

Attorney-General's Department

Financial report
for the year ended
30 June 2018



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To the Chief Executive Attorney-General's Department

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987*, I have audited the financial report of the Attorney-General's Department for the financial year ended 30 June 2018.

Opinion

In my opinion, the accompanying financial report gives a true and fair view of the financial position of the Attorney-General's Department as at 30 June 2018, its financial performance and its cash flows for year then ended in accordance with the Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards.

The financial report comprises:

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

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 Attorney-General's Department. The *Public Finance and Audit Act 1987* establishes the independence of the Auditor-General. In conducting the audit, the relevant ethical requirements of APES 110 Code of Ethics for Professional Accountants have been met.

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

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

Auditor's responsibilities for the audit of the financial report

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

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

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

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

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

I communicate with the 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

19 September 2018

Attorney-General's Department
Statement of Certification
for the year ended 30 June 2018

We certify that the attached general purpose financial statements for the Attorney-General's Department:

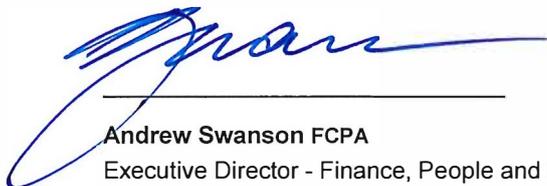
- comply with relevant Treasurer's Instructions issued under section 41 of the *Public Finance and Audit Act 1987*, and relevant Australian Accounting Standards
- are in accordance with the accounts and records of the Attorney-General's Department
- present a true and fair view of the financial position of the Attorney-General's Department as at 30 June 2018 and the results of its operations and cash flows for the financial year.

We certify that the internal controls employed by the Attorney-General's Department for the financial year over its financial reporting and its preparation of the general purpose financial statements have been effective throughout the reporting period.



Caroline Mealor
Chief Executive

17 September 2018



Andrew Swanson FCPA
Executive Director - Finance, People and Performance

17 September 2018

**Attorney-General's Department
(AGD)**

Financial Statements

For the year ended 30 June 2018

Attorney-General's Department
Statement of Comprehensive Income
for the year ended 30 June 2018

	Note	2018 \$'000	2017 \$'000
Expenses			
Employee benefits	3	164 062	157 635
Supplies and services	5	69 962	68 238
Grants and subsidies	6	10 414	10 734
Depreciation and amortisation	7	5 946	5 384
Other expenses	8	869	1 305
Net loss from disposal of non-current assets	9	93	16
Total expenses		251 346	243 312
Income			
Fees and charges	10	106 358	101 797
Recoveries	11	17 269	17 603
Commonwealth revenues		4 136	4 074
Services received free of charge	12	2 089	-
Grants and subsidies	13	1 895	1 585
Donated assets		-	64
Other income	14	2 143	2 678
Total income		133 890	127 801
Net cost of providing services		(117 456)	(115 511)
Revenues from / (payments to) SA Government			
Revenues from SA Government	15	110 661	117 349
Total net revenues from SA Government		110 661	117 349
Net result		(6 795)	1 838
Total comprehensive result		(6 795)	1 838

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

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

Attorney-General's Department
Statement of Financial Position
as at 30 June 2018

	Note	2018 \$'000	2017 \$'000
Current assets			
Cash and cash equivalents	16	23 927	41 252
Receivables	17	17 978	12 356
Lease incentives receivable		2 966	2 899
Total current assets		44 871	56 507
Non-current assets			
Property, plant and equipment	19	21 351	21 218
Intangible assets	20	13 698	12 180
Total non-current assets		35 049	33 398
Total assets		79 920	89 905
Current liabilities			
Payables	22	11 493	14 555
Employee benefits	23	17 155	16 714
Provisions	24	893	691
Lease incentives liability		468	590
Other current liabilities	25	171	294
Total current liabilities		30 180	32 844
Non-current liabilities			
Payables	22	3 251	3 209
Employee benefits	23	35 330	35 012
Provisions	24	839	1 174
Lease incentives liability		1 492	2 043
Total non-current liabilities		40 912	41 438
Total liabilities		71 092	74 282
Net assets		8 828	15 623
Equity			
Asset revaluation surplus		4 534	4 534
Retained earnings		4 294	11 089
Total equity		8 828	15 623

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

Unrecognised contractual commitments	26
Contingent assets and liabilities	26

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

Attorney-General's Department
Statement of Changes in Equity
for the year ended 30 June 2018

	Asset revaluation surplus	Retained earnings	Total equity
Note	\$'000	\$'000	\$'000
Balance at 30 June 2016	4 534	9 251	13 785
Net result for 2016-2017	-	2 163	2 163
Error Correction	-	(325)	(325)
Total comprehensive result for 2016-2017	-	1 838	1 838
Balance at 30 June 2017	4 534	11 089	15 623
Net result for 2017-2018	-	(6 795)	(6 795)
Total comprehensive result for 2017-2018	-	(6 795)	(6 795)
Balance at 30 June 2018	4 534	4 294	8 828

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

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

Attorney-General's Department
Statement of Cash Flows
for the year ended 30 June 2018

		2018	2017
		(Outflows)	(Outflows)
		Inflows	Inflows
	Note	\$'000	\$'000
Cash flows from operating activities			
Cash outflows			
Employee benefits payments		(163 377)	(155 789)
Payments for supplies and services		(85 908)	(77 866)
Grants and subsidies		(12 594)	(12 752)
Parental leave scheme		(535)	(357)
Other payments		(1 051)	(1 503)
Cash used in operations		(263 465)	(248 267)
Cash inflows			
Fees and charges		108 706	111 345
Recoveries		18 481	18 697
GST recovered from the ATO and customers		6 418	6 424
Receipts from Commonwealth		4 426	4 361
Grants and subsidies received		2 028	1 686
Receipts for paid parental leave scheme		524	390
Other receipts		1 733	2 751
Cash generated from operations		142 316	145 654
Cash flows from SA government			
Receipts from SA government		110 661	117 349
Cash generated from SA government		110 661	117 349
Net cash provided by / (used in) operating activities	28	(10 488)	14 736
Cash flows from investing activities			
Cash outflows			
Purchase of property, plant and equipment		(3 131)	(1 657)
Purchase of intangible assets		(3 706)	(3 561)
Cash used in investing activities		(6 837)	(5 218)
Net cash provided by / (used in) investing activities		(6 837)	(5 218)
Net increase / (decrease) in cash and cash equivalents		(17 325)	9 518
Cash and cash equivalents at the beginning of the reporting period		41 252	31 734
Cash and cash equivalents at the end of the reporting period	16	23 927	41 252

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

Attorney-General's Department

Notes to and forming part of the financial statements

for the year ended 30 June 2018

1 Basis of financial statements

1.1 Reporting entity

The Attorney-General's Department is a government department of the state of South Australia, established pursuant to the *Public Sector Act 2009*. The department is an administrative unit acting on behalf of the Crown.

The department produces both controlled and administered financial statements. The controlled financial statements include income, expenses, assets and liabilities, controlled or incurred by the department in its own right. The administered financial statements include income, expenses, assets and liabilities which the department administers on behalf of the SA Government but does not control. Except as otherwise disclosed, administered items are accounted for on the same basis and using the same accounting policies as for controlled items.

For the purposes of accrual accounting and external financial reporting, the Ombudsman, Police Ombudsman, South Australian Civil and Administrative Tribunal and Office for the Public Advocate are included in the controlled reporting entity of the department.

Administered items of the department include:

- Taxation Receipts
- Victims of Crime Fund
- Crown Solicitor's Trust Account
- SA Computer Aided Dispatch
- SA Government Radio Network
- Legal Services Commission - Grants
- State Rescue Helicopter Service
- Child Abuse Protection Program
- Expensive State Criminal Cases
- Fines Enforcement and Recovery Unit - Revenue
- Native Title
- Special Acts - Payment of Ministerial Salary and Allowances
- Special Acts - Payment of Statutory Officer Salaries
- Child Protection Systems Royal Commission
- Institutional Responses to Child Sexual Abuse Royal Commission
- Murray Darling Basin Royal Commission

Attorney-General's Department
Notes to and forming part of the financial statements
for the year ended 30 June 2018

1 Basis of financial statements (continued)

1.2 Statement of compliance

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

The financial statements are general purpose financial statements which have been prepared in accordance with applicable Australian Accounting Standards and comply with Treasurer's Instructions and Accounting Policy Statements promulgated under the provisions of the *Public Finance and Audit Act 1987*.

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

1.3 Basis of preparation

The preparation of the financial statements requires:

- the use of certain accounting estimates and requires management to exercise its judgment in the process of applying the department's accounting policies. The areas involving a higher degree of judgment or where assumptions and estimates are significant to the financial statements are outlined in the applicable notes
- accounting policies that are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events are reported
- compliance with accounting policy statements issued pursuant to section 41 of the *Public Finance and Audit Act 1987*.

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

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

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

Significant accounting policies are set out in the notes.

1.4 Comparative information

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

Where presentation or classification of items in the financial statements has been amended, comparative figures have been adjusted to conform to changes in presentation or classification in these financial statements unless impracticable.

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

Attorney-General's Department
Notes to and forming part of the financial statements
for the year ended 30 June 2018

1 Basis of financial statements (continued)

1.5 Taxation

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

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, (ATO) 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.

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

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

2 Objectives and activities

2.1 Objectives

The objective of the Attorney-General's Department is to help create an inclusive, safe and fair South Australia. The department promotes justice through protecting rights and holding people to account according to the law, improving safety and contributing to an efficient and fair justice system.

2.2 Activities

Information about the department's activities are set out in the disaggregated disclosures schedule. An activity is a grouping of related sub activities that contribute to the achievement of agency and government objectives.

Legal and Justice Services

Legal and Justice Services promotes justice by holding people to account according to the law, improving safety and contributing to an efficient and fair justice system.

Legal and Justice Services includes the provision of legal services by the Crown Solicitor's Office, Office for the Director of Public Prosecutions and Solicitor-General. This activity also includes the functions of the Parliamentary Counsel, Justice Technology Services, the South Australian Civil and Administrative Tribunal and Forensic Science SA.

Consumer and Business Services

The purpose of Consumer and Business Services is to protect consumers, support and regulate business and record significant life events in South Australia. Consumer and Business Services has a diverse role including licensing and registration, dispute resolution, legislative compliance, policy development and providing education and awareness campaigns to ensure an informed community that is able to conduct business fairly, efficiently, competitively and safely.

Advocacy and Guardianship Services

The *Guardianship and Administration Act 1993* establishes the Public Advocate to provide services to promote and protect the rights of people with a mental incapacity and/or a medical illness. The Office of the Public Advocate provides advocacy, guardianship, information, investigation, education and dispute resolution services to fulfil the statutory responsibilities of the Public Advocate.

Attorney-General's Department
Notes to and forming part of the financial statements
for the year ended 30 June 2018

2 Objectives and activities (continued)

Equal Opportunity

The Commissioner for Equal Opportunity is responsible for administering the *Equal Opportunity Act 1984* and promoting equality of opportunity for all South Australians. This is achieved through the administration of anti-discrimination legislation, examining and responding to complaints of discrimination and providing information, education and training to encourage compliance with the legislation.

Police Ombudsman

The Police Ombudsman provides independent oversight of investigations related to complaints about members South Australia Police, including those made by members of the public or referred to it by the Office for Public Integrity or the Independent Commissioner Against Corruption. The objective of this function is to maintain public confidence in, and proper accountability of, South Australia Police. The functions of the Police Ombudsman were assumed by the Independent Commissioner Against Corruption effective from 1 September 2017.

Ombudsman

The Ombudsman investigates and attempts to resolve complaints against state and local government agencies under the *Ombudsman Act 1972*, and identifies and deals with misconduct and maladministration in public administration on referral by the Independent Commissioner against Corruption. The objective of this function is to ensure that the public receives fair treatment from government bodies and that public administration is reasonable and just.

Industrial Relations

Industrial Relations provide services to ensure the rights and obligations of employees are protected and the relevant law applied to prevent and resolve workplace disputes. This activity includes the functions of SafeWork SA and the South Australian Employment Tribunal.

Fines Enforcement and Recovery

The Fines Enforcement and Recovery Unit manage overdue fines issued by authorities across South Australia, including expiation notices and court imposed pecuniary sums. This activity also includes the recovery of Victims of Crime and Criminal Injury Compensation debts.

State Records

State Records provides statutory services for the management of, and access to, the state's archival collection of state and local government records and provides advice on records and information management, legislation, policy and practices.

Child Protection Systems Royal Commission – Response Unit

The Child Protection Systems Royal Commission Response Unit was established and tasked with analysing each recommendation made by the Royal Commission. The response unit was responsible for the coordination and preparation of the government response to, and the development and implementation of a plan to address, the adopted recommendations.

Other

Certain items of the department are not allocated to activities.

Attorney-General's Department
Notes to and forming part of the financial statements
for the year ended 30 June 2018

Disaggregated Disclosures – Expenses and Income	Legal and Justice Services		Consumer and Business Services		Advocacy and Guardianship Services		Equal Opportunity	
	2018	2017	2018	2017	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Expenses								
Employee benefits	(95 206)	(91 561)	(20 020)	(19 282)	(3 348)	(3 040)	(1 728)	(1 519)
Supplies and services	(36 800)	(35 221)	(7 924)	(7 449)	(921)	(895)	(961)	(769)
Grants and subsidies	(8 951)	(9 267)	(377)	(303)	(2)	-	(6)	(10)
Depreciation and amortisation	(2 379)	(2 749)	(929)	(586)	(57)	(45)	(35)	(28)
Other expenses	(856)	(1 174)	(11)	(102)	-	-	-	-
Net loss from disposal of non-current assets	-	-	-	-	(5)	-	-	-
Total expenses	(144 192)	(139 972)	(29 261)	(27 722)	(4 333)	(3 980)	(2 730)	(2 326)
Income								
Fees and charges	42 457	42 300	36 950	35 128	-	-	88	37
Recoveries	8 126	9 505	131	292	7	8	346	416
Commonwealth revenues	4 136	3 942	-	-	-	-	-	-
Services received free of charge	-	-	-	-	-	-	-	-
Grants and subsidies	906	531	25	33	203	62	20	27
Donated assets	-	-	-	-	-	-	-	-
Other income	2 317	2 279	(672)	(342)	358	356	294	293
Total income	57 942	58 557	36 434	35 111	568	426	748	773
Net cost of providing services	(86 250)	(81 415)	7 173	7 389	(3 765)	(3 554)	(1 982)	(1 553)
Revenues from / (payments to) SA Government								
Revenue from SA Government	-	-	-	-	-	-	-	-
Total net revenues from SA Government	-	-	-	-	-	-	-	-
Net result	(86 250)	(81 415)	7 173	7 389	(3 765)	(3 554)	(1 982)	(1 553)

Attorney-General's Department
Notes to and forming part of the financial statements
for the year ended 30 June 2018

Disaggregated Disclosures – Expenses and Income	Police Ombudsman		Ombudsman		Industrial Relations		Fines Enforcement and Recovery	
	2018	2017	2018	2017	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Expenses								
Employee benefits	(264)	(1 530)	(2 788)	(2 362)	(27 739)	(25 049)	(9 465)	(9 111)
Supplies and services	(203)	(394)	(776)	(614)	(13 692)	(14 133)	(6 089)	(5 751)
Grants and subsidies	-	-	(8)	-	(1 063)	(1 252)	(5)	-
Depreciation and amortisation	(98)	(77)	(130)	(82)	(1 123)	(797)	(555)	(474)
Other expenses	-	-	-	-	(2)	(29)	-	-
Net loss from disposal of non-current assets	-	-	-	-	-	(16)	(88)	-
Total expenses	(565)	(2 001)	(3 702)	(3 058)	(43 619)	(41 276)	(16 202)	(15 336)
Income								
Fees and charges	-	-	-	-	26 677	24 093	-	-
Recoveries	-	-	2	1	8 472	7 376	181	2
Commonwealth revenues	-	-	-	-	-	132	-	-
Services received free of charge	-	-	-	-	-	-	-	-
Grants and subsidies	7	10	721	905	8	11	5	6
Donated assets	-	-	-	-	-	-	-	-
Other income	109	108	83	83	(326)	(107)	39	67
Total income	116	118	806	989	34 831	31 505	225	75
Net cost of providing services	(449)	(1 883)	(2 896)	(2 069)	(8 788)	(9 771)	(15 977)	(15 261)
Revenues from / (payments to) SA Government								
Revenue from SA Government	-	-	-	-	-	-	-	-
Total net revenues from SA Government	-	-	-	-	-	-	-	-
Net result	(449)	(1 883)	(2 896)	(2 069)	(8 788)	(9 771)	(15 977)	(15 261)

Attorney-General's Department
Notes to and forming part of the financial statements
for the year ended 30 June 2018

Disaggregated Disclosures – Expenses and Income	State Records		Child Protection Systems Royal Commission Response Unit		Other		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Expenses								
Employee benefits	(3 503)	(3 662)	(1)	(520)	-	-	(164 062)	(157 635)
Supplies and services	(2 596)	(2 758)	-	(255)	-	-	(69 962)	(68 238)
Grants and subsidies	(2)	-	-	-	-	98	(10 414)	(10 734)
Depreciation and amortisation	(640)	(543)	-	(3)	-	-	(5 946)	(5 384)
Other expenses	-	-	-	-	-	-	(869)	(1 305)
Net loss from disposal of non-current assets	-	-	-	-	-	-	(93)	(16)
Total expenses	(6 741)	(6 963)	(1)	(778)	-	98	(251 346)	(243 312)
Income								
Fees and charges	186	239	-	-	-	-	106 358	101 797
Recoveries	4	3	-	-	-	-	17 269	17 603
Commonwealth revenues	-	-	-	-	-	-	4 136	4 074
Services received free of charge	-	-	-	-	2 089	-	2 089	-
Grants and subsidies	-	-	-	-	-	-	1 895	1 585
Donated assets	-	-	-	64	-	-	-	64
Other income	(59)	(59)	-	-	-	-	2 143	2 678
Total income	131	183	-	64	2 089	-	133 890	127 801
Net cost of providing services	(6 610)	(6 780)	(1)	(714)	2 089	98	(117 456)	(115 511)
Revenues from / (payments to) SA Government								
Revenue from SA Government	-	-	-	-	110 661	117 349	110 661	117 349
Total net revenues from SA Government	-	-	-	-	110 661	117 349	110 661	117 349
Net result	(6 610)	(6 780)	(1)	(714)	112 750	117 447	(6 795)	1 838

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

Attorney-General's Department
Notes to and forming part of the financial statements
for the year ended 30 June 2018

Disaggregated Disclosures – Assets and Liabilities	Legal and Justice Services		Consumer and Business Services		Advocacy and Guardianship Services		Equal Opportunity	
	2018	2017	2018	2017	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Current assets								
Cash and cash equivalents	173	173	-	-	-	-	-	-
Receivables	8 544	8 412	5 899	437	-	8	201	61
Lease incentives receivable	482	630	523	15	15	19	17	21
Total current assets	9 199	9 215	6 422	452	15	27	218	82
Non-current assets								
Property, plant and equipment	3 473	4 604	3 774	113	106	142	124	155
Intangible assets	8 707	8 824	848	1 356	-	-	-	-
Total non-current assets	12 180	13 428	4 622	1 469	106	142	124	155
Total assets	21 379	22 643	11 044	1 921	121	169	342	237
Current liabilities								
Payables	(6 227)	(7 619)	(1 336)	(1 155)	(103)	(121)	(107)	(32)
Employee benefits	(9 918)	(9 692)	(2 235)	(2 062)	(303)	(289)	(135)	(117)
Provisions	-	-	-	-	-	-	-	-
Lease incentives liability	(76)	(128)	(83)	(3)	(2)	(4)	(3)	(4)
Other current liabilities	(31)	-	-	-	-	-	-	-
Total current liabilities	(16 252)	(17 439)	(3 654)	(3 220)	(408)	(414)	(245)	(153)
Non-current liabilities								
Payables	(1 966)	(1 967)	(417)	(412)	(49)	(46)	(20)	(15)
Employee benefits	(21 356)	(21 409)	(4 543)	(4 489)	(537)	(502)	(218)	(163)
Provisions	-	-	-	-	-	-	-	-
Lease incentives liability	(243)	(444)	(262)	(11)	(7)	(14)	(9)	(15)
Total non-current liabilities	(23 565)	(23 820)	(5 222)	(4 912)	(593)	(562)	(247)	(193)
Total liabilities	(39 817)	(41 259)	(8 876)	(8 132)	(1 001)	(976)	(492)	(346)
Net assets	(18 438)	(18 616)	2 168	(6 211)	(880)	(807)	(150)	(109)

Attorney-General's Department
Notes to and forming part of the financial statements
as at 30 June 2018

Disaggregated Disclosures – Assets and Liabilities	Police Ombudsman		Ombudsman		Industrial Relations		Fines Enforcement and Recovery	
	2018	2017	2018	2017	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Current assets								
Cash and cash equivalents	-	-	-	-	46	46	-	-
Receivables	-	-	173	196	2 722	2 873	389	253
Lease incentives receivable	46	57	57	58	1 667	1 807	29	95
Total current assets	46	57	230	254	4 435	4 726	418	348
Non-current assets								
Property, plant and equipment	322	414	407	421	12 001	13 228	209	695
Intangible assets	-	-	-	-	17	49	4 126	1 951
Total non-current assets	322	414	407	421	12 018	13 277	4 335	2 646
Total assets	368	471	637	675	16 453	18 003	4 753	2 994
Current liabilities								
Payables	-	(37)	(110)	(61)	(1 796)	(2 878)	(1 725)	(1 652)
Employee benefits	(1)	(165)	(368)	(278)	(2 974)	(2 977)	(933)	(770)
Provisions	-	-	-	-	(765)	(592)	-	-
Lease incentives liability	(7)	(12)	(9)	(12)	(263)	(368)	(5)	(19)
Other current liabilities	-	-	-	-	(19)	(236)	(47)	(22)
Total current liabilities	(8)	(214)	(487)	(351)	(5 817)	(7 051)	(2 710)	(2 463)
Non-current liabilities								
Payables	-	(29)	(67)	(53)	(536)	(522)	(136)	(97)
Employee benefits	-	(316)	(725)	(574)	(5 820)	(5 710)	(1 475)	(1 081)
Provisions	-	-	-	-	(740)	(1 036)	-	-
Lease incentives liability	(23)	(40)	(28)	(41)	(840)	(1 273)	(15)	(67)
Total non-current liabilities	(23)	(385)	(820)	(668)	(7 936)	(8 541)	(1 626)	(1 245)
Total liabilities	(31)	(599)	(1 307)	(1 019)	(13 753)	(15 592)	(4 336)	(3 708)
Net assets	337	(128)	(670)	(344)	2 700	2 411	417	(714)

Attorney-General's Department
Notes to and forming part of the financial statements
as at 30 June 2018

Disaggregated Disclosures – Assets and Liabilities	Child Protection Systems Royal Commission							
	State Records		Response Unit		Other		Total	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Current assets								
Cash and cash equivalents	-	-	-	-	23 708	41 033	23 927	41 252
Receivables	50	116	-	-	-	-	17 978	12 356
Lease incentives receivable	130	197	-	-	-	-	2 966	2 899
Total current assets	180	313	-	-	23 708	41 033	44 871	56 507
Non-current assets								
Property, plant and equipment	935	1 446	-	-	-	-	21 351	21 218
Intangible assets	-	-	-	-	-	-	13 698	12 180
Total non-current assets	935	1 446	-	-	-	-	35 049	33 398
Total assets	1 115	1 759	-	-	23 708	41 033	79 920	89 905
Current liabilities								
Payables	(89)	(694)	-	-	-	(306)	(11 493)	(14 555)
Employee benefits	(288)	(364)	-	-	-	-	(17 155)	(16 714)
Provisions	(128)	(99)	-	-	-	-	(893)	(691)
Lease incentives liability	(20)	(40)	-	-	-	-	(468)	(590)
Other current liabilities	(74)	(36)	-	-	-	-	(171)	(294)
Total current liabilities	(599)	(1 233)	-	-	-	(306)	(30 180)	(32 844)
Non-current liabilities								
Payables	(60)	(68)	-	-	-	-	(3 251)	(3 209)
Employee benefits	(656)	(768)	-	-	-	-	(35 330)	(35 012)
Provisions	(99)	(138)	-	-	-	-	(839)	(1 174)
Lease incentives liability	(65)	(138)	-	-	-	-	(1 492)	(2 043)
Total non-current liabilities	(880)	(1 112)	-	-	-	-	(40 912)	(41 438)
Total liabilities	(1 479)	(2 345)	-	-	-	(306)	(71 092)	(74 282)
Net assets	(364)	(586)	-	-	23 708	40 727	8 828	15 623

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

Attorney-General's Department
Notes to and forming part of the financial statements
for the year ended 30 June 2018

3 Employee benefits expense

	2018	2017
	\$'000	\$'000
Salaries and wages	123 257	118 613
Employment on-costs - superannuation*	14 565	13 857
Annual leave	11 319	11 623
Employment on-costs - payroll tax	7 666	7 399
Long service leave (LSL)	4 268	3 341
Board fees	1 674	1 359
Skills and experience retention leave (SERL)	795	774
Workers' compensation	124	425
TVSPs (refer below)	361	229
Other employee related expenses	33	15
Total employee benefits expenses	164 062	157 635

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

	2018	2017
	\$'000	\$'000
Targeted voluntary separation packages (TVSPs)		
Amounts paid during the reporting period to separated employees:		
TVSPs	361	229
Annual leave, LSL and SERL paid to those employees	33	157
Net cost to the department	394	386

Number of employees who received a TVSP during the reporting period was: 4 3

Key management personnel

Key management personnel of the department include the Attorney-General, the Chief Executive Officer and the 11 members of the Executive Management Group who have responsibility for the strategic direction and management of the department. The compensation detailed below also excludes salaries and other benefits the Attorney-General receives, the Attorney-General'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*. Compensation detailed below excludes the salaries and other benefits the Public Trustee receives as key management personnel, as these are paid by the Public Trustee.

	2018	2017
	\$'000	\$'000
Compensation		
Salaries and other short term employee benefits	3 366	3 019
Post-employment benefits	334	294
Other long-term employment benefits	177	47
Termination benefits	669	-
Total compensation	4 546	3 360

Salaries and other short term employee benefits include salaries and wages, terminal annual leave and SERL, fringe benefits tax paid and salary sacrifice. Post-employment benefits include employer superannuation. Other long-term employment benefits include terminal long service leave only.

Attorney-General's Department
Notes to and forming part of the financial statements
for the year ended 30 June 2018

3 Employee benefits expense (continued)

Remuneration of employees

The number of officers whose remuneration received or receivable falls within the following bands:	2018	2017
	Number	Number
\$147 000 to \$149 000*	N/A	4
\$149 001 to \$159 000	46	50
\$159 001 to \$169 000**	14	16
\$169 001 to \$179 000	11	9
\$179 001 to \$189 000	9	2
\$189 001 to \$199 000	3	7
\$199 001 to \$209 000	1	4
\$209 001 to \$219 000	7	8
\$219 001 to \$229 000	15	11
\$229 001 to \$239 000**	4	1
\$239 001 to \$249 000	5	7
\$249 001 to \$259 000	-	2
\$259 001 to \$269 000**	3	2
\$269 001 to \$279 000	3	-
\$279 001 to \$289 000	2	3
\$289 001 to \$299 000	2	4
\$299 001 to \$309 000	1	1
\$309 001 to \$319 000	3	1
\$319 001 to \$329 000	1	3
\$329 001 to \$339 000	2	4
\$339 001 to \$349 000	2	3
\$349 001 to \$359 000**	3	-
\$359 001 to \$369 000	2	1
\$369 001 to \$379 000	-	1
\$409 001 to \$419 000	1	1
\$419 001 to \$429 000	-	2
\$429 001 to \$439 000**	1	-
\$459 001 to \$469 000	-	1
\$479 001 to \$489 000	2	1
\$489 001 to \$499 000	1	-
\$519 001 to \$529 000	1	-
\$559 001 to \$569 000	-	1
\$569 001 to \$579 000	1	3
\$579 001 to \$589 000	1	-
\$589 001 to \$599 000	2	-
\$1 099 001 to \$1 109 000**	1	-
Total number of officers	150	153

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

** Includes payment of long service leave, annual leave, termination benefits for officers who have left the department.

Attorney-General's Department
Notes to and forming part of the financial statements
for the year ended 30 June 2018

3 Employee benefits expense (continued)

The table includes all officers who received remuneration equal to or greater than the base executive remuneration level during the year. Remuneration of officers reflects all costs of employment including salaries and wages, superannuation contributions, Fringe Benefits Tax and any other salary sacrifice benefits. Total remuneration received or due and receivable by these officers was \$34.6 million (2017: \$33.5 million).

Legal	102	103
Executive	18	20
Other	30	30
Total number of officers	150	153

4 Remuneration of board and committee members

Members that were entitled to receive remuneration for membership during the 2017-18 financial year were:

Audit and Risk Management Committee	Mining and Quarrying Occupational Health and Safety Committee
T Brumfield*	A M Cartledge
A Gale*	N Crack
M Hanson*	C Fisher
P J Martin	P Lamps
D Soulio*	E L Munchenberg
M Turner*	G J Murray
Industrial Relations Consultative Council	M J O'Malley
R Bonner	G J Sauer
N Brown	G A Warner (term expired: 1 January 2018)
B Cagney	SA Sentencing Advisory Council
M Chettle	C Abbott (appointed: 6 December 2017)
E Dabars	P J Alexander
T E Evans	T M A Dibden (appointed: 23 April 2018)*
D Gray	R C Healy (appointed: 13 October 2017)
P Harrison	I D Leader-Elliott
S A Hills	J Martin (appointed: 23 April 2018)*
P Lamps	S McDonald *
R Lucas (appointed: 22 March 2018)	G Mead *
M Mead	E F Nelson
S N Pisoni	P Newitt *
E Ranieri *	M J O'Connell *
J Rau (term expired: 21 March 2018)	J R Sulan
J Rogers	J L Rice (appointed: 13 October 2017)
E Van Der Linden	

Attorney-General's Department
Notes to and forming part of the financial statements
for the year ended 30 June 2018

4 Remuneration of board and committee members (continued)

SA Classification Council

B E Biggins*
A J Dale*
A P Durkin*
G S Karzis
J J Redman

State Records Council

R K Foster
A W Leviston (term expired: 1 April 2018)
S E Marsden
H J Merritt
K Nicholas *
H P Onopko
S Smith (appointed: 26 April 2018)*
N L Sumner *
I T Sutherland

SA Civil and Administrative Tribunal

M S Alvino
R M Armour
M Bagato (appointed: 4 October 2017)
J Bakas
J Barnes (appointed: 4 October 2017)
A Bills (appointed: 5 December 2017)
D Black
G B Box
S Carlton (appointed: 5 December 2017)
L Clark *
S Clark (appointed: 5 December 2017)
S D Cole (term expired: 29 August 2017)
D T Coyte (appointed: 4 October 2017)
J Cowdroy (appointed: 5 December 2017)
C J D'Arcy
B M Day
M Demosthenous (appointed: 5 December 2017)
M C De Rohan
S P Dolphin
P J Duffy
J S Dunstone (appointed: 4 October 2017)
A C Faulkner (appointed: 4 October 2017)
A D Files
M Fuller (appointed: 5 December 2017)
J D Forgan
I W Gamham (term expired: 30 September 2017)
S Georgiadis
L Gilfillan
J Gipslis (appointed: 4 October 2017)
T D Griffin
D E Gursansky
L Hastwell
J Hughes

M T Kennedy
A G King
J Lammersma (appointed: 4 October 2017)
C Larkin
A Lazarevich
C D Lester
R Maerschel
H R Mares (appointed: 4 October 2017)
K P McEvoy
J L McGrath (appointed: 5 December 2017)
P K Mickan
K J Millar
A V Moroney (appointed: 5 December 2017)
M Murphy (appointed: 5 December 2017)
D R R Parker
G J Parker (term expired: 4 July 2017)
J M Petrie
A M Radin
N J Rainford
D J Rathman
G L Rawson
J C Richardson
M Rischbieth
K A Ryan (appointed: 5 December 2017)
R R Schroeder
E F Skinner (appointed: 4 October 2017)
D W Stevens
M A Stevens
E Stratton-Smith
L M Sudano (appointed: 4 October 2017)
S J Thomas (term expired: 9 May 2017)
G N Twohig
L Valentine (term expired: 30 September 2017)

Attorney-General's Department
Notes to and forming part of the financial statements
for the year ended 30 June 2018

4 Remuneration of board and committee members (continued)

J Hundertmark	D J Watkins
A R Hunter (appointed: 5 December 2017)	D P Watson (appointed: 4 October 2017) *
J Irving	C Wilson (appointed: 5 December 2017)
B E Johns	

Health Practitioners Tribunal

C P Alderman *	K H McEwen
J G Angove	J C McMahan
M L B Ardlie	J R Middleton (appointed: 13 February 2018) *
C C Bindon	A M Milich *
A Booth *	C E Miller
G Brideson	A M Milln
M J Chamney	N Moffat
G R A Clark (appointed: 18 July 2017, term expired: 30 June 2018)*	M R Moy
B A Coombe	N B Murray
K R Davis	M F O'Keefe *
S L De Lacey	K O Osborne
A D Delloso *	J Pappin
L E Denley	A C Patten
J S Dunstone	M B Pattison
M C Eckert	A C Phillips
M H Feldman	A M Pierce
C D Field	C A Pilkington *
J D Fuller	C J Pirone
N C Galatis	G R Pitcher
P C Gaughwin	K L Plastow
P A Glover	K A Poulish *
E Golding	C Pratten *
L H Goudas *	T L R Quarmby
M F Greig (appointed: 13 February 2018)	S M Raphael
D E Gursansky	D T Riseley
N M Haensel *	S D Rogers
B R Hamlyn	L Rose *
W A Harvey *	R C S Heah *
A M Hill	J F Scott
A C Holliday *	L J Selga
R F Hordern	B A Simondson
R A Hussey *	A J Sluggett
L T Huynh (appointed: 3 May 2018)*	J E Smith
R J Johns	B H Steele
E Kalaitzidis	D R Suyapto
D M A Kay	K A Szekely (appointed: 13 February 2018)
	A P Targett *

Attorney-General's Department
Notes to and forming part of the financial statements
for the year ended 30 June 2018

4 Remuneration of board and committee members (continued)

K J Kevan	A Thomas
S Kondopoulos *	K A Thornton *
Z L Lagana (appointed: 3 May 2018)*	D Tsiopelas
Y Y Lu *	A L Van Essen
M J Lundberg	C A Wagner
P D Marin	K J Walkley *
R J Marotti *	A C Walls *
V A Matthews	H Wang
C Whiteford *	
L M Whiteway	
L K M Wiles	
C J Wilson *	

* In accordance with the Department of Premier and Cabinet Circular No. 016, government employees did not receive any remuneration for board/committee duties during the financial year.

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

	2018	2017
\$0 - \$9 999	184	144
\$10 000 - \$19 999	18	7
\$20 000 - \$29 999	3	6
\$30 000 - \$39 999	1	5
\$40 000 - \$49 999	3	4
\$50 000 - \$59 999	5	-
\$60 000 - \$69 999	3	3
\$70 000 - \$79 999	2	-
\$80 000 - \$89 999	-	2
\$90 000 - \$99 999	1	-
\$110 000 - \$119 999	1	1
\$120 000 - \$129 999	1	-
Total number of members	222	172

Remuneration of members reflects all costs of performing board/committee member duties including sitting fees, superannuation contributions, salary sacrifice benefits and fringe benefits and any fringe benefits tax paid or payable in respect of those benefits. The total remuneration received or receivable by members was \$1.67 million (2017 : \$1.3 million).

Amounts paid to a superannuation plan for board/ committee members was \$0.11 million (2017: \$0.11 million).

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

Attorney-General's Department
Notes to and forming part of the financial statements
for the year ended 30 June 2018

5 Supplies and services

	2018	2017
	\$'000	\$'000
Operating lease minimum payments	19 393	18 677
Information and communications technology	17 717	16 581
Accommodation	4 461	4 949
Office expenses	2 706	2 908
Outsourced services	2 646	2 535
Staff payments	2 317	1 895
Shared Services SA charges	2 144	1 945
Repairs, maintenance and minor purchases	1 670	1 213
Telephone related expenses	1 549	1 832
Legal fees	1 533	1 496
Contract staff	1 515	1 459
Laboratory supplies	1 391	1 323
Motor vehicle expenses	1 308	1 379
Promotions and publications	1 065	1 085
Consultancies	869	935
Tax payments	749	877
Storage and archive costs	453	337
Minor works	11	385
Other	6 465	6 427
Total supplies and services	69 962	68 238

Refer to Note 12 for explanation on Shared Services SA charges.

The total supplies and services amount disclosed includes GST amounts not-recoverable from the ATO due to the department not holding a valid tax invoice or payments relating to third party arrangements. Operating lease payments (less any lease incentives) are recognised on a straight-line basis over the lease term, unless another systematic basis is more representative of the time pattern of benefits derived from the use of the leased assets.

Consultants

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

	2018	2018	2017	2017
	Number	\$'000	Number	\$'000
Below \$10 000	23	87	22	82
Between \$10 000 and \$50 000	21	509	18	426
\$50 000 or above	3	273	5	427
Total paid / payable to the consultants engaged	47	869	45	935

Attorney-General's Department
Notes to and forming part of the financial statements
for the year ended 30 June 2018

6 Grants and subsidies

	2018	2017
	\$'000	\$'000
Community Legal Centres	5 137	5 192
Crime Prevention	1 197	1 659
SafeWork SA	954	1 244
Native Title	880	880
Other	2 246	1 759
Total grants and subsidies	10 414	10 734

For contributions payable, the contribution will be recognised as a liability and expense when the entity has a present obligation to pay the contribution and expense recognition criteria are met.

All contributions paid by the department have been contributions with unconditional stipulations.

Contributions can be either for general assistance or a particular purpose and will usually be subject to terms and conditions set out in a contract, correspondence, or by legislation governing the contribution.

7 Depreciation and amortisation

	2018	2017
	\$'000	\$'000
Depreciation		
Plant and equipment	726	834
Information technology	148	188
Buildings and other structures	159	151
Total depreciation	1 033	1 173
Amortisation		
Leasehold improvements	2 725	3 279
Intangible assets	2 188	932
Total amortisation	4 913	4 211
Total depreciation and amortisation	5 946	5 384

All non-current assets, having a limited useful life, are systematically depreciated/amortised over their useful lives in a manner that reflects the consumption of their service potential. Amortisation is used in relation to intangible assets such as software, while depreciation is applied to tangible assets such as property, plant and equipment.

Useful lives

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

Class of asset	Useful life (years)
Buildings and Other Structures	5-80
Leasehold Improvements	Life of lease
Plant and equipment	1-16
Intangible Assets	1-10
Information Technology	3-12
Mobile Transport Assets	2-16
Radio Network Assets	5-40

Attorney-General's Department
Notes to and forming part of the financial statements
for the year ended 30 June 2018

7 Depreciation and amortisation (continued)

The value of leasehold improvements is amortised over the estimated useful life of each improvement, or the unexpired period of the relevant lease, whichever is shorter.

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

Revision 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 useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for prospectively by changing the time period or method, as appropriate, which is a change in accounting estimate. There were no changes to accounting estimates for the year ended 30 June 2018.

8 Other expenses

	2018	2017
	\$'000	\$'000
Witness expenses	538	762
Other *	331	543
Total other expenses	869	1 305

* In addition, audit fees paid / payable to the Auditor-General's Department relating to work performed under the Public Finance and Audit Act were \$288 000 (2017: \$284 000). No other services were provided by the Auditor-General's Department.

9 Net loss from the disposal of non-current assets

	2018	2017
	\$'000	\$'000
Buildings		
Proceeds from disposal	-	-
Less net book value of assets disposed	-	5
Net loss from disposal of buildings	-	5
Plant and equipment		
Proceeds from disposal	-	-
Less net book value of assets disposed	89	11
Net loss from disposal of plant and equipment	89	11
Information Technology		
Proceeds from disposal	-	-
Less net book value of assets disposed	4	-
Net loss from disposal of information technology	4	-
Total assets		
Proceeds from disposal	-	-
Less net book value of assets disposed	93	16
Total net loss from disposal of non-current assets	93	16

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

Attorney-General's Department
Notes to and forming part of the financial statements
for the year ended 30 June 2018

10 Revenues from fees and charges

	2018	2017
	\$'000	\$'000
Licence and regulatory fees	60 249	56 827
Legal services	23 688	24 007
Network services	12 506	11 797
Recovery of expenditure	8 131	6 913
Forensic services	1 380	1 736
Other	404	517
Total revenues from fees and charges	106 358	101 797

Revenues from fees and charges are derived from the provision of goods and services to other SA Government agencies and to the public. This revenue is recognised upon delivery of the service to the clients or by reference to the stage of completion.

11 Recoveries

	2018	2017
	\$'000	\$'000
Recovery of expenditure for:		
South Australia Employment Tribunal	8 049	7 002
Crown Solicitor's Office	5 513	6 463
Forensic services	758	707
Consumer and Business Services	140	167
Other	2 809	3 264
Total recoveries	17 269	17 603

12 Services received free of charge

	2018	2017
	\$'000	\$'000
Services received free of charge	2 089	-
Total Services received free of charge	2 089	-

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

Attorney-General's Department
Notes to and forming part of the financial statements
for the year ended 30 June 2018

13 Grants and subsidies

	2018	2017
	\$'000	\$'000
Grants and subsidies received		
Ombudsman SA	533	595
Information and communications technology	303	407
Crown Solicitor's Office	135	135
Other	924	448
Total grants and subsidies received	1 895	1 585

Contribution (grants)

Contributions are recognised as an asset and income when the department obtains control of the contributions or obtains the right to receive the contributions and the income recognition criteria are met i.e. the amount can be reliably measured and the flow of resources is probable.

Contributions can be either for general assistance or a particular purpose and will usually be subject to terms and conditions set out in a contract, correspondence, or by legislation governing the contribution.

Generally, the department has obtained control or the right to receive for:

- contributions with unconditional stipulations - this will be when the agreement becomes enforceable; that is the earlier of when the receiving entity has formally been advised that the contribution (for example, grant application) has been approved; agreement/contract is executed; and/or the contribution is received
- contributions with conditional stipulations - this will be when the enforceable stipulations specified in the agreement occur or are satisfied; that is income would be recognised for contributions received or receivable under the agreement.

All contributions received by the department have been contributions with unconditional stipulations attached and have been recognised as an asset and income upon receipt.

14 Other income

	2018	2017
	\$'000	\$'000
Other	2 143	2 678
Total other income	2 143	2 678

Other income consists of refunds and other recoveries.

Attorney-General's Department
Notes to and forming part of the financial statements
for the year ended 30 June 2018

15 Revenues from / (payments to) SA Government

	2018	2017
	\$'000	\$'000
Revenues from SA Government		
Appropriations from Consolidated Account pursuant to the <i>Appropriation Act</i>	110 661	117 349
Total revenues from SA Government	110 661	117 349
Net revenues from SA Government	110 661	117 349

Appropriations are recognised on receipt.

Total revenues from Government consist of \$102.7 million (2017: \$110.8 million) for operational funding and \$7.9 million (2017: \$6.5 million) for capital projects. For details on the expenditure associated with the operational funding received and capital funding received refer to notes 3 to 8.

There were no material variations between the amount appropriated and the expenditure associated with this appropriation.

16 Cash and cash equivalents

	2018	2017
	\$'000	\$'000
Deposits with the Treasurer	23 841	41 166
Cash on hand (including petty cash)	86	86
Total cash and cash equivalents	23 927	41 252

Cash is measured at nominal amounts

Deposits with the Treasurer

The Department has two deposit accounts with the Treasurer: a general operating account and an Accrual Appropriation Excess Funds Account. Although the Department controls the money in the Accrual Appropriation Account, its use must be approved by the Treasurer. Funds included in this account total \$21.7 million (2017: \$22.8 million). The Department does not earn interest on its deposits with the Treasurer.

Attorney-General's Department
Notes to and forming part of the financial statements
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17 Receivables

	2018	2017
	\$'000	\$'000
Current		
Receivables	15 288	9 654
Less allowance for doubtful debts	(19)	(9)
	<u>15 269</u>	<u>9 645</u>
GST receivable	1 566	1 199
Prepayments	1 143	1 512
Total current receivables	<u>17 978</u>	<u>12 356</u>
Total receivables	<u>17 978</u>	<u>12 356</u>

Movement in the allowance for doubtful debts

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

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

Movements in the allowance for doubtful debts (impairment loss)

	2018	2017
	\$'000	\$'000
Carrying amount at the beginning of the period	9	448
Increase/(decrease) in the allowance	10	(439)
Carrying amount at the end of the period	<u>19</u>	<u>9</u>

Interest rate and credit risk

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

Collectability of receivables is reviewed on an ongoing basis. An allowance for doubtful debts is raised when there is objective evidence that the Department will not be able to collect the debt. Other than as recognised in the allowance for doubtful debts, it is not anticipated that counterparties will fail to discharge their obligations. The carrying amount of receivables approximates net fair value due to being receivable on demand. There is no concentration of credit risk.

Refer to the table in Note 30 for further information on risk management.

18 Non-current assets

Revaluation of non-current assets

All non-current tangible assets are valued at written down current cost (a proxy for fair value); and revaluation of non-current assets or group of assets is only performed when its fair value at the time of acquisition is greater than \$1 million and estimated useful life is greater than three years.

Every six years, the department revalues its leasehold improvements, plant and equipment, IT Equipment, Buildings and Structures and Radio Network. However, if at any time management considers that the carrying amount of an asset materially differs from its fair value then the asset will be revalued regardless of when the last valuation took place. Non-current tangible assets that are acquired between revaluations are held at cost until the next valuation, where they are revalued to fair value.

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

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.

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

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19 Property, plant and equipment

	2018	2017
	\$'000	\$'000
Land and buildings		
Land at fair value	590	590
Buildings at fair value	5 600	5 583
Accumulated depreciation	<u>(462)</u>	<u>(303)</u>
Total land and buildings	<u>5 728</u>	<u>5 870</u>
Leasehold improvements		
Leasehold improvements at fair value	30 347	27 354
Accumulated amortisation	<u>(17 576)</u>	<u>(15 476)</u>
Total leasehold improvements	<u>12 771</u>	<u>11 878</u>
Plant and equipment		
Plant and equipment at fair value	14 530	14 210
Accumulated depreciation	<u>(12 492)</u>	<u>(11 826)</u>
Total plant and equipment	<u>2 038</u>	<u>2 384</u>
Information technology		
Information technology at fair value	7 375	7 282
Accumulated depreciation	<u>(7 061)</u>	<u>(6 923)</u>
Total information technology	<u>314</u>	<u>359</u>
Library collections		
Library collections at cost (deemed fair value)	407	407
Total library collections	<u>407</u>	<u>407</u>
Capital work in progress		
Capital work in progress at cost	93	320
Total capital work in progress	<u>93</u>	<u>320</u>
Total property, plant and equipment	<u><u>21 351</u></u>	<u><u>21 218</u></u>

Acquisition and recognition

Non-current assets are initially recorded at cost or at the value of any liabilities assumed, plus any incidental cost involved with the acquisition. Non-current assets are subsequently measured at fair value less accumulated depreciation. Where assets are acquired at no value or minimal value they are recorded at their fair value in the Statement of Financial Position. However, if the assets are acquired at no or nominal cost as part of a restructuring of administrative arrangements then the assets are recognised at book value, that is the amount recorded by the transferor Public Authority immediately prior to restructure.

The department capitalises all non-current tangible assets with a value of \$10 000 or greater. Items with an acquisition cost less than \$10 000 are expensed in the year of acquisition.

Valuation of land and buildings

Valuations of land and buildings and leasehold improvements were performed by Martin Burns, M.B.A., B.App.Sc. Property Resource Management, AAPI, an independent Certified Practising Valuer of Liquid Pacific as at 30 June 2015.

Impairment

There were no indications of impairment of plant and equipment at 30 June 2018.

Attorney-General's Department
Notes to and forming part of the financial statements
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19 Property, plant and equipment (continued)

Carrying amount of library collections

All items within the library collection had a 'fair value at the time of acquisition that was less than \$1 million or had an estimated useful life that was less than three years', and have not been revalued in accordance with APF III. The carrying value of these items are deemed to approximate fair value. These asset are classified in level 3 as there has been no subsequent adjustments to their value, except for management assumptions about the assets condition and remaining useful life.

Property, plant and equipment movement schedule

The following table shows movement in property, plant and equipment during 2017-18:

	Land and buildings	Leasehold improvements	Plant and equipment	Information technology	Library collections	Capital work in progress	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying amount at the beginning of the period	5 870	11 878	2 384	359	407	320	21 218
Additions	17	29	446	104	-	3 388	3 984
Depreciation and amortisation	(159)	(2 725)	(726)	(148)	-	-	(3 758)
Donated asset	-	-	-	-	-	-	-
Transfers to/(from) work in progress	-	3 592	23	-	-	(3 615)	-
Disposals	-	-	(89)	(4)	-	-	(93)
Other	-	(3)	-	3	-	-	-
Carrying amount at the end of the period	5 728	12 771	2 038	314	407	93	21 351

The following table shows movement in property, plant and equipment during 2016-17:

	Land and buildings	Leasehold improvements	Plant and equipment	Information technology	Library collections	Capital work in progress	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying amount at the beginning of the period	5 942	14 798	2 366	333	407	116	23 962
Additions	-	28	650	214	-	768	1 660
Depreciation and amortisation	(151)	(3 279)	(834)	(188)	-	-	(4 452)
Donated asset	-	-	64	-	-	-	64
Transfers to/(from) work in progress	84	331	149	-	-	(564)	-
Disposals	(5)	-	(11)	-	-	-	(16)
Carrying amount at the end of the period	5 870	11 878	2 384	359	407	320	21 218

Attorney-General's Department
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20 Intangible assets

	2018	2017
	\$'000	\$'000
Computer software		
Internally developed computer software	20 486	7 887
Accumulated amortisation	<u>(7 655)</u>	<u>(5 467)</u>
Total internally generated computer software	<u>12 831</u>	<u>2 420</u>
Computer software intangible work in progress		
Intangible work in progress at cost	<u>867</u>	<u>9 760</u>
Total work in progress	<u>867</u>	<u>9 760</u>
Total intangible assets	<u><u>13 698</u></u>	<u><u>12 180</u></u>

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

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

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

Subsequent expenditure on intangible assets has not been capitalised. This is because the department has been unable to attribute this expenditure to the intangible asset rather than to the department as a whole.

Impairment

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

Attorney-General's Department
Notes to and forming part of the financial statements
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20 Intangible assets (continued)

Intangibles movement schedule

The following table shows movement in intangibles during 2017-18:

	Computer software	Intangible work in progress	Total
	\$'000	\$'000	\$'000
Carrying amount at the beginning of the period	2 420	9 760	12 180
Additions	112	3 594	3 706
Transfers to/(from) work in progress	12 487	(12 487)	-
Depreciation and amortisation	(2 188)	-	(2 188)
Carrying amount at the end of the period	12 831	867	13 698

The following table shows movement in intangibles during 2016-17:

	Computer software	Intangible work in progress	Total
	\$'000	\$'000	\$'000
Carrying amount at the beginning of the period	3 341	6 200	9 541
Additions	-	3 571	3 571
Transfers to/(from) work in progress	11	(11)	-
Depreciation and amortisation	(932)	-	(932)
Carrying amount at the end of the period	2 420	9 760	12 180

21 Fair value measurement

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

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.

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

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

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

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

Attorney-General's Department
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21 Fair value measurement (continued)

Fair value hierarchy

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 use in measurement.

Fair value measurements recognised in the balance sheet are categorised into the following levels at 30 June 2018. Refer to note 19 for carrying amounts.

Fair value measurements at 30 June 2018

	Level 2	Level 3	2018
	\$'000	\$'000	\$'000
Recurring fair value measurements			
Land and buildings	590	5 138	5 728
Leasehold improvements	-	12 771	12 771
Information technology	-	314	314
Library collections	-	407	407
Plant and equipment	-	2 038	2 038
Total recurring fair value measurements	590	20 668	21 258
Total fair value measurements	590	20 668	21 258

Fair value measurements at 30 June 2017

	Level 2	Level 3	2017
	\$'000	\$'000	\$'000
Recurring fair value measurements			
Land and buildings	590	5 280	5 870
Leasehold improvements	-	11 878	11 878
Information technology	-	359	359
Library collections	-	407	407
Plant and equipment	-	2 384	2 384
Total recurring fair value measurements	590	20 308	20 898
Total fair value measurements	590	20 308	20 898

There were no transfers of assets between level 1 and 2 fair value hierarchy levels in 2018. The department's policy is to recognise transfers into and out of fair value hierarchy levels as at the end of the reporting period.

Attorney-General's Department
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21 Fair value measurement (continued)

Reconciliation of recurring fair value measurements - level 3 during 2017-18:

	Land and buildings	Leasehold improvements	Information technology	Library collections	Plant and equipment	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying amount at the beginning of the period	5 280	11 878	359	407	2 384	20 308
Additions	17	29	104	-	446	596
Transfers to/(from) work in progress	-	3 592	-	-	23	3 615
Disposals	-	-	(4)	-	(89)	(93)
Other	-	(3)	3	-	-	-
Gains/(losses) for the period recognised in net result:						
Depreciation and amortisation	(159)	(2 725)	(148)	-	(726)	(3 758)
Total gains/(losses) recognised in net result	(159)	(2 725)	(148)	-	(726)	(3 758)
Carrying amount at the end of the period	5 138	12 771	314	407	2 038	20 668

Reconciliation of recurring fair value measurements - level 3 during 2016-17:

	Land and buildings	Leasehold improvements	Information technology	Library collections	Plant and equipment	Total
	\$'000	\$'000	\$'000	\$'000		\$'000
Carrying amount at the beginning of the period	5 352	14 798	333	407	2 366	23 256
Additions	-	28	214	-	650	892
Transfers to/(from) work in progress	84	331	-	-	149	564
Assets donated free of charge	-	-	-	-	64	64
Disposals	(5)	-	-	-	(11)	(16)
Gains/(losses) for the period recognised in net result:						
Depreciation and amortisation	(151)	(3 279)	(188)	-	(834)	(4 452)
Total gains/(losses) recognised in net result	(151)	(3 279)	(188)	-	(834)	(4 452)
Carrying amount at the end of the period	5 280	11 878	359	407	2 384	20 308

Attorney-General's Department
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22 Payables

	2018	2017
	\$'000	\$'000
Current		
Accrued expenses	8 072	10 940
Creditors	881	1 124
Employment on-costs [^]	2 499	2 439
Other current payables	41	52
Total current payables	11 493	14 555
Non-current		
Employment on-costs [^]	3 251	3 209
Total non-current payables	3 251	3 209
Total payables	14 744	17 764

[^] Employment on-costs include payroll tax, WorkCover levies and superannuation contributions. The department makes contributions to several State Government and externally managed superannuation schemes. These contributions are treated as an expense when they occur. There is no liability for payments to beneficiaries as they have been assumed by the respective superannuation schemes. The only liability outstanding at reporting date relates to any contributions due but not yet paid.

As a result of an actuarial assessment performed by the Department of Treasury and Finance, the proportion of long service leave taken as leave has changed from the 2017 rate 40% to 41% and the average factor for the calculation of employer superannuation on-cost is 9.9% (2017: 10.1%). These rates are used in the employment on-cost calculation. The financial effect of the change in the superannuation on-cost rate on employment on-costs and employee benefit expense is immaterial.

Creditors represent the amounts owing for goods and services received prior to the end of the reporting period that are unpaid at the end of the reporting period. Creditors include all unpaid invoices received relating to the normal operations of the department.

Accrued expenses represent goods and services provided by other parties during the period that are unpaid at the end of the reporting period and where an invoice has not been received.

Other current payables includes paid parental leave scheme payable amounts which the department has received from the Commonwealth Government to forward onto eligible employees via the department's standard payroll processes. That is, the department is acting as a conduit through which the payment to eligible employees is made on behalf of the Family Assistance Office.

Employee benefit on-costs include superannuation contributions and payroll tax in respect to outstanding liabilities for salaries and wages, long service leave, annual leave and skills and experience retention leave.

Attorney-General's Department
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22 Payables (continued)

Interest rate and credit risk

Payables are measured at nominal amounts. Creditors and accruals are raised for all amounts billed but unpaid and are settled within the normal terms of payment of 30 days, unless otherwise agreed. Employment on-costs are settled when the respective employee benefit they relate to is discharged. All payables are non-interest bearing. The carrying amount of payables represents fair value due to the amounts being payable on demand.

Refer to the table in Note 30 for further information on risk management.

23 Employee benefits liability

	2018	2017
	\$'000	\$'000
Current		
Annual leave	10 444	10 335
Long service leave	3 185	2 813
Skills and experience retention leave	952	1 045
Accrued salaries and wages	2 574	2 521
Total current employee benefits	17 155	16 714
Non-current		
Long service leave	35 330	35 012
Total non-current employee benefits	35 330	35 012
Total employee benefits	52 485	51 726

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

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

The annual leave liability and the skills and experience retention leave liability is expected to be payable within 12 months and is measured at the undiscounted amount expected to be paid.

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

The actuarial assessment performed by DTF left the salary inflation rate at 4% for long service leave liability and the salary inflation rate remained at 3% for annual leave and skills, experience and retention leave liability. As a result, there is no net financial effect resulting from changes in the salary inflation rate.

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23 Employee benefits liability (continued)

Long service leave

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

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

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

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 remained unchanged at 2.5%.

The net financial effect of the changes in the current financial year is an increase in the long service leave liability of \$0.695 million and employee benefit expense of \$0.695 million. The impact on future periods is impracticable to estimate as the long service leave liability is calculated using a number of assumptions – a key assumption is the long-term discount rate.

The current portion of long service leave reflects the department's past experience of long service leave which is expected to continue in future.

24 Provisions

	2018	2017
	\$'000	\$'000
Current		
Provision for workers' compensation	893	691
Total current provisions	<u>893</u>	<u>691</u>
Non-current		
Provision for workers' compensation	839	1 174
Total non-current provisions	<u>839</u>	<u>1 174</u>
Total provisions	<u><u>1 732</u></u>	<u><u>1 865</u></u>
Provision movement		
Carrying amount at the beginning of the period	1 865	1 895
Additional provisions recognised	124	425
Reductions arising from payments/ other sacrifice of future economic benefits	<u>(257)</u>	<u>(455)</u>
Carrying amount at the end of the period	<u>1 732</u>	<u>1 865</u>

A liability has been reported to reflect unsettled workers' compensation claims. The workers' compensation provision is based on an actuarial assessment performed by the Office for the Public Sector. The provision is the estimated cost of ongoing payments to employees as required under the current legislation.

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

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25 Other liabilities

	2018	2017
	\$'000	\$'000
Current		
Other	171	294
Total current other liabilities	<u>171</u>	<u>294</u>

Other liabilities relate to unclaimed monies and accounts receivable refunds.

26 Unrecognised contractual commitments and contingent assets and liabilities

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

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

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

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

Operating lease commitments

Commitments under non-cancellable operating leases contracted for at the reporting date but not recognised as liabilities are payable as follows:

	2018	2017
	\$'000	\$'000
Within one year	18 795	11 864
Later than one year but not longer than five years	65 898	31 888
Later than five years	95 345	11 303
Total operating lease commitments	<u>180 038</u>	<u>55 055</u>

The accommodation and office equipment leases are non-cancellable leases with rental payable monthly in advance.

Contingent rental provisions within the accommodation lease agreements provide for the minimum lease payments to be increased on specified rent review dates. Options exist to renew the accommodation leases at the end of the term of the lease.

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26 Unrecognised contractual commitments (continued)

	2018	2017
	\$'000	\$'000
Other commitments		
Within one year	4 416	5 321
Later than one year but not longer than five years	4 723	2 756
Later than five years	-	756
Total other commitments	9 139	8 833
Representing:		
Grants ⁽¹⁾	4 420	1 092
Motor vehicles ⁽²⁾	1 445	1 684
Capital	28	200
Other ⁽³⁾	3 246	5 857
Total	9 139	8 833

⁽¹⁾ Grant amounts payable under agreements in respect of which the grantee has yet to provide the services required under the agreement.

⁽²⁾ Agreements for the provision of motor vehicles to executive officers or sections (that is, pool vehicles) are leased from South Australian Government Financing Authority (SAFA) through their agent LeasePlan Australia. There are no purchase options available to the department.

⁽³⁾ Other commitments relate to purchase orders placed for goods and services before 30 June 2018 and maintenance agreements for Forensic Science SA and South Australian Computer Aided Dispatch.

27 Related party transactions

The Attorney-General's Department is a government administrative unit and is wholly owned and controlled by the Crown.

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

Significant transactions with government related entities

The Department had no significant transactions with government related entities except for the appropriation funding received from the Department of Treasury and Finance (Note 15).

Collectively, but not individually significant transactions with government related entities

Quantitative information about transactions and balances between AGD and other SA Government controlled entities are disclosed at Note 33.

Transactions with key management personnel and other related parties

Refer to Note 3 for key management personnel compensation (there are no other material transactions or balances to disclose with key management personnel or related parties).

Attorney-General's Department
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28 Cash flow reconciliation

	2018	2017
	\$'000	\$'000
Reconciliation of cash and cash equivalents at the end of the reporting period		
Cash and cash equivalents disclosed in the Statement of Financial Position	23 927	41 252
Balance as per the Statement of Cash Flows	23 927	41 252
Reconciliation of net cash provided by / (used in) operating activities to net cost of providing services		
Net cash provided by/(used in) operating activities	(10 488)	14 736
Less revenues from SA Government	(110 661)	(117 349)
Add / (less) non-cash Items		
Depreciation and amortisation	(5 946)	(5 384)
Services received free of charge – expense	(2 089)	-
Services received free of charge - income	2 089	-
Net gain/(loss) from disposal of non-current assets	(93)	(16)
Donated assets	-	64
Non-current assets accrual in payables	853	13
Movement in assets and liabilities		
Increase/(decrease) in receivables	5 622	(1 502)
Increase/(decrease) in lease incentive receivable	67	-
(Increase)/decrease in payables	3 020	(5 550)
(Increase)/decrease in employee benefits	(759)	(1 643)
(Increase)/decrease in provisions	133	30
(Increase)/decrease in lease incentive liability	673	1 153
(Increase)/decrease in other liabilities	123	(63)
Net cost of providing services	(117 456)	(115 511)

Attorney-General's Department
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29 Budgetary reporting and explanations of major variances between budget and actual amounts

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

Statement of Comprehensive Income	Note	Original	Actual	Variance
		budget ⁽¹⁾	2018	2018
		2018	2018	Variance
		\$'000	\$'000	\$'000
Expenses				
Employee benefits		162 790	164 062	1 272
Supplies and services	a	67 724	69 962	2 238
Grants and subsidies		10 374	10 414	40
Depreciation and amortisation		5 942	5 946	4
Net loss from disposal of non-current assets		-	93	93
Other expenses		855	869	14
Total expenses		247 685	251 346	3 661
Income				
Fees and charges		107 842	106 358	(1 484)
Recoveries		15 580	17 269	1 689
Commonwealth revenues	b	2 992	4 136	1 144
Services received free of charge		-	2 089	2 089
Grants and subsidies	c	1 534	1 895	361
Donated assets		-	-	-
Other income		1 731	2 143	412
Total income		129 679	133 890	4 211
Net cost of providing services		118 006	117 456	(550)
Revenues from / (payments to) SA government				
Revenues from SA government	d	117 786	110 661	(7 125)
Total net revenues from SA Government		117 786	110 661	(7 125)
Net result		(220)	(6 795)	(6 575)

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

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

- a Supplies and services were greater than the original budget mainly due to the recognition of services provided to the Department free of charge in 2017-18 by Shared Services SA.
- b Commonwealth revenues was greater than the original budget mainly due to amendments to the National Partnership Agreement on Legal Assistance Services in 2017-18.
- c Grants and subsidies income was greater than the original budget mainly due to additional income received through funding arrangements with other agencies in 2017-18.
- d Revenues from SA government were less than the original budget mainly due to budget adjustments approved in 2017-18.

Attorney-General's Department
Notes to and forming part of the financial statements
for the year ended 30 June 2018

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

	Note	Original budget ⁽¹⁾	Actual	Variance
		2018 \$'000	2018 \$'000	\$'000
Investing expenditure summary				
Total new projects	e	-	576	576
Total existing projects	f	9 109	6 169	(2 940)
Total annual program		932	946	14
Total investing expenditure		10 041	7 691	(2 350)

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

- e The increase in investing expenditure on new projects relates to the Department's Electronic Document Records Management System. The budget was not yet established at the time the original budget was set.
- f The decrease in investing expenditure on existing projects is due to \$3.3 million for the GPO Tower project being included in the original budget; however it was not required for 2017-18 and has been carried forward into the next budget.

Attorney-General's Department
Notes to and forming part of the financial statements
for the year ended 30 June 2018

30 Financial risk management / financial instruments

Risk management is managed by the department's corporate services section and the 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 is exposed to financial risk - liquidity risk, credit risk and market risk. There have been no changes in risk exposure since the last reporting period. The department's exposure to financial risk is low.

Categorisation of financial instruments

Details of 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 assets/financial liabilities note.

Category of financial assets and financial liabilities	Statement of Financial Position line item	Note	2018	2017
			Carrying amount/ Fair value \$'000	Carrying amount/ Fair value \$'000
Financial assets				
Cash and cash equivalents	Cash and cash equivalents	16	23 927	41 252
Loans and receivables	Receivables ⁽¹⁾⁽²⁾	17	15 269	9 645
Total financial assets			39 196	50 897
Financial liabilities				
Financial liabilities at cost	Payables ⁽¹⁾	22	8 010	10 792
	Other liabilities	25	171	294
Total financial liabilities			8 181	11 086

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

⁽²⁾ Receivables amount disclosed here excludes prepayments. Prepayments are presented in note 17 as trade and other receivables in accordance with paragraph 78(b) of AASB 101 *Presentation of Financial Statements*. However, prepayments are not financial assets as defined in AASB 132 *Financial Instruments: Presentation* as the future economic benefit of these assets is the receipt of goods and services rather than the right to receive cash or another financial asset.

Attorney-General's Department
Notes to and forming part of the financial statements
for the year ended 30 June 2018

30 Financial risk management / financial instruments (continued)

Fair value

The department does not recognise any financial assets or financial liabilities at fair value (refer to note 21 Fair value measurement).

Credit risk

The department has no significant concentration of credit risk. The department has policies and procedures in place to ensure that transactions occur with customers with appropriate credit history.

Allowances for impairment of financial assets are calculated on past experiences and expected changes in client credit rating. Currently the department does not hold any collateral as security for any of its financial assets. Other than receivables there is no evidence to indicate that financial assets are impaired.

Ageing analysis of financial assets

The following table discloses the ageing of financial assets which are past due, analysed into those assets which are impaired and not impaired.

	Total \$'000	Not past due and not impaired \$'000	Past due but not impaired			Impaired financial assets \$'000
			Overdue for less than 30 days \$'000	Overdue for 30-60 days \$'000	Overdue for more than 60 days \$'000	
2018						
Receivables ⁽¹⁾	15 288	9 291	4 463	944	571	19
	15 288	9 291	4 463	944	571	19
2017						
Receivables ⁽¹⁾	9 654	3 485	5 320	393	447	9
	9 654	3 485	5 320	393	447	9

Attorney-General's Department
Notes to and forming part of the financial statements
for the year ended 30 June 2018

30 Financial risk management / financial instruments (continued)

Maturity analysis of financial assets and liabilities

The following table discloses the maturity analysis of financial assets and financial liabilities.

	Carrying amount \$'000	2018 Contractual maturities		
		Current \$'000	1-5 years \$'000	More than 5 years \$'000
Financial assets				
Cash and cash equivalents	23 927	23 927	-	-
Receivables ⁽¹⁾	15 269	15 269	-	-
Total financial assets	39 196	39 196	-	-
Financial liabilities				
Payables ⁽¹⁾	8 010	8 010	-	-
Other liabilities	171	31	140	-
Total financial liabilities	8 181	8 041	140	-

	Carrying amount \$'000	2017 Contractual maturities		
		Current \$'000	1-5 years \$'000	More than 5 years \$'000
Financial assets				
Cash and cash equivalents	41 252	41 252	-	-
Receivables ⁽¹⁾	9 645	9 645	-	-
Total financial assets	50 897	50 897	-	-
Financial liabilities				
Payables ⁽¹⁾	10 792	10 792	-	-
Other liabilities	294	201	93	-
Total financial liabilities	11 086	10 993	93	-

⁽¹⁾ Receivable and payable amounts disclosed here exclude amounts relating to statutory receivables and payables.

Liquidity risk

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

The continued existence of the department in its present form, and with its present programs, is dependent on State Government policy and on continuing appropriations by Parliament for the department's administration and programs. The department aims to settle undisputed accounts within 30 days from the date the invoice is first received.

The department's exposure to liquidity risk is insignificant due to the nature of the financial instruments held and current assessment of risk.

Market risk

The department currently holds no interest bearing financial instruments and is not exposed to interest rate risk.

Attorney-General's Department
Notes to and forming part of the financial statements
for the year ended 30 June 2018

31 Impact of standards and statements not yet implemented

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

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

AASB 9 Financial Instruments

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

Trade receivables and loan receivables will be classified and measured at amortised cost, similar to the current classification of loans and receivables. However, new impairment requirements will result in a provision being applied to all receivables rather than only on those receivables that are credit impaired. AGD will be adopting the simplified approach under AASB 9 *Financial Instruments* and measure lifetime expected credit losses on all trade receivables and contract assets using a provision matrix approach as a practical expedient to measure the impairment provision.

AGD has not yet quantified the impact of applying AASB 9 *Financial Instruments* on the classification and measurement of its financial assets, and the resulting impact on the statement of comprehensive income.

AASB 16 Leases

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

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

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

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

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

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

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

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

The Department's current operating lease commitments note (see note 26) provides an indication of the amounts to be recognised 'on-balance sheet' at transition (an expected increase in lease liabilities with a corresponding right-of-use asset). The reclassification between supplies and services expense and depreciation/interest has not yet been estimated.

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

These standards will apply for the first time to reporting periods beginning on or after 1 January 2019, i.e. to financial statements as 30 June 2020. AASB 15 *Revenue from Contracts with Customers* introduces a five step process for revenue recognition with the core principle being to recognise revenue 'when control of a good or service transfers to a customer'. This is effectively when performance obligations have been met, rather than the former model of 'where the risk and rewards of ownership reside'. AASB 15 *Revenue from Contracts with Customers* will generally result in increased disclosures.

The changes in revenue recognition requirements may result in changes to the timing and amount of revenue from sales of the department's goods and services. Some revenue may need to be deferred to a later reporting period to the extent that the department has received cash but has not yet met the associated performance obligations.

Under AASB 1058 *Income of Not-for-Profit Entities* the timing of income recognition depends on whether a transaction gives rise to a liability or other performance obligation (a promise to transfer a good or service), or a contribution by owners, related to an asset (such as cash or another asset) received by an entity. Where there is no liability to be recognised under another standard or the liability is less than the fair value of the asset received then revenue is recognised.

The Department has commenced analysing the new revenue recognition requirements under these standards and is yet to form conclusions about significant impacts.

The Department does not currently have any revenue contract with a material impact for the period after 1 July 2018 and will monitor the impact of any such contracts subsequently entered into before the new standards take effect.

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

32 Events after reporting period

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

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

As published in the SA Government Gazette on 14 June 2018, the employees of SafeWork SA within the Department will transfer to the Department of Treasury and Finance from 1 July 2018. Accordingly, the assets, liabilities and obligations of SafeWork SA will also transfer to, and be under the control and direction of the Department of Treasury and Finance from 1 July 2018.

Attorney-General's Department
Notes to and forming part of the financial statements
for the year ended 30 June 2018

33 Transactions with SA Government

The following table discloses revenues, expenses, financial assets and liabilities where the counterparty/transaction is with an entity within the SA Government as at the reporting date, classified according to their nature. Transactions with SA Government entities below the threshold of \$100 000 have been included with the non-government transactions, classified according to their nature.

	Note	SA Government		Non-SA Government		Total	
		2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Expenses							
Employee benefits expenses	3	7 666	7 399	156 396	150 236	164 062	157 635
Supplies and services	5						
Accommodation		3 316	3 899	1 145	1 050	4 461	4 949
Operating lease minimum payments		19 393	18 677	-	-	19 393	18 677
Information and communications technology		2 405	1 526	15 312	15 055	17 717	16 581
Office expenses		1	4	2 705	2 904	2 706	2 908
Outsourced services		35	30	2 611	2 505	2 646	2 535
Shared Services SA charges		2 144	1 945	-	-	2 144	1 945
Staff payments		188	113	2 129	1 782	2 317	1 895
Telephone related expenses		1 085	1 195	464	637	1 549	1 832
Contract staff		40	18	1 475	1 441	1 515	1 459
Motor vehicle expenses		-	1 313	1 308	66	1 308	1 379
Legal fees		28	6	1 505	1 490	1 533	1 496
Laboratory supplies		-	-	1 391	1 323	1 391	1 323
Repairs, maintenance and minor purchases		-	2	1 670	1 211	1 670	1 213
Promotions and publications		16	7	1 049	1 078	1 065	1 085
Consultancies		-	-	869	935	869	935
Tax payments		73	75	676	802	749	877
Minor works		11	104	-	281	11	385
Storage and archive costs		-	1	453	336	453	337
Other		858	1 203	5 607	5 224	6 465	6 427
Grants and subsidies	6						
Community Legal Centres		-	-	5 137	5 192	5 137	5 192
SafeWork SA		-	-	954	1 244	954	1 244
Crime Prevention		-	269	1 197	1 390	1 197	1 659
Native Title		330	330	550	550	880	880
Other		354	101	1 892	1 658	2 246	1 759
Depreciation and amortisation	7	-	-	5 946	5 384	5 946	5 384
Net loss from the disposal of non-current assets	9	-	-	93	16	93	16
Other expenses	8						
Witness expenses		537	733	1	29	538	762
Other		276	332	55	211	331	543
Total expenses		38 756	39 282	212 590	204 030	251 346	243 312

Attorney-General's Department
Notes to and forming part of the financial statements
for the year ended 30 June 2018

33 Transactions with SA Government (continued)

	Note	SA Government		Non-SA Government		Total	
		2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Income							
Revenues from fees and charges	10						
Licence and regulatory fees		88	6 526	60 161	50 301	60 249	56 827
Legal services		14 968	14 497	8 720	9 510	23 688	24 007
Network services		12 506	11 790	-	7	12 506	11 797
Recovery of expenditure		6 605	6 359	1 526	554	8 131	6 913
Forensic services		783	924	597	812	1 380	1 736
Other		140	137	264	380	404	517
Recoveries	11						
South Australia Employment Tribunal		8 049	7 002	-	-	8 049	7 002
Crown Solicitor's Office		5 500	5 162	13	1 301	5 513	6 463
Forensic services		84	84	674	623	758	707
Consumer and Business Services		28	43	112	124	140	167
Other		1 248	2 332	1 561	932	2 809	3 264
Commonwealth revenue		-	-	4 136	4 074	4 136	4 074
Grants and subsidies	13						
Ombudsman SA		533	154	-	441	533	595
Information and communication technology		303	407	-	-	303	407
Crown Solicitor's Office		135	135	-	-	135	135
Other		896	380	28	68	924	448
Services received free of charge		2 089	-	-	-	2 089	-
Donated asset		-	64	-	-	-	64
Other income	14	178	77	1 965	2 601	2 143	2 678
Net revenues from SA Government	15	110 661	117 349	-	-	110 661	117 349
Total income		164 794	173 422	79 757	71 728	244 551	245 150
Financial assets							
Receivables	17						
Receivables		14 370	8 705	918	949	15 288	9 654
Less allowance for doubtful debts		-	-	(19)	(9)	(19)	(9)
GST receivable		-	-	1 566	1 199	1 566	1 199
Prepayments		115	120	1 028	1 392	1 143	1 512
Lease incentive receivable		2 966	2 899	-	-	2 966	2 899
Total financial assets		17 451	11 724	3 493	3 531	20 944	15 255
Financial liabilities							
Payables	22						
Accrued expenses		2 125	3 636	5 947	7 304	8 072	10 940
Creditors		679	680	202	444	881	1 124
Employee on-costs		2 746	2 560	3 004	3 088	5 750	5 648
Other current payables		-	-	41	52	41	52
Total financial liabilities		5 550	6 876	9 194	10 888	14 744	17 764

**Attorney-General's Department
(AGD)**

Administered Financial Statements

For the year ended 30 June 2018

Attorney-General's Department
Statement of Administered Comprehensive Income
for the year ended 30 June 2018

	Note	2018 \$'000	2017 \$'000
Administered expenses			
Payments to Consolidated Account	A4	347 411	347 703
National Redress Scheme	A9	146 423	-
Grants and subsidies	A10	67 153	46 483
Victims of Crime payments		18 875	17 291
State Rescue Helicopter Service Charges		16 032	16 231
Employee benefits	A11	12 108	9 579
Depreciation and amortisation	A12	5 499	5 782
Donated assets	A16	-	3 823
Net loss from the disposal of non-current assets	A8	4 803	664
Other	A13	49 427	50 337
Total administered expenses		667 731	497 893
Administered income			
Taxation	A3	267 782	265 652
Revenues from SA Government	A4	126 024	82 736
Fines and related fees		91 267	94 353
Victims of Crime levies		38 984	41 945
Government Radio Network recoveries		29 320	26 043
Commonwealth revenues		16 644	16 250
Grants and subsidies received	A5	1 972	2 562
Interest revenues	A6	3 907	3 568
Fees and charges		3 012	2 697
Recoveries and other income	A7	14 335	9 820
Total administered income		593 247	545 626
Net result		(74 484)	47 733
Total comprehensive result		(74 484)	47 733

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

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

Attorney-General's Department
Statement of Administered Financial Position
as at 30 June 2018

	Note	2018 \$'000	2017 \$'000
Administered current assets			
Cash and cash equivalents	A14	278 539	373 574
Receivables	A15	29 870	26 944
Total current assets		308 409	400 518
Administered non-current assets			
Intangible assets	A18	236	-
Property, plant and equipment	A17	96 742	77 321
Total non-current assets		96 978	77 321
Total assets		405 387	477 839
Administered current liabilities			
Payables	A20	7 653	8 555
Employee benefits	A21	921	754
Other current liabilities	A22	35 999	33 642
Total current liabilities		44 573	42 951
Administered non-current liabilities			
Payables	A20	172	128
Employee benefits	A21	1 752	1 386
Total non-current liabilities		1 924	1 514
Total liabilities		46 497	44 465
Net assets		358 890	433 374
Administered equity			
Asset revaluation surplus		18 311	18 311
Retained earnings		340 579	415 063
Total equity		358 890	433 374

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

Unrecognised contractual commitments	A23
Contingent assets and liabilities	A24

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

Attorney-General's Department
Statement of Administered Changes in Equity
for the year ended 30 June 2018

	Asset revaluation surplus	Retained earnings	Total equity
	\$'000	\$'000	\$'000
Balance at 30 June 2016	18 311	367 330	385 641
Net result for 2016-17	-	47 733	47 733
Total comprehensive result for 2016-17	-	47 733	47 733
Balance at 30 June 2017	18 311	415 063	433 374
Net result for 2017-18	-	(74 484)	(74 484)
Total comprehensive result for 2017-18	-	(74 484)	(74 484)
Balance at 30 June 2018	18 311	340 579	358 890

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

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

Attorney-General's Department
Statement of Administered Cash Flows
for the year ended 30 June 2018

		2018	2017
		(Outflows)	(Outflows)
		Inflows	Inflows
	Note	\$'000	\$'000
Cash flows from operating activities			
Cash outflows			
Payments to Consolidated Account		(347 073)	(349 859)
National Redress Scheme		(146 423)	-
Grant payments		(67 153)	(46 483)
Employee benefit payments		(11 519)	(10 234)
Victims of Crime payments		(18 875)	(17 291)
Other payments		(64 359)	(63 291)
Cash used in operations		(655 402)	(487 158)
Cash inflows			
Taxation receipts		267 782	265 652
Receipts from SA Government		126 024	82 736
Fines and related fees		92 002	94 302
Victims of Crime levies		38 984	41 945
Government Radio Network recoveries		29 320	26 043
Receipts from Commonwealth		16 644	16 250
Interest receipts		3 877	3 610
Fees and charges		3 012	2 697
Grants and subsidies received		1 972	2 562
Other receipts		10 709	11 320
Cash provided by operations		590 326	547 117
Net cash provided by / (used in) operating activities	A25	(65 076)	59 959
Cash flows from investing activities			
Cash outflows			
Purchase of property, plant and equipment		(29 959)	(29 364)
Cash used in investing activities		(29 959)	(29 364)
Net cash provided by / (used in) investing activities		(29 959)	(29 364)
Net increase / (decrease) in cash and cash equivalents		(95 035)	30 595
Cash and cash equivalents at the beginning of the reporting period		373 574	342 979
Cash and cash equivalents at the end of the reporting period	A14	278 539	373 574

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

Attorney-General's Department
Schedule of Expenses and Income attributable to Administered Activities
for the year ended 30 June 2018

Administered activities - refer note A2	Consumer and		Victims of Crime		Public Safety	
	Business Services					
	2018	2017	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Administered expenses						
Payments to Consolidated Account	(270 551)	(269 226)	-	-	(1 071)	(1 061)
National Redress Scheme	-	-	(146 423)	-	-	-
Grants and subsidies	-	(1 204)	(4 424)	(4 323)	(513)	(536)
Victims of Crime payments	-	-	(18 875)	(17 291)	-	-
State Rescue Helicopter Service Charges	-	-	-	-	(16 032)	(16 231)
Employee benefits	-	-	(1 281)	(1 129)	(3 195)	(3 538)
Depreciation and amortisation	-	-	-	-	(5 456)	(5 737)
Donated assets	-	-	-	-	-	(3 680)
Net loss from the disposal of non-current assets	-	-	-	-	(4 803)	(664)
Other	(1 075)	(1 841)	(2 451)	(2 950)	(26 688)	(24 291)
Total administered expenses	(271 626)	(272 271)	(173 454)	(25 693)	(57 758)	(55 738)
Administered income						
Taxation	267 782	265 652	-	-	-	-
Revenues from SA Government	-	-	8 639	8 428	55 491	42 054
Fines and related fees	-	-	-	-	-	-
Victims of Crime levies	-	-	38 984	41 945	-	-
Government Radio Network recoveries	-	-	-	-	29 320	26 043
Commonwealth revenues	-	-	-	-	-	-
Grants and subsidies received	-	-	-	-	1 772	1 755
Interest revenues	38	37	3 859	3 516	-	-
Fees and charges	3 012	2 697	-	-	-	-
Recoveries and other income	1 052	1 621	3 341	1 935	9 896	6 097
Total administered income	271 884	270 007	54 823	55 824	96 479	75 949
Net cost of providing services	258	(2 264)	(118 631)	30 131	38 721	20 211

Attorney-General's Department
Schedule of Expenses and Income attributable to Administered Activities
for the year ended 30 June 2018

Administered activities - refer note A2	Trust Accounts		Legal Aid		Fines Enforcement and Recovery	
	2018	2017	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Administered expenses						
Payments to Consolidated Account	-	-	-	-	(75 048)	(76 394)
National Redress Scheme	-	-	-	-	-	-
Grants and subsidies	-	-	(61 189)	(38 097)	-	-
Victims of Crime payments	-	-	-	-	-	-
State Rescue Helicopter Service Charges	-	-	-	-	-	-
Employee benefits	-	-	-	-	-	2
Depreciation and amortisation	-	-	-	-	-	-
Donated assets	-	-	-	-	-	-
Net loss from the disposal of non-current assets	-	-	-	-	-	-
Other	-	-	-	-	(16 123)	(17 777)
Total administered expenses	-	-	(61 189)	(38 097)	(91 171)	(94 169)
Administered income						
Taxation	-	-	-	-	-	-
Revenues from SA Government	-	-	44 523	21 696	-	-
Fines and related fees	-	-	-	-	91 267	94 353
Victims of Crime levies	-	-	-	-	-	-
Government Radio Network recoveries	-	-	-	-	-	-
Commonwealth revenues	-	-	16 644	16 250	-	-
Grants and subsidies received	-	-	-	-	-	-
Interest revenues	-	-	-	-	-	-
Fees and charges	-	-	-	-	-	-
Recoveries and other income	-	-	-	-	-	-
Total administered income	-	-	61 167	37 946	91 267	94 353
Net cost of providing services	-	-	(22)	(151)	96	184

Attorney-General's Department
Schedule of Expenses and Income attributable to Administered Activities
for the year ended 30 June 2018

Administered activities - refer note A2	Other		Total	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Administered expenses				
Payments to Consolidated Account	(741)	(1 022)	(347 411)	(347 703)
National Redress Scheme	-	-	(146 423)	-
Grants and subsidies	(1 027)	(2 323)	(67 153)	(46 483)
Victims of Crime payments	-	-	(18 875)	(17 291)
State Rescue Helicopter Service Charges	-	-	(16 032)	(16 231)
Employee benefits	(7 632)	(4 914)	(12 108)	(9 579)
Depreciation and amortisation	(43)	(45)	(5 499)	(5 782)
Donated assets	-	(143)	-	(3 823)
Net loss from the disposal of non-current assets	-	-	(4 803)	(664)
Other	(3 090)	(3 478)	(49 427)	(50 337)
Total administered expenses	(12 533)	(11 925)	(667 731)	(497 893)
Administered income				
Taxation	-	-	267 782	265 652
Revenues from SA Government	17 371	10 558	126 024	82 736
Fines and related fees	-	-	91 267	94 353
Victims of Crime levies	-	-	38 984	41 945
Government Radio Network recoveries	-	-	29 320	26 043
Commonwealth revenues	-	-	16 644	16 250
Grants and subsidies received	200	807	1 972	2 562
Interest revenues	10	15	3 907	3 568
Fees and charges	-	-	3 012	2 697
Recoveries and other income	46	167	14 335	9 820
Total administered income	17 627	11 547	593 247	545 626
Net cost of providing services	5 094	(378)	(74 484)	47 733

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

Attorney-General's Department
Schedule of Assets and Liabilities attributable to Administered Activities
as at 30 June 2018

Administered activities - refer note A2	Consumer and				Public Safety	
	Business Services		Victims of Crime			
	2018	2017	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Current assets						
Cash and cash equivalents	31 097	30 117	152 667	270 578	78 476	60 642
Receivables	21 400	21 366	1 417	1 451	6 598	3 238
Total current assets	52 497	51 483	154 084	272 029	85 074	63 880
Non-current administered assets						
Property, plant and equipment	-	-	-	(1)	96 720	77 269
Intangible assets	-	-	-	-	236	-
Total non-current assets	-	-	-	(1)	96 956	77 269
Total administered assets	52 497	51 483	154 084	272 028	182 030	141 149
Current liabilities						
Payables	-	(230)	(1 719)	(1 135)	(5 296)	(5 916)
Employee benefits	-	-	(129)	(95)	(290)	(364)
Other current liabilities	(22 718)	(21 733)	-	-	(3 528)	(540)
Total current liabilities	(22 718)	(21 963)	(1 848)	(1 230)	(9 114)	(6 820)
Non-current liabilities						
Payables	-	-	(31)	(25)	(62)	(74)
Employee benefits	-	-	(333)	(269)	(671)	(792)
Total non-current liabilities	-	-	(364)	(294)	(733)	(866)
Total liabilities	(22 718)	(21 963)	(2 212)	(1 524)	(9 847)	(7 686)
Net assets	29 779	29 520	151 872	270 504	172 183	133 463

Attorney-General's Department
Schedule of Assets and Liabilities attributable to Administered Activities
as at 30 June 2018

Administered activities - refer note A2	Trust Accounts		Legal Aid		Fines Enforcement and Recovery	
	2018	2017	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Administered current assets						
Cash and cash equivalents	2 753	4 119	2	(99)	8 320	8 036
Receivables	-	-	-	15	41	507
Total current assets	2 753	4 119	2	(84)	8 361	8 543
Administered non-current assets						
Property, plant and equipment	-	-	-	-	-	-
Intangible assets	-	-	-	-	-	-
Total non-current assets	-	-	-	-	-	-
Total assets	2 753	4 119	2	(84)	8 361	8 543
Administered current liabilities						
Payables	-	-	(22)	(167)	97	67
Employee benefits	-	-	-	-	-	-
Other current liabilities	(2 753)	(4 119)	-	-	(7 000)	(7 250)
Total current liabilities	(2 753)	(4 119)	(22)	(167)	(6 903)	(7 183)
Administered non-current liabilities						
Payables	-	-	-	-	-	-
Employee benefits	-	-	-	-	-	-
Total non-current liabilities	-	-	-	-	-	-
Total liabilities	(2 753)	(4 119)	(22)	(167)	(6 903)	(7 183)
Net assets	-	-	(20)	(251)	1 458	1 360

Attorney-General's Department
Schedule of Assets and Liabilities attributable to Administered Activities
as at 30 June 2018

Administered activities - refer note A2

	Other		Total	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Administered current assets				
Cash and cash equivalents	5 224	181	278 539	373 574
Receivables	414	367	29 870	26 944
Total current assets	5 638	548	308 409	400 518
Administered non-current assets				
Property, plant and equipment	22	53	96 742	77 321
Intangible assets	-	-	236	-
Total non-current assets	22	53	96 978	77 321
Total administered assets	5 660	601	405 387	477 839
Administered current liabilities				
Payables	(713)	(1 174)	(7 653)	(8 555)
Employee benefits	(502)	(295)	(921)	(754)
Other current liabilities	-	-	(35 999)	(33 642)
Total current liabilities	(1 215)	(1 469)	(44 573)	(42 951)
Administered non-current liabilities				
Payables	(79)	(29)	(172)	(128)
Employee benefits	(748)	(325)	(1 752)	(1 386)
Total non-current liabilities	(827)	(354)	(1 924)	(1 514)
Total liabilities	(2 042)	(1 823)	(46 497)	(44 465)
Net assets	3 618	(1 222)	358 890	433 374

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

Attorney-General's Department
Notes to and forming part of the financial statements
for the year ended 30 June 2018

A1 Basis of preparation and accounting policies

The Basis of Preparation for the administered financial statements is the same as the basis outlined in note 1 of the Department's controlled 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.

A2 Administered activities

The Department's administered items are structured to contribute to seven main activities, these are:

Consumer and Business Services

This administered activity recognises activities in relation to the receipt of payments associated with Gaming Machines and Gaming Taxation. It also recognises receipts and payments associated with Betting Services, Racing Operations, Lottery Licences and Liquor Subsidies.

Victims of Crime

This administered activity relates to receipts and payments associated with the *Victims of Crime Act 2001* (the Act). The Act provides for payment of compensation to persons who suffer injury as a result of criminal acts and the recovery from the offenders. Payments to victims and the monies recovered from offenders are processed through an interest bearing special deposit account.

Public Safety

This administered activity relates to the activities of the State Rescue Helicopter Service, the ongoing maintenance and support of the SA Computer Aided Dispatch (SACAD) system, a significant project to upgrade the existing SA Government Radio Network (SAGRN), and the ongoing maintenance and support of the SAGRN system.

Trust Accounts

This administered activity relates to activities associated with the Crown Solicitor's Trust Account. The department receives monies which are held in trust pending the outcome of future events or settlements. The department does not have direct control over these funds and acts in the capacity as trustee. Beneficiaries include other government departments for the sale of government property and claims from individuals.

Legal Aid

This administered activity relates to grant payments made to the Legal Services Commission. The department receives annual specific grant funding from the Commonwealth which, together with the State Government component, is paid to the Legal Services Commission. The Commonwealth grant funding provides legal assistance for matters arising under Commonwealth law, while the State Government grant funding is expended on state law matters.

Fines Enforcement and Recovery

This administered activity relates to the collection of revenue from the Fines Enforcement and Recovery Unit.

Other

This administered activity reflects the financial performance and position of various other administered activities, including Royal Commissions which, administratively, fall under the department.

Attorney-General's Department
Notes to and forming part of the financial statements
for the year ended 30 June 2018

A3 Taxation revenue

	2018	2017
	\$'000	\$'000
Taxation gaming machines	267 657	264 948
Taxation off-course totalisator	125	704
Total taxation revenue	267 782	265 652

A4 Revenues from / (payments to) SA Government

	2018	2017
	\$'000	\$'000
Revenues from SA Government		
Appropriations from Consolidated Account pursuant to the Appropriations Act	112 713	68 725
Appropriations received from the Treasurer's Contingency Fund	-	1 900
Appropriations under other Acts	13 311	12 111
Total revenues from SA Government	126 024	82 736
Net revenues from SA Government	126 024	82 736

Total revenues from Government consist of \$98.5 million (2017: \$48.6 million) for operational funding and \$27.4 million (2017: \$34.1 million) for capital projects. For details on the expenditure associated with operational funding and capital funding received refer to A8 to A13. There were no material variations between the amount appropriated and the expenditure associated with this appropriation.

Payments to Consolidated Account

Payments to the SA Government include taxation revenue and fines and related fees paid directly to the Consolidated Account.

A5 Grants and subsidies received

	2018	2017
	\$'000	\$'000
Grants from SA Government agencies		
State Rescue Helicopter Service	1 482	1 465
SA Computer Aided Dispatch	290	290
Other	200	807
Total grants and subsidies received	1 972	2 562

A6 Interest revenues

	2018	2017
	\$'000	\$'000
Interest from the Department of Treasury and Finance	3 907	3 568
Total interest revenues	3 907	3 568

Attorney-General's Department
Notes to and forming part of the financial statements
for the year ended 30 June 2018

A7 Recoveries and other income

	2018	2017
	\$'000	\$'000
Recoveries for State Rescue Helicopter Service	5 876	5 253
Sundry recoveries	4 069	1 106
Confiscation of profits	2 095	1 106
Recoveries from offenders	1 208	807
Gaming Machine Trading Round revenue	1 045	1 508
Other	42	40
Total recoveries and other income	14 335	9 820

A8 Net gain / (loss) from the disposal of non-current assets

	2018	2017
	\$'000	\$'000
Plant & equipment		
Proceeds from disposal	-	-
Less net book value of assets disposed	4 803	664
Net loss from disposal of plant and equipment	4 803	664
Total net loss from disposal of non-current assets	4 803	664

A9 National Redress Scheme

	2018	2017
	\$'000	\$'000
National Redress Scheme	146 423	-
Total National Redress Scheme	146 423	-

This represents a payment to SAICORP with respect to the costs associated with South Australia participating in the National Redress Scheme for survivors of institutional child sexual abuse.

A10 Grants and subsidies

	2018	2017
	\$'000	\$'000
Legal Services Commission	61 189	38 097
Victims of Crime	4 424	4 323
Liquor Subsidies	-	1 204
Other	1 540	2 859
Total grants and subsidies	67 153	46 483

Attorney-General's Department
Notes to and forming part of the financial statements
for the year ended 30 June 2018

A11 Employee benefits expense

	2018	2017
	\$'000	\$'000
Salaries and wages	8 861	8 219
Employment on-costs - superannuation	1 413	1 056
Long service leave	687	(409)
Annual leave	623	342
Employment on-costs - other	529	387
Skills and experience retention leave	(5)	(16)
Total employee benefits expenses	12 108	9 579

Remuneration of officers

The number of officers, including judicial officers, whose remuneration received or receivable falls within the following bands:

	2018	2017
	Number	Number
\$149 001 to \$159 000	2	-
\$169 001 to \$179 000	1	1
\$209 001 to \$219 000	-	1
\$219 001 to \$229 000	1	-
\$269 001 to \$279 000	-	1
\$349 001 to \$359 000	-	1
\$369 001 to \$379 000	1	-
\$399 001 to \$409 000*	1	-
\$419 001 to \$429 000	-	2
\$439 001 to \$449 000	2	-
\$499 001 to \$509 000	1	2
\$519 001 to \$529 000	1	1
\$529 001 to \$539 000	-	2
\$549 001 to \$559 000	1	-
\$559 001 to \$569 000	1	-
\$599 001 to \$609 000	1	-
\$649 001 to \$659 000	1	-
Total number of officers	14	11

* Includes payment of long service leave, annual leave, and retention leave paid out on separation for officers who have left the department.

The table includes all officers who received remuneration equal to or greater than the base executive remuneration level during the year. Remuneration of officers reflects all costs of employment including salaries and wages, payments in lieu of leave, superannuation contributions, fringe benefits tax and any other salary sacrifice benefits. Total remuneration received or due and receivable by these officers was \$5.8 million (2017: \$4.5 million).

Attorney-General's Department
Notes to and forming part of the financial statements
for the year ended 30 June 2018

A12 Depreciation and amortisation

	2018	2017
	\$'000	\$'000
Depreciation		
Government Radio Network assets	5 398	5 682
Buildings and other structures	55	55
Plant and equipment	4	3
Total depreciation	<u>5 457</u>	<u>5 740</u>
Amortisation		
Leasehold improvements	42	42
Total amortisation	<u>42</u>	<u>42</u>
Total depreciation and amortisation	<u><u>5 499</u></u>	<u><u>5 782</u></u>

A13 Other expenses

	2018	2017
	\$'000	\$'000
Government Radio Network expenditure	21 592	19 452
Suitor payments	16 121	17 778
Information and communications technology	3 101	2 425
Transfer from Victims of Crime Fund	2 110	2 768
Legal fees	1 577	1 296
Gaming Machine Trading Round disbursements	980	1 343
Claims	500	1 900
Operating lease minimum payments	469	438
Contract staff	436	371
Accommodation	401	429
Office expenses	342	399
Consultants	156	157
Contract maintenance	(26)	113
Other expenses	1 668	1 468
Total other expenses	<u><u>49 427</u></u>	<u><u>50 337</u></u>

Consultants

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

	2018	2018	2017	2017
	Number	\$'000	Number	\$'000
Below \$10 000	7	18	5	21
Between \$10 000 and \$50 000	7	138	3	50
\$50 000 or above	-	-	1	86
Total paid / payable to the consultants engaged	<u>14</u>	<u>156</u>	<u>9</u>	<u>157</u>

Attorney-General's Department
Notes to and forming part of the financial statements
for the year ended 30 June 2018

A14 Cash and cash equivalents

	2018	2017
	\$'000	\$'000
Deposits with the Treasurer	278 539	373 574
Total cash and cash equivalents	278 539	373 574

Cash is measured at nominal amounts.

Interest rate risk

Deposits with the Treasurer earn a floating interest rate, based on daily bank deposit rates. The carrying amount of cash and cash equivalents represents fair value.

A15 Receivables

	2018	2017
	\$'000	\$'000
Current		
Receivables	26 932	23 306
Prepayments	899	894
Accrued interest	338	308
Other	1 701	2 436
Total current receivables	29 870	26 944
Total receivables	29 870	26 944

Interest rate and credit risk

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

Collection of receivables is reviewed on an ongoing basis. 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 A27 for further information on risk management.

A16 Donated assets

There were no donated assets in 2017-18. The majority of donated assets in 2016-17 relate to the transfer of assets associated with the State Rescue Helicopter Service to South Australia Police.

Attorney-General's Department
Notes to and forming part of the financial statements
for the year ended 30 June 2018

A17 Property, plant and equipment

	2018	2017
	\$'000	\$'000
Buildings and other structures		
Buildings and other structures at cost (deemed fair value)	1 933	1 934
Accumulated depreciation	<u>(564)</u>	<u>(510)</u>
Total buildings & other structures	<u>1 369</u>	<u>1 424</u>
Leasehold improvements		
Leasehold improvements at cost (deemed fair value)	162	162
Accumulated amortisation	<u>(151)</u>	<u>(109)</u>
Total leasehold improvements	<u>11</u>	<u>53</u>
Plant and equipment		
Plant and equipment at cost (deemed fair value)	73	61
Accumulated depreciation	<u>(49)</u>	<u>(46)</u>
Total plant and equipment	<u>24</u>	<u>15</u>
Information technology		
Information technology at cost (deemed fair value)	2 963	2 966
Accumulated depreciation	<u>(2 963)</u>	<u>(2 966)</u>
Total information technology	<u>-</u>	<u>-</u>
Capital work in progress		
Capital work in progress at cost (deemed fair value)	<u>69 620</u>	<u>40 744</u>
Total capital work in progress	<u>69 620</u>	<u>40 744</u>
Government Radio Network assets		
Government Radio Network assets at cost (deemed fair value)	64 898	72 745
Accumulated depreciation	<u>(39 180)</u>	<u>(37 660)</u>
Total Government Radio Network assets	<u>25 718</u>	<u>35 085</u>
Total property, plant and equipment	<u>96 742</u>	<u>77 321</u>

Valuation of land and buildings

Valuations of land and buildings and leasehold improvements were performed by Martin Burns, M.B.A., B.App.Sc. Property Resource Management, AAPI, an independent Certified Practising Valuer of Liquid Pacific as at 30 June 2015.

Valuations of buildings and improvements and radio network assets were performed by an independent valuer, Mark Ochota, Principal Consultant of UXC Consulting as at 30 June 2016.

Impairment

There were no indications of impairment of property, plant and equipment and infrastructure at 30 June 2018.

Attorney-General's Department
Notes to and forming part of the financial statements
for the year ended 30 June 2018

A17 Property, plant and equipment (continued)

Property, plant and equipment movement schedule – Administered items

The following table shows movement in property, plant and equipment during 2017-18:

	Leasehold improvements	Information technology	Plant and equipment	Capital work in progress
	\$'000	\$'000	\$'000	\$'000
Carrying amount at the beginning of the period	53	-	15	40 744
Additions	-	-	13	29 710
Depreciation and amortisation	(42)	-	(4)	-
Donated assets	-	-	-	-
Transfers to/(from) to work in progress	-	-	-	(834)
Disposal	-	-	-	-
Carrying amount at the end of the period	11	-	24	69 620

	Buildings and other structures	Government Radio Network assets	Total
	\$'000	\$'000	\$'000
Carrying amount at the beginning of the period	1 424	35 085	77 321
Additions	-	-	29 723
Depreciation and amortisation	(55)	(5 398)	(5 499)
Donated assets	-	-	-
Transfers to/(from) to work in progress	-	834	-
Disposal	-	(4 803)	(4 803)
Carrying amount at the end of the period	1 369	25 718	96 742

The following table shows movement in property, plant and equipment during 2016-17:

	Leasehold improvements	Information technology	Plant and equipment	Capital work in progress
	\$'000	\$'000	\$'000	\$'000
Carrying amount at the beginning of the period	95	1	145	15 446
Additions	-	(1)	16	29 312
Depreciation and amortisation	(42)	-	(3)	-
Donated assets	-	-	(3 823)	-
Transfers to/(from) to work in progress	-	-	3 680	(4 014)
Disposal	-	-	-	-
Carrying amount at the end of the period	53	-	15	40 744

Attorney-General's Department
Notes to and forming part of the financial statements
for the year ended 30 June 2018

A17 Property, plant and equipment (continued)

	Buildings and other structures	Government Radio Network assets	Total
	\$'000	\$'000	\$'000
Carrying amount at the beginning of the period	1 479	41 060	58 226
Additions	-	37	29 364
Depreciation and amortisation	(55)	(5 682)	(5 782)
Donated assets	-	-	(3 823)
Transfers to/(from) to work in progress	-	334	-
Disposal	-	(664)	(664)
Carrying amount at the end of the period	1 424	35 085	77 321

A18 Intangible assets

	2018 \$'000	2017 \$'000
Intangible assets		
Intangible assets at cost	248	12
Accumulated amortisation	(12)	(12)
Total intangible assets	236	-

The following table shows movement in intangibles during 2017-18:

	Intangibles \$'000	Intangible work in progress \$'000	Total \$'000
Carrying amount at the beginning of the period	-	-	-
Additions	-	236	236
Transfers from (to) work in progress	236	(236)	-
Donated assets	-	-	-
Depreciation and amortisation	-	-	-
Carrying amount at the end of the period	236	-	236

Intangibles had a nil balance and there were no movements for 2016-17.

Attorney-General's Department
Notes to and forming part of the financial statements
for the year ended 30 June 2018

A19 Fair value measurement

Fair value hierarchy

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 use in measurement.

Fair value measurements recognised in the balance sheet are categorised into the following levels at 30 June 2018.

Fair value measurements at 30 June 2018

	Level 3	Total
	\$'000	\$'000
Recurring fair value measurements		
Government Radio Network assets	25 718	25 718
Buildings and other structures	1 369	1 369
Leasehold improvements	11	11
Plant and equipment	24	24
Total recurring fair value measurements	27 122	27 122

Fair value measurements at 30 June 2017

	Level 3	Total
	\$'000	\$'000
Recurring fair value measurements		
Government Radio Network assets	35 085	35 085
Buildings and other structures	1 424	1 424
Leasehold improvements	53	53
Plant and equipment	15	15
Total recurring fair value measurements	36 577	36 577
Total fair value measurements	36 577	36 577

There were no transfers of assets between level 1 and 2 fair value hierarchy levels in 2018. The department's policy is to recognise transfers into and out of fair value hierarchy levels as at the end of the reporting period.

All assets have been determined to be at level 3. The fair values were determined using depreciated replacement cost approach. Key assumptions were assessing the remaining useful life and the purpose of the assets.

Attorney-General's Department
Notes to and forming part of the financial statements
for the year ended 30 June 2018

A20 Payables – Administered items

	2018	2017
	\$'000	\$'000
Current		
Creditors and accruals	7 518	8 432
Employment on costs	135	123
Total current payables	<u>7 653</u>	<u>8 555</u>
Non-current		
Employment on costs	172	128
Total non-current payables	<u>172</u>	<u>128</u>
Total payables	<u><u>7 825</u></u>	<u><u>8 683</u></u>

The Department of Treasury and Finance (DTF) has performed an actuarial assessment of long service leave as at 30 June 2018. The percentage of the proportion of long service leave taken as leave has changed from the 2017 rate 40% to 41% and the average factor for the calculation of employer superannuation on-cost is 9.9% (2017: 10.1%). These rates are used in the employment on-cost calculation. The financial effect of the change in the superannuation on-cost rate on employment on-costs and employee benefit expense is immaterial.

Interest rate and credit risk

Creditors and accruals are raised for all amounts billed but unpaid and are settled within the normal terms of payment of 30 days, unless otherwise agreed. Employment on-costs are settled when the respective employee benefit that they relate to is discharged. All payables are non-interest bearing. The carrying amount of payables represents fair value due to the amounts being payable on demand.

Refer to A27 for further information on risk management.

A21 Employee benefits liability – Administered items

	2018	2017
	\$'000	\$'000
Current		
Annual leave	573	456
Accrued salaries and wages	166	160
Long service leave	152	104
Skills and experience retention leave	30	34
Total current employee benefits	<u>921</u>	<u>754</u>
Non-current		
Long service leave	1 752	1 386
Total non-current employee benefits	<u>1 752</u>	<u>1 386</u>
Total employee benefits	<u><u>2 673</u></u>	<u><u>2 140</u></u>

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.

Attorney-General's Department
Notes to and forming part of the financial statements
for the year ended 30 June 2018

A21 Employee benefits liability – Administered items (continued)

AASB 119 *Employee Benefits* contains the calculation methodology for long service leave liability. An actuarial assessment performed by DTF was used to calculate the liability.

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

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 remained unchanged at 2.5%.

The net financial effect of the changes in the current financial year is an increase in the long service leave liability of \$26 000 and employee benefit expense of \$26 000. The impact on future periods is impracticable to estimate as the long service leave liability is calculated using a number of assumptions – a key assumption is the long-term discount rate.

The actuarial assessment performed by DTF left the salary inflation rate at 4% for long service leave liability and the salary inflation rate remained at 3% for annual leave and skills, experience and retention leave liability.

A22 Other liabilities – Administered items

	2018	2017
	\$'000	\$'000
Current		
Gaming, fines and other receipts payable to the DTF	28 380	28 042
Crown Solicitor's Trust Account	2 753	4 119
Other	4 866	1 481
Total other current liabilities	<u>35 999</u>	<u>33 642</u>
Total other liabilities	<u>35 999</u>	<u>33 642</u>
Crown Solicitor's Trust Account		
	2018	2017
	\$'000	\$'000
Movement in Trust account		
Balance at the beginning of the period	4 119	2 888
Receipts	41 874	718 440
Payments	<u>(43 239)</u>	<u>(717 209)</u>
Balance at the end of the period	<u>2 754</u>	<u>4 119</u>

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A23 Unrecognised contractual commitments – Administered items

Operating lease commitments

Commitments under non-cancellable operating leases contracted for at the reporting date but not recognised as liabilities are as follows:

	2018	2017
	\$'000	\$'000
Within one year	2 159	2 165
Later than one year but not longer than five years	6 586	7 994
Later than five years	251	1 839
Total operating lease commitments	8 996	11 998

The accommodation and office equipment leases are non-cancellable leases with rental payable monthly in advance. Contingent rental provisions within the accommodation lease agreements provide for the minimum lease payments to be increased on specified rent review dates. Options exist to renew the accommodation leases at the end of the term of the lease.

Leases receivable contracted for at the reporting date but not recognised as assets are receivable as follows:

	2018	2017
	\$'000	\$'000
Within one year	1 273	1 083
Later than one year but not longer than five years	1 927	2 863
Later than five years	311	395
Total operating lease commitments	3 511	4 341

When acting as lessor leases are non-cancellable leases for access rights to State owned land sites. The leases have terms ranging from 1 to 25 years with some having a right of renewal.

Other commitments

	2018	2017
	\$'000	\$'000
Within one year	60 891	68 650
Later than one year but not longer than five years	67 063	112 503
Total other commitments	127 954	181 153
Grants ⁽¹⁾	33 127	49 771
Capital ⁽²⁾	35 533	60 362
Other ⁽³⁾	59 294	71 020
Total other commitments	127 954	181 153

⁽¹⁾ Grant amounts payable under agreements in respect of which the grantee has yet to provide the services required under the agreement. The grant commitments as at 30 June 2018 relates to the National Partnership Agreement on Legal Assistance Services between the Commonwealth of Australia and the States and Territories.

⁽²⁾ Includes the SA Government Radio Network Upgrade.

⁽³⁾ Other commitments relate to purchase orders placed for goods and services before 30 June 2018 and annual service and maintenance for the SA Computer Aided Dispatch, SA Government Radio Network and SA State Rescue Helicopter Service.

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A24 Contingent assets and liabilities – Administered items

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

A25 Cash flow reconciliation – Administered items

	2018 \$'000	2017 \$'000
Reconciliation of cash and cash equivalents disclosed in the Statement of Financial Position		
Cash and cash equivalents disclosed in the Statement of Financial Position	278 539	373 574
Balance as per the Statement of Cash Flows	278 539	373 574
Reconciliation of net cash provided by / (used in) operating activities to net cost of providing services		
Net cash provided by/(used in) operating activities	(65 076)	59 959
Add / (less) non-cash items		
Depreciation	(5 499)	(5 782)
Donated asset expense	-	(3 823)
Gain/(loss) on disposal of assets	(4 803)	(664)
Movement in assets and liabilities		
Increase/(decrease) in receivables	2 926	(1 087)
(Increase)/decrease in payables	858	(1 821)
(Increase)/decrease in employee benefits	(533)	582
(Increase)/decrease in other liabilities	(2 357)	369
Net result	(74 484)	47 733

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A26 Budgetary reporting and explanations of major variances between budget and actual amounts

Budget information refers to the amounts presented to Parliament in the original budgeted financial statements in respect of the reporting period (2017-18 Budget Paper 4). Budget information has been included for the Statement of Comprehensive Income and for Investment Expenditure. Budget information has not been included for the Statement of Financial Position or Statement of Cash Flows as the information in these statements are not budgeted for on the same basis and/or determined in a different manner to financial statement information. These original budgeted amounts have been presented and classified on a basis that is consistent with line items in the financial statements. However, these amounts have not been adjusted to reflect revised budgets or administrative restructures/machinery of government changes. The budget process is not subject to audit.

		Original budget 2018 \$'000	Actual 2018 \$'000	Variance \$'000
Statement of Comprehensive Income				
Expenses				
Payments to Consolidated Account		365 193	347 411	(17 782)
National Redress Scheme	a	-	146 423	146 423
Grants and subsidies	b	52 208	67 153	14 945
Victims of Crime payments		21 897	18 875	(3 022)
State Rescue Helicopter Service Charges		16 065	16 032	(33)
Employee benefits		18 867	12 108	(6 759)
Depreciation and amortisation		12 455	5 499	(6 956)
Donated assets		-	-	-
Net loss from the disposal of non-current assets		-	4 803	4 803
Other		40 054	49 427	9 373
Total expenses		526 739	667 731	140 992
Income				
Taxation		278 628	267 782	(10 846)
Revenues from SA Government	b	107 631	126 024	18 393
Fines and related fees		85 137	91 267	6 130
Victims of Crime levies		42 457	38 984	(3 473)
Government Radio Network recoveries		30 558	29 320	(1 238)
Commonwealth revenues		16 644	16 644	-
Grants and subsidies received		3 929	1 972	(1 957)
Interest revenues		18 262	3 907	(14 355)
Fees and charges		586	3 012	2 426
Recoveries and other income		15 364	14 335	(1 029)
Total income		599 196	593 247	(5 949)
Net result		72 457	(74 484)	(146 941)
Total comprehensive result		72 457	(74 484)	(146 941)

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

- a The National Redress Scheme was created in response to the Royal Commission into Institutional Responses to Child Sexual Abuse. The expenditure was not included in the original budget as the final report was presented to the Governor-General in December 2017.

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A26 Budgetary reporting and explanations of major variances between budget and actual amounts
(continued)

- b Grants and subsidies expenditure was greater than the original budget mainly due to a revision to the timing of grant payments to the Legal Services Commission. Revenues from SA Government income were greater than the original budget also due to this reason.

Investing expenditure summary	Note	Original	Actual	Variance
		budget	2018	2018
		2018	2018	
		\$'000	\$'000	\$'000
Total existing projects	a	40 824	29 664	(11 160)
Total annual programs		232	296	64
Total investing expenditure		41 056	29 960	(11 096)

- a The decrease in investing expenditure compared to original budget is mainly due to funding for the SA Government Radio Network which has been carried over into 2018-19.

A27 Financial risk management / financial instruments – Administered items

Financial risk management

Risk management is managed by the department's corporate services section and 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 is exposed to financial risk – liquidity risk, credit risk and market risk. There have been no changes in risk exposure since the last reporting period. The department's exposure to financial risk is low.

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A27 Financial risk management / financial instruments – Administered items (continued)

Categorisation of financial assets

The following table discloses the categorisation of financial assets and financial liabilities:

Category of financial asset and financial liability	Statement of Financial Position line item	Note	2018	2017
			Carrying amount/ Fair value \$'000	Carrying amount/ Fair value \$'000
Financial assets				
Cash and cash equivalents	Cash and cash equivalents	A14	278 539	373 574
Loans and receivables	Receivables ⁽¹⁾⁽²⁾	A15	7 038	3 830
Total financial assets			285 577	377 404
Financial liabilities				
Financial liabilities at cost	Payables ⁽¹⁾	A20	7 507	8 426
	Other financial liabilities	A22	35 999	33 642
Total financial liabilities			43 506	42 068

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

⁽²⁾ Receivables amount disclosed here excludes prepayments. Prepayments are presented in A15 as trade and other receivables in accordance with paragraph 78(b) of AASB 101 *Presentation of Financial Statements*. However, prepayments are not financial assets as defined in AASB 132 *Financial Instruments: Presentation* as the future economic benefit of these assets is the receipt of goods and services rather than the right to receive cash or another financial asset.

Financial assets

Cash and receivables are recorded at the carrying amount which approximates net fair value.

Financial liabilities

Financial liabilities principally represent taxation receipts payable to the Treasurer. The carrying amount of all financial liabilities is considered to be a reasonable estimate of net fair value.

Credit risk

The department has no significant concentration of credit risk. The department has policies and procedures in place to ensure that transactions occur with customers with appropriate credit history.

Allowances for impairment of financial assets are calculated on past experiences and expected changes in client credit rating. Currently the department does not hold any collateral as security for any of its financial assets. There are no financial assets administered by the department.

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A27 Financial risk management / financial instruments – Administered items (continued)

Ageing analysis of financial assets

The following table discloses the ageing of financial assets which are past due, analysed into those assets which are impaired and not impaired:

	Total \$'000	Not past due and not impaired \$'000	Past due but not impaired			Impaired financial assets \$'000
			Overdue for less than 30 days \$'000	Overdue for 30-60 days \$'000	Overdue for more than 60 days \$'000	
2018						
Receivables ⁽¹⁾	7 038	1 598	5 224	90	126	-
	7 038	1 598	5 224	90	126	-
2017						
Receivables ⁽¹⁾	3 830	2 042	1 477	174	137	-
	3 830	2 042	1 477	174	137	-

Maturity analysis of financial assets and liabilities

The full carrying amounts for financial assets and financial liabilities are expected to mature within 12 months.

Liquidity risk

Financial liabilities principally represent taxation receipts payable to the Treasurer. Therefore the department's exposure to liquidity risk is insignificant due to the nature of the financial instruments held and current assessment of risk.

Market risk

Cash administered by the department is subject to interest rate risk.

Sensitivity analysis

The impact of a 1% movement in interest rates on financial assets administered by the Department is shown in the following table.

	Carrying amount \$'000	Interest rate risk	
		-1%	+1%
		Operating surplus \$'000	Operating surplus \$'000
2018			
Cash and cash equivalents	278 539	(2 785)	2 785
Total increase / (decrease)	278 539	(2 785)	2 785
2017			
Cash and cash equivalents	373 574	(3 736)	3 736
Total increase / (decrease)	373 574	(3 736)	3 736

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A28 Transactions with SA Government

The following table discloses revenues, expenses, financial assets and liabilities where the counterparty/transaction is with an entity within the SA Government as at the reporting date, classified according to their nature. Transactions with SA Government entities below the threshold of \$100 000 have been included with the non-government transactions, classified according to their nature.

	Note	SA Government		Non-SA Government		Total	
		2018	2017	2018	2017	2018	2017
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Expenses							
Payments to Consolidated Account		347 411	347 703	-	-	347 411	347 703
National Redress Scheme		146 423	-	-	-	146 423	-
Grants and subsidies	A10						
Legal Services Commission			-	61 189	38 097	61 189	38 097
Victims of Crime		2 217	2 202	2 207	2 121	4 424	4 323
Liquor subsidies		-	-	-	1 204	-	1 204
Other		907	994	633	1 865	1 540	2 859
Victims of Crime payments		5	8	18 870	17 283	18 875	17 291
State Rescue Helicopter Service charges		115	-	15 917	16 231	16 032	16 231
Employee benefits expenses	A11	529	387	11 579	9 192	12 108	9 579
Depreciation and amortisation expense	A12	-	-	5 499	5 782	5 499	5 782
Donated asset		-	3 823	-	-	-	3 823
Net loss from the disposal of non-current assets	A8	-	-	4 803	664	4 803	664
Other expenses	A13						
Government Radio Network		183	169	21 409	19 283	21 592	19 452
Suitor payments		-	7	16 121	17 771	16 121	17 778
Information and communications technology		173	231	2 928	2 194	3 101	2 425
Transfer from Victims of Crime Fund		-	-	2 110	2 768	2 110	2 768
Claims		-	-	500	1 900	500	1 900
Gaming Machine Trading Round disbursements		16	-	964	1 343	980	1 343
Legal fees		20	17	1 557	1 279	1 577	1 296
Operating lease minimum payments		469	438	-	-	469	438
Accommodation		335	413	66	16	401	429
Office expenses		-	206	342	193	342	399
Contract staff		4	72	432	299	436	371
Consultants		-	-	156	157	156	157
Contract maintenance		-	-	(26)	113	(26)	113
Other		115	333	1 553	1 135	1 668	1 468
Total expenses		498 922	357 003	168 809	140 890	667 731	497 893

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A28 Transactions with SA Government (continued)

	Note	SA Government		Non-SA Government		Total	
		2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Income							
Taxation	A3	-	-	267 782	265 652	267 782	265 652
Revenues from SA Government	A4	126 024	82 736	-	-	126 024	82 736
Commonwealth revenues		-	-	16 644	16 250	16 644	16 250
Grants and subsidies received	A5						
SA Computer Aided Dispatch		290	290	-	-	290	290
State Rescue Helicopter Service		1 482	1 465	-	-	1 482	1 465
Other		200	807	-	-	200	807
Interest revenues	A6	3 907	3 568	-	-	3 907	3 568
Victims of Crime levies		11 825	11 893	27 159	30 052	38 984	41 945
Fines and related fees		556	780	90 711	93 573	91 267	94 353
Fees and charges		-	-	3 012	2 697	3 012	2 697
Government Radio Network recoveries		28 093	25 362	1 227	681	29 320	26 043
Recoveries and other incomes	A7						
Recoveries for State Rescue Helicopter Service		5 771	4 951	105	302	5 876	5 253
Gaming Machine Trading Round revenue		-	-	1 045	1 508	1 045	1 508
Confiscation of profits		2 095	1 106	-	-	2 095	1 106
Sundry recoveries		3 989	875	80	231	4 069	1 106
Recoveries from offenders		-	-	1 208	807	1 208	807
Other		-	-	42	40	42	40
Total income		184 232	133 833	409 015	411 793	593 247	545 626
Financial assets							
Receivables	A15						
Receivables		5 155	1 711	21 777	21 595	26 932	23 306
Accrued interest		338	308	-	-	338	308
Prepayments		8	4	891	890	899	894
Other		1 697	1 379	4	1 057	1 701	2 436
Total financial assets		7 198	3 402	22 672	23 542	29 870	26 944
Financial liabilities							
Payables	A20						
Creditors and accruals		1 324	2 006	6 194	6 426	7 518	8 432
Employment on costs		130	99	177	152	307	251
Other liabilities	A22						
Gaming, fines and other receipts payable to the DTF		28 380	28 042	-	-	28 380	28 042
Crown Solicitor's Trust Account		2 753	4 119	-	-	2 753	4 119
Other liabilities		23	23	4 843	1 458	4 866	1 481
Total financial liabilities		32 610	34 289	11 214	8 036	43 824	42 325