

DEPARTMENT OF
THE PREMIER AND CABINET
ANNUAL REPORT
2014-15



Government of South Australia
Department of the Premier
and Cabinet



Government of South Australia

Department of the Premier
and Cabinet

Department of the Premier and Cabinet

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27 September 2015

The Hon Jay Weatherill MP
Premier of South Australia
200 Victoria Square
ADELAIDE SA 5000

Dear Premier

I am pleased to submit to you the Annual Report of the Department of the Premier and Cabinet for the year ended 30 June 2015.

The Report has been prepared in accordance with the requirements of the *Public Sector Act 2009*, the Act's accompanying regulations, the financial reporting requirements of the *Public Finance and Audit Act 1987* and *DPC Circular PC013 - Annual Reporting Requirements*.

It demonstrates the scope of activities undertaken by the Department in meeting our business objectives and in supporting the Government's 10 Economic Priorities, Seven Strategic Priorities, and critical policy initiatives including A Modern Public Service and South Australia's Strategic Plan. It also provides evidence of our performance in key areas, financial accountabilities and resource management and results delivered through the One DPC Reform Agenda.

Yours sincerely

A handwritten signature in black ink, consisting of a stylized 'K' and 'D' followed by a horizontal line.

Kym Winter-Dewhirst
CHIEF EXECUTIVE

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Chief Executive's Review

The past financial year has seen the Department of the Premier and Cabinet (DPC) continue to take a leadership role in delivering the Government's vision for South Australia as a place where people and business thrive.

During 2014-15, DPC has supported critical elements of this vision by exploring new ideas and opportunities for transforming the State's economy; fostering social development and strong communities through policy development and engagement; and supporting better government through reforms to the public sector. DPC has also endeavoured to strengthen links with both the business and community sector to help support a more collaborative Government, and deliver better outcomes for the community.

The department has played a crucial role in the development of the State's 10 Economic Priorities – a series of targets aimed at helping South Australia transition away from manufacturing-based industries and grow new and emerging businesses that will help diversify our economy and deliver new jobs for South Australians. A number of initiatives have supported the 10 Economic Priorities over the last financial year, with the most significant being the Premier's Trade Mission to China in May 2015. This delegation involved 160 business and government representatives – making it the largest in South Australia's history.

Nationally, DPC defended South Australia's interests in debates on Horizontal Fiscal Equalisation, defence procurement, federation reform and reform of Australia's tax system. DPC also developed advice for the Council of Australian Governments on violence against women.

A focus on reform has underpinned our work at a local and national level. Through the One DPC Reform Agenda, we have been working to improve our performance and to deliver better results in our work across Government and for the people of South Australia. As a result of these reforms, DPC is a leaner, more integrated organisation with streamlined processes and work practices, and with a strong focus on service, effectiveness and accountability.

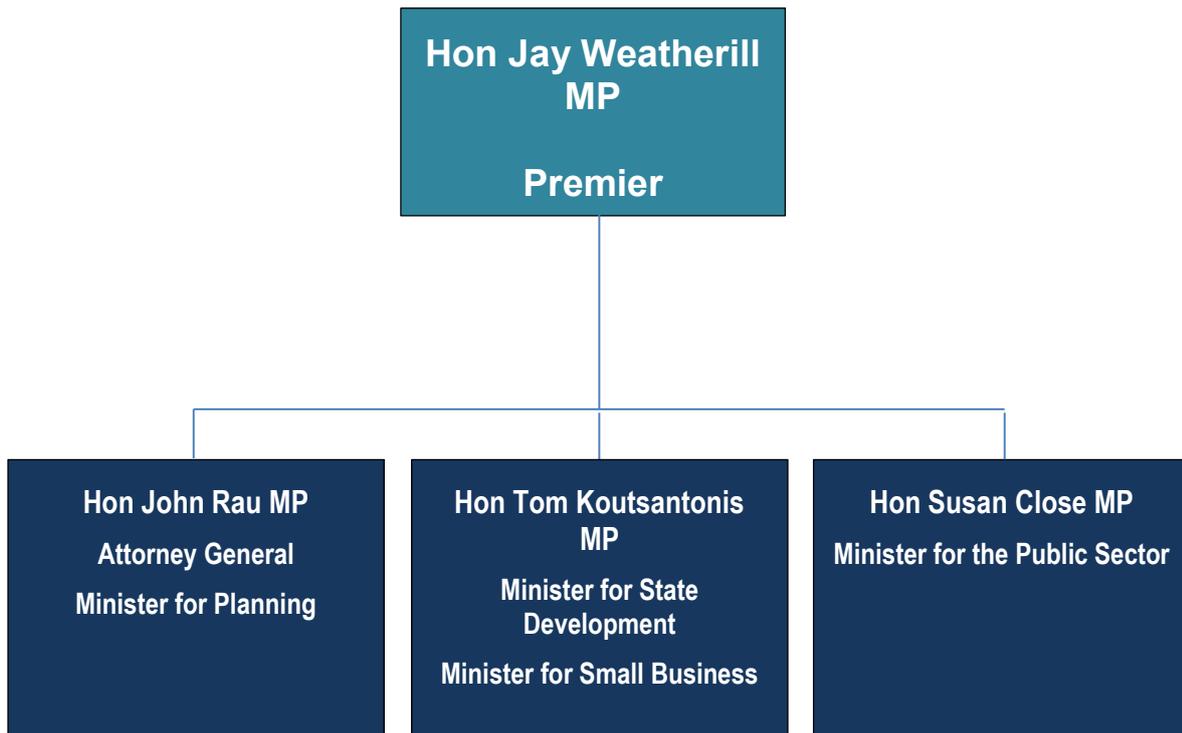
Having taken up the position of Chief Executive on 1 January 2015 my first impressions of DPC and the broader South Australian public sector were formed during the Sampson Flat bushfires. It is during times of an emergency like this that the professionalism and effectiveness of the public service is clear, and I was deeply impressed by the strong, collaborative, and focussed efforts of staff who were working with business and the community to support those affected by the fires.

I wish to acknowledge the work of my predecessor, Jim Hallion, and thank all DPC staff for their commitment to South Australia and their hard work in supporting the Premier, Government Ministers and the broader South Australian community. I look forward to building on our achievements over the past year to better support Government agencies, help grow our economy, improve the services we provide to South Australians, and better engage with the broader community.

Kym Winter-Dewhirst
CHIEF EXECUTIVE

Our Organisation

Department of the Premier and Cabinet Ministerial Structure



Department of the Premier and Cabinet Organisational Structure



Changes to the Department of the Premier and Cabinet

On 1 January 2015, Kym Winter-Dewhirst commenced as Chief Executive of the Department of the Premier and Cabinet, replacing Jim Hallion who moved to take up a part-time appointment as State Coordinator-General.

The new Chief Executive initiated a program of reform across the department to streamline and strengthen operations, reduce duplication, and to consolidate like services and functions to focus on single point accountability.

In March 2015, Cabinet approved two Machinery of Government changes effective from 1 July 2015 to transfer State Records SA to the Attorney-General's Department and the Industry Advocate to the Department of State Development.

In April 2015, the Internal Consultancy Unit was formally wound up and negotiations commenced with the Adelaide City Council to transfer the Capital City Committee to Renewal SA.

As part of the reform and restructuring of the department, there have been a number of changes to its workforce. This included termination of some executive contracts, non-renewal of others, offering a number of targeted voluntary separation packages and identifying employees considered surplus to requirements.

Between 1 July 2014 and 30 June 2015, the actual number of FTEs across the department reduced by approximately 5%, including seven executive positions. This has set the department up well to meet its savings targets over the forward estimates.

Key activities in 2014-15

South Australia's future

As the central government agency, DPC occupies a key leadership role on the issues that affect much of South Australia's future. To meet its obligations, the agency is focussed on delivering the government's vision for the state to be a place where people and business thrive.

It does this by working collaboratively across all agencies, in particular those with an economic focus such as the departments of State Development, Treasury and Finance, Primary Industries and Regions SA and Planning, Transport and Infrastructure; and through building networks and collaborative relationships with business, the university and research sector and the broader community. The offices of the State Coordinator-General, the Agent-General and the Industry Advocate also support DPC's role.

DPC plays a central role aiding policy development in a range of key portfolios such as Education, Health and Social Inclusion and the Premier's democracy agenda.

The agency's operating mandate is shaped by a number of key policies including the State Government's Economic Plan, Seven Strategic Priorities, A Modern Public Service and South Australia's Strategic Plan.

To tackle the public sector reform agenda at a broader level, DPC also works closely with the Office for the Public Sector.

State Government's Economic Plan

In 2014, DPC developed the State Economic Plan with 10 priority areas for the state's future development. Over time, the plan will help guide the transformation of the state's economy from its manufacturing legacy of the 1950s and 1960s to a more diversified, modern economy with an increasingly international posture.

Central to the plan is a deliberate emphasis on attracting greater foreign investment and growth in jobs by leveraging the state's natural advantages in clean, green food and quality wine production and tourism. The plan's priorities also address further development in the renewable energy, minerals and agriculture sectors and a focus on specialised medical, health and education services.

Priority 1 - Unlocking the full potential of South Australia's resources, energy and renewable assets

In becoming a more globalised economy, South Australia must also deal with the global issues that impact it, such as the sustained downturn in the commodity sector. The state is committed to unlocking the full potential of its resources sector but, like other states heavily dependent on resources, has felt the impact of falling commodity prices in terms of reductions in jobs, revenue and royalties. This will continue in the short term but the medium to long term outlook for commodities remains strong and the state's untapped wealth in copper, gold, iron ore and uranium means it is well placed to take advantage when commodity prices return to a more stable outlook.

Nevertheless, the development of a Future Fund for South Australia was progressed through the drafting of a Bill to establish the fund. The policy will commit a proportion of royalty revenues to the fund, for investment in infrastructure and other initiatives to promote economic growth. In addition, DPC explored a range of potential renewable energy projects in South Australia with United Kingdom (UK) and European based companies and worked with other key agencies to identify a commercial solution for a bulk commodity export port through the Spencer Gulf.

Priority 2 - Premium food and wine produced in our clean environment and exported to the world

DPC supported local companies seeking export opportunities in the UK and Europe through a variety of campaigns, exhibitions and events that promoted South Australia's food and wine.

Priority 3 - A globally recognised leader in health research, ageing and related services and products

DPC facilitated land tenure arrangements to enable development of the Adelaide health and biomedical precinct within a development value of over \$400 million.

Priority 4 - The Knowledge State – attracting a diverse student body and commercialising our research

DPC, through the Office for the Public Sector, expanded the SA Government Internship program with Carnegie Mellon University Australia, Flinders University, the University of Adelaide and the University of South Australia to provide under-graduate and post-graduate students with public sector agency internships.

In line with marketing South Australia as an education destination, the Matthew Flinders Memorial Statue unveiled by His Royal Highness, The Duke of Cambridge at Euston Station, will promote South Australia and Flinders University to Londoners.

Priority 5 - South Australia - a growing destination choice for international and domestic travellers

To increase international recognition of South Australia, the 'Mentor Me' program hosted eight British working holiday makers in key South Australian destinations for four weeks. In addition, South Australia's creative arts and festival industries were promoted to the UK market through events and other strategies.

DPC negotiated funding agreements in line with the government's commitment to establish the James Morrison Music Academy, the Engine Room and the Taillem Bend Motorsport Park.

Priority 6 - Growth through Innovation

DPC continued to drive the government's Open Data agenda and has proactively published 139 of its own data sets. Open data is accessible via www.data.sa.gov.au. Opening up government data creates new opportunities which deliver significant economic value by empowering citizens, supporting research and engaging developers in the creation of digital applications, which in turn improve business efficiency.

- DPC hosted the national [Unleashed](#) Open Data Competition which attracted more than 155 competitors across South Australia with access to over 485 open data sets.

- The [Location SA Map Viewer](#) was developed. This innovative online tool enables businesses, industries and the community to easily access, view and leverage the government's spatial data.
- DPC continues to progress SenSA in partnership with three South Australian public universities. This initiative will explore and bring together a sensor network across the state in order to collect and connect publicly accessible and anonymous data.
- DPC partnered with industry, community and academia to improve service delivery through the pilot [D3 Digital Challenge](#) (Discuss, Design, Deliver). The pilot created an innovative prototype solution that could improve access to parenting information.
- Launched the Government's [Digital by Default Declaration](#).

DPC supported the creation of a new, centralised investment attraction agency which will focus on attracting foreign investment that leads to job creation for the state.

To encourage investment in the state, DPC, through the Industry Advocate, established processes to capture and reward innovative techniques and approaches of tenderers for government contracts. In addition, all procurements in excess of \$22,000 now require the number of jobs based in South Australia to be part of the overall assessment criteria.

DPC worked closely with the Department of Planning, Transport and Infrastructure and the successful Alliance for the Torrens to Torrens Project to ensure more than 90% of the jobs associated with the project will be performed by South Australian residents.

DPC has also provided policy leadership to drive economic growth and competitiveness and worked with the Department of State Development to develop assessment frameworks for projects contributing to the Northern Economic Plan.

Priority 7 - South Australia - the best place to do business

As lead agency for this priority, DPC's contribution was multi-faceted:

- The Office of the State Coordinator-General was established in line with the Premier's commitment to coordinating private sector development. The office assists proponents by reducing red tape and fast-tracking various approval processes for industrial, commercial and mixed use projects valued over \$3 million. Guidelines for the consideration of unsolicited proposals brought to government by the private sector have also been established. The office has determined timely assessment of:
 - 11 projects approved by the Development Assessment Commission (DAC) to the estimated value of \$151.5 million
 - 17 projects lodged with DAC for assessment to the estimated value of \$160.8 million
 - four projects assigned to DAC as the relevant authority to the estimated value of \$35.5 million.
- The eProjects Panel was expanded to streamline procurement processes and minimise the cost to the ICT industry in responding to tenders by reducing red tape, including the amount of time, effort and resources required to respond to multiple government tenders and transacting with agencies.
- The economic benefit of a proposal has been factored into all government procurement activity above \$22,000 and into grant and other funding arrangements in excess of \$2.5 million. An additional minimum 10% industry participation weighting has been applied to four industry categories deemed to deliver the greatest economic benefit.

- Created the South Australian Regulators Reform Network to build the capacity of regulators in South Australia to reduce red tape and improve regulations.
- In line with the Council of Australian Governments' (COAG) deregulation agenda, DPC worked on projects with the food and beverage industry to:
 - improve waste management systems, reduce waste output and enhance waste re-use
 - reduce SafeWork SA audits for rock lobster fishermen accredited under the Clean and Green program
 - reduce the cumulative burden of audits on the industry.
- Also through the COAG agenda, DPC worked across government to pursue South Australia's interests in defence procurement and secure infrastructure funding.
- Incentives were introduced to state government procurement arrangements with industry to reward businesses locating head and branch offices to South Australia.
- Implemented procurement efficiencies to achieve cost savings for both government and business, including reducing the default liability levels for lower value and lower risk contracts.
- Expanded the Meet the Buyer program to include Port Pirie and Eyre Peninsula regions. The program supports businesses to identify opportunities in supplying to government.
- Improved efficiency and timeliness of the government's accounts payable services to business and industry, resulting in 97% of payments made within 30 days (excluding SA Health).
- Commenced the software upgrade of CHRIS 21, the public sector payroll system to consolidate 30 databases to two and reduce 80 pay cycles to eight. This will result in significant efficiency gains across government and in turn, to business.
- 61% of all Service SA transactions were completed online, with a 16% growth in online vehicle registration and licensing transactions. Customers can now go online to renew registrations in bulk, check demerit points, gain a licence history report, nominate a common expiry date for vehicle registrations, and obtain a registration certificate.
- Delivered an 18% transaction growth through Bizgate e-commerce services (from 3.8 million transactions in 2013-14 to 4.5 million in 2014-15), driven principally by the introduction of EzyReg direct debit and growth in the existing metrocard and Fines Enforcement Unit services, making it easier for business to transact online.
- Prepared a state submission into the Harper Review on Competition Policy and supported the Department of Treasury and Finance to develop a state tax reform discussion paper and modelling.

Priority 8 - Adelaide, the heart of the vibrant state

DPC worked in partnership with the Adelaide City Council on a number of initiatives to create economic opportunities. These included:

- Commissioning work on CBD vacant and under-used buildings.
- Supporting the significant redevelopment of the Adelaide Central Market and environs.
- Convening the annual forum '50 000 in 2024 – How to boost Adelaide's CBD residential population'.
- Conducting city-metric research projects on small venues and on biking.

- Initiating and delivering 'The Future Laboratory: Trend Briefing 2015', the opening event of Entrepreneurs Week.

Priority 9 - Promoting South Australia's international connections and engagement

- DPC supported the Premier's mission to China in May 2015, leading the largest delegation of businesses and government representatives on an international trade and investment mission in South Australia's history. 160 representatives from the private sector, cultural and education institutions visited cities including Jinan and Qingdao (in South Australia's Sister-State Province, Shandong), Beijing and Shanghai. The trade mission resulted in the signing of 16 Memorandums of Understanding in areas such as trade and logistics, food manufacturing, agribusiness, education and health, and resulted in agreements between businesses totalling \$335 million.
- In the UK, DPC:
 - Strengthened strategic relationships with the Australian High Commission in London, Austrade offices in the UK and Europe, and priority industry and commerce associations.
 - Hosted six Australian Futures and migration agent seminars in London and throughout the UK, to improve connections with potential migrants and migration agents.
 - Worked closely with government agencies such as Defence SA and the Department of State Development on industry engagement and led development strategies including the preparation of the North Atlantic Economic Engagement Strategy.
 - Implemented a variety of campaigns and events promoting South Australia's food and wine export, education and migration objectives.
 - Delivered many strategies and events in the UK and Europe to attract investment and trade, to explore new expansion opportunities, and to maintain relationships with companies that have an existing South Australian presence. These included a trade mission to Italy which resulted in four confirmed company visits to South Australia and involvement in a number of defence investment forums.
- In partnership with Carnegie Mellon University, DPC led South Australia's involvement in the national initiative, the Open Technology Foundation. The initiative focusses on increasing the sustainable uptake of open technologies, platforms, standards and methods in the government sector through global sharing and co-operation.
- Developed and executed mission programs for the Premier to visit South Australia's priority international markets, namely India, Hong Kong, China, and Western Europe. Specialised strategies to identify cultural, trade and investment opportunities were developed to build on existing engagement strategies with China, India and South East Asia.
- A Sports Diplomacy Strategy was developed to utilise sport and major events as a vehicle to promote the state.

Priority 10 - South Australia's small businesses have access to capital and global markets

- The Unlocking Capital for Jobs program was developed and launched, and used to support the expansion plans of South Australian fashion labels.
- Improved communication and stakeholder engagement to ensure small businesses are better positioned to leverage government-led international trade and investment missions.

Seven Strategic Priorities

The Seven Strategic Priorities recognise the areas where government can make the most difference to the lives of everyday working people and the most difference to the future prosperity of our state.

These priorities are what drive DPC's involvement in issues of national significance through COAG. Over 2014-15, this included shaping the agenda of the Commonwealth Government's Federation and Tax White Papers, promoting the current system of Horizontal Fiscal Equalisation, and leading South Australia's contribution on important economic and social policy issues. In an example of intergovernmental collaboration, DPC also finalised a Memorandum of Understanding between the Government of South Australia and the Northern Territory aimed at enhancing collaboration between the two jurisdictions.

Priority 1 - Creating a vibrant city

- Led the review of the Late Night Trading Code of Practice and worked in partnership with the Adelaide City Council on strategies and events to promote and revitalise the city.

Priority 2 - Safe communities, healthy neighbourhoods

- Agreed a series of national actions to address domestic violence through COAG, including contributing to a \$30 million national campaign.
- Commenced the White Ribbon workplace accreditation process to support this priority of the Premier and the government's Taking a Stand: Responding to Domestic Violence initiative.
- Led the development of strategies to encourage young males to form respectful attitudes towards women in support of the Premier's Gender and the Role of Men objective to raise awareness of domestic violence as a male issue.
- Engaged through COAG on a number of national strategies, including a National Ice Action Strategy and a national strategy to counter terrorism and violent extremism.
- Held workshops on social impact bonds for non-government service providers to raise awareness of how this new form of funding programs may help deliver better outcomes in health, housing, children in care and prisoner recidivism. Interested organisations were invited to express their interest to participate in a trial.
- Developed a community-led strategy for addressing disadvantage in four local communities, in partnership with the Department for Communities and Social Inclusion. The project entailed using data to help communities identify areas of concern, such as early childhood learning, and implementing and monitoring an action plan to deliver improvements.

- Implemented strategies to improve Aboriginal community safety as part of COAG's indigenous reform agenda.
- Supported the Attorney-General's Department to establish a pay-by-results trial of the Reboot Intensive Intervention program for young people.

Priority 3 - An affordable place to live

- Implemented monthly direct debit payment arrangements for vehicle registrations which were popular with consumers. Over 30,000 vehicles were enrolled under this simpler payment option in 2014-15, which helps customers manage their payments. Providing options for online transactions aligns with the Premier's commitment to government being 'Digital by Default'.
- Impacts on housing affordability were identified through consultation with industry peak bodies including the Housing Industry Association and Urban Development Institute Australia. This work will inform potential reforms in the housing industry, in the areas of trade apprentice licensing, prequalification and procurement.
- Launched two online self-assessment tools, which allow customers to check their eligibility for housing services, including community and public housing, as well as bond and rent assistance.

Priority 4 - Every chance for every child

- Engaged with government, business and the community to co-design solutions to increase the availability of healthy children's menus in restaurants, cafes, hotels and clubs.
- As part of the COAG agenda, implemented the National Disability Insurance Scheme trial for children aged 0 – 14, and worked to improve Aboriginal children's school attendance.

Priority 5 - Growing advanced manufacturing

- The Connecting with Business program continued to assist manufacturers in identifying opportunities to supply to state government.
- Opportunities for South Australian manufacturers will arise from DPC's push on a recommendation to lift the industry participation weighting attached to tenders above \$1 million in regional areas and \$4 million in metropolitan Adelaide, in key sectors of the economy.

DPC's achievements for *Priority 6: Realising the benefits of the mining boom for all South Australians* and *Priority 7: Premium food and wine from our clean environment* were described under the 10 Economic Priorities section.

A Modern Public Service

DPC is responsible for delivering the government's Modern Public Service policy – driving the state government to be more productive, open, collaborative, responsive and innovative. A Modern Public Service is centred on a strong culture of service excellence and productive working relationships with communities and business.

Key achievements include:

- Launched the Government Social Media Directory available online via <http://www.sa.gov.au/directories/socialmedia>
- Created a global government directory and organisational chart through <http://www.sa.gov.au>
- Introduced GovChat, where government decision makers discuss topics with members of the public. The first GovChat involved the Department of Transport, Planning and Infrastructure and covered a range of public transport issues. The second was on the topic of justice issues and involved the Attorney-General's Department. View the GovChat website via <http://yoursay.sa.gov.au/initiatives/govchat>
- In line with the commitment to proactive disclosure, DPC launched [SA Performs](#) to enable citizens to view government performance indicators from a single location. A multimedia website and social media presence was also established to promote [South Australia's 10 Economic Priorities](#) and progress towards their achievement.
- The Jobs4Youth SA Program for 2014 recruited a total of 188 trainees into the public sector. Of the trainees recruited, 54 were from an Aboriginal and/or Torres Strait Islander background and six had declared disabilities.
- A traineeship program affords entry level opportunities for up to 69 trainees per year in the offices of Members of the South Australian Parliament. In 2014-15 there were 51 commencements.
- Delivered 17 [90-day change projects](#) reforming service delivery, process improvement, productivity, economic development and community capacity and welfare. These typically involved the public sector, business and community members, government, industry and NGOs who partner to address issues of mutual concern and benefit. As an example, one project:
 - Investigated the needs and aspirations of Aboriginal employees for achieving practicable and sustainable career pathways within the public sector.
 - Considered what might be needed to deliver and maintain a whole of public sector collaborative approach to enable this to occur.
 - Examined strategies to increase the participation of Aboriginal people in the South Australian public sector.
- Launched [Fund My Community](#) to provide up to \$1 million through competitive, one-off grants to not-for-profit organisations to deliver projects or services that address disadvantage.
- Continued [Citizens' Juries](#), where a representative sample of the community deliberates on a topical issue and provides recommendations to government. The Cycling Jury presented its recommendations on the Sharing the road safely report, and a Citizens' Jury on dog and cat management commenced.
- The [YourSAy](#) website continued to give South Australians the opportunity to have their say on a range of issues.
- Coordinated the reform of government's boards and committees – including advising on the *Statutes Amendment (Boards and Committees-Abolition and Reform) Act 2015*. This abolished 103 boards, merged 17 boards, reformed 62 boards and reclassified 120 boards as no longer being considered a government board or committee.

The reforms will make government more accessible and efficient by improving and expanding business, industry and community engagement.

- Provided Learn and Lead training to support the government's commitment to high-quality engagement processes within the public sector. Regional training was held in Port Lincoln, Clare, Mount Gambier and Berri with a total of 129 attendees. The 11 sessions in metropolitan Adelaide had a total of 326 attendees.
- In celebration of the Centenary of Anzac, the government increased the Anzac Day Commemoration Fund to \$350 000 per annum for 2015-18. In 2014-15 DPC supported the Anzac Day Commemoration Council grants process, which provided grants totalling \$330 525 to 59 organisations.
- Customer satisfaction with Service SA has grown from 84% in 2013-14 to 96% in 2014-15 (KPI 85%).
- Customer satisfaction with Service SA wait times has risen from 77% in 2013-14 to 80% in 2014-15 with average wait times of 13 minutes in Customer Service Centres and six minutes in the Contact Centre.
- Ran a Federal Cuts Hurt Communications Campaign aimed to educate and inform the community about the problems arising from Federal Budget cuts and describing possible solutions.
- Worked with the Commonwealth Government to identify and determine 11 key sites to improve mobile telecommunications services in regional and remote areas, including six sites in the Anangu Pitjantjatjara Yankunytjatjara (APY) Lands.
- Through the South Australian National Broadband Network (NBN) Taskforce, coordinated government engagement with the national NBN provider to facilitate implementation and the delivery of government services to communities.

DPC led efficiency across the public sector including:

- Standardisation of email addresses across government to simplify access and unify all government agencies as 'one government'.
- Launched a shared platform to enable agencies to build and operate agency specific intranet sites without managing the underlying infrastructure.
- Completed across-government ICT procurements that will deliver an estimated cost reduction of \$46.1 million over the next five years. This is in addition to the \$234.3 million in actual savings already achieved since 2007 through strategic ICT sourcing.
- Launched the new Government of South Australia vacancies website [Jobs SA](#).
- Commenced implementation of self-service technology in Service SA Customer Service Centres.
- Upgraded the Internet gateway infrastructure to significantly reduce operational support costs and began an initiative to implement cloud-based computing services into StateNet.
- Transitioned five agencies to a Common Vendor Masterfile to improve the maintenance of vendor information in relation to Accounts Receivable and Accounts Payable.
- 71% of Shared Services SA customers stated an overall satisfaction with service while 67% of Shared Services SA agency clients stated an overall satisfaction with service.
- Through the Public Sector Aboriginal Employment Cluster, promoted a coordinated and consistent approach to employment and training across the public sector to support agencies to achieve their existing Aboriginal employment and up-skilling targets.

- Held an Aboriginal Career Pathways Forum to seek direct input about what could be changed or implemented by individuals, their managers, their agency and the sector more broadly.
- Negotiated major enterprise agreements for the South Australian Public Sector Wages Parity (Salaried).
- Updated the whole of government injury management database and resources to align with the new *Return to Work Act 2014* commencing on 1 July 2015.
- Developed the new Building Safety Excellence in the Public Sector 2015-20 Strategy, to replace the Safety and Wellbeing in the Public Sector 2010-15 strategy which expired on 30 June 2015.
- Streamlined Cabinet processes to reduce red tape and support more efficient strategic decision making.
- Supported the government's engagement with the communities of the Adelaide Hills, West Coast and Mid-North through coordination, engagement and reporting for Country Cabinets.
- Facilitated with the Department of Communities and Social Inclusion Screening Unit to develop a whole of government policy to ensure the portability and three-year validity of screening and background checks.
- Provided a high level of ICT connectivity, continuity and availability for the citizens of South Australia and worked with agencies to enhance the resilience and security of ICT systems. This recognises that trust and confidence is fundamental to the success of delivering government services in a digital environment.

Reporting for Entities Supported by the Department of the Premier and Cabinet

Competition Commissioner - Competitive Neutrality Complaints

The following information is provided in accordance with the requirement in section 21 of the *Government Business Enterprises (Competition) Act 1996* (the Act) for the DPC Chief Executive to report annually on investigations carried out under this Act.

The Competitive Neutrality Complaints Secretariat, situated within Cabinet Office, received one complaint during 2014-15 in relation to the provision of relevant history assessments under the *Disability Services Act 1993* (DS Act).

It was determined that operating the Department for Community and Social Inclusion (DCSI) Screening Unit for the purposes of providing relevant history assessments under the DS Act, or DCSI's Chief Executive not declaring any person or body other than the DCSI Screening Unit as an 'authorised screening unit' for the purposes of the DS Act, does not infringe the principles of competitive neutrality referred to in the *Government Business Enterprises (Competition) Act 1996*. While the DCSI Screening Unit produces services for sale in the market and charges users for those services, the activity of providing relevant history assessments under the DS Act could not reasonably be described as having a commercial or profit making focus, rather the focus is on achieving a public policy outcome.

As such there were no complaints that required assignment to a Competition Commissioner.

There are currently no Competition Commissioners appointed by the Governor under section 5 of the Act. The appointment of the previous Commissioners, Professor Jennifer McKay and Ms Barbara Rajkowska expired on 26 June 2014.

Summaries of previous complaints referred to a Competition Commissioner for review and additional information on competitive neutrality implementation in government business activities are available on the DPC website via <http://dpc.sa.gov.au/national-competition-policy>

Reconciliation

DPC’s Reconciliation Committee has updated the department’s Reconciliation Action Plan to reflect the Machinery of Government changes effective from 1 July 2014. Several strategies and actions have either been removed or redefined to reflect DPC’s direction and capacity, and the plan is almost finalised. The plan will run for three years from 2015-18 and will be reviewed annually with a major review at the end of the term.

The committee hosted a successful Reconciliation Week event for DPC and the Department of the Treasury and Finance, which included a bush food barbecue in Tarntanyangga (Victoria Square) and a guided cultural tour walk along the River Torrens.

Disability Access and Inclusion Plan

A review of the Disability Access and Inclusion Plan (DAIP) 2014-19 was commenced to reflect organisational structure and reporting changes. Achievements for 2014-15 include:

- The new Jobs SA website is compliant with Web Content Accessibility Guidelines 2.0 (WCAG 2.0) and the accessibility of the Jobs4YouthSA online recruitment was improved.
- Requirements of people with a disability were flagged for the State Emergency Management Committee, following the Sampson Flat bushfires.
- Supported the implementation of the second year of a three-year trial of the National Disability Insurance Scheme, focused on children from birth to five years of age.

Whistleblowers Protection Act 1993

DPC has appointed four responsible officers for the purposes of the *Whistleblowers Protection Act 1993* pursuant to Section 7 of *the Public Sector Act 2009*. There were no instances of disclosure of public interest information for DPC during the 2014-15 financial year.

Public Complaints

In response to the Ombudsman’s audit and report on state government agencies’ complaint handling, the department developed a [Circular on Complaint Management in the South Australian Public Sector](#), and drafted an internal complaint and feedback policy and procedure.

The table below shows the formal complaints received by DPC during 2014-15.

Complaints by subject category	Number
Service quality/delivery	34
Behaviour of staff	59
Service access/processes/procedures	178
Other complaints	7
Total complaints	278

Of these, 94.9% were received and resolved by Service SA and the following improvements were made in response:

- Five new online transactions were implemented, enabling customers to transact via the more convenient and preferred online channel, while assisting in reducing pressure on queue wait times.
- Various forms and customer processes were improved to streamline transactions and improve customer experience.
- Commenced the rollout of self-service terminals in Service SA Customer Service Centres to enable customers to complete transactions without needing to enter the queue.
- Completed a range of facility improvements in Customer Service Centres.
- Led the development of an online mechanism for citizens to provide feedback and complaints to government. A feedback and complaint section was added to all agency web pages accessed via www.sa.gov.au.

The department's commitment to improving service delivery in 2015-16 will include:

- Providing more transactions online to improve customer experience and grow online take-up.
- Continuing to improve Service SA Customer Service Centre facilities.
- Implementing a Customer Service Solution tool across Shared Services SA to streamline the collection and resolution of customer feedback and complaints.
- Providing training and support to staff as the department's complaint and feedback policy and procedure are implemented.

Sustainability

DPC continues to plan to reduce its office accommodation footprint resulting in reducing its energy usage. DPC's office accommodation planning, aims to further reduce its footprint by 3,585.3 m² and therefore reducing its energy consumption of lighting and air-conditioning. Where possible, the accommodation planning includes transforming closed office accommodation into open office environments (activity based workstations) and returning lighting controls back to base building systems. Meeting rooms and quiet rooms will be sensor controlled. The cooling tower replacement project at the Glenside Hosting Facility also contributes to the reduction in energy consumption.

DPC continues to develop online initiatives to encourage more online transactions and remove the need for paper based transactions by:

- Our Digital Workplace Strategy
- Office 365 implementation project
- Our Development Learning and Development System
- Service SA's Online Program (bulk registration renewal, online demerit point check, licence history report, nominate common expiry date and obtain registration certificate)
- Services SA's implementation of self-serve kiosks in Customer Service Centres
- Upgrading DPC's electronic document records management system (Objective) to maximise its electronic document management capabilities
- eProjects Panel – Online portal solution for agencies to assess ICT suppliers and services.

Our People

Workforce statistics

Detailed information for DPC's workforce for each year is in the South Australian Public Sector Workforce Information report, available on the [Office for the Public Sector](#) website.

Total number of Employees		
Persons	1684	
FTEs	1570.1	<i>(FTEs shown to 1 decimal place)</i>

Gender	% Persons	% FTES
Male	37.1%	39%
Female	62.9%	61%

Number of Persons During the 2014-15 Financial Year	
Separated from the agency	236
Recruited to the agency	162

Executives by Gender, Classification and Status

Classification	Ongoing		Term Tenured		Term Untenured		Total				
	Male	Female	Male	Female	Male	Female	Male	%	Female	%	Total
EXE0F	0	0	0	0	1	0	1	2.3	0	0	1
SAES1	1	0	0	0	18	10	19	45.2	10	23.8	29
SAES2	0	0	0	0	5	7	5	11.9	7	16.6	12
Total	1	0	0	0	24	17	25	59.4	17	40.4	42

Average Days Leave per Full-time Equivalent Employee

Leave Type	2011-12	2012-13	2013-14	2014-15
Sick Leave	5.3	8.0	8.0	7.74
Family Carers' Leave	0.6	1.0	0.9	0.92
Miscellaneous Special Leave	0.4	0.8	0.5	0.44
Total	6.3	9.8	9.4	9.08

Aboriginal and/or Torres Strait Islander Employees

Salary Bracket	Aboriginal Staff	Total Staff	% Aboriginal	Target* %
\$0 - \$56 199	13	556	2.3	2
\$56 200 - \$71 499	4	421	0.95	2
\$71 500 - \$91 499	3	383	0.78	2
\$91 500 - \$115 499	0	272	0	2
\$115 500+	0	52	0	2
TOTAL	20	1684	1.1	2%

* Target from South Australia's Strategic Plan – Target 53

Number of Employees by Age Bracket by Gender

Age Bracket	Male	Female	Total	% of Total	2014 Workforce Benchmark* %
15-19	0	0	0	0	5.5
20-24	19	35	54	3.2	9.7
25-29	39	105	144	8.5	11.2
30-34	88	129	217	12.88	10.7
35-39	87	153	240	14.25	9.6
40-44	83	150	233	13.83	11.4
45-49	79	138	217	12.88	11.1
50-54	75	122	197	11.69	11.4
55-59	77	116	193	11.46	9.1
60-64	60	87	147	8.72	6.7
65+	17	25	42	2.49	3.6
TOTAL	624	1060	1684	100%	100%

*Source: Australian Bureau of Statistics Australian Demographic Statistics, 6291.0.55.001 Labour Force Status (ST LM8) by sex, age, state, marital status – employed – total from Feb78 Supertable, South Australia at November 2013.

Number of Employees with Disabilities (according to Commonwealth Disability Discrimination Act Definition)

Male	Female	Total	% of Agency
8	27	35	2.0

Types of Disability (where specified)

Disability	Male	Female	Total	% of Agency
Disability requiring workplace adaptation	8	27	35	2.0
Physical	3	10	13	0.7
Intellectual	0	0	0	0
Sensory	2	3	5	0.2
Psychological/Psychiatric	0	1	1	0.05

Documented Review of Individual Performance Management

Employees with ...	% Total Workforce
A review within the past 12 months	67.5
A review older than 12 months	17.3
No review	15.2

Leadership and Management Training Expenditure

Training and Development	Total Cost \$	% of Total Salary Expenditure*
Total training and development expenditure	2 124 234	1.45
Total leadership and management development expenditure	280 670	0.19

Employment Opportunity Programs**Jobs4YouthSA Program**

The department recognises the requirement to increase diversity and address the ageing workforce through Employment Opportunity programs. One of these is the Jobs4Youth Program. During 2014, the program has seen 18 trainees successfully recruited within the department, and recruitment for the 2015 program is well underway.

Disability Employment Pool

DPC established a Disability Employment Pool with appropriate vacancies referred to the pool. Disability Works Australia was engaged to screen potential candidates and established a pool of five people to be given priority consideration for short term placements over a period of 12 months. One of the original members found full time employment elsewhere, a second completed two placements and a third was engaged on a 12 month contract.

Additionally, two trainees who have a declared disability (one with a physical disability; one with a mental health disability) were employed through the Jobs4YouthSA Program.

Aboriginal Employment Plan

DPC has updated and harmonised the Aboriginal Employment Plan (AEP) to incorporate activities for the Department of Treasury and Finance (DTF) to whom DPC provides human resource services under a Service Level Agreement.

The AEP is based on the SASP Target 53 which aims to increase Aboriginal employment within the department to 2% of the total workforce.

Strong networks have been formed with the major universities to develop employment pathways for new and previous graduates. The Jobs4YouthSA Program has attracted quality candidates and many trainees placed earlier in the year have been offered ongoing contracts.

Vacancies have been advertised through the Aboriginal Employment Register and circulated through their Aboriginal Employment Network. Vacancies have also been advertised through the Turkindi network and several Aboriginal specific employment programs, to increase the coverage to the community.

Work Health Safety and Injury Management

Work Health and Safety (WHS) Prosecutions, Notices and Corrective Action Taken

Number of notifiable incidents pursuant to WHS Act Part 3	0
Number of notices served pursuant to WHS Act Section 90, Section 191 and Section 195 (Provisional improvement, improvement and prohibition notices)	0
Number of prosecutions pursuant to WHS Act Part 2 Division 5	0
Number of enforceable undertakings pursuant to WHS Act Part 11	0

There were no notifiable incidents that occurred during the reporting period which is a reduction from six in the previous year.

Agency Gross¹ Workers Compensation Expenditure for 2014-15 compared with 2013-14²

Expenditure	2014 - 15 \$	2013 - 14 \$	Variation \$ + (-)	% change + (-)
Hospital	1 358	8 635	(7 277)	(84.27)
Income maintenance	273 999	231 588	42 411	18.31
Investigation	3 273	22 911	(19 638)	(85.71)
Legal expenses	103 031	96 493	6 537	6.77
Lump Sum s43	15 185	28 144	(12 959)	(53.95)
Lump Sum s42	125 931	75 110	50 821	59.64
Other	13 115	10 880	2 235	20.54
Registered medical	197 956	186 872	11 084	5.93
Rehabilitation	1 537	5 212	(3 676)	(70.52)
Travel	5 599	3 005	2 594	86.30
Total claim expenditure	\$740 985	\$668 852³	72 134	10.78%

¹ Before third party recovery

² Information available from the Self Insurance Management System

³ Final total established 30 June 2015 for previous financial year

Decreases have occurred in three expenditure categories during 2014-15. The department has experienced a 37.5% reduction in the number of new claims submitted for mental health disorders which continue to be the agency's highest risk for days lost and total cost.

The decrease in mental health claims has positively affected other areas of claim expenditure such as a significant decrease (85.71%) in investigations expense for the reporting period. A further improvement was an 84.27% decrease in hospital expenses. Overall, the department has seen a 10.78% increase in workers compensation expenditure for the 2014-15 year when compared to 2013-14. The increase in overall expenditure is largely attributed to increases in lump sum and income maintenance payments.

The Safety and Wellbeing in the Public Sector (SWIPS) strategy measures the department's progress towards 'final targets' which are a 25% reduction of base targets measured in 2009-10. SWIPS is a five-year strategy with DPC's performance against final targets being measured in this reporting period (as of 30 June 2015). At the conclusion of the strategy, DPC achieved favourable results for eight targets.

DPC's number of new claims has remained constant when compared to 2013-14. Overall, DPC achieved a positive result against the 'new workplace injury claims' final target.

DPC has also exceeded final targets for new claims being assessed for early rehabilitation and intervention. Determination of claims within target timeframes (10 business days) continued to be an area for improvement. In many cases, independent medical advice or further investigation were required before a considered determination could be made.

A full review of the department's WHS policy documentation was undertaken and a new Work Health and Safety Consultative Committee was formed. This ensures DPC employees have a genuine opportunity to participate in the effective planning and maintenance of a safe and healthy work environment and that information related to WHS&IM matters are appropriately communicated through a formal consultative framework.

Financial Overview – 2014-15

This section provides a summary of the department's actual results compared with the department's final revised budget for the 2014-15 financial year. A full suite of the department's financial statements for 2014-15 is presented later in this report.

Statement of Comprehensive Income \$000s

	2014-15 Budget \$000s	2014-15 Actual \$000s	Variation \$000s	2013-14 Actual \$000s
Expenses	306 051	297 972	8 079	481 614
Revenues	212 838	205 802	(7 036)	240 594
Net cost of providing services	93 213	92 170	1 043	241 020
Net Revenue from SA Government	87 318	87 938	620	257 432
Net result	(5 895)	(4 232)	1 663	16 412
Changes in Asset Revaluation Reserve	—	—	—	5 460
Total Comprehensive Result	(5 895)	(4 232)	1 663	21 872

The department's net loss of \$4.232 million reflects the return of proceeds from the sale of the former Agent-General's residence to the consolidated account. This result is \$1.663 million favourable, when compared with the 2014-15 budget, mainly due to delayed expenditure in 2014-15 that will be carried over into future years.

Revenue and expenditure is significantly lower in 2014-15 when compared with 2013-14 due to various machinery of Government changes effective from 1 July 2014.

Statement of Financial Position

	2014-15 Budget \$000s	2014-15 Actual \$000s	Variation \$000s	2013-14 Actual \$000s
Current assets	85 814	81 731	(4 083)	96 435
Non-current assets	50 529	38 079	(12 450)	216 282
Total assets	136 343	119 810	(16 533)	312 717
Current liabilities	45 405	35 868	9 537	45 281
Non-current liabilities	34 959	32 633	2 326	41 294
Total liabilities	80 364	68 501	11 863	86 575
Net assets	55 979	51 309	(4 670)	226 142
Equity	(55 979)	(51 309)	(4 670)	(226 142)

Various machinery of Government changes, effective from 1 July 2014, have resulted in a significant reduction to the department's net assets.

Accounts Payable

All agencies are required to report monthly on the number and value of creditors' accounts paid and the extent to which the accounts have been paid in accordance with Treasurer's Instruction 11. This instruction requires all undisputed accounts to be paid within 30 days of the receipt of the invoice or claim unless a specific due date applies.

The following table reports the department's payment performance for 2014-15.

Account payment performance 2014-15

Particulars	Number of Accounts Paid	Percentage of Accounts Paid (by number)	Value in \$A of Accounts Paid	Percentage of Accounts Paid (by value)
Paid by due date	27 661	97.91%	213 013 207	97.40%
Paid late but paid within 30 days of due date	428	1.52%	5 221 255	2.39%
Paid more than 30 days from due date	161	0.57%	463 924	0.21%
Total accounts paid	28 250	100.00%	218 698 386	100.00%

The table above shows that the department was able to pay 97.91% of all invoices within 30 days of the receipt of the invoice. The remaining 2.09% of invoices reflects both disputed accounts and late payment of undisputed accounts. The acceptable best practice benchmark is to pay 90% of accounts within 30 days.

Fraud

The department is committed to maintaining a working environment free of fraud and corrupt behaviour. A formal policy is in place documenting the process to be followed in the event that fraud or corruption is suspected or detected. DPC offers protection to genuine whistleblowers to enable disclosure of illegal activities or corruption to be made.

One instance of suspected fraud by an employee of a contractor was identified resulting in an investigation by the contractor, dismissal of the employee and the refund of monies to the department. The sum involved was not material. No other incidences of actual, suspected or alleged fraud were reported during 2014-15.

Appendices

- 1. Legislation and Boards and Committees administered by DPC**
- 2. Consultants**
- 3. Whole of Government Advertising**
- 4. Diplomatic Visits**
- 5. Further information**

Appendix 1 – Legislation and Boards and Committees Administered by DPC

Legislation

Premier

Agent-General Act 1901

ANZAC Day Commemoration Act 2005

Competition Policy Reform (South Australia) Act 1996

Constitution Act 1934

Emergency Management Act 2004

Fees Regulation Act 1927

Government Business Enterprises (Competition) Act 1996

Mutual Recognition (South Australia) Act 1993

Remuneration Act 1990

Trans-Tasman Mutual Recognition (South Australia) Act 1999

Unauthorised Documents Act 1916

Year 2000 Information Disclosure Act 1999

Attorney General

State Records Act 1997

Minister for the Public Sector

Freedom of Information Act 1991

Public Sector (Honesty and Accountability) Act 1995

Public Sector Act 2009

Minister for Small Business

Building and Construction Industry Security of Payment Act 2009

Minister for Small Business Retail and Commercial Leases Act 1995

Minister for Small Business Small Business Commissioner Act 2011

Boards and Committees

In 2014-15 DPC provided support to the following boards and committees:

- ANZAC Day Commemoration Council
- Capital City Committee
- Community Engagement Board*
- Playford Memorial Trust Inc**
- Privacy Committee of South Australia
- Public Sector Grievance Review Commission
- Remuneration Tribunal
- South Australia's Strategic Plan Audit Committee*
- State Emergency Management Committee**
- State Records Council
- Information and Communication Technology (ICT) Board

*Until 30 October 2014

** As at 30 October 2014 Cabinet determined these were not government boards, although DPC continued to support them as entities

Appendix 2 – Consultants

Consultant	Purpose of Consultancy
Value below \$10 000	
Various	Various
Subtotal: 15 consultants Value: \$80 438	
Value above \$10 000	
ABFA Pty Ltd	Provide an expert examination and documentation of the funding and costing model for Service SA.
Adelaide Research & Innovation	Undertake an analysis of the impacts on South Australia arising from the 2014-15 Federal Budget. Analysis included the impacts on specific groups of South Australians (including those on low incomes, students, aged pensioners, families, and those most reliant on social safety net services) and the potential broader impacts on the health and wellbeing of South Australians and the state economy, including workforce participation and employment.
Angela Allison	Review of the potential for the integration of the State Library and State Records functions.
Deloitte Touche Tohmatsu	Assessment of the current cyber threat monitoring and incident response capabilities across government and guidance on recommended future strategies to manage the cyber threats appropriately.
Deloitte Touche Tohmatsu	Development of the South Australia Digital Landscape Report.
Deloitte Touche Tohmatsu	Implementation of the CHRIS 21 Human Resource Management System into Payroll Services and the transition from the existing CHRIS 5 payroll system.
Di Ubaldo & Co	SA Health voice network due diligence review.
Di Ubaldo & Co	To create a framework for ICT Asset Management and complete a stocktake of current assets.
Econsearch Pty Ltd	Update the data and industry aggregations within the Regional Industry Structure and Employment input-output model for 2013-14.
Essential Media Communications	Whole of Government Communications Planning.
FK Consulting	Innovation in Community Engagement for the Democracy Reform Project.
Flow Connect	ICT Data profiling exercise, engaged to provide services around setting up the survey tool and providing expert services.
Independent Economic	Economic impact of possible departures from Horizontal Fiscal Equalisation.
ISG Info Services	Deliver a report based on the findings of the ICT Data profiling exercise.
JWS Research Pty Ltd	Provision of market research services for matters relating to Intergovernmental Relations, including National taxation matters, Horizontal Fiscal Equalisation, matters relating to the Australian Federation and other omnibus issues.
Kloud Solutions	Develop a strategy and governance framework for the management of the Office 365 platform.
KPMG	Development and provision of the Digital Strategy Toolkit.
Mercer	Work value determination and remuneration arrangement review of Chief Executives.
Microsoft	Develop the technical and planning framework for the enablement of Microsoft Yammer, a networking tool that allows for groups to communicate and collaborate privately and effectively online. The work will help to roadmap the next steps and future view for this across-government cloud policy.

NOUS	Benchmark whole of government human resources functions and models across the sector.
PriceWaterhouse	South East Asia Engagement Strategy Development. The scope of work included an assessment of the opportunity to engage more broadly and deeply with the region across all sectors of the community including the government, business and other stakeholders.
PriceWaterhouse	Tax advice regarding the implications of advance payments resulting from the alignment of pay cycles for the CHRIS 21 Project.
Public Sector Solutions	Review of procurement savings and the Service SA service delivery model, completion of the Late Night Code of Practice and General Code of Practice.
Rennick & Associates Pty Ltd.	Advanced automotive manufacture in Australia final report.
Saventier GmbH	The development of a strategy to utilise sport and major events as a vehicle to promote the state in target international markets.
Square Holes	Focus groups on SA's digital capacity.
Systems Solution Engineering	Pilot a proposal to receive Media Monitoring communications signals external to Terrace Towers.
Taylor Fry Pty Ltd	Actuarial review of outstanding claim provisions for SA Crown Self Insured Agencies Workers Compensation Claims.
UXC Consulting	Strategy paper for the assessment and implementation of the Central Voice Network under the new Network Management Services contract.
Subtotal: 29 consultants Value: \$1 565 938	
Total: 44 consultants Value: \$1 646 376	

Appendix 3 – Whole of Government Advertising

Categories of Government Advertising

Advertising conducted by the Government of South Australia encompasses a diverse range of activities and objectives. These include, but are not limited to:

- promoting behavioural change for social good – for example: road-safety, environment, sustainability and conservation
- providing information regarding government services and policies – public transport changes, service locations and facilities
- recruiting staff – regular recruitment advertising or special campaigns
- increasing enrolments and participation in education – school open days and TAFE enrolments
- raising awareness of health issues – vaccination awareness and smoking cessation
- providing information regarding changes to legislation – consumer rights, law amendments
- driving retail sales – tourism, events and festivals
- encouraging investment in the state – interstate business awareness and migration.

The Government of South Australia proactively manages and provides oversight of advertising activity through a range of policies, guidelines and processes administered by Government Communications Advice and DPC, overseen by the Premier's Communications Advisory Group.

Expenditure on Government Advertising

The Marketing Communications Guidelines, updated in March 2015, outline the principles to be followed by all government agencies undertaking advertising communications.

The 2010-11 State Budget included a reduction in expenditure on government advertising of \$18 million over four years, to the end of 2013-14.

The 2013-14 Mid-Year Budget Review committed to a further reduction in government advertising expenditure of 10% per annum over four years from 2014-15. This represents a total saving of \$12 million over four years or \$3 million per year.

These reductions have been realised by way of a shared annual reduction of expenditure authority to agencies, representing total savings of \$21 million since 2010-11, as at 30 June 2015.

There has been a range of initiatives which have had considerable success in reducing and constraining expenditure on advertising. In March 2010, a suspension of many forms of government advertising led to the introduction of clear, more restrictive, guidelines.

Savings resulting from these guidelines and reductions in expenditure by individual agencies total \$11.3 million since 2010-11, as at 30 June 2015.

An increase in advertising expenditure was anticipated in 2014-15, given the reinstatement of priority initiatives, such as the SA Health Smoking Cessation campaign. However, media advertising expenditure in 2014-15 totalled \$25.7 million, a reduction of \$0.6 million compared to the previous year.

Government agencies have been able to uphold their responsibility to communicate important information to the community while continuing to contain advertising expenditure.

During 2014-15 DPC maintained Master Media Agency (MMA) contracts with two media companies for the provision of media planning and booking services. All South Australian government agencies are required to use the MMA system.

The following table indicates expenditure on advertising by Government of South Australia agencies via the MMA contracts during 2014-15.

Government Agency	Total media spend \$ (exc. GST)
Adelaide Cemeteries Authority	162 979
Adelaide Festival Centre Trust	1 217 157
Adelaide Festival Corporation	434 125
Adelaide Shores	10 426
Attorney General's Department (including Public Trustee, SafeWork SA)	186 282
Auditor General's Department	6 866
AusTraining International/Scope Global	62 805
Country Arts SA	1 753
Country Fire Service	488 416
Courts Administration Authority	17 967
Defence SA	132 190
Department for Communities and Social Inclusion	286 085
Department for Correctional Services	58 824
Department for Education and Child Development	723 729
Department of Environment, Water and Natural Resources	479 115
Department of Planning, Transport and Infrastructure	1 205 399
Department of the Premier and Cabinet	698 223
Department of Primary Industries and Regions SA	249 035
Department of State Development	299 938
Department of State Development, Arts (inc Art Gallery of SA, History SA, SA Museum, State Library of SA, Public Library Services)	551 146
Department of Treasury and Finance	239 155
Electoral Commission of SA	653 577
Environmental Protection Authority	16 285
Essential Services Commission	2 471
Funds SA	1 185
HomeStart Finance	442 267
Independent Commissioner Against Corruption	4 031
Legal Services Commission	26 499
Motor Accident Commission	4 174 898
Nuclear Fuel Royal Commission	14 531
Parliament House	51 793
Renewal SA	987 448
South Australian Fire and Emergency Services Commission	465 562
SA Health	2 978 534
SA Motor Sport Board	819 848
South Australia Police	25 728
South Australian Tourism Commission	6 016 410
SA Water	136 792

SACE Board of South Australia	9 084
State Opera of South Australia	174 487
State Theatre Company	211 238
TAFE SA	902 787
Windmill Performing Arts	3 749
WorkCover Corporation	7 002
ZeroWaste SA	29 369
TOTAL	25 667 190

Notes

- Gross media expenditure (ex GST) reported by the MMAs under the contracts which DPC manage.
- Expenditure does not include creative, production, research and other related costs, which were incurred by the individual government agency during the preparation of advertising materials.

Top 10 Government Advertising Campaigns by Media Spend

The following table details the top 10 advertising campaigns, by expenditure, for 2014-15.

Agency	Title of campaign	Objective of campaign	Media spend \$ (exc GST)
SA Tourism Commission	Interstate Domestic (Barossa. Be Consumed.)	<ul style="list-style-type: none"> • Contribute to the SATC long-term objective to increase visitor expenditure in South Australia's total tourism industry to \$8 billion by 2020. • Leverage the brand equity of the Barossa region to add more 'layers' to the SA tourism destination brand, and provide another reason to visit South Australia. • Position South Australia generally as a key culinary tourism destination, with Barossa as our 'hero' region, whilst also promoting other food and wine regions, products and experiences. • Increase the number of domestic consumers that associate SA with good food and wine. • Increase consideration of the Barossa (and thereby SA) by the domestic audience. • Increase traffic to digital platforms, and conversion through retail partners. 	3 155 659
Drug and Alcohol Services SA (SA Health)	Smoking Cessation	<ul style="list-style-type: none"> • To contribute to a reduction in smoking prevalence in South Australia. • To encourage smokers to reflect on their own smoking behaviours and persuade them to make a quit attempt. • To inform smokers about the serious impact that tobacco has on their health and the health of others. • To encourage non-smokers and recent quitters to remain non-smokers. • To prompt smokers to call the Quitline on 13 7848 for information, support and advice, or talk to their GP, pharmacist or health professional. 	1 319 562

Agency	Title of campaign	Objective of campaign	Media spend \$ (exc GST)
SA Tourism Commission	Tour Down Under	<ul style="list-style-type: none"> • Reach or exceed 2014 visitation numbers of domestic (non SA) and international visitors. • Reach or exceed 2014 crowd attendance overall. • Reach or exceed 2014 Bupa Challenge Tour registrations. • Reach or exceed 2014 Legends' Night Dinner ticket sales. • Increase interstate awareness of the event amongst cycling enthusiasts with a view to encouraging conversion (visitation to SA with TDU as the trigger). 	920 411
SA Tourism Commission	Best Backyard	<ul style="list-style-type: none"> • Maintain growth in intrastate demand; get more South Australians travelling in their state more often: <ul style="list-style-type: none"> ○ Drive consideration and intention for a South Australian holiday ○ Taking an extended holiday within SA ○ Taking short breaks impulsively and more often ○ This includes day trips and overnight trips for all age groups. • In addition, make South Australians proud to live in South Australia by reminding them of all the great things they can do in their own state. 	842 771
Motor Accident Commission	Regional Drivers (Bromance)	<ul style="list-style-type: none"> • Contribute to a reduction in regional crash rates. • Reach or exceed campaign awareness benchmarks. • Give permission and encouragement amongst peers to intervene when observing poor driving decisions. • Decrease undesirable driving behaviour, particularly drink driving, seatbelts, speed. • Improve desired driving behaviour, particularly driving on or below the speed limit at all times, always wearing and encouraging passengers to wear seatbelts, planning ahead for the drinking occasion to avoid drink driving. 	744 472
SA Motor Sport Board	2015 Clipsal 500	<ul style="list-style-type: none"> • Promote the 2015 Clipsal 500 Adelaide and achieve economic benefit to the State. • Drive Clipsal 500 Adelaide attendance and promote to fans that there is nothing like experiencing the event live. • Increase fan engagement activities and reach before, during and post the event with all target markets. • Ensure sponsor appeal and increase sponsor recall. • Increase positive sentiment and direct ticket sales through digital platforms. • Provide platform to promote Pole Position. 	725 977

Agency	Title of campaign	Objective of campaign	Media spend \$ (exc GST)
Motor Accident Commission	Speed (Mistakes)	<ul style="list-style-type: none"> • Increase the proportion of target audience that drive on or below the legal speed limit all of the time from those who drive on or below the legal speed limit most of the time. • Aim to reduce self-reported speeding behaviour to below current levels, toward at least 42%. • Increase the proportion of target audience that drive on or below the speed limit most of the time from those who drive on or below the speed limit only sometimes or none of the time. • Prevent those that drive on or below the speed limit all of the time and most of the time from shifting backwards. • Reach or exceed awareness benchmarks. 	677 331
Motor Accident Commission	Drink Drive (Grow up)	<ul style="list-style-type: none"> • Reduce incidents of drink driving amongst core target of low to mid-level drink drivers. • Maintain the behaviour of reformed drink drivers. • Maintain 'not drink driving' as social norm. • Position drink driving as childish / irresponsible, triggering self-reflection by drink drivers. • Reach or exceed awareness benchmarks. 	628 085
Motor Accident Commission	Distraction (You can live without it)	<ul style="list-style-type: none"> • Continue to build awareness of the mobile phone issue in road safety. • Reduce incidents of people using the phone illegally in car. • Increase incidents of people adopting safer, alternative behaviours: <ul style="list-style-type: none"> ○ Pulling over to the side of the road and legally parking prior to using the phone. ○ Switching the phone to silent and/or ignoring the phone while driving. • Raise awareness of current fines/penalties. • Increase perception of enforcement. • Increase perception of crash risk. 	619 252
SA Health	Transforming Health	<ul style="list-style-type: none"> • To raise awareness and generate acceptance of why we need to transform the South Australian health system to ensure it is well positioned to deliver high-quality, affordable and sustainable care to all South Australians. • To build momentum for the transformation to come. • To provide direct avenues for the community, staff and interested parties to receive information. • To build credibility in the Transforming Health project with consistent, relevant, concise and timely information and messages to key target audiences. 	583 319

Notes

- Gross media expenditure (ex GST) reported by the MMA (brand advertising services) under the contract which DPC manages.
- The title of the campaign is the one used by the responsible government agency and may vary slightly compared to how it was known in the market.
- Expenditure does not include creative, production, research and other related costs, which were incurred by the individual government agency during the preparation of advertising materials.

Major Advertising Campaigns by DPC

The following table details the major advertising campaigns by DPC during 2014-15.

DPC Division	Title of campaign	Objective of campaign	Media spend \$
Strategic Engagement and Communications	Federal Budget Cuts Hurt	<ul style="list-style-type: none"> • Inform the South Australian public about the size and impact of the Federal Government funding cuts to South Australia and the consequential effect on services. • Inform the South Australian public about why the State Government is fighting the cuts and provide information on how the community can oppose the cuts. • Inform the South Australian public about the choices the State Government has as a result of the Federal Government cuts. 	549 213
Strategic Engagement and Communications	Fund My Idea	<ul style="list-style-type: none"> • To encourage entries to the Fund My Idea grant program, informing as many people as possible about the opportunity to submit an idea. • To promote and encourage the public to vote and influence the decision of each Fund My Idea grant program. • To drive traffic to the Fund My Idea website to participate in the program. • To promote the results of each grant program and the benefits of the funded projects. • To raise awareness of progress and completion of funded projects. 	44 617
Strategic Engagement and Communications	Economic Priorities	<ul style="list-style-type: none"> • Raise awareness about the South Australian Government's economic priorities and progress towards achieving them. 	11 700

Notes

- Gross media expenditure (ex GST) reported by the MMA (brand advertising services) under the contract which DPC manages.
- The title of the campaign is the one used by DPC and may vary slightly compared to how it was known in the market.
- Expenditure does not include creative, production, research and other related costs, which were incurred during the preparation of advertising materials.

Appendix 4 – Diplomatic Visits

Dates	Visitors
12-13 August	Official visit by the Consul-General of Japan, Ms Keido Haneda
9-11 September	Official visit by Mr Sunjay Sudhir, Consul-General for India
5-6 November	Official visit by His Excellency Mr Chris Seed, High Commissioner of New Zealand
16-17 February	Official visit by His Excellency Mr Burhan Gafoor, High Commissioner of Singapore
8-9 April	Official visit by His Excellency Mr Abdolhossein Vahaji, Ambassador of Iran
13-14 May	Official visit by His Excellency Mr Christophe Lecourtier, Ambassador of France
26-27 May	Official State visit by His Excellency LtGen the Right Hon Sir Jerry Mateparae, Governor-General of New Zealand and Her Excellency Lady Janine Mateparae

Appendix 5 – Whole of Government Workplace Safety Performance

Public Sector Audit and Verification System - AVS

The Office for the Public Sector manages the AVS; a program of independent, third party evaluation of the design, implementation and effectiveness of public sector safety and injury management systems. The AVS adopts a risk management, rather than compliance driven, approach to ensure that issues of material importance to each agency are examined at audit.

Details of Audit and Verification System (AVS) audits undertaken and summary ratings:

Audits were undertaken for six public sector agencies during 2014/15 – Department of Treasury and Finance, Royal District Nursing Service (Silverchain), Department for Correctional Services, Department for Communities and Social Inclusion, Primary Industries and Regions SA and South Australia Police. Separate audits of work health and safety (WHS) and injury management were undertaken where agencies deliver their own injury management services. A combined audit with WHS was undertaken where injury management services are provided through a service provider.

All agencies achieved a summative audit rating of FAIR or higher (from possible rating levels 'needs improvement', 'fair', 'good' and 'strong'). Three agencies achieved ratings of STRONG – DCSI and DCS for Injury Management and SAPOL for Work Health and Safety.

Monitoring of AVS corrective actions:

Audit findings are prioritised according to the urgency of required intervention. Corrective actions are agreed collaboratively between the auditor and the agency's executive management. This approach increases ownership by, and accountability of, agencies to facilitate real and measurable improvement outcomes. Corrective actions to address audit findings are monitored by OPS until closed out. Seventy-seven percent of actions due by 30 June 2015 were successfully closed out. The remainder require additional action prior to completion.

Details of corrective action close out for all agencies audited in the AVS program to date are provided below.

Agency	Corrective actions - total	Due by 30/6/15	Closed by 30/6/15	Open at 30/6/15	Past due date
Audited during 2013/14					
DPC Injury Management Services*	7	7	7	0	-
SAFECOM*	8	8	5	3	3
Country Fire Service	10	10	10	0	-
State Emergency Services	15	15	7	8	8
Metropolitan Fire Service	12	12	12	0	-
Department of State Development	15	15	15	0	-
Department of Education and Child Development**	15	15	11	4	4
Audited during 2014/15					
Department of Treasury and Finance	17	6	4	13	3
Royal District Nursing Service (Silverchain)**	22	15	8	14	8
Department for Correctional Services**	16	3	3	13	0
Department for Communities and Social Inclusion**	14	0	-	14	0
Primary Industries and Regions SA	13	2	1	12	0
South Australia Police**	18	0	-	18	0
TOTAL	182	108	83	99	26

*injury management audit only

** separate injury management and WHS audits

Workers Compensation Claims Expenditure

The total workers compensation claims expenditure for 2014-15 was \$123.7 million compared with \$107.1 million in 2013-14, an increase of \$16.6 million.

The majority of the increase in expenditure came from increased section 42 and section 43 payments.

The following table provides a breakdown of the whole of government workers compensation expenditure for 2013-14 and 2014-15.

Expenditure	2014-15 \$m	2013-14 \$m	Variation \$m + (-)	% Change + (-)
Income Maintenance	50.2	50.1	0.1	0.2%
Lump Sum Settlements – s42	22.5	15.2	7.3	48%
Lump Sum Settlements – s43	15.4	8.6	6.8	79.1%
Other (eg, medical treatment, rehabilitation and legal costs)	35.6	33.2	2.4	7.2%
Total claims expenditure	123.7	107.1	16.6	15.5%

Provision for Estimated Outstanding Liabilities

Public sector agencies are self-insured under the Return to Work Act 2014 and are liable for ongoing claims and associated costs. Independent actuaries have performed valuations of the workers compensation outstanding liability as at 30 June 2015 for all Crown self-insured agencies.

The outstanding liability is an estimate of the amount of money required to meet the future payments for claims that were incurred up to 30 June 2015. Workers compensation costs are budget funded within an agency's appropriation and accounted for in the forward estimates. The introduction of the Return to Work Act 2014 has seen the total workers compensation liability for the SA Public Sector fall from \$436.1 million for 2013-14 down to \$380.4 million for 2014-15.

A summary of the estimated outstanding liability for the past three years is as follows:

Date as at:	Liability Provision #	
	Gross (\$million)	Net* (\$million)
30-Jun-15	380.4	375.6
30-Jun-14	436.1	431.1
30-Jun-13	405.5	401.8

Includes figures from SA Water, Adelaide Festival Centre Trust and Minda Inc. which commissioned their own valuations.

* After 3rd party recoveries

Occupations with the Greatest Number of Claims

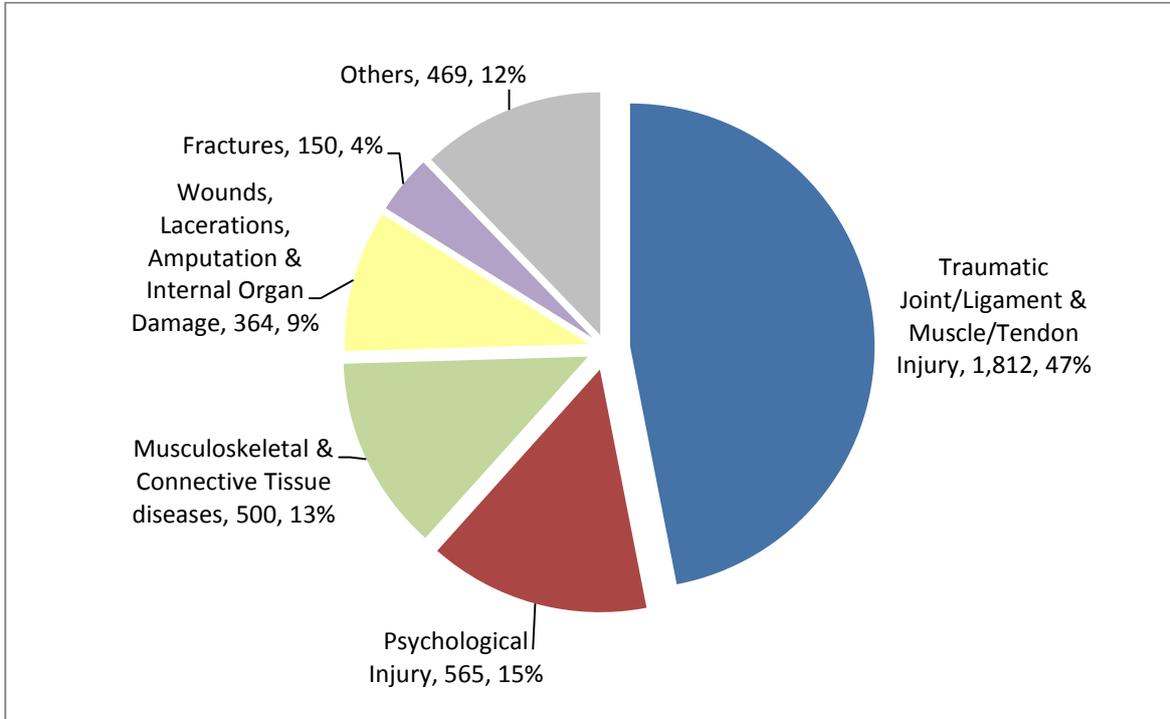
The occupation with the greatest number of claims in 2014-15 was Nursing, accounting for 14.7% of new claims. The next largest groups were Teachers at 11.8% followed by Police Officers at 7.5%. Ten occupations accounted for 68.1% of all new claims in 2014-15.

Occupation	2014-15		2013-14*	
	Claims	%	Claims	%
Nurse (Registered/enrolled)	566	14.7	734	17.6
Teacher (Primary/Secondary)	456	11.8	426	10.2
Police Officer	290	7.5	250	6.0
Ambulance Officer	227	5.9	198	4.8
Fire Fighter	213	5.5	178	4.3
Disabilities Services Officer	194	5.0	185	4.4
General Clerk	194	5.0	214	5.1
Teachers' Aide	175	4.5	175	4.2
Personal Care Assistant	122	3.2	127	3.1
Youth Worker	105	2.7	108	2.6
Others	1,318	34.1	1566	37.6
Total	3,860	100.0	4,161	100.0

* The number of claims reported for 2013-14 may have changed due to the constant updating of the source database.

Most Common Types of Injury

The figure below shows that traumatic joint, ligament muscle and tendon injuries were the most common injuries accounting for 47% of claims in 2014-15. The next most common were psychological injuries at 15%; musculoskeletal and connective tissue injuries at 11%; wounds, lacerations, amputations and internal organ damage at 9%; and fractures at 4%.



Appendix 6 – Further Information

The following information is no longer included in the annual report, and is available from other sources.

Accounts payment performance

The department's account payment performance report is now provided directly to the Department of Treasury and Finance, accessible via

http://www.treasury.sa.gov.au/_data/assets/pdf_file/0013/3550/Account-Payment-Performance-by-Agency.pdf

Energy efficiency

Information on the Department of the Premier and Cabinet's energy efficiency performance is included in the South Australian Government Annual Energy Efficiency Report which is provided to Cabinet each year.

The most recent report is available on the sa.gov.au website via

<https://www.sa.gov.au/topics/water-energy-and-environment/energy/government-energy-efficiency-initiatives>

All previous reports are on the Department of State Development website via

<http://www.statedevelopment.sa.gov.au/resources/energy-management-within-government-buildings>

Overseas travel

Information of overseas travel undertaken by the Chief Executive and staff is reported on the DPC website via <http://www.dpc.sa.gov.au/proactive-disclosure-government-information>

Office for the Public Sector

Further information about the Office for the Public Sector is outlined in the Commissioner for Public Sector Employment's State of the Sector Report and is available on the website via

<http://publicsector.sa.gov.au/>

South Australia's Strategic Plan

South Australia's Strategic Plan (SASP) sets the broad framework for state government agencies to coordinate and collaborate on key priority areas. Progress against all targets is reported on the SASP website via <http://saplan.org.au/targets>

DPC is the lead agency for the following five SASP targets:

- Target 32: Customer and client satisfaction with government services: Increase the satisfaction of South Australians with government services by 10% by 2014, maintaining or exceeding that level of satisfaction thereafter.
- Target 35: Economic growth: Exceed the average national economic growth rate over the period to 2020.
- Target 39: Competitive business climate: Maintain Adelaide's rating as the least costly place to set up and do business and continue to improve our position internationally.

- Target 52: Women: Have women comprising half the public sector employees in the executive levels (including Chief Executives) by 2014 and maintain thereafter.
- Target 53: Aboriginal employees: Increase the participation of Aboriginal people in the South Australian public sector spread across all classifications and agencies to 2% by 2014 and maintain or better those levels through to 2020.

Workforce statistics

Detailed information for the Department of the Premier and Cabinet workforce for each year is in the South Australian Public Sector Workforce Information report, available on the website of the Office for the Public Sector via <http://publicsector.sa.gov.au/about/our-public-sector/workforce-information/>

Financial Statements

Department of the Premier and Cabinet

Annual Financial Statements

for the year ended 30 June 2015

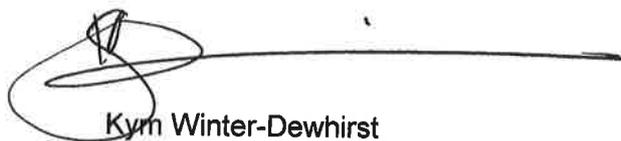
Department of the Premier and Cabinet

Certification of the Financial Statements

We certify that the attached general purpose financial statements for the Department of the Premier and Cabinet:

- are in accordance with the accounts and records of the department;
- comply with relevant Treasurer's instructions issued under section 41 of the *Public Finance and Audit Act 1987*, and relevant Australian accounting standards; and
- present a true and fair view of the financial position of the Department of the Premier and Cabinet as at 30 June 2015 and the results of its operations and cash flows for the financial year.

We certify that the internal controls employed by the Department of the Premier and Cabinet over its financial reporting and its preparation of the general purpose financial statements have been effective throughout the financial year.



Kyrn Winter-Dewhirst
Chief Executive

16 September 2015



Steven Woolhouse FCPA
Chief Finance Officer

16 September 2015

Department of the Premier and Cabinet

Statement of Comprehensive Income
for the year ended 30 June 2015

	Note	2015 \$'000	2014 \$'000
Expenses			
Employee benefits	6	156 744	187 237
Supplies and services	7	120 572	143 566
Grants and subsidies	8	10 119	131 416
Depreciation and amortisation	9	10 246	18 048
Net loss from disposal of non-current assets	17	-	400
Other expenses	10	250	391
Resources provided free of charge	11	41	556
Total expenses		297 972	481 614
Income			
Fees and charges	13	200 741	221 640
Commonwealth revenue	14	-	510
Grants	15	1 996	12 672
Interest		3	23
Resources received free of charge	16	31	1 750
Community Development Fund		-	900
Recoveries from administered items		1 267	1 857
Net gain from disposal of non-current assets	17	705	-
Other income	18	1 059	1 242
Total income		205 802	240 594
Net cost of providing services		92 170	241 020
Revenues from / payments to SA Government			
Revenues from SA Government	19	93 438	257 432
Payments to SA Government	19	(5 500)	-
Net revenues from SA Government		87 938	257 432
Net result		(4 232)	16 412
Other comprehensive income			
<i>Items that will not be reclassified to net result</i>			
Changes in asset revaluation surplus		-	5 460
Total other comprehensive income		-	5 460
Total comprehensive result		(4 232)	21 872

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

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

Department of the Premier and Cabinet

Statement of Financial Position

as at 30 June 2015

	Note	2015 \$'000	2014 \$'000
Current assets			
Cash and cash equivalents	20	55 845	63 349
Receivables	21	25 793	28 752
Inventories		93	92
Non-current assets classified as held for sale	22	-	4 242
Total current assets		81 731	96 435
Non-current assets			
Receivables	21	149	228
Property, plant and equipment	23	31 566	206 402
Works of art	23	27	5 110
Intangible assets	24	6 337	4 542
Total non-current assets		38 079	216 282
Total assets		119 810	312 717
Current liabilities			
Payables	26	15 742	18 324
Employee benefits	27	19 144	21 637
Provisions	28	609	3 505
Other liabilities	29	373	1 815
Total current liabilities		35 868	45 281
Non-current liabilities			
Payables	26	2 428	3 072
Employee benefits	27	27 130	33 128
Provisions	28	1 815	3 474
Other liabilities	29	1 260	1 620
Total non-current liabilities		32 633	41 294
Total liabilities		68 501	86 575
Net assets		51 309	226 142
Equity			
Contributed capital		916	45 221
Asset revaluation surplus		2 339	39 382
Retained earnings		48 054	141 539
Total equity		51 309	226 142
The total equity is attributable to the SA Government as owner			
Unrecognised contractual commitments	31		
Contingent assets and liabilities	32		

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

Department of the Premier and Cabinet

**Statement of Changes in Equity
for the year ended 30 June 2015**

	Contributed capital	Asset revaluation surplus	Retained earnings	Total
	\$'000	\$'000	\$'000	\$'000
Balance at 30 June 2013	45 221	33 922	131 089	210 232
Net result for 2013-14	-	-	16 412	16 412
Gain on revaluation of land and buildings	-	5 460	-	5 460
Total Comprehensive result for 2013-14	-	5 460	16 412	21 872
Transactions with SA Government as owner:				
Net assets transferred in as a result of an administrative restructure	-	-	(3 369)	(3 369)
Prior period adjustment	-	-	(2 593)	(2 593)
Balance at 30 June 2014	45 221	39 382	141 539	226 142
Net result for 2014-15	-	-	(4 232)	(4 232)
Total Comprehensive result for 2014-15	-	-	(4 232)	(4 232)
Transfer between equity components	(45 221)	(37 043)	82 264	-
Transactions with SA Government as owner:				
Net assets transferred out as a result of an administrative restructure	-	-	(171 212)	(171 212)
Correction of error	-	-	(305)	(305)
Equity contribution from the State Government	916	-	-	916
Balance at 30 June 2015	916	2 339	48 054	51 309

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

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

Department of the Premier and Cabinet

**Statement of Cash Flows
for the year ended 30 June 2015**

	Note	2015 \$'000	2014 \$'000
Cash flows from operating activities			
Cash outflows			
Employee benefits		(155 838)	(189 597)
Supplies and services		(136 847)	(170 698)
Grants and subsidies		(11 138)	(146 656)
GST paid to the Australian Taxation Office		(5 600)	-
Other payments		(250)	(689)
Cash used in operations		(309 673)	(507 640)
Cash inflows			
Fees and charges		218 262	254 992
Commonwealth revenues		-	510
Grants		2 137	12 888
Interest received		3	23
Community Development Fund		-	900
Recoveries from administered items		1 271	1 857
GST recovered from the Australian Taxation Office		-	4 194
Other receipts		1 076	1 620
Cash generated from operations		222 749	276 984
Cash flows from SA Government			
Receipts from SA Government		93 438	257 432
Payments to SA Government		(5 500)	-
Cash generated from SA Government		87 938	257 432
Net cash provided by operating activities	34	1 014	26 776
Cash flows from investing activities			
Cash outflows			
Purchase of property, plant and equipment		(4 275)	(13 777)
Purchase of intangible assets		(3 590)	(848)
Cash used in investing activities		(7 865)	(14 625)
Cash inflows			
Proceeds from sale of property, plant and equipment		5 584	30
Cash generated from investing activities		5 584	30
Net cash used in investing activities		(2 281)	(14 595)
Cash flows from financing activities			
Cash outflows			
Cash transferred as a result of restructuring activities		(7 153)	-
Cash used in financing activities		(7 153)	-
Cash inflows			
Capital contribution from the State Government		916	-
Cash generated from financing activities		916	-
Net cash used in financing activities		(6 237)	-
Net (decrease) increase in cash and cash equivalents held		(7 504)	12 181
Cash and cash equivalents at the beginning of the financial year		63 349	51 168
Cash and cash equivalents at the end of the financial year	20	55 845	63 349

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

Department of the Premier and Cabinet

**DISAGGREGATED DISCLOSURES
EXPENSES AND INCOME**

For the year ended 30 June 2015

	Premier and Cabinet Advice Support		Strategic Engagement and Communications		Business Competitiveness and International Engagement		Agent-General		Support Services and Community Programs		Community Services	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
Expenses												
Employee benefits	4 868	5 754	2 720	2 275	3 293	4 905	954	882	30 410	22 441	4 390	5 269
Supplies and services	1 337	1 266	3 669	2 718	743	1 398	995	837	14 018	12 356	3 945	4 816
Grants and subsidies	-	-	1 657	1 427	7 775	435	-	-	557	1 026	-	-
Depreciation and amortisation	48	45	10	8	14	13	45	51	804	391	670	879
Net loss from disposal of non-current assets	-	5	-	-	-	-	-	-	-	(2)	-	-
Other expenses	-	15	11	1	5	-	-	106	219	(7)	11	5
Resources provided free of charge	-	-	-	-	-	-	-	-	41	-	-	-
Total expenses	6 253	7 085	8 067	6 429	11 830	6 751	1 994	1 876	46 049	36 205	9 016	10 969
Income												
Fees and charges	14	34	356	168	152	11	116	204	12 118	4 689	1 733	1 882
Commonwealth revenues	-	-	-	-	-	-	-	-	-	-	-	-
Grants	-	-	470	688	100	100	-	-	21	20	-	-
Interest	-	-	-	-	-	-	3	1	-	-	-	-
Resources received free of charge	-	-	-	-	-	-	-	-	-	-	-	-
Community Development Fund	-	-	-	-	-	-	-	-	-	-	-	-
Recoveries from administered items	-	-	-	-	-	-	-	-	-	-	-	-
Net gain from disposal of non-current assets	-	-	1 017	988	250	250	-	-	-	-	(318)	-
Other income	3	1	-	303	-	-	1 258	-	416	106	19	26
Total income	17	35	1 843	2 147	502	361	1 583	414	12 555	4 815	1 434	1 908
Net cost of providing services	6 236	7 050	6 224	4 282	11 328	6 390	411	1 462	33 494	31 390	7 582	9 061
Revenues from/(payments to) SA												
Revenues from SA Government	-	-	-	-	-	-	-	-	81 448	102 925	-	-
Payments to SA Government	-	-	-	-	-	-	(5 500)	-	-	-	-	-
Total revenues from/(payments to) SA							(5 500)		81 448	102 925		
Government												
Net result	(6 236)	(7 050)	(6 224)	(4 282)	(11 328)	(6 390)	(5 911)	(1 462)	47 954	71 535	(7 582)	(9 061)

Department of the Premier and Cabinet

**DISAGGREGATED DISCLOSURES
EXPENSES AND INCOME**

For the year ended 30 June 2015

	Capital City		Industry Participation Advocate		Information and Communication Technology Services		Government Services		Public Sector Performance		Library and Information Services		Access to Art, Museum and Heritage Services and Preservation of State Collections	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
Expenses														
Employee benefits	501	484	1 034	939	17 163	16 206	81 695	81 271	9 716	8 698	-	505	-	3 241
Supplies and services	91	90	295	398	49 578	48 951	52 514	66 037	3 808	4 717	-	591	-	1 357
Grants and subsidies	-	-	-	72	130	220	-	-	-	50	-	32 880	-	29 423
Depreciation and amortisation	-	3	29	-	5 755	6 187	2 757	3 172	114	18	-	11	-	208
Net loss from disposal of non-current assets	-	-	-	-	-	122	-	186	-	-	-	-	-	1
Other expenses	-	-	-	-	38	37	234	321	29	56	-	-	-	-
Resources provided free of charge	-	-	-	-	-	-	-	141	-	-	-	71	-	116
Total expenses	592	577	1 358	1 409	72 664	71 723	137 200	151 128	13 667	13 539	-	34 058	-	34 346
Income														
Fees and charges	-	-	-	(1)	59 330	56 373	132 450	145 783	4 778	4 374	-	66	-	859
Commonwealth revenues	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grants	288	283	-	-	-	-	136	216	981	5	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Resources received free of charge	-	-	-	-	31	-	-	-	-	-	-	-	-	-
Community Development Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Recoveries from administered items	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net gain from disposal of non-current assets	-	-	-	-	(235)	-	-	-	-	38	-	-	-	-
Other income	-	-	-	-	514	19	-	4	313	144	-	108	-	206
Total income	288	283	-	(1)	59 640	56 392	132 586	146 003	6 072	4 561	-	174	-	1 065
Net cost of providing services	304	294	1 358	1 410	13 024	15 331	4 614	5 125	7 595	8 978	-	33 884	-	33 281
Revenues from/(payments to) SA														
Revenues from SA Government	-	-	-	-	1 870	15 067	10 120	6 471	-	-	-	22 605	-	39 336
Payments to SA Government	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total revenues from/(payments to) SA Government	-	-	-	-	1 870	15 067	10 120	6 471	-	-	-	22 605	-	39 336
Net result	(304)	(294)	(1 358)	(1 410)	(11 154)	(264)	5 506	1 346	(7 595)	(8 978)	-	(11 279)	-	6 055

Department of the Premier and Cabinet

**DISAGGREGATED DISCLOSURES
EXPENSES AND INCOME**

For the year ended 30 June 2015

	Arts Industry Development and Access to Artistic Product		Safework SA		Aboriginal Affairs and Reconciliation		Office of the Economic Development Board		Invest in South Australia		General/Not attributable		Total	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
Expenses														
Employee benefits	-	2 562	-	25 904	-	5 977	-	5	-	6	-	-	156 744	187 237
Supplies and services	-	1 875	-	8 832	-	2 549	-	20	-	31	(10 421)	(15 273)	120 572	143 566
Grants and subsidies	-	60 567	-	2 984	-	4 508	-	-	-	-	-	(2 176)	10 119	131 416
Depreciation and amortisation	-	6 035	-	886	-	141	-	-	-	-	-	-	10 246	18 048
Net loss from disposal of non-current assets	-	88	-	-	-	-	-	-	-	-	-	-	-	400
Other expenses	-	1	-	183	-	15	-	-	-	-	(297)	(342)	250	391
Resources provided free of charge	-	228	-	-	-	-	-	-	-	-	-	-	41	556
Total expenses	-	71 356	-	38 789	-	13 190	-	25	-	37	(10 718)	(17 878)	297 972	481 614
Income														
Fees and charges	-	6 453	-	15 874	-	5	-	-	-	-	(10 306)	(15 134)	200 741	221 640
Commonwealth revenues	-	510	-	-	-	-	-	-	-	-	-	-	-	510
Grants	-	-	-	11 396	-	180	-	-	-	-	-	(216)	1 996	12 672
Interest	-	-	-	-	-	22	-	-	-	-	-	-	3	23
Resources received free of charge	-	1 750	-	-	-	-	-	-	-	-	-	-	31	1 750
Community Development Fund	-	900	-	-	-	-	-	-	-	-	-	-	-	900
Recoveries from administered items	-	-	-	53	-	779	-	-	-	-	-	(251)	1 267	1 857
Net gain from disposal of non-current assets	-	-	-	-	-	-	-	-	-	-	-	-	705	-
Other income	-	263	-	-	-	25	-	-	-	-	(412)	(172)	1 059	1 242
Total income	-	9 876	-	27 323	-	1 011	-	-	-	-	(10 718)	(15 773)	205 802	240 594
Net cost of providing services	-	61 480	-	11 466	-	12 179	-	25	-	37	-	(2 105)	92 170	241 020
Revenues from/(payments to) SA														
Revenues from SA Government	-	73 133	-	-	-	-	-	-	-	-	-	(2 105)	93 438	257 432
Payments to SA Government	-	-	-	-	-	-	-	-	-	-	-	-	(5 500)	-
Total revenues from/(payments to) SA	-	73 133	-	-	-	-	-	-	-	-	-	(2 105)	87 938	257 432
Government														
Net result	-	11 653	-	(11 466)	-	(12 179)	-	(25)	-	(37)	-	-	(4 232)	16 412

Department of the Premier and Cabinet

**DISAGGREGATED DISCLOSURES
ASSETS AND LIABILITIES**

For the year ended 30 June 2015

	Premier and Cabinet Advice Support		Strategic Engagement and Communications		Business Competitiveness and International Engagement		Agent-General		Support Services and Community Programs		Community Services		Capital City	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	
Assets														
Cash and cash equivalents	-	-	-	-	-	-	332	416	52 415	52 679	-	-	-	-
Receivables	-	29	-	-	-	10	109	7	7 826	5 710	29	11	-	6
Inventories	-	-	-	-	-	-	-	-	22	24	7	-	-	-
Non-current assets classified as held for sale	-	-	-	-	-	-	-	4 242	-	-	-	-	-	-
Property, plant and equipment	17	37	17	-	29	25	528	545	388	1 522	2 678	3 260	-	4
Works of art	-	-	-	-	-	-	27	27	-	-	-	-	-	-
Intangible assets	44	62	195	7	-	-	-	-	-	44	-	-	-	-
Total assets	61	128	212	7	29	35	996	5 237	60 651	59 979	2 797	3 419	-	10
Liabilities														
Payables	-	-	-	-	-	59	72	9	8 652	8 140	217	-	-	-
Employee benefits	-	-	-	-	-	209	30	25	18 927	16 049	945	-	65	-
Provisions	-	-	-	-	-	2	-	-	1 438	5 742	6	-	-	-
Other liabilities	-	-	-	-	-	-	-	-	-	-	13	28	-	-
Total liabilities	-	-	-	-	-	270	102	34	29 017	29 931	1 181	28	65	-

Department of the Premier and Cabinet

**DISAGGREGATED DISCLOSURES
ASSETS AND LIABILITIES**

For the year ended 30 June 2015

	Industry Participation Advocate		Information and Communication Technology Services		Government Services		Public Sector Performance		Library and Information Services		Access to Art, Museum and Heritage Services and Preservation of State Collections		Arts Industry Development and Access to Artistic Product	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	
Assets														
Cash and cash equivalents	-	-	-	-	3 098	3 099	-	1	-	994	-	1 866	-	3 217
Receivables	4	-	5 585	6 337	13 206	13 749	-	16	-	802	-	1 459	-	2 190
Inventories	-	-	49	53	15	15	-	-	-	-	-	-	-	-
Non-current assets classified as held for sale	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Property, plant and equipment	159	-	23 710	26 213	3 832	4 523	208	24	-	3 494	-	7 247	-	144 497
Works of art	-	-	-	-	-	-	-	-	-	7	-	33	-	5 043
Intangible assets	-	-	3 853	1 974	1 968	1 938	194	-	-	-	-	-	-	370
Total assets	163		33 197	34 577	22 119	23 324	402	41	-	5 297	-	10 605	-	155 317
Liabilities														
Payables	35	-	3 736	3 415	6 275	6 278	-	-	-	554	-	994	-	1 166
Employee benefits	324	-	827	4 577	25 156	24 256	-	-	-	191	-	965	-	619
Provisions	1	-	-	232	979	827	-	-	-	8	-	86	-	27
Other liabilities	-	-	-	-	1 620	1 980	-	-	-	-	-	17	-	1 410
Total liabilities	360		4 563	8 224	34 030	33 341	-	-	-	753	-	2 062	-	3 222

Department of the Premier and Cabinet

**DISAGGREGATED DISCLOSURES
ASSETS AND LIABILITIES**

For the year ended 30 June 2015

	Safework SA		Aboriginal Affairs and Reconciliation		Office of the Economic Development Board		Invest in South Australia		General/Not attributable		Total	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
Assets												
Cash and cash equivalents	-	36	-	1 040	-	-	-	-	-	-	55 845	63 349
Receivables	-	194	-	126	-	-	-	10	(817)	(1 676)	25 942	28 980
Inventories	-	-	-	-	-	-	-	-	-	-	93	92
Non-current assets classified as held for sale	-	-	-	-	-	-	-	-	-	-	-	4 242
Property, plant and equipment	-	12 949	-	2 062	-	-	-	-	-	-	31 566	206 402
Works of art	-	-	-	-	-	-	-	-	-	-	27	5 110
Intangible assets	-	-	-	-	-	-	-	-	-	-	6 337	4 542
Total assets	-	13 179	-	3 228	-	-	-	10	(817)	(1 676)	119 810	312 717
Liabilities												
Payables	-	1 205	-	1 194	-	31	-	27	(817)	(1 676)	18 170	21 396
Employee benefits	-	6 064	-	1 603	-	98	-	109	-	-	46 274	54 765
Provisions	-	43	-	10	-	1	-	1	-	-	2 424	6 979
Other liabilities	-	-	-	-	-	-	-	-	-	-	1 633	3 435
Total liabilities	-	7 312	-	2 807	-	130	-	137	(817)	(1 676)	68 501	86 575

Department of the Premier and Cabinet

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Department of the Premier and Cabinet

1. Objectives of the Department of the Premier and Cabinet

The Department of the Premier and Cabinet (the department) delivers specialist policy advice to the Premier and Ministers and supports the Cabinet process. The department provides direction and leadership to the South Australian public sector, with a particular focus on the government's policy commitments in the areas of economic development, increasing community engagement with government and working with regional South Australia.

The department leads the implementation of South Australia's Strategic Plan and the Government's strategic priorities, has overarching responsibility for Commonwealth-State relations and drives key government initiatives across a range of services benefitting other government agencies and the community. The department works with these groups to develop policies and to deliver programs in areas including industry participation, international engagement, shared services, service to the community through information communication technologies, public sector performance and government records access and preservation.

2. Summary of significant accounting policies

2.1. Statement of compliance

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

The financial statements are General Purpose Financial Statements. The accounts have been prepared in accordance with relevant Australian Accounting Standards, and 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.

Except for AASB 2015-7 which the department has early adopted, 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 reporting period ended 30 June 2015. Refer to Note 4.

2.2. Basis of preparation

The preparation of the financial statements requires:

- the use of certain accounting estimates and requires management to exercise its judgement in the process of applying the department's accounting policies. The areas involving a higher degree of judgement or where assumptions and estimates are significant to the financial statements are outlined in the applicable notes;
- the selection and application of accounting policies in a manner that 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; and

Department of the Premier and Cabinet

- compliance with Accounting Policy Statements issued pursuant to section 41 of the *Public Finance and Audit Act 1987*. In the interest of public accountability and transparency the Accounting Policy Statements require the following note disclosures, which have been included in this financial report:
 - a) revenue, expenses, financial assets and liabilities where the counterparty/transaction is with an entity within the SA Government as at reporting date, classified according to their nature;
 - b) expenses incurred as a result of engaging consultants;
 - c) employee targeted voluntary separation package information;
 - d) employees whose normal remuneration is equal to or greater than the base executive remuneration level (within \$10 000 bandwidths) and the aggregate of the remuneration paid or payable or otherwise made available, directly or indirectly, by the entity to those employees; and
 - e) board/committee member and remuneration information, where a board/committee member is entitled to receive income from membership other than a direct out-of-pocket reimbursement.

The department's Statement of Comprehensive Income, Statement of Financial Position and Statement of Changes in Equity have been prepared on an accrual basis and are in accordance with historical cost convention, except for certain assets that were valued in accordance with the applicable valuation policy.

The Statement of Cash Flows has been prepared on a cash basis.

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

The accounting policies set out below have been applied in preparing the financial statements for the year ended 30 June 2015 and comparative information presented for the year ended 30 June 2014.

2.3. Reporting entity

The department is a government department of the State of South Australia established pursuant to the *Public Sector Act 2009*. The department is an administrative unit acting on behalf of the Crown. The financial statements and accompanying notes encompass all the controlled activities of the department (refer to the disaggregated schedule for details of the department's controlled activities).

The department does not control any other entity and has no interests in unconsolidated structured entities. In forming this view, the department considered its involvement with the Anzac Day Commemoration Council (ADCC) and determined that it does not control ADCC.

In making this assessment, the department considered its power over the entity, its exposure or rights to variable returns from its involvement with the entity and the ability to use its power to affect return amounts.

The department has not entered into any contractual arrangements which involve the sharing of control or significant influence over another entity.

Department of the Premier and Cabinet

Administered resources

The department administers, but does not control, certain resources on behalf of the South Australian Government. It is accountable for the transactions involving those administered resources, but does not have the discretion to deploy the resources for achievement of the department's objectives. For these resources, the department acts only on behalf of the Commonwealth and South Australian Governments.

Transactions and balances relating to these administered resources are not recognised as departmental income, expense, assets and liabilities. As administered items are significant in relation to the department's overall financial performance and position, they are disclosed in the administered financial statements attached to the general purpose financial statements. Except as otherwise disclosed, administered items are recognised on the same basis and using the same accounting policies as for the departmental items.

2.4. Transferred functions

The *Public Sector (Reorganisation of Public Sector Operations) Notice 2013* (dated 26 June 2014) declared that:

- Safework SA was transferred from the Department to the Attorney-General's Department effective from 1 July 2014.
- Aboriginal Affairs and Reconciliation Division, Arts SA including Artlab Australia, Office of the Economic Development Board and Invest in SA were transferred from the Department to the Department of State Development, effective 1 July 2014.

The *Public Sector (Reorganisation of Public Sector Operations) Notice 2015* (dated 21 May 2015) declared that State Records of South Australia will transfer to the Attorney General's Department, and the Office of the Industry Advocate will transfer to the Department of State Development, both effective 1 July 2015.

2.5. Budgeted amounts

Budget information refers to the amounts presented to Parliament in the original budgeted financial statements in respect of the reporting period (2014-15 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 budget or administrative restructures/machinery of government changes. The budget process is not subject to audit.

2.6. 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 have been amended, comparative figures have been adjusted to conform to changes in presentation or classification in these financial statements unless impracticable to do so.

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

Department of the Premier and Cabinet

2.7. Rounding

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

2.8. Taxation

The department is not subject to income tax. The department is liable for payroll tax, fringe benefits tax, goods and services tax, emergency services levy, land tax equivalents and local government rate equivalents.

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

- the amount of GST incurred by the department as a purchaser that is not recoverable from the Australian Taxation Office (ATO) is recognised as part of the cost of acquisition of an asset or as part of an item of expense; and
- receivables and payables are stated with the amount of GST included.

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

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.

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 Australian Taxation Office, the commitments and contingencies are disclosed on a gross basis.

The department prepares a business activity statement on behalf of clients to which it provides business services, under the grouping provisions of the GST legislation. Under the grouping provisions, the department is liable for the GST payments and entitled to the GST receipts associated with these entities and items. The GST applicable forms part of the receivables and payables recorded in the department's Statement of Financial Position and the GST cash flows recorded in the Statement of Cash Flows.

2.9. Events after the reporting period

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

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

Events after 30 June 2015 are outlined in note 38 Events after the reporting period.

2.10 Income

Income is recognised to the extent that it is probable that the flow of economic benefits to the department will occur and can be reliably measured.

Income has been aggregated according to its nature and has not been offset unless required or permitted by a specific accounting standard, or where offsetting reflects the substance of the transaction or other event.

Department of the Premier and Cabinet

The following are specific recognition criteria:

Fees and Charges

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

Grants

Grants are recognised as income when the department obtains control of the income or when the agreement or contract has been approved and executed or income received. Grants received by the department with unconditional stipulations attached have been recognised as an asset and income upon receipt.

Community Development Fund

Income is received on an annual basis from the State Government's Community Development Fund. The Community Development Fund was established under the *Gaming Machines Act 1992*. Money paid into this Fund is to be applied towards financial assistance for community development and the provision of government health, welfare or education services.

Resources received free of charge

Resources received free of charge from external parties are recognised in the Statement of Comprehensive Income at their fair value. Contributions of services are recognised only when the fair value can be determined reliably and the services would be purchased if they had not been donated.

Revenues from SA Government

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

Where money has been appropriated in the form of equity contribution, the Treasurer has acquired a financial interest in the net assets of the department and the appropriation is recorded as contributed equity.

In relation to liquidity/funding risk, the continued existence of the department in its present form, and with its present activities, is dependent on Government policy and on continuing appropriations for the department's administration and activities.

Other income

Other income consists of refunds and other recoveries.

2.11 Expenses

Expenses are recognised when and only when the flow or consumption or loss of future economic benefits has occurred and can be reliably measured.

Expenses have been aggregated according to their nature and have not been offset unless required or permitted by a specific accounting standard or where offsetting reflects the substance of the transaction or other event.

Employee benefits expense

Employee benefits expenses includes all costs related to employment including salaries and wages, non-monetary benefits and leave entitlements. These are recognised when incurred.

Department of the Premier and Cabinet

Superannuation

The amount charged to the Statement of Comprehensive Income represents contributions made by the department to the superannuation plan in respect of current services of current departmental staff. The Department of Treasury and Finance centrally recognises the superannuation liability, for schemes operated by the State Government in the whole-of-government financial statements.

Grants and subsidies

Grants and subsidies that the department pays to other entities for general assistance or a particular purpose may be for capital or recurrent purposes and the name of the category reflects the use of the grant or subsidy. These entities may be other SA Government agencies, non-government organisations or the public. The grants and subsidies given are usually subject to terms and conditions set out in the contract, correspondence, or by legislation. For contributions payable, the contribution will be recognised as a liability and expense when the department has a present obligation to pay the contribution.

Grants and subsidies paid by the department generally have conditional stipulations attached.

Depreciation and amortisation of non-current assets

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, while depreciation is applied to physical assets such as property, plant and equipment.

The useful lives of all major assets held by the department are reassessed on an annual basis.

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 is not depreciated.

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

Class of Asset	Useful Life (Years)
Buildings and Improvements	5 to 100
Transportable accommodation	10 to 20
Furniture and Fittings	5 to 10
Plant and Equipment	3 to 20
Office Equipment	3 to 30
IT Equipment	3 to 10
PABX Equipment	3 to 7
Transmission Equipment	5 to 40
StateNet Core	5
Motor vehicles	4
Intangibles - Computer Software	1 to 15

Works of Art controlled by the department are anticipated to have very long and indeterminate useful lives. Their service potential has not, in any material sense, been consumed during the reporting period. Consequently, no amount for depreciation has been recognised for this class of asset.

Department of the Premier and Cabinet

Net gain (loss) on disposal of non-current assets

A gain (loss) from the disposal of non-current assets is recognised when control of the asset has passed to the buyer and determined by comparing proceeds with carrying amount. When re-valued assets are sold, the revaluation increments are transferred to retained earnings.

Resources provided free of charge

Resources provided free of charge to external parties are recognised as expenditure in the Statement of Comprehensive Income at their fair value and in the expense line to which they relate.

Payments to SA Government

Payments to the SA Government include the return of surplus cash pursuant to the government's cash alignment policy, paid directly to the Consolidated Account.

2.12 Current and non-current classification

Assets and liabilities are characterised as either current or non-current in nature. The department has a clearly identifiable operating cycle of 12 months. Therefore, assets and liabilities that will be sold, consumed or realised as part of the normal operating cycle will be classified as current assets or current liabilities. All other assets and liabilities are classified as non-current.

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

2.13 Assets

Assets have been classified according to their nature and have not been offset unless required or permitted by a specific accounting standard or where offsetting reflects the substance of the transaction or other event.

Cash and cash equivalents

Cash and cash equivalents as reported in the Statement of Financial Position includes cash on hand and deposits held at call. Cash and cash equivalents in the Statement of Cash Flows comprise cash and cash equivalents as defined above. Cash is measured at nominal value.

Receivables

Receivables include amounts receivable from goods and services, prepayments and other accruals.

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

Other debtors arise outside the normal course of selling goods and services to other government agencies and to the public. If payment has not been received within 90 days after the amount falls due, under the terms and conditions of the arrangement with the debtor, the department is able to charge interest at commercial rates until the whole amount of the debt is paid.

The department determines the allowance for doubtful debts based on a review of balances within receivables that are unlikely to be collected. These are generally receivables that are 90 days or more overdue. Bad debts are written off when identified.

Department of the Premier and Cabinet

Inventories

Inventories are measured at the lower of cost or their net realisable value.

Non-current assets held for sale

Non-current assets are classified as held for sale and stated at the lower of their carrying amount and fair value less cost to sell if their carrying amount will be recovered principally through sale rather than continuing use. This condition is regarded as met only when the sale is highly probable and the asset's sale is expected to be completed one year from the date of classification. Non-current assets classified as held for sale are not depreciated or amortised.

Non-current asset acquisition and recognition

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

Where assets are acquired at no 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 value as part of a restructuring of administrative arrangements then the assets are recorded at the value recorded by the transferor authority immediately before transfer.

In accordance with Accounting Policy Framework III *Asset Accounting Framework*
APS 2.15:

- all non-current tangible assets with a value of \$10 000 or greater are capitalised; and
- componentisation of complex assets is only performed when the complex asset's fair value at the time of acquisition is greater than \$5 million for infrastructure assets and \$1 million for other assets.

Revaluation of non-current assets

All non-current tangible assets are valued at fair value. Revaluation of non-current assets or groups of assets is performed when their fair value at the time of acquisition is greater than \$1 million and estimated useful life is greater than 3 years.

Every 5 years, the department revalues its land, buildings and artwork via a Certified Practising Valuer. If at any time management considers that the carrying amount of the asset materially differs from the 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 re-valued to fair value.

An independent valuation of the land, buildings and artwork was conducted as at 30 June 2014 by Valcorp Australia Pty Ltd. The valuation of land and buildings as at 30 June 2014 was prepared on a fair value basis in accordance with AASB 116 *Property, Plant and Equipment* and AASB 13 *Fair Value Measurement*.

Department of the Premier and Cabinet

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

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

Impairment of assets

All non-current tangible and intangible assets are tested for indication of impairment at each reporting date. Where there is an indication of impairment, the recoverable amount is estimated. The recoverable amount is determined as the higher of the asset's fair value less costs of disposal and depreciated replacement cost. An amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.

For revalued assets, an impairment loss is offset against the respective class in the revaluation surplus.

Intangible assets

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

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

All research and development costs that do not meet the capitalisation criteria outlined in AASB 138 are expensed. Subsequent expenditure on intangible assets has not been capitalised.

Fair value measurement

AASB 13 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.

Department of the Premier and Cabinet

The department classifies fair value measurement using the following fair value hierarchy that reflects the significance of the inputs used 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.

Non-financial assets

In determining fair value, the department has taken into account the characteristics of the asset (e.g. 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 and financial 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.

Refer to Notes 23, 24 and 25 for disclosure regarding fair value measurement techniques and inputs used to develop fair value measurements for non-financial assets.

Financial assets

The department does not recognise any financial assets at fair value.

2.14 Liabilities

Liabilities have been classified according to their nature and have not been offset unless required or permitted by a specific accounting standard or where offsetting reflects the substance of the transaction or other event.

Where a liability line item combines amounts expected to be settled within twelve months and more than twelve months, the department has separately disclosed the amounts expected to be settled after more than twelve months.

Payables

Payables include creditors, accrued expenses, employment on-costs and Paid Parental Leave Scheme payable.

Creditors represent the amounts owing for goods and services received before 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 processed.

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The Paid Parental Leave Scheme payable represents 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.

All amounts are measured at their nominal amount and are normally settled within 30 days after the department receives an invoice.

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

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 balance date relates to any contributions due but not yet paid to the South Australian Superannuation Board. The Department of Treasury and Finance centrally recognises the superannuation liability for schemes operated by the State Government, in the whole-of-government financial statements.

Employee benefits

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

(i) *Salaries and wages*

Liabilities for salaries and wages are recognised, and are measured as the amount unpaid at the reporting date at current pay rates in respect of employees' services up to that date.

(ii) *Annual Leave*

A liability for annual leave is calculated by determining the amount unpaid at the reporting date and estimating the nominal amount that is expected to be paid when the obligation is settled. In the unusual event where annual leave is payable later than twelve months, the liability will be measured at present value.

(iii) *Employment on-costs*

Employment on-costs (payroll tax, superannuation and workers compensation) are recognised separately under payables and provisions.

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(iv) *Long service leave*

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

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

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.

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

(v) *Skills and experience retention leave*

A liability for skills and experience retention leave is calculated by determining the amount unpaid at the reporting date at remuneration rates current at reporting date. The liability is expected to be payable within twelve months and is measured at the undiscounted amount expected to be paid.

(vi) *Sick leave*

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

Workers compensation provision

The department is an exempt employer under the *Workers Rehabilitation and Compensation Act 1986*. Under a scheme arrangement, the department is responsible for the management of workers rehabilitation and compensation.

A liability has been reported to reflect unsettled workers compensation claims. The workers compensation provision is based on an annual actuarial assessment as at 30 June 2015 performed by the consulting actuaries to the Office of the Public Sector division of the department.

The workers compensation provision liability recognised for the employees of the department is based on an apportionment of an actuarial assessment of the whole-of-government workers compensation liability conducted by Taylor Fry Consulting Actuaries.

The actuarial assessment conducted by Taylor Fry Consulting Actuaries is based on the Payment Per Claim Incurred valuation method. The assessment has been conducted in accordance with AASB 137 *Provisions, Contingent Liabilities and Contingent Assets* and the Work Cover Guidelines for Actuarial Assessments. The liability covers claims incurred but not yet paid, incurred but not reported and the anticipated direct and indirect costs of settling those claims. The liability for outstanding claims is measured as the present value of the expected future payments reflecting the fact that all the claims do not have to be paid out in the immediate future.

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Copyright Provision

The *Commonwealth Copyright Act 1968* allows governments to copy copyrighted material for the services of government without infringing the Act if it pays 'equitable remuneration' to a declared 'collecting society'. State Records SA has responsibility for negotiating the amount payable for the State's copying of printed and electronic publications. The provision represents copyright licensing fees for print and electronic publications for the SA Government.

2.15 Contributed/distributed capital

Where the investing activities of the department are not funded through appropriations, operating receipts, proceeds of assets sales or grants, government funding is provided via a capital contribution.

Capital distributed include the return of surplus cash pursuant to the government's cash alignment policy, paid directly to the Consolidated Account. Where agencies have equity contributions from the Treasurer, part or all transfers of cash may be deemed a return of equity.

2.16 Leases

The department as lessee

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement.

The department has entered into a number of operating lease agreements for buildings, motor vehicles and office equipment where the lessors effectively retain all of the risks and benefits incidental to ownership of the items held under the operating leases. Operating lease payments are representative of the pattern of benefits derived from the leased assets and accordingly are charged to the Statement of Comprehensive Income in the periods in which they are incurred.

The department as lessor

As at 30 June 2014, the department leased the Adelaide Festival Centre and Her Majesty's Theatre to the Adelaide Festival Centre Trust through an operating lease. This lease transferred to the Department of State Development effective 1 July 2014.

Income from operating leases was recognised as rental income in the period incurred, and was representative of the pattern of benefits derived from the leased assets.

Lease incentives

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

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

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2.17 Unrecognised contractual commitments and contingent assets and liabilities

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

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

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

3. Hedging arrangements

In accordance with government policy, the department enters into hedges for all contracted expenditure in a foreign currency over AUD \$250 000. The South Australian Government Financing Authority (SAFA) manages the foreign currency hedges on the department's behalf.

The department did not have any outstanding hedges at 30 June 2015.

4. New and revised accounting standards

Except for AASB 2015-7 which the department has early adopted, 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 2015. The department has assessed the impact of the new and amended standards and Interpretations and considers there will be no impact on the accounting policies or the financial statements of the department.

In accordance with the new Australian Accounting Standard AASB 1055 *Budgetary Reporting*, which comes into effect for the first time for the year ending 30 June 2015, the department has:

- included a comprehensive new note "Budgetary reporting and explanations of major variances" (note 33). This note discloses, in respect of the Statement of Comprehensive Income and Investing Expenditure Summary for both controlled and administered amounts:
 - the department's original budget as published in Budget Paper 4
 - a comparison of the original budget information to actual results
 - explanations of major variances.

In accordance with the new AASB 10 *Consolidated Financial Statements* and AASB 11 *Joint Arrangements*, which became effective for the first time in 2014-15, the department has reviewed its control assessments (i.e. the department's involvement with the entity, protective and substantive rights; ability to direct major relevant activities etc.) in accordance with AASB 10 and its classification assessments in accordance to AASB 11 and has concluded that there is no impact. The department does not currently control another entity and does not have any joint arrangements within the scope of AASB 11.

The department will continue to review its involvement and arrangements with entities it is connected with to determine the impact of AASB 10 and 11 for future years.

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5. Activities of the department

The department has identified eleven major classes of activities that it delivers to the community and the Premier. These are listed as activities 1 to 11. Activities 12 to 16 were part of the department during 2013-14 but have transferred to other departments as a result of machinery of government changes and have been disclosed for comparative purposes. The identity and description of each major activity class for the department during the year ended 30 June 2015 are summarised below (refer to the department's Disaggregated Disclosures).

Activity 1 – Premier and Cabinet Advice and Support

Coordination and leadership of across government policy proposals for the consideration of the Premier and Cabinet; leadership in relation to South Australia's Strategic Plan and Strategic Priorities in government and the wider community; support to the Premier in intergovernmental relations; and provision of support to Cabinet and Cabinet committees.

Activity 2- Strategic Engagement and Communications

Provision of whole of government leadership in marketing and communications, including the monitoring of advertising expenditure and leadership of whole of government marketing campaigns. Provision of support for high-quality engagement with specific sectors and the community at large, including through best practice community engagement advice and management of engagement tools.

As a result of restructuring of administrative arrangements outlined in the South Australian Government Gazette on 26 June 2014, the department relinquished responsibility for Invest in SA and the Office of the Economic Development Board. Assets and liabilities relating to these business units were transferred to the Department of State Development effective 1 July 2014. Refer to note 30. These divisions are disclosed separately for comparative purposes in the Disaggregated Disclosures.

Activity 3 – Business Competitiveness and International Engagement

Central Agency focus on providing analysis and advice on opportunities to enhance business competitiveness, economic growth and development, provide strategic legal and commercial advice on major development projects, lead and direct implementation of new business deregulation agenda across government, and lead an integrated approach to the state's strategic international engagement.

Activity 4 - Agent-General

The Agent-General's Office represents the Premier and Government of South Australia in the United Kingdom and Europe to advance the state's development objectives as expressed in South Australia's Strategic Plan. The office aims to increase awareness of Adelaide and drive preference for all the state has to offer, principally as a destination for foreign investment, migrants, students, tourists and as a producer of premium food and wine.

Activity 5 – Support Services and Community Programs

Ministerial and support services and the management and monitoring of corporately administered grant programs.

Activity 6 – Community Services

Provision of specialised services, support, information and policy to the community, government, industry and the Minister in the areas of records management, archives and government publishing.

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As a result of restructuring of administrative arrangements outlined in the South Australian Government Gazette on 21 May 2015, the department relinquished responsibility for State Records SA. Assets and liabilities relating to this business unit will be transferred to the Attorney-General's Department effective 1 July 2015. Refer to note 38.

Activity 7 - Capital City

Support the Capital City Committee, a legislated partnership between the Adelaide City Council and the Government of South Australia, by providing executive and strategic support to the committee and ensuring coordination between the strategic objectives of the state and the council to identify opportunities for the City of Adelaide.

Activity 8 - Industry Participation Advocate

The role of the Industry Participation Advocate (IPA) is to increase the number and diversity of local businesses securing economic benefit from government contracts. The IPA will investigate and recommend new ways to drive local investment, develop strong value chains from the state's portfolio of major projects, support the development of an advanced services sector and leverage opportunities for innovation. The IPA will also examine and report on efficiencies and productivity improvements that can be gained from procurement reforms.

As a result of restructuring of administrative arrangements outlined in the South Australian Government Gazette on 21 May 2015, the department relinquished responsibility for the Industry Participation Advocate. Assets and liabilities relating to this business unit will be transferred to Department of State Development effective 1 July 2015. Refer to note 38.

Activity 9 - Information and Communication Technology Services

Provision of specialised information communication technology (ICT) services, support and information to government and industry.

Activity 10 - Government Services

Provision of a comprehensive range of services to various government agencies and the community.

Activity 11 - Public Sector Performance

The Office for the Public Sector undertakes statutory responsibilities under the *Public Sector Act 2009* and South Australian public sector leadership development, sector-wide reform and renewal, workforce data analysis and strategy development, enterprise bargaining and industrial relations, workers compensation performance and injury management services.

Activity 12 - Library and Information Services

Provision of information from library and resource centres to the public, industry and government agencies, and funding of services provided by Public Library Services to public libraries.

As a result of restructuring of administrative arrangements outlined in the South Australian Government Gazette on 26 June 2014, the department relinquished responsibility for Arts SA. Assets and liabilities relating to this business unit were transferred to the Department of State Development effective 1 July 2014. Refer to note 30.

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Activity 13 - Access to Art, Museum and Heritage Services and Preservation of State Collections

Provision of museum, visual arts and preservation services that enable the state's cultural, heritage and arts assets to be maintained and kept accessible to the community.

As a result of restructuring of administrative arrangements outlined in the South Australian Government Gazette on 26 June 2014, the department relinquished responsibility for Arts SA. Assets and liabilities relating to this business unit were transferred to the Department of State Development effective 1 July 2014. Refer to note 30.

Activity 14 - Arts Industry Development and Access to Artistic Product

Provision of services that enhance opportunities for artists, cultural tourism, festivals and events and provide for productions, exhibitions, tours and events to the community.

As a result of restructuring of administrative arrangements outlined in the South Australian Government Gazette on 26 June 2014, the department relinquished responsibility for Arts SA. Assets and liabilities relating to this business unit were transferred to the Department of State Development effective 1 July 2014. Refer to note 30.

Activity 15 – Safework SA

Provision of industrial relations and work health safety services including information, education, assistance, compliance and enforcement activities through Safework SA to promote safe, fair, productive working lives and high standards of public safety for all South Australians.

As a result of restructuring of administrative arrangements outlined in the South Australian Government Gazette on 26 June 2014, the department relinquished responsibility for SafeWork SA. Assets and liabilities relating to this business unit were transferred to the Attorney-General's Department effective 1 July 2014. Refer to note 30.

Activity 16 – Aboriginal Affairs and Reconciliation

The Aboriginal Affairs and Reconciliation division provides leadership in Aboriginal policy and program development, drives coordination and implementation of policies for Aboriginal affairs across government; develops strategies to improve service outcomes for Aboriginal people in urban, regional and remote areas of South Australia; facilitates the protection and preservation of Aboriginal heritage and culture; and supports the state's Aboriginal land holding authorities.

As a result of restructuring of administrative arrangements outlined in the South Australian Government Gazette on 26 June 2014, the department relinquished responsibility for Aboriginal Affairs and Reconciliation Division. Assets and liabilities relating to this business unit were transferred to the Department of State Development effective 1 July 2014. Refer to note 30.

Activity 17 – General / Not Attributable

General/not attributable reflects internal transactions undertaken within the department.

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6. Employee benefits

	2015	2014
	\$'000	\$'000
Salaries and wages	113 424	130 191
Long service leave	5 889	4 999
Annual leave	10 356	11 848
Skills and experience retention leave	586	576
Employment on-costs - superannuation	14 413	16 417
Employment on-costs - other	7 192	8 307
Targeted voluntary separation packages (refer below)	4 240	10 546
Board and committees fees	102	859
Other employment related expenses	542	3 494
Total employee benefits	156 744	187 237
Targeted voluntary separation packages (TVSPs)	2015	2014
	\$'000	\$'000
Amount paid/payable to these employees:		
TVSPs	4 240	10 546
Annual leave, skills and experience retention leave, and long service leave paid during the reporting period	2 871	3 643
	7 111	14 189
Recovery from the Department of Treasury and Finance	1 303	9 460
Net cost to the department	5 808	4 729
Number of employees who received a TVSP during the reporting period	57	88

Remuneration of employees

All employees who received normal remuneration equal to or greater than the base executive remuneration level during the year. The executive base level remuneration for 2014-15 is the same as the 2013-14 rate (i.e. there has been no increase in executive remuneration since 1 July 2013).

Normal remuneration of employees reflects all costs of employment including salaries and wages, payments in lieu of leave, leave paid on termination, superannuation contributions, salary sacrifice and fringe benefits, and any Fringe Benefits Tax paid or payable in respect of those benefits.

Contract termination payments are included where employee normal remuneration exceeds \$141 500.

The total remuneration received by employees for the year, listed in the table below, was \$21.5 million (\$20.7 million).

Department of the Premier and Cabinet

The number of employees who received remuneration of \$141 500 or more during the year, falls within the following bands:

	2015	2014
\$141 500 - \$151 499	6	9
\$151 500 - \$161 499	8	9
\$161 500 - \$171 499	5	11
\$171 500 - \$181 499	8	2
\$181 500 - \$191 499	5	11
\$191 500 - \$201 499	2	9
\$201 500 - \$211 499*	4	2
\$211 500 - \$221 499	-	4
\$221 500 - \$231 499*	3	3
\$231 500 - \$241 499*	4	2
\$241 500 - \$251 499	1	1
\$251 500 - \$261 499*	1	4
\$261 500 - \$271 499	1	3
\$271 500 - \$281 499	1	2
\$281 500 - \$291 499*	3	1
\$291 500 - \$301 499*	3	3
\$301 500 - \$311 499*	4	2
\$311 500 - \$321 499*	5	-
\$321 500 - \$331 499	2	1
\$331 500 - \$341 499	-	4
\$341 500 - \$351 499*	1	1
\$351 500 - \$361 499	1	-
\$361 500 - \$371 499	-	1
\$381 500 - \$391 499	1	1
\$391 500 - \$401 499*	2	1
\$401 500 - \$411 499	1	-
\$431 500 - \$441 499	1	1
\$451 500 - \$461 499	1	1
\$481 500 - \$491 499	1	-
\$501 500 - \$511 499	1	-
\$511 500 - \$521 499	-	1
\$531 500 - \$541 499	-	1
\$641 500 - \$651 499	1	-
\$731 500 - \$741 499	1	-
\$761 500 - \$771 499	1	-
\$781 500 - \$791 499	1	-
Total	80	91

The table above includes the TVSP component paid where the employee meets the \$141 500 threshold on normal remuneration. This is indicated as * on the relevant banding.

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7. Supplies and services

	2015	2014
	\$'000	\$'000
Accommodation	21 527	26 210
Telecommunication	5 820	5 945
Staff development and recruitment	2 449	2 046
General administration and consumables	10 292	11 891
Promotion and marketing	3 115	3 655
Sponsorships	103	567
External contributions	205	379
Repairs, maintenance and minor equipment purchases	1 758	2 178
IT and computing charges	29 610	27 163
Microsoft licence & support	16 496	17 229
Managed network services	4 803	5 967
Outsourced contracts	2 322	2 719
Contractors and temporary staff	15 878	17 749
Consultants	1 646	1 550
Cost of goods sold	254	309
Community infrastructure	2	314
Projects	-	328
Intra government transfers	1 510	13 609
Other supplies and services	2 782	3 758
Total supplies and services	120 572	143 566

Payments to consultants

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

	2015	2015	2014	2014
	No	\$'000	No	\$'000
Below \$10,000	15	80	17	74
Above \$10,000	29	1 566	26	1 476
Total	44	1 646	43	1 550

Department of the Premier and Cabinet

8. Grants and subsidies

	2015 \$'000	2014 \$'000
Grants and subsidies	10 119	131 416
Total grants and subsidies	10 119	131 416
Grants and subsidies consists of the following:	2015	2014
	\$'000	\$'000
Libraries Board of South Australia	-	32 600
Adelaide Festival Centre Trust	-	16 836
Museum Board	-	11 156
Art Gallery Board	-	9 644
Adelaide Festival Corporation	-	8 298
History Trust of South Australia	-	5 722
Country Arts SA	-	5 310
South Australian Film Corporation	-	5 179
Arts Project assistance	-	4 151
Arts industry assistance	-	4 110
Aboriginal Land Rights	-	3 788
State Theatre Company of South Australia	-	2 448
South Australian Youth Arts Board	-	2 387
Adelaide Symphony Orchestra	-	2 396
Adelaide Fringe	-	1 597
State Opera of South Australia	-	1 551
Brand South Australia	1 457	1 427
Australian Dance Theatre	-	1 178
Adelaide Film Festival	-	1 205
Tandanya	-	1 040
The Australian Children's Performing Arts Company	-	1 035
Jam Factory of Contemporary Craft and Design	-	1 019
Carrick Hill Trust	-	912
Aboriginal Community assistance	-	708
Premier's Community Initiatives	33	248
Safe Work Australia	-	710
Work Health and Safety Grants	-	1 103
WorkCoverSA in kind funding support	-	683
Flinders University	75	227
Working Women's Centre SA Inc	-	331
Aust Festival For Young People	-	88
Playford Memorial Trust	77	75
Building the State of Wellbeing	200	-
Engine Room SA	200	-
Connecting Up Australia	120	120
Special Appeals and Minor Grants	349	571
Tailem Bend Motorsport Park	7 500	-
D3 Digital Challenge	10	-
Intercultural Adelaide	98	-
University of South Australia	-	147
AARC Operating Contributions	-	100
Disability Information & Resource Centre	-	195
Other grants and subsidies	-	1 121
Total grants and subsidies	10 119	131 416

Department of the Premier and Cabinet

8. Grants and subsidies (continued)

Grants and subsidies paid during 2013-14 included payments of \$128.2 million made by Arts SA, the Aboriginal Affairs and Reconciliation Division and Safework SA who transferred from the department on 1 July 2014, with grants and subsidies payments made by these divisions in 2014-15 reported by the Department of State Development and the Attorney-General's Department.

9. Depreciation and amortisation

	2015	2014
	\$'000	\$'000
Depreciation		
Buildings and improvements	2 515	8 478
Plant and equipment	5 841	7 090
Total depreciation	8 356	15 568
Amortisation		
Intangible assets	1 890	2 480
Total amortisation	1 890	2 480
Total depreciation and amortisation	10 246	18 048

10. Other expenses

	2015	2014
	\$'000	\$'000
Other expenses		
Doubtful debts (refer to note 21)	(12)	(251)
Derecognition of assets (refer to note 23)	125	340
Other	137	302
Total other expenses	250	391

11. Resources provided free of charge

	2015	2014
	\$'000	\$'000
Donated assets	41	556
Total resources provided free of charge	41	556

12. Auditor's remuneration

	2015	2014
	\$'000	\$'000
Audit fees paid/payable to the Auditor-General's Department	657	707
Total audit fees	657	707

Other services

No other services were provided by the Auditor-General's Department.

Department of the Premier and Cabinet

13. Fees and charges

	2015	2014
	\$'000	\$'000
Fees and charges		
Shared Services SA	88 772	85 318
Service SA	32 122	43 426
Regulatory fees	101	15 461
Fees for services	38 797	31 632
Microsoft licence and support	15 135	15 195
Rental income	14	6 316
Service provision	15 818	14 507
Arts industry related fees	-	650
Sale of goods	1 749	1 910
Other	8 233	7 225
Total fees and charges	200 741	221 640

14. Commonwealth revenue

	2015	2014
	\$'000	\$'000
Commonwealth revenue	-	510
Total Commonwealth revenue	-	510

15. Grants

	2015	2014
	\$'000	\$'000
Grants		
Recurrent grant	1 996	11 989
In-kind revenue	-	683
Total grants	1 996	12 672

16. Resources received free of charge

	2015	2014
	\$'000	\$'000
Donated assets	31	1 750
Total resources received free of charge	31	1 750

The department received Government Radio Network assets from the Attorney-General's Department during 2014-15. In 2013-14, Arts SA received the fitout of the Adelaide Festival Centre Riverside Restaurant, free of charge, from the Department of Transport, Planning and Infrastructure.

Department of the Premier and Cabinet

17. Net gain from disposal of non-current assets

	2015 \$'000	2014 \$'000
Assets held for sale		
Proceeds from disposal	5 584	-
Selling costs	(84)	-
Net book value of assets disposed	(4 242)	-
Gain from disposal of assets held for sale	1 258	-
Buildings and improvements		
Net book value of assets disposed	(92)	(90)
Loss from disposal of buildings and improvements	(92)	(90)
Plant and equipment		
Net book value of assets disposed	(332)	(165)
Loss from disposal of plant and equipment	(332)	(165)
ICT infrastructure		
Net book value of assets disposed	(129)	(20)
Loss from disposal of ICT infrastructure	(129)	(20)
Intangible assets		
Net book value of assets disposed	-	(55)
Loss from disposal of intangible assets	-	(55)
Works of art		
Net book value of assets disposed	-	(70)
Loss from disposal of works of art	-	(70)
Total net gain (loss) from disposal of non-current assets	705	(400)

No proceeds were received on the disposal of buildings and improvements, plant and equipment and ICT infrastructure during 2014-15.

18. Other income

	2015 \$'000	2014 \$'000
Other income		
Refunds	309	305
Sponsorship	52	366
Pre-tax employee contributions	426	92
Other	272	479
Total other income	1 059	1 242

Department of the Premier and Cabinet

19. Revenues from / payments to SA Government

	2015	2014
	\$'000	\$'000
Revenues from SA Government		
Appropriations from Consolidated Account pursuant to the <i>Appropriation Act</i>	86 974	247 129
Transfers from contingency provisions	6 464	10 303
Total revenues from SA Government	93 438	257 432
Payments to SA Government		
Return of proceeds of sale of Agent-General's residence (refer notes 22 and 23)	5 500	-
Total payments to SA Government	5 500	-

The original amount appropriated to the department under the annual *Appropriation Act* was varied due to a reduction of \$3.9 million. In 2013-14, an additional advance of \$18.7 million was received from the Treasurer via the Governor's Appropriation Fund.

There was no material variations between the amounts appropriated and the expenditure associated with this appropriation.

The Agent-General's Residence in London, the United Kingdom was sold during 2014-15. Net proceeds of sale were paid to the Consolidated Account.

20. Cash and cash equivalents

	2015	2014
	\$'000	\$'000
Deposits at call	43 745	49 214
Deposits with the Treasurer	8 667	10 577
Other short-term deposits	3 433	3 558
Total cash and cash equivalents	55 845	63 349

Deposits with the Treasurer

Includes funds held in the Accrual Appropriation Excess Funds Account. The balances of these funds are not available for general use, i.e. funds can only be used once the Treasurer's/ Under Treasurer's approval is received.

Interest rate risk

All deposits at call are non-interest bearing. The carrying amount of cash and cash equivalents represents fair value.

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21. Receivables

	2015	2014
	\$'000	\$'000
Current		
Receivables	22 250	26 498
Less: allowance for doubtful debts	-	(17)
Prepayments	2 367	1 925
Accrued income	740	76
GST receivable	436	270
Total current receivables	25 793	28 752
Non-current		
Receivables	64	103
Prepayments	85	125
Total non-current receivables	149	228
Total receivables	25 942	28 980

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 income are non-interest bearing. Other than recognised in the allowance for doubtful debts, it is not anticipated that counterparties will fail to discharge their obligations. The carrying amount of receivables approximates net fair value due to being receivable on demand. In addition, there is no concentration of credit risk.

Note 36 contains information regarding:

- (a) categorisation of financial instruments - refer to table (a).
- (b) ageing analysis of receivables - refer to table (b).
- (c) maturity analysis of receivables - refer to table (c).

Allowance for doubtful debts

The allowance for doubtful debts (allowance for impairment loss) is recognised when there is objective evidence 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 are as follows:

	2015	2014
	\$'000	\$'000
Carrying amount at the beginning of the period	17	317
Decrease in allowance	(12)	(251)
Amounts written off	(5)	(49)
Carrying amount at the end of the period	-	17

Department of the Premier and Cabinet

22. Non-current assets classified as held for sale

	2015	2014
	\$'000	\$'000
Buildings and improvements	-	4 242
Total non-current assets classified as held for sale	-	4 242

Non-current assets classified as held for sale

The Agent-General's Residence in London, United Kingdom was sold during 2014-15.

23. Property, plant and equipment

Valuations of land and buildings

An independent valuation of the land and buildings was conducted as at 30 June 2014 by Valcorp Australia Pty Ltd. The valuation of land and buildings at 30 June 2014 was prepared on a fair value basis in accordance with AASB 116 *Property, Plant and Equipment* and AASB 13 *Fair Value Measurement*.

Fair value of unrestricted land was determined using a market approach. The valuation was based on recent market transactions for similar land in the area and includes adjustments for factors specific to the land such as size and location. Fair value of land classified as restricted in use was determined using an adjusted market price of surrounding unrestricted land.

The valuer used depreciated replacement cost for buildings, due to there not being an active market. The depreciated replacement cost considered the need for ongoing provision of government services; specialised nature of the assets, including the restricted use of the assets; the size, condition, location and current use of the assets. The valuation was based on a combination of internal records, specialised knowledge and the acquisition/transfer costs.

All other non-current assets controlled by the department have been deemed to be held at fair value.

Impairment

There were no indications of impairment of property, plant and equipment, and intangible assets held at 30 June 2015.

	2015	2014
	\$'000	\$'000
Land, buildings and improvements	\$'000	\$'000
Land at fair value	-	36 418
Buildings & improvements at fair value	40 419	392 524
Accumulated depreciation	(31 696)	(256 258)
Total land, buildings and improvements	8 723	172 684
Plant and equipment	\$'000	\$'000
Plant and equipment at cost (deemed fair value)	61 787	69 356
Accumulated depreciation	(41 732)	(45 606)
Total plant and equipment	20 055	23 750
Work in progress	\$'000	\$'000
Work in progress at cost	2 788	9 968
Total work in progress	2 788	9 968
Total property, plant and equipment	31 566	206 402
Works of art	\$'000	\$'000
Works of art at fair value	27	5 110
Total works of art	27	5 110

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24. Intangible assets

	2015 \$'000	2014 \$'000
Computer software	8 521	9 967
Accumulated amortisation	(7 330)	(8 778)
Other intangibles	6 118	5 903
Accumulated amortisation	(2 733)	(2 935)
Total intangibles	4 576	4 157
Work in progress		
Work in progress at cost	1 761	385
Total work in progress	1 761	385
Total intangible assets	6 337	4 542

25. Fair value measurement

Fair value hierarchy

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

Fair value measurements recognised in the Statement of Financial Position are categorised into the following levels as at 30 June 2015:

Fair value measurements as at 30 June 2015

	Level 2 \$'000	Level 3 \$'000	2015 \$'000
Recurring fair value measurements			
Buildings (note 23)	-	2 393	2 393
Leasehold improvements (note 23)	-	6 330	6 330
Plant and equipment (note 23)	-	20 055	20 055
Works of art (note 23)	27	-	27
Total recurring fair value measurements	27	28 778	28 805
Total fair value measurements	27	28 778	28 805

Fair value measurements as at 30 June 2014

	Level 2 \$'000	Level 3 \$'000	2014 \$'000
Recurring fair value measurements			
Land (note 23)	25 700	10 718	36 418
Buildings (note 23)	1 670	123 579	125 249
Leasehold improvements (note 23)	-	11 017	11 017
Plant and equipment (note 23)	-	23 750	23 750
Works of art (note 23)	5 110	-	5 110
Total recurring fair value measurements	32 480	169 064	201 544
Non-recurring fair value measurements			
Buildings classified as held for sale (note 22)	4 242	-	4 242
Total non-recurring fair value measurements	4 242	-	4 242
Total fair value measurements	36 722	169 064	205 786

The department had no valuations categorised into level 1.

There were no transfers of assets between level 1 and level 2 fair value hierarchy levels during 2014-15. The department's policy is to recognise transfers into and out of fair value hierarchy levels as at end of the reporting period.

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Valuation techniques and inputs

Valuation techniques used to derive level 2 and 3 fair values are at note 23 and below. There were no changes in valuation techniques during 2014-15.

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

Reconciliation of Level 3 recurring fair value measurements at 30 June 2015

	Land \$'000	Buildings \$'000	Leasehold Improvmts \$'000	Plant and equipment \$'000	Total \$'000
Balance as at 1 July 2014	10 718	123 579	11 017	23 750	169 064
Additions	-	-	-	157	157
Transfers from WIP	-	46	437	3 662	4 145
Resources received free of charge	-	-	-	31	31
Resources provided free of charge	-	-	-	(14)	(14)
Reclassification of assets	-	(35)	-	(5)	(40)
Disposals & adjustments	-	(93)	-	(464)	(557)
Transfer out as a result of administrative restructure	(10 718)	(120 894)	(2 819)	(1 221)	(135 652)
Total movement recognised in statement of financial position	-	2 603	8 635	25 896	37 134
Losses recognised in net result					
Depreciation	-	(210)	(2 305)	(5 841)	(8 356)
Total losses recognised in net result	-	(210)	(2 305)	(5 841)	(8 356)
Balance at 30 June 2015	-	2 393	6 330	20 055	28 778

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Reconciliation of Level 3 recurring fair value measurements at 30 June 2014

	Land	Buildings	Leasehold Improvmts	Plant and equipment	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Balance as at 1 July 2013	9 818	126 625	7 676	26 856	170 975
Additions	-	252	26	298	576
Transfers to (from) WIP	-	240	2 485	5 857	8 582
Resources received free of charge	-	1 750	-	-	1 750
Resources provided free of charge	-	-	-	(141)	(141)
Prior period adjustments	-	69	-	20	89
Reclassification of assets	-	-	1 804	(1 804)	-
Other	-	50	-	28	78
Disposals	-	(90)	-	(214)	(304)
Total movement recognised in statement of financial position	9 818	128 896	11 991	30 900	181 605
Losses for the period recognised in net result					
Depreciation	-	(6 521)	(1 955)	(7 090)	(15 566)
Total losses recognised in net result	-	(6 521)	(1 955)	(7 090)	(15 566)
Gains for the period recognised in other comprehensive income					
Revaluation increment	900	1 204	981	(60)	3 025
Total gains recognised in other comprehensive income	900	1 204	981	(60)	3 025
Balance at 30 June 2014	10 718	123 579	11 017	23 750	169 064

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RECONCILIATION OF NON-CURRENT ASSETS

The following table shows the movement of non-current assets during 2014-15

	Land, buildings and improvements \$'000	Plant and equipment \$'000	Work in progress \$'000	Works of art \$'000	Total tangible assets \$'000	Computer software intangibles \$'000	Other intangibles \$'000	Work in progress intangible assets \$'000	Total intangible assets \$'000
Book value at 1 July 2014	428 942	69 356	9 968	5 110	513 376	9 967	5 903	385	16 255
Additions	-	157	4 251	-	4 408	1 422	-	2 682	4 104
Transfers to (from) WIP	483	3 662	(4 145)	-	-	59	1 110	(1 169)	-
Disposals	(2 627)	(4 512)	-	-	(7 139)	(2 979)	(502)	-	(3 481)
Transfer out as a result of administrative restructure	(386 291)	(6 827)	(7 227)	(5 083)	(405 428)	(26)	(414)	(46)	(486)
Resources provided free of charge	-	(72)	(27)	-	(99)	-	-	-	-
Resources received free of charge	-	34	-	-	34	-	-	-	-
Other changes	(88)	(11)	(32)	-	(131)	78	21	(91)	8
Balance at 30 June 2015	40 419	61 787	2 788	27	105 021	8 521	6 118	1 761	16 400
Accumulated depreciation/ amortisation balance as at									
1 July 2014	(256 258)	(45 606)	-	-	(301 864)	(8 778)	(2 935)	-	(11 713)
Disposals	2 534	4 048	-	-	6 582	2 979	502	-	3 481
Depreciation/ amortisation	(2 515)	(5 841)	-	-	(8 356)	(1 555)	(335)	-	(1 890)
Transfer out as a result of administrative restructure	224 490	5 606	-	-	230 096	26	90	-	116
Resources provided free of charge	-	58	-	-	58	-	-	-	-
Resources received free of charge	-	(3)	-	-	(3)	-	-	-	-
Other changes	53	6	-	-	59	(2)	(55)	-	(57)
Balance at 30 June 2015	(31 696)	(41 732)	-	-	(73 428)	(7 330)	(2 733)	-	(10 063)
Book value at 30 June 2015	8 723	20 055	2 788	27	31 593	1 191	3 385	1 761	6 337

Department of the Premier and Cabinet
RECONCILIATION OF NON-CURRENT ASSETS

The following table shows the movement of non-current assets during 2013-14

	Land, buildings and improvements \$'000	Plant and equipment \$'000	Work in progress \$'000	Works of art \$'000	Total tangible assets \$'000	Computer software \$'000	Other intangibles \$'000	Work in progress intangible asset \$'000	Total intangibles assets \$'000
Book value at 1 July 2013	393 730	73 709	9 389	5 180	482 008	10 980	7 355	98	18 433
Additions	278	298	13 399	-	13 975	79	-	769	848
Transfers to (from) WIP	2 725	5 857	(8 535)	-	47	421	214	(682)	(47)
Other (includes disposals, reclassifications & retirements)	5 791	(9 000)	-	(70)	(3 279)	(1 540)	(1 666)	-	(3 206)
Revaluation increment/ (decrement)	28 406	(60)	-	-	28 346	-	-	-	-
Resources provided free of charge	-	(1 426)	(414)	-	(1 840)	-	-	-	-
Resources received free of charge	1 750	-	-	-	1 750	-	-	-	-
Transfers to held for sale	(4 242)	-	-	-	(4 242)	-	-	-	-
Prior period adjustments	482	-	(3 373)	-	(2 891)	-	-	-	-
Other changes	22	(22)	(498)	-	(498)	27	-	200	227
Balance at 30 June 2014	428 942	69 356	9 968	5 110	513 376	9 967	5 903	385	16 255
Accumulated depreciation/ amortisation balance as at 1 July 2013	(220 433)	(46 853)	-	-	(267 286)	(8 236)	(4 146)	-	(12 382)
Other (includes disposals & reclassifications)	(4 077)	6 981	-	-	2 904	1 483	1 666	-	3 149
Revaluation increment/ (decrement)	(22 886)	-	-	-	(22 886)	-	-	-	-
Depreciation/ amortisation	(8 478)	(7 090)	-	-	(15 568)	(2 025)	(455)	-	(2 480)
Resources provided free of charge	-	1 284	-	-	1 284	-	-	-	-
Prior period adjustments	(413)	23	-	-	(390)	-	-	-	-
Other changes	29	49	-	-	78	-	-	-	-
Balance at 30 June 2014	(256 258)	(45 606)	-	-	(301 864)	(8 778)	(2 935)	-	(11 713)
Book value at 30 June 2014	172 684	23 750	9 968	5 110	211 512	1 189	2 968	385	4 542

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26. Payables

	2015	2014
	\$'000	\$'000
Current		
Creditors	10 691	14 776
Accrued expenses	2 507	649
Employment on-costs	2 544	2 899
Total current payables	15 742	18 324
Non-current		
Employment on-costs	2 428	3 072
Total non-current payables	2 428	3 072
Total payables	18 170	21 396

Employment on-costs

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 decreased to 37% (40%). The average factor for the calculation of employer superannuation on-cost has remained unchanged from 2014 at 10.3%.

These rates are used in the employment on-cost calculation. The net 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. Sundry creditors are normally settled within 30 days. 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 approximates net fair value to the amounts being payable on demand.

Note 36 contains information regarding:

- (a) categorisation of financial instruments - refer to table (a).
- (b) maturity analysis of payables - refer to table (c).

27. Employee benefits

	2015	2014
	\$'000	\$'000
Current		
Accrued salaries and wages	855	566
Annual leave	10 369	12 316
Long service leave	7 207	7 948
Skills and experience retention leave	713	807
Total current employee benefits	19 144	21 637
Non-current		
Long service leave	27 130	33 128
Total non-current employee benefits	27 130	33 128
Total employee benefits	46 274	54 765

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27. Employee benefits (continued)

AASB 119 contains the calculation methodology for long service leave liability. The actuarial assessment performed by the Department of Treasury and Finance has provided a basis for the measurement of long service leave.

AASB 119 requires the use of the yield on long term Commonwealth bonds as the discount rate in the measurement of the long service leave liability. The yield on long term Commonwealth Government bonds has decreased in 2015 to 3.0% (3.5%), the resulting effect is immaterial.

The salary inflation rate remained unchanged at 4.0% for long service leave. The salary inflation rate applied to annual leave and skills and experience retention leave has decreased to 3.0% (4.0%). The resulting financial effect of the change is immaterial.

28. Provisions

	2015	2014
	\$'000	\$'000
Current		
Provision for workers compensation	609	903
Provision for copyright	-	2 602
Total current provisions	609	3 505
Non-current		
Provision for workers compensation	1 815	3 474
Total non-current provisions	1 815	3 474
Total provisions	2 424	6 979
Provision for workers compensation movement:		
Carrying amount at the beginning of the period	4 377	4 173
(Decrease) increase in provision recognised	(1 953)	204
Carrying amount at the end of the period	2 424	4 377
Provision for copyright movement:		
Carrying amount at the beginning of the period	2 602	1 944
Reduction due to copyright payments	(2 595)	-
(Decrease) increase in provision recognised	(7)	658
Carrying amount at the end of the period	-	2 602
Total carrying amount at the end of the period	2 424	6 979

29. Other liabilities

	2015	2014
	\$'000	\$'000
Current		
Unearned income	13	1 455
Lease incentive	360	360
Total current other liabilities	373	1 815
Non-current		
Lease incentive	1 260	1 620
Total non-current other liabilities	1 260	1 620
Total other liabilities	1 633	3 435

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30. Transferred functions

2014-15 Transferred Out

Arts SA, Aboriginal Affairs and Reconciliation Division, Office of the Economic Development Board and Invest in SA

As a result of administrative arrangements outlined in the South Australian Government Gazette (the Government Gazette) on 26 June 2014, the department relinquished responsibility for Arts SA, Office of Economic Development, Invest in SA and the Aboriginal Affairs and Reconciliation Division (AARD). Assets and liabilities relating to these business units were transferred to the Department of State Development effective 1 July 2014.

Net assets transferred out

	Invest in SA	Office of the Economic Development Board	AARD	Arts SA	Total 1.7.2014
	\$'000	\$'000	\$'000	\$'000	\$'000
Current assets					
Cash and cash	-	-	1 040	6 077	7 117
Receivables	10	-	126	4 448	4 584
Non-current assets					
Receivables	-	-	-	3	3
Property, plant and equipment	-	-	2 062	160 691	162 753
Total assets	10	-	3 228	171 219	174 457
Current liabilities					
Payables	23	26	1 104	2 586	3 739
Employee benefits	63	42	634	491	1 230
Provisions	-	-	3	23	26
Other	-	-	-	1 428	1 428
Non-current liabilities					
Payables	4	5	90	127	226
Employee benefits	46	56	969	1 284	2 355
Provisions	1	1	7	99	108
Total liabilities	137	130	2 807	6 038	9 112
Net assets transferred out	(127)	(130)	421	165 181	165 345

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Safework SA

As a result of administrative arrangements outlined in the Government Gazette on 26 June 2014, the department relinquished responsibility for Safework SA, a business unit of the department. Assets and liabilities relating to this business unit were transferred to the Attorney-General's Department effective 1 July 2014.

Net assets transferred out

	SafeWork SA	Total
	\$'000	1.7.2014
	\$'000	\$'000
Current assets		
Cash and cash	36	36
Receivables	193	193
Non-current assets		
Receivables	1	1
Property, plant and equipment	12 949	12 949
Total assets	13 179	13 179
Current liabilities		
Payables	865	865
Employee benefits	2 400	2 400
Provisions	12	12
Non-current liabilities		
Payables	340	340
Employee benefits	3 664	3 664
Provisions	31	31
Total liabilities	7 312	7 312
Net assets transferred out	5 867	5 867

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2013-14 Transferred Out

Population and Migration Policy

As a result of administrative arrangements outlined in the Government Gazette on 21 November 2013, the department relinquished responsibility for Population and Migration Policy, a business unit of the department. Assets and liabilities relating to this business unit were transferred to the Department for Manufacturing, Innovation, Trade, Resources and Energy (DMITRE) effective 1 December 2013.

Net assets transferred out

	Population and Migration Policy	Total
	30.11.2013	
	\$'000	\$'000
Current assets		
Cash and cash	-	-
Receivables	-	-
Non-current assets		
Receivables	-	-
Property, plant and equipment	-	-
Total assets	-	-
Current liabilities		
Payables	5	5
Employee benefits	43	43
Non-current liabilities		
Payables	5	5
Employee benefits	51	51
Total liabilities	104	104
Net assets transferred out	(104)	(104)

2013-14 Transferred In

Invest in South Australia

As a result of administrative arrangements outlined in the Government Gazette on 5 September 2013, the department took on responsibility for Invest in South Australia, a business unit of the department. Assets and liabilities relating to this business unit were transferred from DMITRE effective 5 September 2013.

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Net assets transferred in

	DMITRE	DTF	DTF Ministerial Chauffeurs and MP	
	Invest in SA 5.9.2013	Corporate Services 10.2.2014	Fleet 1.4.2014	Total
	\$'000	\$'000	\$'000	\$'000
Current assets				
Cash and cash	-	-	-	-
Receivables	-	-	-	-
Non-current assets	-	-	-	-
Receivables	-	-	-	-
Property, plant and equipment	-	-	-	-
Total assets	-	-	-	-
Current liabilities				
Payables	10	123	18	151
Employee benefits	72	953	227	1 252
Non-current liabilities				
Payables	4	140	15	159
Employee benefits	45	1 512	354	1 911
Total liabilities	131	2 728	614	3 473
Net assets transferred in	(131)	(2 728)	(614)	(3 473)

31. Unrecognised contractual commitments

Remuneration commitments

Commitments for the payment of salaries and other remuneration under employment contracts in existence at the reporting date but not recognised as liabilities are payable as follows:

	2015	2014
	\$'000	\$'000
Within one year	9 132	12 341
Later than one year but not longer than five years	26 318	17 714
Total remuneration commitments	35 450	30 055

Amounts disclosed include commitments arising from executive and other service contracts. The department does not offer remuneration contracts greater than 5 years.

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Operating lease commitments

The department as lessee

Commitments in relation to operating leases contracted at the reporting date which are not recognised as liabilities are payable as follows:

	2015	2014
	\$'000	\$'000
Within one year	11 386	19 502
Later than one year but not longer than five years	32 548	45 987
Later than five years	1 951	9 856
Total operating lease commitments	45 885	75 345
Representing:		
Non-cancellable operating leases	45 885	75 345
Total operating lease commitments	45 885	75 345

At the reporting date, the department's operating leases are for the lease of office accommodation and motor vehicles.

- Office accommodation is leased from the Building Management Accommodation and Building Services, a business unit of the Department of Planning, Transport and Infrastructure. The leases are non-cancellable with terms ranging from 1 to 15 years, with some leases having right of renewal. The rental amount is based on floor space and the time period of the lease, with the rental rate reviewed taking into account movements in market rental values or CPI. Rental is payable in advance.
- Motor vehicle leases are non-cancellable, with rental payments monthly in arrears. No contingent rental provisions exist within the lease agreements and no options exist to renew the leases at the end of their term.

For the current financial year, the total amount of rental expense for minimum lease payments for operating leases was \$16.6 million (\$20.5 million).

The department as lessor

Lease receivable contracted for at the reporting date but not recognised as assets:

	2015	2014
	\$'000	\$'000
Within one year	-	5 645
Later than one year but not longer than five years	-	24 027
Later than five years	-	63 577
Total operating lease commitments due as lessor	-	93 249
Representing:		
Non-cancellable operating leases	-	93 249
Total operating lease commitments	-	93 249

In 2013-14, the department's lease as lessor related to the Adelaide Festival Centre and Her Majesty's Theatre leased to the Adelaide Festival Centre Trust. The lease was non-cancellable for 20 years with the right of renewal. The lease transferred to the Department of State Development effective 1 July 2014.

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Capital commitments	2015	2014
	\$'000	\$'000
Within one year	1 526	1 578
Total capital commitments	1 526	1 578
<hr/>		
Other commitments	2015	2014
	\$'000	\$'000
Within one year	20 505	27 757
Later than one year but not longer than five years	150	20 657
Total other commitments	20 655	48 414

The department's other commitments include:

- Microsoft Enterprise Agreement regarding a 3 year across-government software assurance
- Microsoft Enterprise Agreement regarding a 3 year instalment payment agreement.

32. Contingent assets and liabilities

Contingent assets

South Australian Government Salary Sacrifice Agreement (Office of the Public Sector)

In 2012, the Government entered into a salary sacrificing agreement with Maxxia Pty Ltd. The agreement allows the Minister or his delegate to withdraw up to a total of \$10 million when an unconditional financial undertaking is present to fund any interim measures to avoid disruption to the salary sacrifice arrangements provided to employees. The financial undertaking is in place until 30 June 2019.

Telecommunications Charges (Office of Digital Government)

A review of telecommunications invoicing has identified a number of over-charges relating to prior periods. ODG and the vendor are currently involved in negotiations and therefore the amount receivable cannot be measured as at 30 June 2015.

Contingent liabilities

Software Licences (Shared Services SA)

A review of software licences has identified a possible liability for a shortfall in allocated licences for a particular software. SSSA and the vendor are currently involved in negotiations and therefore the amount payable cannot be measured as at 30 June 2015.

Glenthorne Farm (Commercial Advice)

Glenthorne Farm, at O'Halloran Hill, was purchased by the University of Adelaide from the Commonwealth Scientific and Industrial Research Organisation, with the assistance of a grant from the SA Government in May 2001. A contract signed by the SA Government and the University of Adelaide resulted in the former assuming liability for any possible third party claims resulting from any contamination which may be discovered on the property.

The South Australian and Commonwealth Governments agreed by exchange of letters that, in the event of such a claim, the state government reserves its right to seek a contribution from the Commonwealth based on the Commonwealth's previous ownership of the land.

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33. Budgetary reporting and explanations of major variances

The following is a brief explanation of the major variance 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.

Statement of Comprehensive Income	Note	Original budget ¹ 2015 \$'000	Actual 2015 \$'000	Variance \$'000
Expenses				
Employee benefits	(a)	142 375	156 744	14 369
Supplies and services		121 762	120 572	(1 190)
Grants and subsidies		16 500	10 119	(6 381)
Depreciation and amortisation		11 070	10 246	(824)
Other expenses		12	250	238
Resources provided free of charge		-	41	41
Total expenses		291 719	297 972	6 253
Income				
Fees and charges		202 754	200 741	(2 013)
Grants		1 754	1 996	242
Interest revenue		-	3	3
Resources received free of charge		-	31	31
Recoveries from administered items		1 267	1 267	-
Net gain from disposal of non-current assets		-	705	705
Other income		59	1 059	1 000
Total income		205 834	205 802	(32)
Net cost of providing services		85 885	92 170	6 285
Revenues from / payment to SA Government				
Revenues from SA Government		90 891	93 438	2 547
Payments to SA Government		(3 994)	(5 500)	(1 506)
Net revenues from SA Government		86 897	87 938	1 041
Net result		1 012	(4 232)	5 244
Total comprehensive result		1 012	(4 232)	5 244

¹ The budget process is not subject to audit. Budget information refers to the amounts presented to Parliament in the original budgeted financial statements in respect of the reporting period (2014-15 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.

Major variance explanation:

(a) The higher than originally budgeted employee benefits primarily reflect expenditure associated with employee separations and the provision of corporate services to the Department of Treasury and Finance.

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Investing expenditure summary	Note	Original budget ¹ 2015 \$'000	Actual 2015 \$'000	Variance \$'000
Total new projects		-	194	194
Total existing projects	(b)	7 219	5 905	(1 314)
Total annual programs	(c)	3 525	2 413	(1 112)
Total investing expenditure		10 744	8 512	(2 232)

¹ The budget process is not subject to audit. Budget information refers to the amounts presented to Parliament in the original budgeted financial statements in respect of the reporting period (2014-15 Budget Paper 4). These amounts have not been adjusted to reflect revised budgets or administrative restructures/machinery of government changes.

Variance explanations:

(b) The variance is due to delays associated with transmission costs, voicemail upgrades, hosting facilities and other Central Data Network projects.

(c) Lower than budgeted capital acquisitions.

34. Cash flow reconciliation

	2015 \$'000	2014 \$'000
Reconciliation of cash and cash equivalents		
Cash and cash equivalents disclosed in the Statement of Financial Position	55 845	63 349
Cash and cash equivalents disclosed in the Statement of Cash Flows	55 845	63 349
Reconciliation of net cash provided by operating activities to net cost of providing services		
Net cash provided by operating activities	1 014	26 776
Less revenues from SA Government	(93 438)	(257 432)
Add payments to SA Government	5 500	-
Add/(less) non-cash items		
Depreciation and amortisation of property, plant and equipment and intangibles	(10 246)	(18 048)
Resources provided free of charge	(41)	(556)
Resources received free of charge	31	1 750
Bad and doubtful debts expense	17	300
Net gain/(loss) on disposal of assets	705	(400)
Prior period adjustments	(305)	(686)
Derecognition of assets	(125)	-
Net transfers from administrative restructures	(11 643)	3 369
Other non-cash items	-	(300)
Change in assets and liabilities		
Decrease in receivables	(3 038)	(2 415)
Increase in inventories	1	57
Decrease in payables	4 550	10 358
Decrease (increase) in employee benefits	8 491	(1 856)
Decrease (increase) in provisions	4 555	(861)
Decrease (increase) in other liabilities	1 802	(1 076)
Net cost of providing services	(92 170)	(241 020)

Department of the Premier and Cabinet

35. Transactions with SA Government

The following table discloses revenues, expenses, financial assets and liabilities where the counterparty/transaction is with an entity within the SA Government as at the reporting date, classified according to their nature. 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
		2015 \$'000	2015 \$'000	2015 \$'000
Expenses				
Employee benefits	6	7 859	148 885	156 744
Supplies and services	7			
Accommodation		21 168	359	21 527
Telecommunication		-	5 820	5 820
Staff development and recruitment		360	2 089	2 449
General administration and consumables		2 303	7 989	10 292
Promotion and marketing		86	3 029	3 115
Sponsorships		2	101	103
External contributions		53	152	205
Repairs, maintenance & minor equip.		1 063	695	1 758
IT and computing charges		2 389	27 221	29 610
Microsoft licence & support		-	16 496	16 496
Managed network services		184	4 619	4 803
Outsourced contracts		-	2 322	2 322
Contractors and temporary staff		-	15 878	15 878
Consultants		-	1 646	1 646
Cost of goods sold		-	254	254
Community infrastructure		-	2	2
Intra government transfers		1 510	-	1 510
Other supplies and services		910	1 872	2 782
Grants and subsidies	8	80	10 039	10 119
Depreciation and amortisation	9	-	10 246	10 246
Other expenses	10			
Bad and doubtful debts		-	(12)	(12)
Bad debts written off		-	-	-
Derecognition of assets		-	125	125
Other		-	137	137
Resources provided free of charge	11	41	-	41
Auditor's remuneration	12	657	-	657
Payments to SA Government	19	5 500	-	5 500
Total expenses		44 165	259 964	304 129

Department of the Premier and Cabinet

		SA Government 2015 \$'000	Non-SA Government 2015 \$'000	Total 2015 \$'000
	Note			
Income				
Fees and charges	13			
Shared Services SA		88 772	-	88 772
Service SA		32 122	-	32 122
Regulatory fees		60	41	101
Fees for services		37 578	1 219	38 797
Microsoft licence and support		15 135	-	15 135
Rental income		-	14	14
Service provision		9 111	6 707	15 818
Sale of goods		516	1 233	1 749
Other		6 675	1 558	8 233
Grants	15			
Recurrent grant		1 600	396	1 996
Resources received free of charge	16	31	-	31
Net gain from disposal of non-current assets	17	-	705	705
Recoveries from administered items		1 267	-	1 267
Interest revenue		-	3	3
Other income	18	32	1 027	1 059
Revenues from SA Government	19	93 438	-	93 438
Total income		286 337	12 903	299 240
Financial assets				
Receivables	21			
Receivables		21 030	1 284	22 314
Prepayments		-	2 452	2 452
Accrued income		85	655	740
ATO receivable		-	436	436
Total financial assets		21 115	4 827	25 942
Financial liabilities				
Payables	26			
Creditors		1 539	9 152	10 691
Accrued expenses		1 336	1 171	2 507
Employment on-costs		2 417	2 555	4 972
Other liabilities	29			
Unearned income		-	13	13
Lease incentive		-	1 620	1 620
Total financial liabilities		5 292	14 511	19 803

Department of the Premier and Cabinet

	Note	SA Government	Non-SA Government	
		2014 \$'000	2014 \$'000	2014 \$'000
Expenses				
Employee benefits	6	9 209	178 028	187 237
Supplies and services	7			
Accommodation		23 272	2 938	26 210
Telecommunication		78	5 867	5 945
Staff development and recruitment		95	1 951	2 046
General administration and consumables		2 754	9 137	11 891
Promotion and marketing		129	3 526	3 655
Sponsorships		-	567	567
External contributions		80	299	379
Repairs, maintenance & minor equip.		1 447	731	2 178
IT and computing charges		1 130	26 033	27 163
Microsoft licence & support		-	17 229	17 229
Managed network services		-	5 967	5 967
Outsourced contracts		-	2 719	2 719
Contractors and temporary staff		-	17 749	17 749
Consultants		-	1 550	1 550
Cost of goods sold		-	309	309
Community infrastructure		184	130	314
Projects		-	328	328
Intra government transfers		13 336	273	13 609
Other supplies and services		1 705	2 053	3 758
Grants and subsidies	8	101 349	30 067	131 416
Depreciation and amortisation	9	-	18 048	18 048
Net loss from disposal of non-current asse	17	-	400	400
Other expenses	10			
Bad and doubtful debts		-	(251)	(251)
Derecognition of assets		-	340	340
Other		-	302	302
Resources provided free of charge	11	556	-	556
Auditor's remuneration	12	707	-	707
Total expenses		156 031	326 290	482 321

Department of the Premier and Cabinet

	Note	SA Government	Non-SA Government	
		2014 \$'000	2014 \$'000	2014 \$'000
Income				
Fees and charges	13			
Shared Services SA		85 318	-	85 318
Service SA		43 426	-	43 426
Regulatory fees		7 357	8 104	15 461
Fees for services		25 027	6 605	31 632
Microsoft licence and support		15 195	-	15 195
Rental income		6 074	242	6 316
Service provision		15	14 492	14 507
Arts industry related fees		49	601	650
Sale of goods		-	1 910	1 910
Other		5 925	1 300	7 225
Commonwealth revenue	14	-	510	510
Grants	15			
Recurrent grant		11 571	418	11 989
In-kind revenue		683	-	683
Resources received free of charge	16	1 750	-	1 750
Community Development Fund		900	-	900
Recoveries from administered items		1 857	-	1 857
Interest revenue		23	-	23
Other income	18	94	1 148	1 242
Revenues from SA Government	19	257 432	-	257 432
Total income		462 696	35 330	498 026
Financial assets				
Receivables	21			
Receivables		21 770	4 814	26 584
Prepayments		24	2 026	2 050
Accrued income		69	7	76
ATO receivable		-	270	270
Total financial assets		21 863	7 117	28 980
Financial liabilities				
Payables	26			
Creditors		6 591	8 185	14 776
Accrued expenses		649	-	649
Employment on-costs		2 864	3 107	5 971
Other liabilities	29			
Unearned income		1 455	-	1 455
Lease incentive		-	1 980	1 980
Total financial liabilities		11 559	13 272	24 831

Department of the Premier and Cabinet

36. Financial instruments

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

(a) Categorisation of financial instruments

Details of the significant accounting policies and methods adopted including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised with respect to each class of financial asset, financial liability and equity instrument are disclosed in note 2 "Summary of Significant Accounting Policies".

Category of financial assets and financial liabilities	Statement of Financial Position line item	Note	Carrying Amount 2015 \$'000	Fair Value 2015 \$'000	Carrying Amount 2014 \$'000	Fair Value 2014 \$'000
Financial assets						
Cash and cash equivalents	Cash and cash	20	55 845	55 845	63 349	63 349
Receivables	Receivables ⁽¹⁾	21	22 960	22 960	26 766	26 766
Financial liabilities						
Financial liabilities - at cost	Payables ⁽¹⁾ Other liabilities	26 29	9 950 1 633	9 950 1 633	11 823 3 435	11 823 3 435

⁽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 accounting standards define contract as enforceable by law. All amounts recorded are carried at cost (not materially different from amortised cost).

Credit risk

Credit risk arises when there is the possibility of the department's debtors defaulting on their contractual obligations resulting in financial loss to the department. The department measures credit risk on a fair value basis and monitors risk on a regular basis.

The department has minimal concentration of credit risk. The department has policies and procedures in place to ensure that transactions occur with customers with appropriate credit history. The department does not engage in high risk hedging for its financial assets.

Allowances for impairment of financial assets is calculated on past experience and current and expected changes in client credit rating. Currently the department does not hold any collateral as security to any of its financial assets.

Other than receivables, there is no evidence to indicate that financial assets are impaired. Refer to note 21 for information on the allowance for impairment in relation to receivables.

Department of the Premier and Cabinet

(b) Ageing analysis of financial assets

The following table discloses the ageing of financial assets and the ageing of impaired assets past due:

	Past due by			Total \$'000
	Overdue for less than 30 days \$'000	Overdue for 30 – 60 days \$'000	Overdue for more than 60 days \$'000	
2015				
Receivables	603	438	296	1 337
2014				
Receivables	1 276	742	890	2 908

(c) Maturity analysis of financial assets and liabilities

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

	Carrying amount \$'000	Contractual maturities		
		< 1 year \$'000	1-5 years \$'000	> 5 years \$'000
2015				
Financial assets				
Cash and cash equivalents	55 845	55 845	-	-
Receivables	22 269	22 269	-	-
Accrued income	691	691	-	-
Total financial assets	78 805	78 805	-	-
Financial liabilities				
Creditors	9 950	9 950	-	-
Unearned income	13	13	-	-
Other financial liabilities	1 620	360	1 260	-
Total financial liabilities	11 583	10 323	1 260	-

	Carrying amount \$'000	Contractual maturities		
		< 1 year \$'000	1-5 years \$'000	> 5 years \$'000
2014				
Financial assets				
Cash and cash equivalents	63 349	63 349	-	-
Receivables	26 690	26 690	-	-
Accrued income	76	76	-	-
Total financial assets	90 115	90 115	-	-
Financial liabilities				
Creditors	11 823	11 823	-	-
Unearned income	1 455	1 455	-	-
Other financial liabilities	1 980	360	1 620	-
Total financial liabilities	15 258	13 638	1 620	-

Department of the Premier and Cabinet

Liquidity risk

Liquidity risk arises where the department is unable to meet its financial obligations as they are due to be settled. The department is funded principally from appropriations by the SA Government.

The department works with the Department of Treasury and Finance to determine the cash flows associated with its Government approved program of work and to ensure funding is provided through SA Government budgetary processes to meet the expected cash flows. The department settles undisputed accounts within 30 days from the date of the invoice or date the invoice is first received. In the event of a dispute, payment is made 30 days from resolution.

The department's exposure to liquidity risk is insignificant based on past experience and current assessment of risk.

Market risk

The department has no interest bearing liabilities as at the end of the reporting period. There is no exposure to foreign currency or other price risks.

A sensitivity analysis has not been undertaken for the interest rate risk of the department as it has been determined that the possible impact on profit and loss or total equity from fluctuations in interest rates is immaterial.

37. Remuneration of board and committee members

The department administers a number of boards and committees where members receive or are entitled to receive remuneration for their membership. Members during the year that were entitled to receive remuneration for membership during the 2014-15 financial year were:

State Records Council

M Anderson*
S Marsden
J Fetherstonhaugh
J Browne
J Burgess*
H Onopko
I Sutherland
K Nicholas*

Privacy Committee of South Australia

B Quirke* (retired 05/12/2014)
T Ryan* (retired 05/12/2014)
A Stanley* (retired 05/12/2014)
D Billich (re-appointed 01/10/2014)
P Fowler*
K Slowinski*
K Ahwan* (appointed 12/01/2015)
S Froude* (appointed 12/01/2015)
T Simpson* (appointed 23/02/2015)

Remuneration Tribunal

D Prior (retired 21/09/2014)
D Smythe (retired 21/09/2014)
P Alexander (appointed 27/11/2014)
J Lewin (appointed 2/10/2014)
N Vincent (appointed 2/10/2014)

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

	2015	2014
	No of	No of
	members	members
\$0 - \$9 999	17	200
\$10 000 - \$19 999	3	9
\$20 000 - \$29 999	1	1
\$30 000 - \$39 999	-	1
\$40 000 - \$49 999	1	10
\$80 000 - \$89 999	-	2
Total number of members	22	223

Department of the Premier and Cabinet

37. Remuneration of board and committee members (continued)

Remuneration of members reflects all costs of performing board/committee member duties including sitting fees, superannuation contributions, fringe benefits tax and any other salary sacrifice arrangements. The total remuneration received or receivable by members was \$112 000 (\$955 000).

For the year ending 30 June 2015, the department's disclosure regarding boards and committee's remuneration only applies to those boards and committees who were paid by the department. Boards and committees that did not receive remuneration from the department have been excluded from the note disclosure and comparatives adjusted where applicable.

Amounts paid to a superannuation plan for board/committee members was \$10 000 (\$80 000).

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

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.

38. Events after the reporting period

As a result of restructuring of administrative arrangements outlined in the Government Gazette on 21 May 2015, the department relinquished administrative responsibility of State Records SA to the Attorney-General's Department and the Industry Participation Advocate (from 1 July 2014, known as the Office of the Industry Advocate) to the Department of State Development, both effective 1 July 2015.

Department of the Premier and Cabinet

Annual Administered Financial Statements

For the year ended 30 June 2015

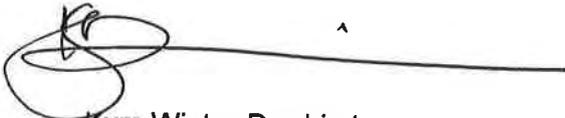
Department of the Premier and Cabinet

Certification of the Administered Financial Statements

We certify that the Administered Financial Statements for the Department of the Premier and Cabinet:

- are in accordance with the accounts and records of the Department of the Premier and Cabinet;
- comply with relevant Treasurer's Instructions;
- comply with relevant accounting standards; and
- present a true and fair view of the financial position of the Department of the Premier and Cabinet at the end of the financial year and the results of its operations and cash flows for the financial year.

Internal controls employed by the Department of the Premier and Cabinet over its financial reporting and its preparation of the financial statements have been effective throughout the financial year.



Kym Winter-Dewhirst
Chief Executive

16 September 2015



Steven Woolhouse FCPA
Chief Finance Officer

16 September 2015

Department of the Premier and Cabinet

Statement of Administered Comprehensive Income

For the year ended 30 June 2015

	Note	2015 \$'000	2014 \$'000
Administered expenses			
Employee benefits	A2	453	501
Grants and subsidies	A3	-	557
Intra government transfers	A4	-	7 093
Supplies and services	A5	2 157	2 336
Disbursements on behalf of third parties	A6	434 063	436 460
Depreciation	A7	-	37
Net loss on disposal of assets	A8	-	4
Total administered expenses		436 673	446 988
Administered income			
Advances and grants	A9	-	254
Collections on behalf of third parties	A10	434 063	436 460
Revenues from SA Government	A11	2 511	8 494
Interest		7	887
Fees and charges		102	317
Total administered income		436 683	446 412
Net result		10	(576)
Total comprehensive result		10	(576)

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

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

Department of the Premier and Cabinet

Statement of Administered Financial Position

As at 30 June 2015

	Note	2015 \$'000	2014 \$'000
Administered current assets			
Cash and cash equivalents	A12	8 350	45 276
Receivables	A13	12	136
Total current assets		8 362	45 412
Total assets		8 362	45 412
Administered current liabilities			
Payables	A14	1 845	4 564
Employee benefits	A15	3	1
Total current liabilities		1 848	4 565
Total liabilities		1 848	4 565
Net assets		6 514	40 847
Administered equity			
Retained earnings		6 514	40 847
Total equity		6 514	40 847
Unrecognised contractual commitments	A17		
Contingent assets and liabilities	A18		

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

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

Department of the Premier and Cabinet

Statement of Administered Changes in Equity

For the year ended 30 June 2015

	Retained earnings \$'000	Asset revaluation surplus \$'000	Total \$'000
Balance at 30 June 2013	46 160	2 927	49 087
Net result for 2013-14	(576)	-	(576)
Total comprehensive result for 2013-14	(576)	-	(576)
Prior period correction	337	-	337
Net assets transferred out as a result of administrative restructures	(5 074)	(2 927)	(8 001)
Balance at 30 June 2014	40 847	-	40 847
Net result for 2014-15	10	-	10
Total comprehensive result for 2014-15	10	-	10
Net assets transferred out as a result of administrative restructures	(34 343)	-	(34 343)
Balance at 30 June 2015	6 514	-	6 514

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

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

Department of the Premier and Cabinet

Statement of Administered Cash Flows

For the year ended 30 June 2015

	Note	2015 \$'000	2014 \$'000
Cash flows from operating activities			
Cash outflows			
Employee benefits		(451)	(523)
Grants and subsidies		-	(557)
Intra government transfers		-	(7 093)
Supplies and services		(2 143)	(7 658)
Disbursements on behalf of third parties		(434 528)	(433 354)
Cash used in operations		(437 122)	(449 185)
Cash inflows			
SA Government		2 511	8 494
Fees and charges		155	1 928
Advances and grants		-	254
Collections on behalf of third parties		434 063	435 647
Interest		7	887
Other receipts		-	1
Cash generated from operations		436 736	447 211
Net cash used in operations	A19	(386)	(1 974)
Cash flows from investing activities			
Cash outflows			
Purchase of property, plant and equipment		-	(120)
Cash used in investing activities		-	(120)
Cash inflows			
Proceeds from sale of property, plant and equipment		-	102
Cash generated from investing activities	A8	-	102
Net cash used in investing activities		-	(18)
Cash flows from financing activities			
Cash outflows			
Cash paid on restructuring activities		(36 540)	(1 628)
Cash used in financing activities		(36 540)	(1 628)
Net decrease in cash and cash equivalents		(36 926)	(3 620)
Cash and cash equivalents at the beginning of the financial year		45 276	48 896
Cash and cash equivalents at the end of the financial year	A12	8 350	45 276

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

Department of the Premier and Cabinet

**DISAGGREGATED DISCLOSURES
ADMINISTERED EXPENSES AND
INCOME**

For the year ended 30 June 2015

	Special Act Salary and Allowances		Bank of Tokyo Cultural and Social Exchange		SA Okayama Account		Promotion of the State		APY Lands		Aboriginal Affairs Administered	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	
Expenses												
Employee benefits expenses	453	427	-	-	-	-	-	-	-	-	-	-
Grants and subsidies	-	-	-	12	-	-	-	-	-	532	-	-
Intra-government transfers	-	-	-	-	-	-	-	-	-	6 839	-	-
Supplies and services	-	-	-	-	-	-	1 959	1 811	-	-	-	254
Disbursements on behalf of third parties	-	-	-	-	-	-	-	-	-	-	-	173
Depreciation and amortisation expense	-	-	-	-	-	-	-	-	-	-	-	-
Net loss on disposal of assets	-	-	-	-	-	-	-	-	-	-	-	-
Total expenses	453	427	-	12	-	1 959	1 811	-	7 372	-	-	427
Income												
Advances and grants	-	-	-	-	-	-	-	-	-	-	-	254
Collections on behalf of third parties	-	-	-	-	-	-	-	-	-	-	-	-
Revenues from SA Government	432	442	-	-	-	2 079	2 029	-	6 023	-	-	-
Interest revenue	-	-	7	2	-	-	-	-	499	-	-	388
Fees and charges	-	-	-	-	-	3	39	-	83	-	-	-
Total income	432	442	7	2	-	2 082	2 068	-	6 605	-	-	642
Net result	(21)	15	7	(10)	-	123	257	-	(767)	-	-	215

Department of the Premier and Cabinet

**DISAGGREGATED DISCLOSURES
ADMINISTERED EXPENSES AND
INCOME**

For the year ended 30 June 2015

	Government Workers Compensation		Service SA		Outback Communities Authority		South Australian Local Government Grants Commission		Total	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
Expenses										
Employee benefits expenses	-	-	-	-	-	66	-	8	453	501
Grants and subsidies	-	-	-	-	-	13	-	-	-	557
Intra-government transfers	-	-	-	-	-	-	-	-	-	7 093
Supplies and services	-	-	198	159	-	183	-	9	2 157	2 336
Disbursements on behalf of third parties	-	-	434 063	436 460	-	-	-	-	434 063	436 460
Depreciation and amortisation expense	-	-	-	-	-	37	-	-	-	37
Net loss on disposal of assets	-	-	-	-	-	4	-	-	-	4
Total expenses	-	-	434 261	436 619	-	303	-	17	436 673	446 988
Income										
Advances and grants	-	-	-	-	-	-	-	-	-	254
Collections on behalf of third parties	-	-	434 063	436 460	-	-	-	-	434 063	436 460
Revenues from SA Government	-	-	-	-	-	-	-	-	2 511	8 494
Interest revenue	-	-	-	-	-	(4)	-	2	7	887
Fees and charges	-	-	99	192	-	3	-	-	102	317
Total income	-	-	434 162	436 652	-	(1)	-	2	436 683	446 412
Net result	-	-	(99)	33	-	(304)	-	(15)	10	(576)

Department of the Premier and Cabinet

**DISAGGREGATED
DISCLOSURES
ADMINISTERED ASSETS AND
LIABILITIES**

As At 30 June 2015

	Aboriginal Affairs Administered		Government Workers Compensation		Service SA		Outback Communities Authority		South Australian Local Government Grants Commission		Total	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
Assets												
Cash and cash equivalents	-	16 568	2 527	2 527	2 037	2 535	-	-	-	-	8 350	45 276
Receivables	-	32	-	-	12	65	-	-	-	-	12	136
Total assets	-	16 600	2 527	2 527	2 049	2 600	-	-	-	-	8 362	45 412
Liabilities												
Payables	-	143	-	-	1 845	2 296	-	-	-	-	1 845	4 564
Employee benefits	-	-	-	-	-	-	-	-	-	-	-	1
Total liabilities	-	143	-	-	1 845	2 296	-	-	-	-	1 848	4 565

Department of the Premier and Cabinet

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Department of the Premier and Cabinet

A1. Summary of significant accounting policies

All department accounting policies are contained in note 2 Summary of Significant Accounting Policies. The policies outlined in note 2 apply to both the department's and administered financial statements.

Administered items

The following funds and financial transactions were administered by the department as at 30 June 2015. They do not represent controlled transactions of the department. As such, they are not recognised in the financial statements of the department.

- Special Act payments
- Bank of Tokyo cultural and social exchange
- SA Okayama account
- Promotion of the State
- Government Workers Compensation Fund
- Service SA collections and disbursements

As a result of machinery of government changes the following funds are no longer administered by the department but have been included in disaggregated disclosures for comparative purposes:

- APY Lands
- Aboriginal Affairs Administered
- Outback Communities Authority
- South Australian Local Government Grants Commission

Refer to note A16 for additional information.

Department of the Premier and Cabinet

A2. Employee benefits

	2015 \$'000	2014 \$'000
Salaries and wages	440	481
Long service leave	-	(10)
Annual leave	-	5
Employment on-costs - superannuation	-	5
Employment on-costs - other	-	3
Board and committee fees	-	4
Other employment related expenses	13	13
Total employee benefits	453	501

	2015 No.	2014 No.
Remuneration of employees		
The number of employees whose remuneration received falls within the following bands:		
\$471 500 - \$481 499 *	1	-
\$481 500 - \$491 499 *	-	1
Total number of employees	1	1

The table includes all staff who received remuneration equal to or greater than the base executive remuneration level during the year. Remuneration of staff reflects all costs including salaries and wages, payments in lieu of leave, superannuation contributions, fringe benefits tax and other salary sacrifice benefits. The total remuneration received by the staff member for the year was \$472 000 (\$491 000).

* The employee on-costs of the staff member were provided for in the department's controlled financial statements.

A3. Grants and subsidies

	2015 \$'000	2014 \$'000
Grants and subsidies	-	557
Total grants and subsidies	-	557

	2015 \$'000	2014 \$'000
Grants and subsidies consists of the following:		
Outback Communities Authority	-	12
Other grants and subsidies	-	545
Total grants and subsidies	-	557

Department of the Premier and Cabinet

A4. Intra-government transfers

	2015	2014
	\$'000	\$'000
Other intra-government transfers	-	7 093
Total intra-government transfers	-	7 093

A5. Supplies and services

	2015	2014
	\$'000	\$'000
Accommodation	-	38
Marketing	1 959	1 820
Administration	-	8
IT services and computing charges	10	5
Repairs and maintenance	-	41
Community infrastructure	-	81
Contractors	188	185
Other supplies and services	-	158
Total supplies and services	2 157	2 336

A6. Disbursements on behalf of third parties

	2015	2014
	\$'000	\$'000
Registrations, licences and other fees - Department of Planning, Transport and Infrastructure	369 772	376 461
Expiation notices - South Australia Police	57 982	53 235
Firearms licences - South Australia Police	2 442	2 533
Office of Business and Consumer Affairs	1 086	1 261
South Australian Water Corporation	1 088	1 223
Emergency Services Levy - South Australian Fire and Emergency Services Commission	384	227
Other	1 309	1 520
Total disbursements on behalf of third parties	434 063	436 460

A7. Depreciation

	2015	2014
	\$'000	\$'000
Plant and equipment	-	5
Buildings and infrastructure	-	27
Water, sewerage and drainage	-	5
Total depreciation expense	-	37

Department of the Premier and Cabinet

A8. Net loss from disposal of assets

	2015	2014
	\$'000	\$'000
Plant and equipment		
Proceeds from disposal	-	102
Less: net book value of assets disposed	-	(106)
Net loss from disposal of plant and equipment	-	(4)
Total net loss from disposal of assets	-	(4)

A9. Advances and grants

	2015	2014
	\$'000	\$'000
Other grants	-	254
Total advances and grants	-	254

A10. Collections on behalf of third parties

	2015	2014
	\$'000	\$'000
Registrations, licences and other fees - Department of Planning, Transport and Infrastructure	369 772	376 461
Expiation notices - South Australia Police	57 982	53 235
Firearms licences - South Australia Police	2 442	2 533
Office of Business and Consumer Affairs	1 086	1 261
South Australian Water Corporation	1 088	1 223
Emergency Services Levy - South Australian Fire and Emergency Services Commission	384	227
Other	1 309	1 520
Total collections on behalf of third parties	434 063	436 460

A11. Revenues from SA Government

	2015	2014
	\$'000	\$'000
Appropriations from Consolidated Account pursuant to the <i>Appropriation Act</i>	2 079	8 052
Special Acts	432	442
Total revenues from SA Government	2 511	8 494

The original amount appropriated to the Department under the annual *Appropriation Act* was not varied. In 2013-14 an additional advance of \$1.159m was received from the Treasurer via the Governor's Appropriation Fund.

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

Department of the Premier and Cabinet

A12. Cash and cash equivalents

	2015	2014
	\$'000	\$'000
Deposits with the Treasurer	6 521	42 983
Cash on hand and at call	1 829	2 293
Total cash and cash equivalents	8 350	45 276

A13. Receivables

	2015	2014
	\$'000	\$'000
Current		
Receivables	12	65
Accrued revenue	-	71
Total current receivables	12	136
Total receivables	12	136

Receivables are raised for all goods and services provided for which payment has not been received. Receivables are normally settled within 30 days. Receivables and accrued revenues are non-interest bearing. The carrying amount of receivables approximates net fair value due to being receivable on demand. In addition, there is no concentration of credit risk.

A14. Payables

	2015	2014
	\$'000	\$'000
Current		
Creditors	17	2 271
Registration & licensing creditors	1 828	2 293
Total current payables	1 845	4 564
Total payables	1 845	4 564

A15. Employee benefits

	2015	2014
	\$'000	\$'000
Current		
Accrued salaries and wages	3	1
Total current employee benefits	3	1
Total employee benefits	3	1

Department of the Premier and Cabinet

A16. Transferred functions

Transferred Out 2014-15

As a result of restructuring of administrative arrangements outlined in the Government Gazette on 26 June 2014, the department relinquished administrative responsibility for the Aboriginal Affairs and Reconciliation business unit which had administrative responsibility for Administered Commonwealth funding known as Aboriginal Affairs Administered and APY Lands. Assets and liabilities relating to this business units transferred to the Department of State Development on 1 July 2014.

On transfer the Department of the Premier and Cabinet recognised the following assets and liabilities:

	AARD Administered Funds \$'000	APY Lands \$'000	Total \$'000
Assets			
Cash	16 568	19 972	36 540
Receivables	32	39	71
Total assets	16 600	20 011	36 611
Liabilities			
Payables	143	2 125	2 268
Total liabilities	143	2 125	2 268
Net assets transferred	16 457	17 886	34 343

Net assets transferred by the department as a result of the administrative restructure were at the carrying amount.

Department of the Premier and Cabinet

Transferred Out 2013-14

As a result of restructuring of administrative arrangements outlined in the Government Gazette on 1 August 2013, the department relinquished administrative responsibility for the Outback Communities Authority and the Local Government Grants Commission. Assets and liabilities relating to these business units transferred to the Department of Primary Industries and Regions SA on 1 August 2013.

DPC				
1 July to 31 July 2013				
	Local Government Tax Equivalents fund \$'000	Outback Communities Authority \$'000	SA Local Government Grants Commission \$'000	Total \$'000
Other income	-	(1)	2	1
Total income	-	(1)	2	1
Employee benefits	-	65	8	73
Supplies and services	-	183	9	192
Grants and subsidies	-	13	-	13
Depreciation and amortisation	-	37	-	37
Other expenses	-	4	-	4
Total expenses	-	302	17	319
Net result	-	(303)	(15)	(318)

On transfer the Department of the Premier and Cabinet recognised the following assets and liabilities:

	Local Government Tax Equivalents fund \$'000	Outback Communities Authority \$'000	SA Local Government Grants Commission \$'000	Total \$'000
Assets				
Cash	6	894	728	1 628
Receivables	1	6	4	11
Property, plant and equipment	-	6 880	-	6 880
Total assets	7	7 780	732	8 519
Liabilities				
Payables	-	78	30	108
Employee benefits	-	316	93	409
Provisions	-	1	-	1
Total liabilities	-	395	123	518
Net assets transferred	7	7 385	609	8 001

Net assets transferred by the department as a result of the administrative restructure were at the carrying amount.

Department of the Premier and Cabinet

A17. Unrecognised contractual commitments

There are no unrecognised contractual commitments as at 30 June 2015.

A18. Contingent assets and liabilities

The department is not aware of any contingent assets or liabilities affecting the administered activities of the department as at 30 June 2015.

A19. Cash flow reconciliation

	2015 \$'000	2014 \$'000
Reconciliation of cash and cash equivalents		
Cash and cash equivalents disclosed in the Statement of Financial Position	8 350	45 276
Cash and cash equivalents disclosed in the Statement of Cash Flows	8 350	45 276
Reconciliation of net cash provided by operating activities to net result of administered items		
Net cash provided by operating activities	(386)	(1 974)
Add/(less) non-cash items		
Depreciation and amortisation of property, plant and equipment and intangibles	-	(37)
Net loss on disposal of assets	-	(4)
Net transfers from administrative restructures	-	(507)
Other non-cash items	-	(779)
Change in assets and liabilities		
Decrease in receivables	(53)	(1 622)
Decrease in payables	451	3 182
(Increase) decrease in employee benefits	(2)	423
Decrease in provisions	-	1
Decrease in other liabilities	-	741
Net result of administered items	10	(576)

A20. Events after the reporting date

There are no known events after balance date that affect these financial statements in a material manner.

Department of the Premier and Cabinet

A21. 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
		2015 \$'000	2015 \$'000	2015 \$'000
Expenses				
Employee benefits	A2	-	453	453
Supplies and services	A5			
Marketing		1 612	347	1 959
IT services and computing charges		-	10	10
Contractors and consultants		-	188	188
Disbursements on behalf of third parties	A6			
Registrations, licences and other fees - Department of Planning, Transport and Infrastructure		369 772	-	369 772
Expiation notices - South Australia Police		57 982	-	57 982
Firearms licences - South Australia Police		2 442	-	2 442
Office of Business and Consumer Affairs		1 086	-	1 086
South Australian Water Corporation		1 088	-	1 088
Emergency Services Levy - South Australian Fire and Emergency Services		384	-	384
Other		1 309	-	1 309
Total expenses		435 675	998	436 673

Department of the Premier and Cabinet

A21. Transactions with SA Government (continued)

		SA Government	Non-SA Government	Total
		2015 \$'000	2015 \$'000	2015 \$'000
Income				
Collections on behalf of third parties	A10			
Registrations, licences and other fees - Department of Planning, Transport and Infrastructure		369 772	-	369 772
Expiation notices - South Australia Police		57 982	-	57 982
Firearms licences - South Australia Police		2 442	-	2 442
Office of Business and Consumer Affairs		1 086	-	1 086
South Australian Water Corporation Emergency Services Levy - South Australian Fire and Emergency Services		384	-	384
Other		1 309	-	1 309
Revenues from SA Government	A11	2 511	-	2 511
Interest		7	-	7
Fees and charges		3	99	102
Total income		436 584	99	436 683
Financial Assets				
Receivables	A13			
Receivables		-	12	12
Total financial assets		-	12	12
Financial Liabilities				
Payables	A14			
Creditors		-	17	17
Registration & Licensing creditors		1 828	-	1 828
Employee Benefits	A15			
Accrued salaries and wages		-	3	3
Total financial liabilities		1 828	20	1 848

Department of the Premier and Cabinet

A21. Transactions with SA Government (continued)

	Note	SA Government	Non-SA Government	Total
		2014	2014	2014
		\$'000	\$'000	\$'000
Expenses				
Employee benefits	A2	3	498	501
Grants and subsidies	A3	-	557	557
Intra-government transfers	A4	-	7 093	7 093
Supplies and services	A5			
Accommodation		7	31	38
Marketing		1 387	433	1 820
Administration		4	4	8
IT services and computing charges		-	5	5
Repairs and maintenance		-	41	41
Community infrastructure		-	81	81
Contractors and consultants		2	183	185
Other supplies and services		-	158	158
Disbursements on behalf of third parties	A6			
Registrations, licences and other fees - Department of Planning, Transport and Infrastructure		376 461	-	376 461
Expiation notices - South Australia Police		53 235	-	53 235
Firearms licences - South Australia Police		2 533	-	2 533
Office of Business and Consumer Affairs		1 261	-	1 261
South Australian Water Corporation		1 223	-	1 223
Emergency Services Levy - South Australian Fire and Emergency Services		227	-	227
Other		1 375	145	1 520
Depreciation	A7	-	37	37
Net loss from disposal of assets	A8	-	4	4
Total expenses		437 718	9 270	446 988

Department of the Premier and Cabinet

A21. Transactions with SA Government (continued)

		SA Government	Non-SA Government	Total
		2014 \$'000	2014 \$'000	2014 \$'000
Income				
Advances and grants	A9	254	-	254
Collections on behalf of third parties	A10			
Registrations, licences and other fees - Department of Planning, Transport and Infrastructure		376 461	-	376 461
Expiation notices - South Australia Police		53 235	-	53 235
Firearms licences - South Australia Police		2 533	-	2 533
Office of Business and Consumer Affairs		1 261	-	1 261
South Australian Water Corporation		1 223	-	1 223
Emergency Services Levy - South Australian Fire and Emergency		227	-	227
Other		1 375	145	1 520
Revenues from SA Government	A11	8 494	-	8 494
Interest		887	-	887
Fees and charges		39	278	317
Total income		445 989	423	446 412
Financial Assets				
Receivables	A13			
Receivables		-	65	65
Accrued revenue		71	-	71
Total financial assets		71	65	136
Financial Liabilities				
Payables	A14			
Creditors		2 025	246	2 271
Registration & Licensing creditors		2 293	-	2 293
Employee Benefits				
Accrued salaries and wages	A15	-	1	1
Total financial liabilities		4 318	247	4 565

Department of the Premier and Cabinet

A22. Budgetary reporting and explanations of major variances

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.

Statement of Comprehensive Income	Note	Original budget ¹	Actual	Variance
		2015 \$'000	2015 \$'000	\$'000
Expenses				
Employee benefits		431	453	22
Supplies and services		2 582	2 157	(425)
Disbursements on behalf of third parties	(a)	1 385 232	434 063	(951 169)
Depreciation and amortisation		219	-	(219)
Total expenses		1 388 464	436 673	(951 791)
Income				
Collections on behalf of third parties	(b)	1 385 235	434 063	(951 172)
Revenues from SA Government		2 510	2 511	1
Fees and charges		235	102	(133)
Interest		4	7	3
Total income		1 387 984	436 683	(951 301)
Net result		(480)	10	(490)
Total comprehensive result		(480)	10	(490)

¹ The budget process is not subject to audit. Budget information refers to the amounts presented to Parliament in the original budgeted financial statements in respect of the reporting period (2014-15 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.

Major variance explanations:

- (a) The budget includes payments to the Department of Planning, Transport and Infrastructure (DPTI) and Motor Accident Commission (MAC) for online motor vehicle registration and licensing collections via EzyReg. A decision was however reached that DPC only administer over-the-counter collections (thereby excluding online collections which are recorded by DPTI). The budget has not yet been adjusted to reflect this decision.
- (b) The budget includes revenue to DPTI and MAC for online motor vehicle registration and licensing collections via EzyReg. A decision was however reached that DPC only administer over-the-counter collections (thereby excluding online collections which are recorded by DPTI). The budget has not yet been adjusted to reflect this decision.