipment	Lease term
Motor vehicles	3-5
Computer equipment	3-5
Computer software	1-5
Independent living equipment program (ILEP)	2-5

**Review of accounting estimates**

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

The department undertook a full site valuation of land and buildings as at 30 June 2021. This resulted in a decrement to the value of buildings and reassessment of the remaining useful lives. Therefore, this has an impact on future depreciable value.

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

Grants and subsidies by program	2021 \$'000	2020 \$'000
Home and Community Care/Community Connections	18 567	21 451
Child and Family Support Grants	17 053	18 668
Family and Community Development	13 201	12 606
Financial Hardship Programs	8 884	4 828
Adults With Chronic Conditions	5 578	5 578
COVID-19 Domestic Violence Support	3 331	1 934
Disability Grants	2 713	2 639
Aboriginal Community Benefit Grants	2 531	2 310
Youth Portfolio	1 533	1 289
Information, Linkages and Capacity Building	59	3 234
Supported Residential Facilities	-	416
Other	5 383	6 259
<b>Total grants and subsidies</b>	<b>78 833</b>	<b>81 212</b>

The grants given are usually subject to terms and conditions set out in the contract, correspondence or by legislation.

**4.4. NDIS contributions**

	2021 \$'000	2020 \$'000
NDIS expenses	656 207	612 017
<b>Total NDIS contributions</b>	<b>656 207</b>	<b>612 017</b>

The department makes payments to the National Disability Insurance Agency (NDIA) for the NDIS pursuant to the *National Disability Insurance Act 2013* and in accordance with the Bilateral Agreement between the Commonwealth of Australia and the State of South Australia. South Australia's financial contribution is adjusted for transitional provisions including in-kind services that South Australia continue to provide to NDIS participants and invoice wash-up adjustments.

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**4.5. Net gain / (loss) from disposal of assets**

	2021	2020
	\$'000	\$'000
<b><u>Land and buildings</u></b>		
Proceeds from disposal	280	-
Less carrying amount of assets disposed	(399)	(2)
<b>Net loss from disposal of land and buildings</b>	<b>(119)</b>	<b>(2)</b>
<b><u>Plant and equipment</u></b>		
Proceeds from disposal	4	28
Less carrying amount of assets disposed *	(4 314)	(283)
<b>Net loss from disposal of plant and equipment</b>	<b>(4 310)</b>	<b>(255)</b>
<b><u>Intangible assets</u></b>		
Proceeds from disposal	1 071	-
Less carrying amount of assets disposed	-	-
<b>Net gain from disposal of intangible assets</b>	<b>1 071</b>	<b>-</b>
<b><u>Total disposal of assets</u></b>		
Total proceeds from disposal	1 355	28
Less total carrying amount of assets disposed	(4 713)	(285)
<b>Net gain/(loss) from disposal of assets</b>	<b>(3 358)</b>	<b>(257)</b>

Gains or losses from disposal are recognised at the date control is passed from the department and determined after deducting the carrying amount of the asset from the proceeds at that time.

\* This includes the ILEP equipment transferred to various parties, including clients during 2020-21 due to the cessation of DES, refer to note 1.4.

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**4.6. Borrowing costs**

	2021	2020
	\$'000	\$'000
Interest expense on lease liabilities	26	38
<b>Total borrowing costs</b>	<b>26</b>	<b>38</b>

**4.7. Other expenses**

	2021	2020
	\$'000	\$'000
Other	366	335
<b>Total other expenses</b>	<b>366</b>	<b>335</b>

**Other**

Audit fees paid / payable to the Auditor-General's Department relating to work performed under the *Public Finance and Audit Act 1987* were \$0.300 million (\$0.322 million). No other services were provided by the Auditor-General's Department.

**5. Non-financial assets**

The department's assets are primarily made up of land and buildings, including the Adelaide Youth Training Centre – Kurlana Tapa buildings in Cavan.

**5.1. Property, plant and equipment by asset class**

Property, plant and equipment comprises owned and right-of-use (leased) tangible assets that do not meet the definition of investment property.

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**5.1. Property, plant and equipment by asset class (continued)**

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
<b><u>Land and buildings</u></b>		
Land at fair value	33 127	55 550
Buildings and improvements at fair value	72 508	93 426
Accumulated depreciation at the end of period	-	(4)
<b>Total land and buildings</b>	<b>105 635</b>	<b>148 972</b>
<b><u>Accommodation and leasehold improvements</u></b>		
Accommodation and leasehold improvements at fair value	18 635	13 259
Accumulated depreciation at the end of period	(11 992)	(11 910)
<b>Total accommodation and leasehold improvements</b>	<b>6 643</b>	<b>1 349</b>
<b><u>Computing equipment</u></b>		
Computing equipment at cost (deemed fair value)	179	444
Accumulated depreciation at the end of period	(149)	(375)
<b>Total computing equipment</b>	<b>30</b>	<b>69</b>
<b><u>Motor vehicles</u></b>		
Motor vehicles at cost (deemed fair value)	63	90
Accumulated depreciation at the end of period	(54)	(77)
<b>Total motor vehicles</b>	<b>9</b>	<b>13</b>
<b><u>Independent living equipment program</u></b>		
Independent living equipment program at cost (deemed fair value)	887	20 031
Accumulated depreciation at the end of period	(887)	(14 106)
<b>Total independent living equipment program</b>	<b>-</b>	<b>5 925</b>
<b><u>Other plant and equipment</u></b>		
Other plant and equipment at cost (deemed fair value)	9 893	7 269
Accumulated depreciation at the end of period	(4 244)	(3 332)
<b>Total other plant and equipment</b>	<b>5 649</b>	<b>3 937</b>
<b><u>Right-of-use buildings</u></b>		
Right-of-use buildings at cost	191	1 136
Accumulated depreciation at the end of period	(124)	(251)
<b>Total right-of-use buildings</b>	<b>67</b>	<b>885</b>
<b><u>Right-of-use vehicles</u></b>		
Right-of-use vehicles at cost	1 734	2 086
Accumulated depreciation at the end of period	(966)	(982)
<b>Total right-of-use vehicles</b>	<b>768</b>	<b>1 104</b>
<b>Total property, plant and equipment</b>	<b>118 801</b>	<b>162 254</b>

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**5.2. Property, plant and equipment owned by the department**

Property, plant and equipment owned by the department with a value equal to or in excess of \$10 000 is capitalised, otherwise it is expensed. Property, plant and equipment owned by the department is recorded at fair value. The department's approach to fair value is set out in note 10.2.

\*During 2020-21, a parcel of land located at Oakden that was the site of the former Strathmont Centre which transferred to the Department of Environment and Water. Refer below to transfers out through administrative restructure.

**Impairment**

There were no indication of impairment for Property, plant and equipment as at 30 June 2021.

**Reconciliation 2020-21**

	Land \$'000	Buildings \$'000	Accommodation and leasehold improvements \$'000	Computing equipment \$'000
<b>Carrying amount at 1 July 2020</b>	<b>55 550</b>	<b>93 422</b>	<b>1 349</b>	<b>69</b>
Additions	-	-	6 100	-
Disposals	(325)	(48)	(25)	-
Assets classified as held for sale	(2 290)	(360)	-	-
Depreciation and amortisation for the year	-	(4 804)	(781)	(39)
Transfers between other classes	-	-	-	-
Donated assets	-	-	-	-
Revaluation increment/(decrement)	6 192	(15 702)	-	-
Transfers out through administrative restructures	(26 000)	-	-	-
Other movements	-	-	-	-
<b>Carrying amount at 30 June 2021</b>	<b>33 127</b>	<b>72 508</b>	<b>6 643</b>	<b>30</b>

	Independent Motor living equipment vehicles \$'000	Independent program \$'000	Other plant and equipment \$'000	Total \$'000
<b>Carrying amount at 1 July 2020</b>	<b>13</b>	<b>5 925</b>	<b>3 937</b>	<b>160 265</b>
Additions	-	86	-	6 186
Disposals	-	(355)	(42)	(795)
Assets classified as held for sale	-	-	(74)	(2 724)
Depreciation and amortisation for the year	(4)	(1 149)	(700)	(7 477)
Transfers between other classes	-	(987)	987	-
Transfers out through administrative restructures	-	-	-	(26 000)
Donated Assets	-	(3 927)	-	(3 927)
Revaluation increment/(decrement)	-	-	-	(9 510)
Transfers (to)/from works in progress	-	428	1 541	1 969
Other movement	-	(21)	-	(21)
<b>Carrying amount at 30 June 2021</b>	<b>9</b>	<b>-</b>	<b>5 649</b>	<b>117 966</b>

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**5.2 Property, plant and equipment owned by the department (continued)**

*Reconciliation 2019-20*

	Land \$'000	Buildings \$'000	Accommodation and leasehold improvements \$'000	Computing equipment \$'000
<b>Carrying amount at 1 July 2019</b>	<b>61 650</b>	<b>88 478</b>	<b>2 278</b>	<b>85</b>
Additions	-	-	-	-
Disposals	-	-	(3)	-
Depreciation and amortisation for the year	-	(3 937)	(971)	(38)
Donated assets	-	-	-	-
Revaluation increment / (decrement)	(6 100)	8 644	-	-
Transfers (to)/from works in progress	-	237	45	22
<b>Carrying amount at 30 June 2020</b>	<b>55 550</b>	<b>93 422</b>	<b>1 349</b>	<b>69</b>

	Independent Motor vehicles \$'000	living equipment program \$'000	Other plant and equipment \$'000	Total \$'000
<b>Carrying amount at 1 July 2019</b>	<b>33</b>	<b>6 735</b>	<b>3 796</b>	<b>163 055</b>
Additions	-	44	-	44
Disposals	(10)	(241)	(24)	(278)
Revaluation increment/(decrement)	-	-	-	2 544
Depreciation and amortisation for the year	(10)	(2 579)	(571)	(8 106)
Donated Assets	-	-	(7)	(7)
Transfers (to)/from works in progress	-	1 966	743	3 013
<b>Carrying amount at 30 June 2020</b>	<b>13</b>	<b>5 925</b>	<b>3 937</b>	<b>160 265</b>

**Department of Human Services**  
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**5.3. Property, plant and equipment leased by the department**

Right-of-use assets for property, plant and equipment leased by the department as lessee are measured at cost. There were no additions made to leased property, plant and equipment during 2020-21.

Short-term leases of 12 months or less and low value leases, where the underlying asset value is less than \$15 000 are not recognised as right-of-use assets. The associated lease payments are recognised as an expense and are disclosed in note 4.1.

The department has a limited number of leases:

- 139 motor vehicle leases with the South Australian Government Financing Authority (SAFA). Motor vehicle leases are non-cancellable, with rental payments monthly in arrears. Motor vehicle lease terms can range from 3 years (60,000km) up to 5 years (100,000km). No contingent rental provisions exist within the lease agreements and no options exist to renew the leases at the end of their term.
- One lease was with the Royal Society for the Blind. The lease was for office accommodation, therapy rooms and display areas and ceased 30 June 2021. No contingent rental provisions existed within the lease agreement and no options existed to renew the lease at the end of its term.
- One lease is with the Marla & Districts Progress Association Inc. The lease is for office accommodation. DHS may terminate the lease by giving six weeks' notice, with rental paid annually. No contingent rental provisions exist within the lease agreement and is expected to cease 31 July 2021.
- One lease is with the DIT for office accommodation in Ceduna. The existing lease ended 30 June 2021 was extended through a new lease. With rental payments paid monthly. No contingent rental provisions exist within the lease agreement and there is no right of renewal at the end of its lease.
- One lease was with Py Ku Aboriginal Corporation for house and land in the Anangu Pitjantjatjara Yankuntjatjara Lands within the Mimili Community and ceased 30 June 2021. Rental was paid quarterly. No contingent rental provisions existed within the lease agreement.

The lease liabilities related to the right-of-use assets are disclosed in note 7.2. The department's maturity analysis of its lease liabilities is disclosed in note 10.3. Expenses related to leases, including depreciation and interest expenses, are disclosed in note 4.2 and 4.6. Cash outflows related to leases are disclosed in note 8.2.

***Impairment***

Property, plant and equipment leased by the department has been assessed for impairment. There was no indication of impairment. No impairment loss or reversal of impairment loss was recognised.

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**5.4. Capital works in progress**

	2021	2020
	<b>\$'000</b>	<b>\$'000</b>
Property, plant and equipment in progress at cost	910	3 223
<b>Total capital works in progress</b>	<b>910</b>	<b>3 223</b>

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

	2021	2020
	<b>\$'000</b>	<b>\$'000</b>
<b>Carrying amount at 1 July 2020</b>	<b>3 223</b>	<b>3 066</b>
Purchases	1 649	4 837
Transfers to completed works	(4 102)	(4 512)
WIP adjustments	140	(168)
<b>Carrying amount at 30 June 2021</b>	<b>910</b>	<b>3 223</b>

**5.5. Intangible assets**

	2021	2020
	<b>\$'000</b>	<b>\$'000</b>
<b>Computer software</b>		
Internally developed computer software	2 015	2 015
Accumulated amortisation	(1 983)	(1 615)
Purchased computer software	13 241	11 107
Accumulated amortisation	(10 381)	(8 646)
<b>Total computer software</b>	<b>2 892</b>	<b>2 861</b>

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

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

All research and development costs that do not meet the capitalisation criteria outlined in AASB 138 *Intangible Assets* are expensed. There were no indication of impairment for intangible assets as at 30 June 2021.

The following table shows the movement of intangible assets:

	2021	2020
	<b>\$'000</b>	<b>\$'000</b>
<b>Carrying amount at 1 July 2020</b>	<b>2 861</b>	<b>4 023</b>
Transfers (to)/from works in progress	2 133	1 499
Amortisation	(2 102)	(2 661)
<b>Carrying amount at 30 June 2021</b>	<b>2 892</b>	<b>2 861</b>

**Department of Human Services**  
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**5.6. Non-current asset held for sale**

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
Land	2 290	-
Building	360	-
Plant and equipment	74	-
<b>Total non-current assets classified as held for sale</b>	<b>2 724</b>	<b>-</b>

The following table shows the movement of non-current assets:

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Carrying amount at 1 July 2020</b>	-	-
Transfers from property, plant and equipment	2 724	-
<b>Carrying amount at 30 June 2021</b>	<b>2 724</b>	<b>-</b>

**5.7. Inventories**

Total current inventories as at 30 June 2021 is \$0.266 million (\$0.241 million).

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

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

***Cost of inventories***

The cost recognised as an expense for raw materials and consumables is \$0.025 million.

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

**6.1. Cash and cash equivalents**

***Deposits with the Treasurer***

Special deposit accounts are established under section 8 of the *Public Finance and Audit Act 1987*. Special deposit accounts must be used in accordance with their approved purpose.

Some of the department's appropriation is deposited into the Accrual Appropriation Excess Funds account. Although the department controls the money reported below in the Accrual Appropriation Excess Funds account, its use must be approved by the Treasurer. The department does not earn interest on its deposits with the Treasurer. The balance of the Accrual Excess Fund account at 30 June is \$115.765 million (\$98.657 million).

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
<hr/>		
<b>Deposits with the Treasurer (Special deposit accounts)</b>		
Operating Account	149 617	143 569
Other deposits	1 593	2 255
<b>Total deposits with the Treasurer (Special deposit accounts)</b>	<b>151 210</b>	<b>145 824</b>
Advance accounts	95	95
Cash on hand	5	5
<b>Total cash and cash equivalents</b>	<b>151 310</b>	<b>145 924</b>

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**6.2. Receivables**

	2021	2020
	\$'000	\$'000
<b>Current</b>		
<b>Trade receivables</b>		
From non-SA government entities	2 183	3 304
From SA government entities	1 398	1 568
Less impairment loss on receivables	(4)	(67)
<b>Total trade receivables</b>	<b>3 577</b>	<b>4 805</b>
Recoveries for NDIS contributions	62 884	61 874
Accrued revenue	2 592	634
Prepayments	1 726	1 315
Overpaid salaries	458	489
GST input tax recoverable	191	2 236
Other receivables	83	111
<b>Total current receivables</b>	<b>71 511</b>	<b>71 464</b>
<b>Non-current</b>		
Other receivables	765	827
<b>Total non-current receivables</b>	<b>765</b>	<b>827</b>
<b>Total receivables</b>	<b>72 276</b>	<b>72 291</b>

Trade receivables arise in the normal course of selling goods and services to other government agencies and to the public. Trade receivables are normally settled within 30 days after the issue of an invoice or the goods/services have been provided under a contractual arrangement.

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

Refer to note 10.3 for information on risk management.

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

Receivables, prepayments and accrued revenues are non-interest bearing. Receivables are held with the objective of collecting the contractual cash flows and they are measured at amortised cost.

**Allowance for impairment on receivables**

	2021	2020
	\$'000	\$'000
<b>Carrying amount at the beginning of the period</b>	<b>67</b>	<b>870</b>
Increase/(decrease) in allowance recognised in profit or loss	(58)	(644)
Amounts written off	(5)	(159)
<b>Carrying amount at the end of the period</b>	<b>4</b>	<b>67</b>

All of the above impairment losses are from receivables arising from contracts with customers that are external to SA Government.

Refer to note 10.3 for details regarding credit risk and the methodology for determining impairment.

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**7. Liabilities**

Employee benefits liabilities are disclosed in note 3.4.

**7.1. Payables**

	2021	2020
	\$'000	\$'000
<b><u>Current</u></b>		
Trade payables	11 242	9 180
Accrued expenses	3 216	6 601
Employment on-costs	5 429	5 139
Other	1 166	1 032
<b>Total current payables</b>	<b>21 053</b>	<b>21 952</b>
<b><u>Non-current</u></b>		
Employment on-costs	3 479	3 856
<b>Total non-current payables</b>	<b>3 479</b>	<b>3 856</b>
<b>Total payables</b>	<b>24 532</b>	<b>25 808</b>

Payables and accruals are raised for all amounts owed and unpaid. Payables are normally settled within 30 days from the date the invoice is first received. Employee on-costs are settled within the respective employee benefits that they relate to are discharged. All payables are non-interest bearing. The carrying amount of payables represents approximate net fair value due to their short-term nature.

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

***Employment on-costs***

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

The department contributes to several State Government and externally managed superannuation schemes. These contributions are treated as an expense when they occur. There is no liability for payments to beneficiaries as they have been assumed by the respective superannuation schemes. The only liability outstanding at reporting date relates to any contributions due but not yet paid to employee's superannuation funds.

As a result of an actuarial assessment performed by DTF, the proportion of long service leave taken as leave has remained at the rate of 42%. The average factor for the calculation of employer superannuation on-costs has changed from the 2020 rate (9.8%) to 10.1%. These rates are used in the employment on-cost calculation. The net financial effect of the changes in the current financial year is an increase in the employment on-cost of \$0.157 million.

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**7.2. Financial liabilities**

All material cash outflows are reflected in the lease liabilities disclosed below.

	2021	2020
	\$'000	\$'000
<b><u>Current</u></b>		
Lease vehicle	471	762
Lease building and improvement	66	259
<b>Total current financial liability</b>	<b>537</b>	<b>1 021</b>
<b><u>Non-current</u></b>		
Lease vehicle	303	352
Lease building and improvement	-	625
<b>Total non-current financial liability</b>	<b>303</b>	<b>977</b>
<b>Total financial liability</b>	<b>840</b>	<b>1 998</b>

The department measures financial liabilities including borrowings at amortised cost.

**7.3. Provisions**

	2021	2020
	\$'000	\$'000
<b><u>Current</u></b>		
Workers compensation	7 751	7 386
Insurance	30	40
<b>Total current provisions</b>	<b>7 781</b>	<b>7 426</b>
<b><u>Non-current</u></b>		
Workers compensation	28 006	25 880
Insurance	80	80
<b>Total non-current provisions</b>	<b>28 086</b>	<b>25 960</b>
<b>Total provisions</b>	<b>35 867</b>	<b>33 386</b>

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**7.3. Provisions (continued)**

*Reconciliation of insurance*

The following table shows the movement of insurance during 2020-21:

	Public liability \$'000	Property \$'000	Total \$'000
<b>Carrying amount at the beginning of the period</b>	<b>100</b>	<b>20</b>	<b>120</b>
Increase to provision due to new claims	1	2	3
Reduction due to payments	-	(10)	(10)
Net revision of estimates	(11)	8	(3)
<b>Carrying amount at the end of the period</b>	<b>90</b>	<b>20</b>	<b>110</b>

The following table shows the movement of insurance during 2019-20:

	Public liability \$'000	Property \$'000	Total \$'000
<b>Carrying amount at the beginning of the period</b>	<b>130</b>	<b>40</b>	<b>170</b>
Increase to provision due to new claims	4	1	5
Reduction due to payments	(23)	-	(23)
Net revision of estimates	(11)	(21)	(32)
<b>Carrying amount at the end of the period</b>	<b>100</b>	<b>20</b>	<b>120</b>

*Reconciliation of workers compensation*

	2021 \$'000	2020 \$'000
<b>Carrying amount at the beginning of the period</b>	<b>33 266</b>	<b>29 713</b>
Increase to provision due to revision of estimates	11 065	12 396
Reduction due to payments	(8 574)	(8 843)
<b>Carrying amount at the end of the period</b>	<b>35 757</b>	<b>33 266</b>

A provision has been reported to reflect unsettled workers compensation (including additional workers compensation) claims. The workers compensation provision is based on an actuarial assessment of the outstanding liability as at 30 June 2021 provided by a consulting actuary engaged through the Office of the Commissioner for the Public Sector Employment. The provision is for the estimated cost of ongoing payments to employees as required under current legislation and enterprise bargaining agreements.

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

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**7.4. Other liabilities**

	2021	2020
	\$'000	\$'000
<b><u>Current</u></b>		
Accommodation incentive	757	392
Unclaimed monies	185	193
Unearned revenue	82	-
Other liabilities	300	309
<b>Total current other liabilities</b>	<b>1 324</b>	<b>894</b>
<b><u>Non-current</u></b>		
Accommodation incentive	5 515	476
<b>Total non-current other liabilities</b>	<b>5 515</b>	<b>476</b>
<b>Total other liabilities</b>	<b>6 839</b>	<b>1 370</b>

Accommodation incentive liabilities relate to arrangements with the Department for Infrastructure and Transport (DIT) for office accommodation. These arrangements do not comprise leases and the accommodation incentives do not comprise financial liabilities. DIT has provided incentives for fit out free of charge for the department. The benefit of this incentives is spread over the accommodation term so that each year reported accommodation expenses reflect the economic substance of the office accommodation arrangements and related benefits provided.

**8. Other disclosures**

**8.1. Equity**

The asset revaluation surplus is used to record increments and decrements in the fair value of property, plant and equipment to the extent that they offset one another.

**8.2. Cash flow**

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

Total cash outflows for leases was \$1.634 million (2020: \$2.609 million)

	2021	2020
	\$'000	\$'000
<b><u>Leases</u></b>		
Buildings	326	282
Vehicles	783	1 272
Short term and low value	525	1 055
<b>Total cash outflow for leases</b>	<b>1 634</b>	<b>2 609</b>

**Department of Human Services**  
**Notes to and forming part of the financial statements**  
*For the year ended 30 June 2021*

**8.2. Cash flow (continued)**

*Reconciliation of net result to cash flows from operating activities*

	2021	2020
	\$'000	\$'000
<b><u>Reconciliation of cash and cash equivalents at the end of the reporting period</u></b>		
Cash and cash equivalents disclosed in the Statement of Financial Position	151 310	145 924
<b>Balance as per the Statement of Cash Flows</b>	<b>151 310</b>	<b>145 924</b>
<b><u>Reconciliation of net cash provided by operating activities to net result</u></b>		
Net cash provided by/(used in) operating activities	6 693	(10 413)
<b><u>Add / (less) non-cash items</u></b>		
Depreciation and amortisation expense of non-current assets	(10 626)	(12 301)
Accommodation incentive amortisation	696	(710)
Gain/loss on sale or disposal of non-current assets	(3 358)	(257)
<b><u>Movement in assets and liabilities</u></b>		
Increase/(decrease) in receivables	8	28 185
Increase/(decrease) in inventories	25	(157)
(Increase)/decrease in provisions	(2 481)	(3 503)
(Increase)/decrease in payables	1 124	24 524
(Increase)/decrease in employee benefits	8 323	30 517
(Increase)/decrease in other liabilities	(65)	778
<b>Net result</b>	<b>339</b>	<b>56 663</b>

**Department of Human Services**  
**Notes to and forming part of the financial statements**  
*For the year ended 30 June 2021*

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**9. Outlook**

**9.1. Unrecognised contractual commitments**

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

***Capital commitments***

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
Within one year	1 432	75
Later than one year but not longer than five years	375	-
<b>Total capital commitments</b>	<b>1 807</b>	<b>75</b>

The department's capital commitments are for the Kurlana Tapa Youth Justice Consolidation project, minor capital works to various properties, the Kurlana Tapa Youth Justice Centre Sustainment annual program, and Interpreter management software.

***Expenditure commitments***

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
Within one year	6 853	6 585
Later than one year but not longer than five years	20 860	4 828
Later than five years	22 646	1 126
<b>Total expenditure commitments</b>	<b>50 359</b>	<b>12 539</b>

The department's expenditure commitments primarily consists of MOAA with DIT for accommodation.

***Leases entered into which have not yet commenced***

Ceduna

The department signed a new lease for accommodation at Ceduna in June 2021. The lease commences on 1 July 2021. The future lease payments for the lease contract are \$18 000 within 1 year.

Noarlunga

The department signed a new lease for accommodation at Noarlunga in July 2021. The lease commences on 1 July 2021. The future lease payments for the lease contract are \$44 000 within 1 year and \$90 000 within 5 years.

**Department of Human Services**  
**Notes to and forming part of the financial statements**  
*For the year ended 30 June 2021*

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## **9.2 Contingent assets and liabilities**

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

In 2018-19, a back payment claim was made by some staff at the Kurlana Tapa Youth Training Centre in relation to Crib Breaks. During 2019-20, the claim was heard by the South Australian Employment Tribunal (SAET) and the claim was upheld. DHS subsequently appealed this decision and during 2020-21, this appeal was considered by the full bench of the SAET which determined the claim would be dismissed. This decision was further appealed, resulting in the matter being heard by the Supreme Court in August 2021. At the time of preparing the financial statements, the Supreme Court had not released a judgement.

## **9.3 COVID-19 pandemic outlook for the department**

At this stage, with the current levels of COVID-19 in the South Australian community, the department does not expect its financial position to be materially impacted in 2021-22 due to the COVID-19 pandemic.

## **9.4 Impact of standards not yet effective**

The department has assessed the impact of the new and amended Australian Accounting Standards and Interpretations not yet implemented and changes to the Accounting Policy Statements issued by the Treasurer. There are no Accounting Policy Statements that are not yet in effect.

Amending Standard AASB 2020-3 *Amendments to Australian Accounting Standards – Annual Improvements 2018-2020* and Other Amendments will apply from 1 July 2022 and Amending Standard AASB 2021-2 *Amendments to Australian Accounting Standards - Disclosure of Accounting Policies and Definition of Accounting Estimates* will apply from 1 July 2023. Although applicable to the department, these amending standards are not expected to have an impact on the department's general purpose financial statements

Amending Standard AASB 2020-1 *Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current* will apply from 1 July 2023. The department continues to assess liabilities e.g. Long service leave and whether or not the department has a substantive right to defer settlement. Where applicable these liabilities will be classified as current.

## **9.5 Events after the reporting period**

There are no events between 30 June 2021 and the date the financial statements are authorised for issue where the events relate to a condition which arose after 30 June 2021 and which may have a material impact on the results of subsequent years.

**Department of Human Services**  
**Notes to and forming part of the financial statements**  
*For the year ended 30 June 2021*

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## **10 Measurement and risk**

### **10.1 Long service leave liability – measurement**

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

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

AASB 119 *Employee Benefits* requires the use of the yield on long-term Commonwealth Government bonds as the discount rate in the measurement of the long service leave liability. The yield on long-term Commonwealth Government bonds has increased from 2020 (0.75%) to 2021 (1.25%).

The actuarial assessment performed by DTF left the salary inflation rate at 2.5% in 2021 for long service leave liability.

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

The net financial effect of the changes to actuarial assumptions in the current financial year is a decrease in the long service leave liability and expense of \$4.681 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 being long-term discount rate.

The department has changed the method for calculation the current/ non-current split for long service liability in 2020-21. The 2020 comparatives were also restated for consistency. The long service leave split between current and non-current is based on the department's analysis of leave taken which uses historical leave balances to determine an estimate for amounts to be paid within the next 12 months.

### **10.2 Fair value**

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

#### ***Initial recognition***

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

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

#### ***Revaluation***

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

The revaluation process is reviewed by the department each year.

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

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

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

**Department of Human Services**  
**Notes to and forming part of the financial statements**  
*For the year ended 30 June 2021*

**10.2 Fair value (continued)**

**Fair value hierarchy**

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

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

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

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

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

During 2021 and 2020, the department had no valuations categorised into level 1; there were no transfers of assets between level 1 and 2 fair value hierarchy levels and there were no changes in valuation technique.

The fair value of non financial assets must be estimated for recognition measurement or for disclosure purposes. The department categorises non financial assets measured at fair value. The hierarchy is based on the level of input used in measurement as follows:

***Fair value classification - non financial assets at 30 June 2021***

	Note	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b><u>Recurring fair value measurements</u></b>				
Land	5.1	33 127	-	33 127
Buildings	5.1	4 781	67 727	72 508
Accommodation improvements	5.1	-	6 643	6 643
Other	5.1	-	5 688	5 688
<b>Total recurring fair value measurements</b>		<b>37 908</b>	<b>80 058</b>	<b>117 966</b>
<b><u>Non-recurring fair value measurements</u></b>				
Land held for sale		2 290	-	2 290
Building held for sale		360	-	360
<b>Total non-recurring fair value measurements</b>		<b>2 650</b>	<b>-</b>	<b>2 650</b>
<b>Total fair value measurements</b>		<b>40 558</b>	<b>80 058</b>	<b>120 616</b>

***Fair value classification - non financial assets at 30 June 2020***

	Note	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b><u>Recurring fair value measurements</u></b>				
Land	5.1	55 550	-	55 550
Buildings	5.1	27 802	65 620	93 422
Accommodation improvements	5.1	-	1 349	1 349
Other	5.1	-	9 944	9 944
<b>Total recurring fair value measurements</b>		<b>83 352</b>	<b>76 913</b>	<b>160 265</b>
<b>Total fair value measurements</b>		<b>83 352</b>	<b>76 913</b>	<b>160 265</b>

**Department of Human Services**  
**Notes to and forming part of the financial statements**  
*For the year ended 30 June 2021*

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**10.2 Fair value (continued)**

***Land and buildings***

The department's land and buildings were subject to a full site revaluation as at 30 June 2021.

An independent valuation of land and buildings owned by the department was performed in April 2021 by a Certified Practising Valuer, Mr Martin Burns from Liquid Pacific Holdings Pty Ltd.

The results of the valuation were considered to have a material impact on the department's assets and were processed accordingly.

The majority of assets were valued using the direct comparison of sales approach. The valuation was based on recent market transactions for similar land in the area and includes adjustment for factors specific to the land such as size and location. For land classified as restricted in use, adjustments were applied to reflect the restriction. Where market inputs were not readily observable, the cost approach to valuation was adopted/current replacement cost. The current replacement cost considered the need for ongoing provision of government services, specialised nature and restricted use of the assets, their size, condition and location.

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

***Plant and equipment***

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

**Department of Human Services**  
**Notes to and forming part of the financial statements**  
*For the year ended 30 June 2021*

**10.2 Fair value (continued)**

**Reconciliation of level 3 recurring fair value measurement as at 30 June 2021**

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

2021	Accommodation		
	Buildings \$'000	improvements \$'000	Other \$'000
<b>Opening balance at the beginning of the period</b>	<b>65 620</b>	<b>1 349</b>	<b>9 944</b>
Acquisitions	-	6 100	86
Classified as held for sale	-	-	(74)
Donated Assets	-	-	(3 927)
Transfers from level 2	10 672	-	-
Disposals	-	(25)	(433)
Transfers (to)/from work in progress	-	-	1 969
Other movement	-	-	15
<b><u>Gains/(losses) for the period recognised in net result:</u></b>			
Depreciation	(2 117)	(781)	(1 892)
<b>Total gains/(losses) recognised in net result</b>	<b>(2 117)</b>	<b>(781)</b>	<b>(1 892)</b>
<b><u>Gains/(losses) for the period recognised in other comprehensive income (OCI)</u></b>			
Revaluation increments/(decrements)	(6 448)	-	-
<b>Total gains/(losses) recognised in OCI</b>	<b>(6 448)</b>	<b>-</b>	<b>-</b>
<b>Carrying amount at the end of the period</b>	<b>67 727</b>	<b>6 643</b>	<b>5 688</b>
2020	Accommodation		
	Buildings \$'000	improvements \$'000	Other \$'000
<b>Opening balance at the beginning of the period</b>	<b>63 102</b>	<b>2 278</b>	<b>10 649</b>
Acquisitions	-	-	44
Donated Assets	-	-	(7)
Disposals	-	(3)	(275)
Transfers (to)/from work in progress	-	45	2 731
<b><u>Gains/(losses) for the period recognised in net result:</u></b>			
Depreciation	(1 911)	(971)	(3 198)
<b>Total gains/(losses) recognised in net result</b>	<b>(1 911)</b>	<b>(971)</b>	<b>(3 198)</b>
<b><u>Gains/(losses) for the period recognised in other comprehensive income (OCI)</u></b>			
Revaluation increments/(decrements)	4 429	-	-
<b>Total gains/(losses) recognised in OCI</b>	<b>4 429</b>	<b>-</b>	<b>-</b>
<b>Carrying amount at the end of the period</b>	<b>65 620</b>	<b>1 349</b>	<b>9 944</b>

**Department of Human Services**  
**Notes to and forming part of the financial statements**  
*For the year ended 30 June 2021*

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**10.3 Financial instruments**

***Financial risk management***

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

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

***Liquidity risk***

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

Refer to notes 1.5 and 2.1 for further information.

***Credit risk***

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

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

***Impairment of financial assets***

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

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

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

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

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

**Department of Human Services**  
**Notes to and forming part of the financial statements**  
*For the year ended 30 June 2021*

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**10.3. Financial instruments (continued)**

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

	Debtor gross carrying amount \$'000	Expected credit loss rate %	Expected losses \$'000
Current (not past due)	1 540	0%	-
1 - 30 days past due	82	0.31%	-
31 - 60 days past due	27	0.45%	-
61 - 90 days past due	25	0.63%	-
More than 90 days past due	509	0.78%	4
<b>Loss allowance</b>	<b>2 183</b>		<b>4</b>

Loss rates are based on actual history of credit loss. Impairment losses are presented as net impairment losses within net result, subsequent recoveries of amounts previously written off are credited against the same line item.

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

Receivables with a contractual amount of \$5 000 written off during the year are still subject to enforcement activity.

**Market risk**

The department does not undertake any hedging in relation to interest or foreign currency risk and manages its risk as per the government's risk management strategy articulated in T1 23 *Management of Foreign Currency Exposures*.

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

**Categorisation of financial instruments**

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

The carrying value less impairment provisions of receivables and payables is a reasonable approximation of their fair values due to the short-term nature of these balances (refer to note 7.1 and 6.2).

**Department of Human Services**  
**Notes to and forming part of the financial statements**  
*For the year ended 30 June 2021*

**10.3. Financial instruments (continued)**

The department measures all financial instruments at amortised cost.

***Maturity analysis of financial instruments***

Category of financial asset and financial liability	Note	2021 Carrying amount / fair value \$'000	2021 Contractual maturities*		
			Within 1 year \$'000	1-5 years \$'000	More than 5 years \$'000
<b><u>Financial assets</u></b>					
<b>Financial assets at amortised cost</b>					
Cash and cash equivalent	6.1	151 310	151 310	-	-
Receivables**	6.2	70 359	69 594	765	-
<b>Total financial assets</b>		<b>221 669</b>	<b>220 904</b>	<b>765</b>	<b>-</b>
<b><u>Financial liabilities</u></b>					
<b>Financial liabilities at amortised cost</b>					
Payables**	7.1	15 331	15 331	-	-
Financial Liability	7.2	840	537	303	-
<b>Total financial liabilities</b>		<b>16 171</b>	<b>15 868</b>	<b>303</b>	<b>-</b>

Category of financial asset and financial liability	Note	2020 Carrying amount / fair value \$'000	2020 Contractual maturities		
			Within 1 year \$'000	1-5 years \$'000	More than 5 years \$'000
<b><u>Financial assets</u></b>					
<b>Financial assets at amortised cost</b>					
Cash and cash equivalents	6.1	145 924	145 924	-	-
Receivables**	6.2	68 740	67 913	827	-
<b>Total financial assets</b>		<b>214 664</b>	<b>213 837</b>	<b>827</b>	<b>-</b>
<b><u>Financial liabilities</u></b>					
<b>Financial assets at amortised cost</b>					
Payables**	7.1	16 491	16 491	-	-
Financial Liability	7.2	1 998	1 021	977	-
<b>Total financial liabilities</b>		<b>18 489</b>	<b>17 512</b>	<b>977</b>	<b>-</b>

\*Maturities analysis is presented using the undiscounted cash flows and therefore may not total to equal the carrying amount/fair value of the financial instrument.

**\*\* Receivables and payables**

Receivables do not include prepayments as these are not financial instruments. Prepayments are presented in note 6.2.

The receivable and payable amounts disclosed here exclude amounts relating to statutory receivables and payables. This includes Commonwealth, State and Local Government taxes and equivalents, fees and charges; Auditor-General's Department audit fees. This is in addition to employee related payables, such as payroll tax, Fringe Benefits Tax, Pay As You Go Withholding and ReturnToWorkSA levies. In government, certain rights to receive or pay cash may not be contractual but have their source in legislation and therefore, in these situations, the disclosure requirements of AASB 7 will not apply. The standard defines contract as enforceable by law. All amounts recorded are carried at cost.

# **Department of Human Services**

**Administered Financial Statements  
For the year ended 30 June 2021**

**Department of Human Services**  
**Statement of Administered Comprehensive Income**  
*for the year ended 30 June 2021*

	Note	2021 \$'000	2020 \$'000
<b><u>Administered income</u></b>			
Appropriation		183 074	191 212
SA Government grants, subsidies and transfers		12 837	14 261
Fees and charges		507	438
Interest		28	165
Client Trust receipts	A5.2	10 479	11 329
Donations		122	6 958
Other income		520	502
<b>Total administered income</b>		<b>207 567</b>	<b>224 865</b>
<b><u>Administered expenses</u></b>			
Employee benefits expenses		374	366
Supplies and services		1 708	1 027
Depreciation and amortisation		2 694	2 695
Grants and subsidies	A2.1	206 562	208 048
Client Trust payments	A5.2	10 117	11 508
Donations and charity		3 283	5 810
Cash alignment transfers to Consolidated Account		9 351	3 100
<b>Total administered expenses</b>		<b>234 089</b>	<b>232 554</b>
<b>Net result</b>		<b>(26 522)</b>	<b>(7 689)</b>
<b><u>Other comprehensive income</u></b>			
Changes in property, plant and equipment asset revaluation surplus		6 894	-
<b>Total other comprehensive income</b>		<b>6 894</b>	<b>-</b>
<b>Total comprehensive result</b>		<b>(19 628)</b>	<b>(7 689)</b>

The accompanying notes form part of these financial statements.

**Department of Human Services**  
**Statement of Administered Financial Position**  
*as at 30 June 2021*

	Note	2021 \$'000	2020 \$'000
<b><u>Administered current assets</u></b>			
Cash and cash equivalents	A4.1	63 120	66 773
Receivables		30	110
<b>Total current assets</b>		<b>63 150</b>	<b>66 883</b>
<b><u>Administered non-current assets</u></b>			
Property, plant and equipment	A3.1	25 165	22 715
Investment property	A3.3	3 150	1 400
<b>Total non-current assets</b>		<b>28 315</b>	<b>24 115</b>
<b>Total assets</b>		<b>91 465</b>	<b>90 998</b>
<b><u>Administered current liabilities</u></b>			
Payables		28 131	8 036
<b>Total current liabilities</b>		<b>28 131</b>	<b>8 036</b>
<b>Total liabilities</b>		<b>28 131</b>	<b>8 036</b>
<b>Net assets</b>		<b>63 334</b>	<b>82 962</b>
<b><u>Administered equity</u></b>			
Retained earnings		25 885	52 407
Asset revaluation surplus		37 449	30 555
<b>Total equity</b>		<b>63 334</b>	<b>82 962</b>

The accompanying notes form part of these financial statements.

**Department of Human Services**  
**Statement of Administered Changes in Equity**  
*for the year ended 30 June 2021*

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	<b>Asset revaluation surplus</b>	<b>Retained earnings</b>	<b>Total equity</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Balance at 1 July 2019</b>	<b>30 555</b>	<b>60 096</b>	<b>90 651</b>
<b>Net result for 2019-20</b>	-	<b>(7 689)</b>	<b>(7 689)</b>
<b>Total comprehensive result for 2019-20</b>	-	<b>(7 689)</b>	<b>(7 689)</b>
<b>Balance at 30 June 2020</b>	<b>30 555</b>	<b>52 407</b>	<b>82 962</b>
<b>Net result for 2020-21</b>	-	<b>(26 522)</b>	<b>(26 522)</b>
<b>Gain/(loss) on revaluation of property, plant and equipment</b>	<b>6 894</b>	-	<b>6 894</b>
<b>Total comprehensive result for 2020-21</b>	<b>6 894</b>	<b>(26 522)</b>	<b>(19 628)</b>
<b>Balance at 30 June 2021</b>	<b>37 449</b>	<b>25 885</b>	<b>63 334</b>

**Department of Human Services**  
**Statement of Administered Cash Flows**  
*for the year ended 30 June 2021*

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	Note	2021 \$'000	2020 \$'000
<b><u>Cash flows from operating activities</u></b>			
<i>Cash inflows</i>			
Appropriation		183 074	191 212
Fees and charges		520	438
SA Government grants subsidies and transfers		12 837	14 261
Interest		27	165
Client Trust receipts		10 479	11 329
Donations		122	6 958
Other income		507	502
<b>Cash generated from operations</b>		<b>207 566</b>	<b>224 865</b>
<i>Cash outflows</i>			
Employee benefits payments		(374)	(373)
Payments for supplies and services		(1 867)	(940)
Concessions		(152 403)	(177 689)
Grants and subsidies		(33 833)	(32 967)
Client Trust payments		(10 108)	(11 507)
Donations and charity		(3 283)	(5 810)
Cash alignment transfers to Consolidated Account		(9 351)	(3 100)
<b>Cash used in operations</b>		<b>(211 219)</b>	<b>(232 386)</b>
<b>Net cash provided by / (used in) operations</b>	A5.1	<b>(3 653)</b>	<b>(7 521)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>		<b>(3 653)</b>	<b>(7 521)</b>
<b>Cash and cash equivalents at the beginning of the period</b>		<b>66 773</b>	<b>74 294</b>
<b>Cash and cash equivalents at the end of the period</b>	A4.1	<b>63 120</b>	<b>66 773</b>

The accompanying notes form part of these financial statements.

**Department of Human Services**  
**Disaggregated Administered Statement of Comprehensive Income**  
*for the year ended 30 June 2021*

Administered programs - refer note A1.1	Gambler's Rehabilitation Fund		Charitable Social Welfare Fund		Home for Incurables Trust	
	2021	2020	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b><u>Administered income</u></b>						
Appropriation	590	520	-	-	-	-
Fees and charges	19	12	43	61	253	286
SA Government grants subsidies and transfers	7 375	6 373	4 000	4 000	-	-
Interest	1	8	-	-	4	27
Other income	403	382	115	115	-	-
<b>Total administered income</b>	<b>8 388</b>	<b>7 295</b>	<b>4 158</b>	<b>4 176</b>	<b>257</b>	<b>313</b>
<b><u>Administered expenses</u></b>						
Supplies and services	1 085	656	168	150	250	190
Depreciation and amortisation	-	1	-	-	2 694	2 694
Grants and subsidies	6 399	6 204	3 655	3 943	-	-
<b>Total administered expenses</b>	<b>7 484</b>	<b>6 861</b>	<b>3 823</b>	<b>4 093</b>	<b>2 944</b>	<b>2 884</b>
<b>Net result</b>	<b>904</b>	<b>434</b>	<b>335</b>	<b>83</b>	<b>(2 687)</b>	<b>(2 571)</b>

	Disability Services Donations and Bequests		Supported Residential Facilities Indemnity Fund		Client Trust Accounts	
	2021	2020	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b><u>Administered income</u></b>						
Interest	-	1	-	-	22	122
Client Trust receipts	-	-	-	-	10 479	11 329
Other income	-	-	2	-	-	-
<b>Total administered income</b>	<b>-</b>	<b>1</b>	<b>2</b>	<b>-</b>	<b>10 501</b>	<b>11 451</b>
<b><u>Administered expenses</u></b>						
Supplies and services	-	1	-	-	-	-
Client Trust payments	-	-	-	-	10 117	11 508
Donations and charity	4	4	-	-	-	-
<b>Total administered expenses</b>	<b>4</b>	<b>5</b>	<b>-</b>	<b>-</b>	<b>10 117</b>	<b>11 508</b>
<b>Net result</b>	<b>(4)</b>	<b>(4)</b>	<b>2</b>	<b>-</b>	<b>384</b>	<b>(57)</b>

**Department of Human Services**  
**Disaggregated Administered Statement of Comprehensive Income**  
*for the year ended 30 June 2021*

	Minister's salary		Health and Aged Care Services Donations and Requests	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
<b><u>Administered income</u></b>				
Appropriation	374	374	-	-
Interest	-	-	-	3
<b>Total administered income</b>	<b>374</b>	<b>374</b>	<b>-</b>	<b>3</b>
<b><u>Administered expenses</u></b>				
Employee benefits expenses	374	366	-	-
Donations and charity	-	-	11	16
<b>Total administered expenses</b>	<b>374</b>	<b>366</b>	<b>11</b>	<b>16</b>
<b>Net result</b>	<b>-</b>	<b>8</b>	<b>(11)</b>	<b>(13)</b>

	Concessions		Community Service Obligations		State Emergency Relief Fund	
	2021	2020	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b><u>Administered income</u></b>						
Appropriation	161 061	165 117	17 674	20 333	-	2 000
SA Government grants subsidies and transfers	1 315	3 600	-	-	-	-
Interest	-	-	-	-	1	4
Donations	-	-	-	-	122	6 958
Other income	-	-	-	-	-	5
<b>Total administered income</b>	<b>162 376</b>	<b>168 717</b>	<b>17 674</b>	<b>20 333</b>	<b>123</b>	<b>8 967</b>
<b><u>Administered expenses</u></b>						
Supplies and services	11	2	-	-	-	-
Grants and subsidies	172 507	174 183	20 319	19 660	-	-
Donations and charity	-	-	-	-	3 268	5 790
Cash alignment transfers to Consolidated Account	9 351	3 100	-	-	-	-
<b>Total administered expenses</b>	<b>181 869</b>	<b>177 285</b>	<b>20 319</b>	<b>19 660</b>	<b>3 268</b>	<b>5 790</b>
<b>Net result</b>	<b>(19 493)</b>	<b>(8 568)</b>	<b>(2 645)</b>	<b>673</b>	<b>(3 145)</b>	<b>3 177</b>

**Department of Human Services**  
**Disaggregated Administered Statement of Comprehensive Income**  
*for the year ended 30 June 2021*

	Personal Alert SA		Consumer Advocacy & Research Fund		Total	
	2021	2020	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b><u>Administered income</u></b>						
Appropriation	3 375	2 868	-	-	183 074	191 212
Fees and charges	189	79	3	-	507	438
SA Government grants subsidies and transfers	-	-	147	288	12 837	14 261
Interest	-	-	-	-	28	165
Client Trust Fund receipts	-	-	-	-	10 479	11 329
Donations	-	-	-	-	122	6 958
Other income	-	-	-	-	520	502
<b>Total administered income</b>	<b>3 564</b>	<b>2 947</b>	<b>150</b>	<b>288</b>	<b>207 567</b>	<b>224 865</b>
<b><u>Administered expenses</u></b>						
Employee benefits expenses	-	-	-	-	374	366
Supplies and services	-	-	194	28	1 708	1 027
Depreciation and amortisation	-	-	-	-	2 694	2 695
Grants and subsidies	3 553	3 736	129	322	206 562	208 048
Client Trust Fund payments	-	-	-	-	10 117	11 508
Donations and charity	-	-	-	-	3 283	5 810
Cash alignment transfers to Consolidated Account	-	-	-	-	9 351	3 100
<b>Total administered expenses</b>	<b>3 553</b>	<b>3 736</b>	<b>323</b>	<b>350</b>	<b>234 089</b>	<b>232 554</b>
<b>Net result</b>	<b>11</b>	<b>(789)</b>	<b>(173)</b>	<b>(62)</b>	<b>(26 522)</b>	<b>(7 689)</b>

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

**Department of Human Services**  
**Schedule of Expenses and Income attributable to Administered Programs**  
*for the year ended 30 June 2021*

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**Department of Human Services**  
**Notes to and forming part of the financial statements**  
*For the year ended 30 June 2021*

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**A1. About the Department of Human Services**

**A1.1. Basis of preparation**

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

**A1.2. Objectives/activities of the department's administered items**

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

- Client Trust Accounts
- Charitable and Social Welfare Fund
- Community Service Obligations
- Concessions
- Consumer Advocacy & Research Fund
- Disability Services Donations and Bequests
- Gambler's Rehabilitation Fund
- , Health and Aged Care Services Donations and Bequests
- Home for Incurables Trust
- Minister's Salary
- Personal Alert SA
- State Emergency Relief Fund
- Supported Residential Facilities Indemnity Fund

**A1.3. Impact of COVID-19 pandemic on the department**

The COVID-19 pandemic impacted on some activities administered by the department, in particular, the department was required to administer additional payments for Cost of Living concessions, \$3.715 million (2020 \$9.588 million) and the International Student Support Package to assist individuals affected by COVID-19, refer to note A2.2. These additional payments had a material impact on the financial statements of the department's Administered Items.

**Department of Human Services**  
**Notes to and forming part of the financial statements**  
*For the year ended 30 June 2021*

**A1.4. Budget performance**

The budget performance table compares the department's outcomes against budget information presented to Parliament (2020-21 Budget Paper 4). The budget amounts have not been adjusted to reflect revised budgets or administrative restructures. The budget process is not subject to audit.

	Note	Original budget 2021 \$'000	Actual 2021 \$'000	Variance \$'000
<b>Statement of Administered Comprehensive Income</b>				
<b><u>Administered Income</u></b>				
Appropriation		183 074	183 074	-
SA Government grants subsidies and transfers		16 248	12 837	(3 411)
Fees and charges		-	507	507
Interest		298	28	(270)
Client Trust Fund receipts		10 479	10 479	-
Donations		-	122	122
Other income		276	520	244
<b>Total administered income</b>		<b>210 375</b>	<b>207 567</b>	<b>(2 808)</b>
<b><u>Administered Expenses</u></b>				
Employee benefits expenses		374	374	-
Supplies and services		1 517	1 708	191
Depreciation and amortisation		2 695	2 694	(1)
Grants and subsidies expenses		209 417	206 562	(2 855)
Client Trust Fund payments		10 864	10 117	(747)
Donations and charity		3 175	3 283	108
Cash alignment transfers to Consolidated Account		9 353	9 351	(2)
<b>Total administered expenses</b>		<b>237 395</b>	<b>234 089</b>	<b>(3 306)</b>
<b>Net result</b>		<b>(27 020)</b>	<b>(26 522)</b>	<b>498</b>
<b>Other comprehensive income</b>				
Changes in property, plant and equipment asset revaluation surplus		-	6 894	6 894
<b>Total other comprehensive income</b>		<b>-</b>	<b>6 894</b>	<b>6 894</b>
<b>Total comprehensive result</b>		<b>(27 020)</b>	<b>(19 628)</b>	<b>7 392</b>

Explanations are provided for variances where the variance exceeds the greater of 10% of the original budgeted amount and 5% of original budgeted total expenses. There are no variances that exceeds both thresholds.

**Department of Human Services**  
**Notes to and forming part of the financial statements**  
*For the year ended 30 June 2021*

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**A2. Expenses**

**A2.1. Grants and subsidies**

	2021	2020
	\$'000	\$'000
Concessions	172 507	174 183
Community Service Obligations *	20 319	19 660
Gamblers Rehabilitation	6 399	6 204
Charitable Social Welfare Fund	3 655	3 943
Personal Alert Systems SA	3 553	3 736
Consumer Advocacy & Research Fund **	129	322
<b>Total grants and subsidies</b>	<b>206 562</b>	<b>208 048</b>

\* Community Service Obligations are paid to help South Australian community organisations (for example, charities). Under the Water Industry Act 2012 and Sewerage Act 1929, Community Service Obligations are paid for water and sewerage concessions.

\*\* Administrative responsibility for the Consumer Advocacy & Research Fund was transferred to the Department of Environment and Water, effective from 1 January 2021.

**A2.2. Concessions**

	2021	2020
	\$'000	\$'000
Water and sewerage rates	55 440	52 582
Energy	44 569	41 815
Cost of Living *	37 737	46 191
Transport	29 200	30 132
International Student Support Package *	2 766	1 445
Emergency electricity payments	216	319
Other	2 579	1 699
<b>Total concessions</b>	<b>172 507</b>	<b>174 183</b>

\* As part of the State Government's response to COVID-19, \$3.715 million (2020 \$9.588 million) was paid as part of the Cost of Living Concession for a one-off boost to individuals who were unemployed or lost their jobs as a result of COVID-19. Further, households which were eligible for the boost payment in 2019-20 were able to bring the 2020-21 COLC payment forward. This amounted to expenditure of \$3.009 million in 2019-20. In addition, in 2019-20 the International Students Support Package was established to provide emergency cash grants to international students currently living in Adelaide who have been impacted by COVID-19.

**Department of Human Services**  
**Notes to and forming part of the financial statements**  
*For the year ended 30 June 2021*

**A3. Non-financial assets**

**A3.1. Property, plant and equipment by asset class**

	2021 \$'000	2020 \$'000
<b><u>Land and buildings</u></b>		
Land at fair value	15 950	11 250
Buildings and improvements at fair value	7 600	12 002
Accumulated depreciation - buildings and improvements	-	(2 423)
Carpark at fair value	12	12
Accumulated depreciation - carpark	(12)	(12)
<b>Total land and buildings</b>	<b>23 550</b>	<b>20 829</b>
<b><u>Plant and equipment</u></b>		
Plant and equipment at cost (deemed fair value)	2 873	2 873
Accumulated depreciation	(1 258)	(987)
<b>Total plant and equipment</b>	<b>1 615</b>	<b>1 886</b>
<b>Total property, plant and equipment</b>	<b>25 165</b>	<b>22 715</b>

A site valuation of land and buildings was performed as at 30 June 2021. The results of the 2020-21 revaluation were processed for Administered buildings as they were deemed to have a material impact.

**A3.2. Property, plant and equipment owned by the department**

The following table shows the movement of land, buildings and improvements and plant and equipment during 2020-21:

**2020-21**

	Land \$'000	Buildings and improvements \$'000	Plant and equipment \$'000	Total \$'000
Carrying amount at the beginning of the period	11 250	9 579	1 886	22 715
Depreciation and amortisation	-	(2 423)	(271)	(2 694)
Revaluation increment / (decrement)	4 700	444	-	5 144
<b>Carrying amount at the end of the period</b>	<b>15 950</b>	<b>7 600</b>	<b>1 615</b>	<b>25 165</b>

**2019-20**

	Land \$'000	Buildings and improvements \$'000	Plant and equipment \$'000	Total \$'000
Carrying amount at the beginning of the period	11 250	12 002	2 157	25 409
Depreciation and amortisation	-	(2 423)	(271)	(2 694)
Revaluation increment / (decrement)	-	-	-	-
<b>Carrying amount at the end of the period</b>	<b>11 250</b>	<b>9 579</b>	<b>1 886</b>	<b>22 715</b>

**Department of Human Services**  
**Notes to and forming part of the financial statements**  
*For the year ended 30 June 2021*

**A3.3. Investment property**

	2021 \$'000	2020 \$'000
Investment building	-	600
<b>Fair value at the end of the period</b>	<b>-</b>	<b>600</b>
	2021 \$'000	2020 \$'000
Investment land	3 150	800
<b>Fair value at the end of the period</b>	<b>3 150</b>	<b>800</b>
<b>Total investment property at the end of the period</b>	<b>3 150</b>	<b>1 400</b>

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

Subsequent to initial recognition at cost, the investment property is revalued to fair value with changes in the fair value recognised in the revaluation reserve in Equity in the period that they arise. An independent full site valuation of the investment property was performed at 30 June 2021. The results of the valuation were processed. The investment property is not depreciated however is tested for impairment.

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

The following table shows the movement of investment property during 2020-21:

**Reconciliation 2020-21**

	Investment land \$'000	Investment building \$'000	Total \$'000
Carrying amount at the beginning of the period	800	600	1 400
Revaluation increment / (decrement)	2 350	(600)	1 750
<b>Carrying amount at the end of the period</b>	<b>3 150</b>	<b>-</b>	<b>3 150</b>

**Reconciliation 2019-20**

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

**Department of Human Services**  
**Notes to and forming part of the financial statements**  
*For the year ended 30 June 2021*

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**A4. Financial assets**

**A4.1. Cash and cash equivalents**

	2021	2020
	\$'000	\$'000
Special deposit account with the Treasurer	46 148	50 985
Deposit account with SAFA	16 042	15 220
Other deposits	930	568
<b>Total cash and cash equivalents</b>	<b>63 120</b>	<b>66 773</b>

**A5. Other disclosures**

**A5.1. Cash flow reconciliation**

	2021	2020
	\$'000	\$'000
<b><u>Reconciliation of cash and cash equivalents at the end of the reporting period</u></b>		
Cash and cash equivalents disclosed in the Statement of Financial Position	63 120	66 773
Balance as per the Statement of Cash Flows	63 120	66 773
<b><u>Reconciliation of net cash provided by / (used in) operating activities to net result</u></b>		
Net cash provided by/(used in) operating activities	(3 653)	(7 521)
<b><u>Add / (less) non-cash items</u></b>		
Depreciation and amortisation	(2 694)	(2 695)
<b><u>Movement in assets and liabilities</u></b>		
Increase/(decrease) in receivables	(80)	71
(Increase)/decrease in payables	(20 095)	2 449
(Increase)/decrease in employee benefits	-	7
<b>Net result</b>	<b>(26 522)</b>	<b>(7 689)</b>

**A5.2. Client Trust accounts**

The department acts as trustee of client trust accounts, including clients of the former Intellectual Disability Services Council Incorporated (IDSC) and the former Julia Farr Services (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 \$0.021 million (2020: \$0.122 million).

	2021	2020
	\$'000	\$'000
<b>Opening balance at the beginning of the period</b>	<b>13 694</b>	<b>13 751</b>
Add receipts	10 501	11 451
Less Expenses	(10 117)	(11 508)
<b>Closing balance at the end of the period</b>	<b>14 078</b>	<b>13 694</b>

**Department of Human Services**  
**Notes to and forming part of the financial statements**  
*For the year ended 30 June 2021*

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**A5.3. Disability Services donations and bequests**

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

	2021	2020
	\$'000	\$'000
<b>Opening balance at the beginning of the period</b>	176	180
Add receipts	-	1
Less expenses	(4)	(5)
<b>Total disability services donations and bequests</b>	<b>172</b>	<b>176</b>

**A5.4. Health and Aged Care Services donations and bequests**

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

	2021	2020
	\$'000	\$'000
<b>Opening balance at the beginning of the period</b>	538	551
Add receipts	-	3
Less expenses	(11)	(16)
<b>Total health and aged care services donations and bequests</b>	<b>527</b>	<b>538</b>

**A5.5. 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.

Administrative responsibility of the Fund was transferred to the Department of Environment and Water, effective from 1 January 2021. The amount transferred is included in expenses below (2021: \$0.194 million).

	2021	2020
	\$'000	\$'000
<b>Opening balance at the beginning of the period</b>	173	235
Add receipts	150	288
Less expenses	(323)	(350)
<b>Total consumer advocacy and research fund</b>	<b>-</b>	<b>173</b>

**Department of Human Services**  
**Notes to and forming part of the financial statements**  
*For the year ended 30 June 2021*

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**A5.6. 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. In December 2019, the South Australian Government launched the SA Bushfire Appeal to raise funds for people directly affected by the bushfires in Cuddlee Creek. In January 2020, the South Australian Government Gazette expanded the appeal to include the Kangaroo Island bushfires.

	2021	2020
	\$'000	\$'000
<b>Opening balance at the beginning of the period</b>	<b>3 247</b>	<b>70</b>
Add receipts	123	8 967
Less expenses	(3 268)	(5 790)
<b>Closing balance at the end of the period</b>	<b>102</b>	<b>3 247</b>

The public appeal for donations closed 31 July 2020. The total donations received for the SA Bushfire Appeal was \$9.09 million. As at 30 June 2021, the total disbursed to SA Bushfire Appeal victims was \$9.06 million with the remainder transferred to the fund's general account for future appeals.

**A5.7. Supported Residential Facilities Indemnity Fund**

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).

	2021	2020
	\$'000	\$'000
<b>Opening balance at the beginning of the period</b>	<b>50</b>	<b>50</b>
Add receipts	2	-
<b>Closing balance at the end of the period</b>	<b>52</b>	<b>50</b>

**A6. Outlook**

**A6.1. Contingent assets and liabilities**

The department has investigated and there are no contingent assets or liabilities that impact the department's administered items.

**A6.2. COVID-19 pandemic outlook for the department**

The South Australian Government continued to provide financial assistance to individuals impacted by COVID-19 in 2020-21. The Paid Pandemic Leave Scheme recommenced in July 2021 following the start of a lockdown period.

**Department of Human Services**  
**Notes to and forming part of the financial statements**  
*For the year ended 30 June 2021*

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**A7. Measurement and risk**

**A7.1. Fair value**

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

Fair value measurements recognised in the Statement of Financial Position are categorised into three levels.

The department had no valuations categorised into level 1.

There have been no transfers of assets between level 1 and 2 fair value hierarchy levels in 2021 or 2020. The department's policy is to recognise transfers into and out of fair value hierarchy levels as at the end of the reporting period.

**Fair value classification - non-financial assets at 30 June 2021**

	Level 2	Level 3	Total
	\$'000	\$'000	\$'000
<b>Recurring fair value measurements</b>			
Land	15 950	-	15 950
Buildings	-	7 600	7 600
Plant and equipment	-	1 615	1 615
Investment property	3 150	-	3 150
<b>Total recurring fair value measurements</b>	<b>19 100</b>	<b>9 215</b>	<b>28 315</b>
<b>Total fair value measurements</b>	<b>19 100</b>	<b>9 215</b>	<b>28 315</b>

**Fair value classification - non-financial assets at 30 June 2020**

	Level 2	Level 3	Total
	\$'000	\$'000	\$'000
<b>Recurring fair value measurements</b>			
Land	11 250	-	11 250
Buildings	9 579	-	9 579
Plant and equipment	-	1 886	1 886
Investment property	1 400	-	1 400
<b>Total recurring fair value measurements</b>	<b>22 229</b>	<b>1 886</b>	<b>24 115</b>
<b>Total fair value measurements</b>	<b>22 229</b>	<b>1 886</b>	<b>24 115</b>

**Valuation techniques and inputs**

There were no changes in valuation techniques during 2020-21.

**Department of Human Services**  
**Notes to and forming part of the financial statements**  
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**A7.1 Fair value (continued)**

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 2021	Buildings \$'000	Plant and equipment \$'000
Opening balance at the beginning of the period	-	1 886
Transfers from level 2	7 600	-
<b><u>Gains/(losses) for the period recognised in net result:</u></b>		
Depreciation and amortisation	-	(271)
<b>Total gains/(losses) recognised in net result</b>	<b>-</b>	<b>(271)</b>
<b>Carrying amount at the end of the period</b>	<b>7 600</b>	<b>1 615</b>

Reconciliation of level 3 recurring fair value measurements at 30 June 2020	Buildings \$'000	Plant and equipment \$'000
Opening balance at the beginning of the period	-	2 157
<b><u>Gains/(losses) for the period recognised in net result:</u></b>		
Depreciation and amortisation	-	(271)
<b>Total gains/(losses) recognised in net result</b>	<b>-</b>	<b>(271)</b>
<b>Carrying amount at the end of the period</b>	<b>-</b>	<b>1 886</b>

**Department of Human Services**  
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**A8. Home for Incurables Trust**

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

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

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

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

(i) accommodation

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

(iii) personal and community support services

(iv) technical and personal support aids

(v) rehabilitation, respite and recreational services

(vi) out-patient and day care services

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

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

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

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**Notes to and forming part of the financial statements**  
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**A8. Home for Incurables Trust (continued)**

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

<b>Schedule of Income and Expenses for the year ended 30 June 2021</b>	<b>2021 \$'000</b>	<b>2020 \$'000</b>
<b>Income</b>		
Fees and charges	253	286
Interest	4	27
<b>Total income</b>	<b>257</b>	<b>313</b>
<b>Expenses</b>		
Supplies and services	250	190
Depreciation and amortisation	2 694	2 694
<b>Total expenses</b>	<b>2 944</b>	<b>2 884</b>
<b>Net result</b>	<b>(2 687)</b>	<b>(2 571)</b>
<b>Other comprehensive income</b>		
Changes in property, plant and equipment asset revaluation surplus	6 894	-
<b>Total other comprehensive income</b>	<b>6 894</b>	<b>-</b>
<b>Total comprehensive result</b>	<b>4 207</b>	<b>(2 571)</b>

<b>Schedule of Financial Position for the year ended 30 June 2021</b>	<b>2021 \$'000</b>	<b>2020 \$'000</b>
<b>Current assets</b>		
Special deposits with the Treasurer	204	831
Deposits with SAFA	2 894	2 094
Receivables	-	9
<b>Total current assets</b>	<b>3 098</b>	<b>2 934</b>
<b>Non-current assets</b>		
Property, plant and equipment	25 165	22 715
Investment property	3 150	1 400
<b>Total non-current assets</b>	<b>28 315</b>	<b>24 115</b>
<b>Total assets</b>	<b>31 413</b>	<b>27 049</b>
<b>Current liabilities</b>		
Payables	-	9
<b>Total current liabilities</b>	<b>-</b>	<b>9</b>
<b>Total liabilities</b>	<b>-</b>	<b>9</b>
<b>Net assets</b>	<b>31 413</b>	<b>27 040</b>

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A8. Home for Incurables Trust (continued)

Schedule of Changes in Equity for the year ended 30 June 2021	Asset revaluation surplus \$'000	Retained earnings \$'000	Total equity \$'000
Balance at 30 June 2019	30 555	(944)	29 611
Net result for 2019-20	-	(2 571)	(2 571)
Total comprehensive result for 2019-20	-	(2 571)	(2 571)
Balance at 30 June 2020	30 555	(3 515)	27 040
Net result for 2020-21	-	(2 521)	(2 521)
Net gain/(loss) on revaluation of property, plant and equipment	6 894	-	6 894
Total comprehensive result for 2020-21	6 894	(2 521)	4 373
Balance at 30 June 2021	37 449	(6 036)	31 413

Schedule of Administered Cash Flows for the year ended 30 June 2021	2021 \$'000	2020 \$'000
<b><u>Cash flows from operating activities</u></b>		
<b><u>Cash inflows</u></b>		
Interest	4	27
Rental revenue	262	287
<b><u>Cash generated from operations</u></b>	<b>266</b>	<b>314</b>
<b><u>Cash outflows</u></b>		
Supplies and services	(93)	(187)
<b><u>Cash used in operations</u></b>	<b>(93)</b>	<b>(187)</b>
<b>Net cash provided by / (used in) operating activities</b>	<b>173</b>	<b>127</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>173</b>	<b>127</b>
Cash and cash equivalents at the beginning of the reporting period	2 925	2 798
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>3 098</b>	<b>2 925</b>

**Department of Human Services**  
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**A8. Home for Incurables Trust (continued)**

**Accounting policies**

*Cash and cash equivalents*

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

<b>Property, plant and equipment</b>	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
<b><u>Land and buildings</u></b>		
Land at fair value	15 950	11 250
Buildings and improvements at fair value	7 600	12 002
Accumulated depreciation - buildings and improvements	-	(2 423)
Carpark at fair value	12	12
Accumulated depreciation - carpark	(12)	(12)
<b>Total land and buildings</b>	<b>23 550</b>	<b>20 829</b>
<b><u>Property, plant and equipment</u></b>		
Other plant and equipment at cost (deemed fair value)	2 873	2 873
Accumulated depreciation - other plant and equipment at cost	(1 258)	(987)
<b>Total plant and equipment</b>	<b>1 615</b>	<b>1 886</b>
<b>Total property, plant and equipment</b>	<b>25 165</b>	<b>22 715</b>

*The following table shows the movement of land, buildings and improvements and plant and equipment during 2020-21:*

**Reconciliation 2020-21**

	Land	Buildings and improvements	Plant and equipment	Total
	\$'000	\$'000	\$'000	\$'000
<b>Carrying amount at the beginning of the period</b>	<b>11 250</b>	<b>9 579</b>	<b>1 886</b>	<b>22 715</b>
Depreciation and amortisation	-	(2 423)	(271)	(2 694)
Revaluation increment / (Decrement)	4 700	444	-	5 144
<b>Carrying amount at the end of the period</b>	<b>15 950</b>	<b>7 600</b>	<b>1 615</b>	<b>25 165</b>

**Reconciliation 2019-20**

	Land	Buildings and improvements	Plant and equipment	Total
	\$'000	\$'000	\$'000	\$'000
<b>Carrying amount at the beginning of the period</b>	<b>11 250</b>	<b>12 002</b>	<b>2 157</b>	<b>25 409</b>
Depreciation and amortisation	-	(2 423)	(271)	(2 694)
Revaluation increment / (Decrement)	-	-	-	-
<b>Carrying amount at the end of the period</b>	<b>11 250</b>	<b>9 579</b>	<b>1 886</b>	<b>22 715</b>

**Department of Human Services**  
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**A8. Home for Incurables Trust (continued)**

*The following table shows the movement of investment property during 2020-21:*

	2021	2020
	\$'000	\$'000
<b><u>Investment building</u></b>		
Carrying amount at the beginning of the period	600	600
Revaluation decrement	(600)	-
Fair value at the end of the period	-	600
<b><u>Investment land</u></b>		
Carrying amount at the beginning of the period	800	800
Revaluation increment	2 350	-
Fair value at the end of the period	3 150	800
<b><u>Total investment property at the end of the period</u></b>	<b>3 150</b>	<b>1 400</b>