



**Government  
of South Australia**

# **SOUTH AUSTRALIAN STATE EMERGENCY SERVICE 2020-21 Annual Report**

South Australian State Emergency Service  
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To: Ms Julia Waddington – Powell  
Chief Executive  
South Australian Fire and Emergency Services Commission

**RE: South Australian State Emergency Service – Annual Report 2020-2021**

This annual report is provided to you to meet the statutory reporting requirements of s121 of the *Fire and Emergency Services Act 2005* and the requirements of Premier and Cabinet Circular *PC013 Annual Reporting*.

This report is verified to be accurate for the purposes of annual reporting to the South Australian Fire and Emergency Services Commission.



Chris Beattie  
**Chief Officer**

## From the Chief Officer



The 2020-21 year was once again a busy year for the service. Over the twelve months the State Emergency Service responded to over 6,340 requests for assistance from the community for a wide range of incidents. 73% of these callouts were flood and storm related while the remaining 27% were for search, rescue and operational support activities, including road crash, marine and animal rescues and assisting SAPOL, SAAS and other emergency services agencies.

Over the course of the year, the SES has provided significant incident management support to SA Health State Control Centre for COVID-19 response along with significant operational support to South Australia Police (SAPOL) with border controls and assisting with Operation NOMAD patrols during high-risk periods. SES also deployed significant resources to Queensland to assist with storm and hail damage operations, New South Wales for significant state-wide flooding and Western Australia following Cyclone Seroja.

Volunteer Marine Rescue Associations and Marine Units of the SES are instrumental in the provision of waterborne responses to marine emergencies, attending around 330 incidents throughout the State's coastal and inland waters during 2020-21.

SASES commenced planning and approval to develop new unit facilities for Noarlunga and Strathalbyn SES units and continuation of unit upgrades and maintenance as part of Project Renew.

Maintaining adequate resources to support volunteer activities continues to be a priority with SASES delivering five replacement trucks, ten storm trailers and a new rescue vessel to Meningie SES unit.

SASES is implementing the first stage of its Community Engagement Strategy and training volunteers to assist their communities in preparing for storm, heatwave and flood events. SASES continued to support the 11 Zone Emergency Management Committees and successfully updated their Zone Emergency Management Plans

I take this opportunity to acknowledge commitment and dedication of staff and volunteers that continue to make a difference in supporting their communities to ensure SA Thrives. Operating in a pandemic has exposed operational and corporate challenges and our people have demonstrated their adaptability and flexibility to deliver our core functions.

Thank you and well done to all.

Chris Beattie  
**Chief Officer**

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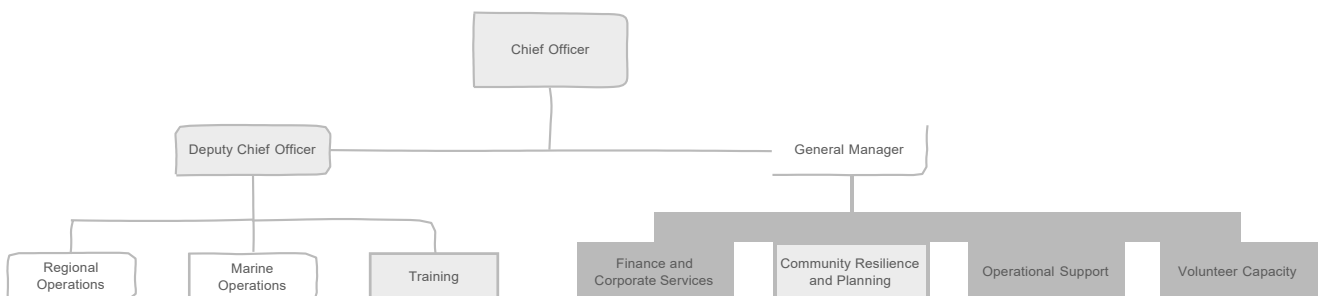
## Overview: about the agency

### Our strategic focus

<b>Our Purpose</b>	<p>SASES is a volunteer-based organisation established by the <i>Fire and Emergency Services Act 2005</i> as an agency of the Crown for the handling of certain emergency situations; and for other purposes.</p> <p>SASES exists to provide an emergency response capability that enhances community safety minimises the loss of life, injuries and damage from emergencies and natural disasters. SASES' functions are to:</p> <ul style="list-style-type: none"> <li>- to assist the Commissioner of Police in dealing with any emergency;</li> <li>- to assist the State Co-ordinator, in accordance with the State Emergency Management Plan, in carrying out prevention, preparedness, response or recovery operations under the <i>Emergency Management Act 2004</i>;</li> <li>- to assist the Chief Executive within the meaning of the <i>South Australian Public Health Act 2011</i>, in accordance with the Public Health Emergency Management Plan, in carrying out prevention, preparedness, response or recovery operations under Part 11 of that Act;</li> <li>- to assist SAMFS and SACFS in dealing with any emergency;</li> <li>- to deal with any emergency— <ul style="list-style-type: none"> <li>o (i) where the emergency is caused by flood or storm damage; or</li> <li>o (ii) where there is no other body or person with lawful authority to assume control of operations for dealing with the emergency;</li> </ul> </li> <li>- to deal with any emergency until such time as any other body or person that has lawful authority to assume control of operations for dealing with the emergency has assumed control;</li> <li>- to respond to emergency calls and, where appropriate, provide assistance in any situation of need whether or not the situation constitutes an emergency;</li> <li>- to undertake rescues; and</li> </ul> <p>to perform any other function assigned to SASES by the <i>Fire and Emergency Services Act 2005</i> or any other Act.</p>
<b>Our Vision</b>	<p>A reliable and trusted volunteer-based organisation building safe and resilient communities.</p>

<b>Our Values</b>	<ul style="list-style-type: none"> <li>• Service</li> <li>• Professionalism</li> <li>• Trust</li> <li>• Respect</li> <li>• Collaboration &amp; Engagement</li> <li>• Honest &amp; Integrity</li> <li>• Courage &amp; Tenacity</li> <li>• Sustainability</li> </ul>
<b>Our functions, objectives and deliverables</b>	<ul style="list-style-type: none"> <li>• Disaster resilient communities</li> <li>• Coordinated, well-managed emergency response</li> <li>• Sustainable, well-trained volunteer workforce</li> <li>• Ethical, well-managed agency</li> </ul>

## Our organisational structure



## Changes to the agency

During 2020 -21 there were minor reporting changes to the agency's structure and as a result of internal realignment.

- Community resilience now includes planning
- New portfolio Volunteer Capacity



## Our Minister



The Hon. Vincent Tarzia MP is the Minister for Police, Emergency Services and Correctional Services.

## Our Executive team



**Chris Beattie** is the SASES Chief Officer who has overall responsibility for the SASES, and related elements of the State's emergency management arrangements. He fulfils statutory appointments on the South Australian Fire and Emergency Services Commission Board and the State Emergency Management Committee.



**Dermot Barry** is the SASES Deputy Chief Officer, responsible for the strategic and day-to-day management of SASES operations, including prevention, preparedness, response and recovery activities. He is also responsible for the leadership and direct management of SASES operations at State and regional levels, Marine Operations, Training and Organisational Development, and is the line manager for all operational staff and volunteers.



**Liz Connell** is the SASES General Manager, responsible for the day-to-day management and high level strategic leadership of SASES frontline support services. She provides leadership, direction and support for SASES Community Resilience and Planning, Operations Support, Volunteer Capacity and Finance and Corporate Service functional areas. She also performs a representational function for the state on intergovernmental and national committees.

**Legislation administered by the agency**

Nil

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

South Australian Metropolitan Fire Service (SAMFS)

South Australian Country Fire Service (SACFS)

SA Fire and Emergency Services Commission (SAFECOM)

## **The agency's performance**

### **Performance at a glance**

SES successfully delivered on its mission throughout 2020-2021 while fulfilling its obligations as a public sector organisation.

Progress was made on all of the priority strategies outlined in the 2020-2021 Annual Business Plan. These priorities were informed by national, state, and sector directions and legislative and regulatory requirements.

Furthermore:

- Finances were managed responsibly, and were close to the established budget after allowing for out of scale events, SAPOL Support, extraordinary COVID-19 costs and unavoidable cost pressures
- Staffing levels were close to establishment, health and safety outcomes improved, and programs were progressed to enhance wellbeing and mental health. During 2020-21, SES established a SAPOL Support team with 42 FTE to assist with COVID-19 border control and operation NOMAD activities.
- Individual Planned Review and Development (PRD) one-on-one meetings were held six monthly between supervisors and team members to discuss performance and any development needs.
- SASES social responsibilities were progressed with programs to raise awareness of domestic violence (White Ribbon Accreditation), sexual harassment and implementation of our diversity and equity strategic plan and reconciliation action plan.
- Environmental responsibilities were progressed through a range of initiatives ranging from environmental consideration during asset and equipment procurement processes, and local recycling activities.

### **Agency response to COVID-19**

Since September 2020 SES has recruited and trained an additional 42 personnel to support SAPOL with COVID-19 border control activities and support NOMAD operations during the fire danger season. SES has supported SA Health State Control Centre with personnel providing Incident Management experience.

**Agency contribution to whole of Government objectives**

Key objective	Agency's contribution
More jobs	<p>Training programs for volunteers provide valuable and relevant work skills and nationally accredited qualifications, making volunteers more employable.</p> <p>Emergency management prevention and preparedness programs together with effective emergency response services assist in minimising costs associated with natural disasters, increasing business confidence, and potentially leading to greater employment.</p>
Lower costs	<p>Volunteer based emergency service organisations are an extremely cost effective service delivery model in comparison to paid services. SES volunteers contributed an estimated 86,884 hours of unpaid time responding to emergency incidents during 2020-2021. This excludes training and non-operational time such as maintenance, community engagement and administrative activities.</p>
Better Services	<p>SES has focussed heavily during 2020-21 on increasing the number and distribution of volunteers across the state with the implementation of a recruitment and retention strategy. This is important to ensure emergency response services are available when, and where they are needed. The majority of the SASES budget directly supports better service delivery through the provision of improved volunteer facilities, equipment, training and coordination.</p>

## Agency specific objectives and performance

Agency objectives	Indicators	Performance
Disaster resilient communities	<ul style="list-style-type: none"> <li>Supported Zone Emergency Management Committee meetings</li> <li>Reviewed and updated the zone-level extreme weather risk assessments</li> <li>9,681 website hits on SES community safety pages</li> <li>81,332 social media interactions</li> <li>Developed and published animations for storm, flood and heatwave awareness</li> <li>Commenced updating Zone Emergency Management Plans</li> <li>Conducted consumer testing with current heatwave brochures and updated brochures animations with new national iconography and informed by the consumer testing</li> <li>Conducted second round of Introduction to Community Engagement Training</li> </ul>	<ul style="list-style-type: none"> <li>44 committee meetings held across 11 zones</li> <li>10 of 11 Extreme weather assessment completed</li> <li>A decline in website and social media activity due to no large operational events</li> <li>Products developed and published</li> <li>11 Zone Emergency Management Plans updated</li> <li>SES have 26 volunteers in 15 units across the state who have completed the Introduction to Community Engagement Training</li> </ul>
Coordinated, well-managed emergency response	<ul style="list-style-type: none"> <li>Responded to 6,344 requests for assistance</li> <li>10-minute average response time to road rescues</li> <li>Conducted or participated in a total of 13 major emergency exercises</li> <li>329 marine rescue responses from VMR organisations</li> <li>Incident management support to the SA Health State Control Centre (for COVID-19 response);</li> <li>Operational support to South Australia Police (SAPOL) with border controls;</li> <li>Assisting SAPOL with Operation NOMAD patrols during high-risk periods</li> <li>Deployment of significant resources interstate including to QLD in November 2020 to assist with storm and hail damage operations; NSW for significant state-wide flooding in March 2021; and WA following Cyclone Seroja in April 2021.</li> </ul>	<ul style="list-style-type: none"> <li>Response time remains consistent</li> <li>A reduction in marine rescue responses from the previous year</li> <li>The agency committed significant resources to deployment activity in 2020-21</li> </ul>

Agency objectives	Indicators	Performance
Sustainable, well-trained volunteer workforce	<ul style="list-style-type: none"> <li>Size of volunteer workforce is 1652 as at 30 June 2021</li> <li>Average length of volunteer service is 8 years and 7 months</li> <li>Number of accredited assessors, trainers and local instructors July 2020 – 211; June 2021 – 223</li> <li>Number of state and regional training courses delivered: 295 in total for 2020/21 an increase of 133 on the previous year</li> </ul>	<ul style="list-style-type: none"> <li>This represents an increase in volunteer numbers on the previous year.</li> <li>Average length of volunteer service has increased slightly from last year.</li> <li>There has been a slight increase in the number of assessors and trainers</li> <li>An increase of 133 training courses delivered on the previous year</li> </ul>
Ethical, well-managed agency	<ul style="list-style-type: none"> <li>11 new workplace injuries recorded in the cross-government HIRM reporting system</li> <li>Cost of injury management rose from \$106,373 in 2019-2020 to \$278,508 in 2020-2021</li> <li>84% of staff participated in a Performance Review and Development session within the last 6 months</li> </ul>	<ul style="list-style-type: none"> <li>This represents an increase on the previous years recorded workplace injuries</li> </ul>

### Corporate performance summary

Provide a summary of operational performance. Use key performance measures, graphics/graphs to summarise performance highlights.

### Employment opportunity programs

Program name	Performance
Nil	

### Agency performance management and development systems

Performance management and development system	Performance
Performance Review and Development (PRD) – six-monthly one-on-one meetings between supervisors and team members to discuss performance and any development needs.	<ul style="list-style-type: none"> <li>At end of January 2021 100% of SES staff had a current PRD in place.</li> <li>As at the end of June 2021 84% of staff had completed six-monthly PRD's.</li> </ul>

### Work health, safety and return to work programs

Program name	Performance
Major Campaign Deployment and follow up welfare check of volunteers and staff	All SES Volunteers who attended an interstate deployment have received a welfare check.
Staff welfare checks and counselling support	Staff Welfare checks and counselling support continues to be provided by the SAFECOM Health and Wellbeing consultant and the Health and Wellbeing Officer. Referrals to the Employee Assistance Program continues with a total of 39 new referrals for Volunteers and staff for the annual year. There have been 16 Critical Incident Stress Response group sessions conducted with SES Crews following a potentially traumatic event and several follow up telephone welfare checks conducted.
Stress, Trauma and Suicide Prevention session for volunteers	<p>A 90-minute interactive education session has been developed for volunteers and their partners and is mostly delivered by the Health and Wellbeing Officers and experienced peer support officers on training nights. These sessions include discussion on suicide prevention.</p> <p>In the past financial year, two sessions have been delivered to SES volunteers across the State.</p>
Mental Health First Aid workshops – 2 days	Mental Health First Aid workshops have resumed this year, with one delivered and one cancelled due to low numbers. Future workshops are planned to be delivered around the State.

Program name	Performance
Stress Prevention and Management (SPAM) 24/7 rostered helpline for volunteers and staff	<p>The Stress Prevention and Management Helpline publications were updated and distributed to all Units and also updated online.</p> <p>The SPAM helpline on call facilitators have dealt with in excess of 267 calls during the past financial year and has four facilitators who are rostered on-call, one week in every month. The Facilitators are managing the calls in combination with their usual employment, and they coordinate the referrals for 1:1 and family counselling to the external Providers. Via the SPAM/EAP program, Volunteers and Staff are entitled to six 1-hour sessions per calendar year. SES provides a budget for this service.</p>
Development of online information and links to other services	Mental Health information, resources and a mental health directory is continually updated online.

Workplace injury claims	2020-21	2019-20	% Change (+ / -)
Total new workplace injury claims	11	4	+175%
Fatalities	0	0	0
Seriously injured workers*	0	0	0
Significant injuries (where lost time exceeds a working week, expressed as frequency rate per 1000 FTE)	44.12	0.00	

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

Work health and safety regulations	2020-21	2019-20	% Change (+ / -)
Number of notifiable incidents ( <i>Work Health and Safety Act 2012, Part 3</i> )	1	1	0
Number of provisional improvement, improvement and prohibition notices ( <i>Work Health and Safety Act 2012 Sections 90, 191 and 195</i> )	0	0	0



<b>Return to work costs**</b>	<b>2020-21</b>	<b>2019-20</b>	<b>% Change (+ / -)</b>
Total gross workers compensation expenditure (\$)	\$278,508	\$106,373	+162%
Income support payments – gross (\$)	\$53,477	\$35,850	-49%

*\*\*before third party recovery*

### Executive employment in the agency

<b>Executive classification</b>	<b>Number of executives</b>
EXB	1
EXA	1

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

## Financial performance

### Financial performance at a glance

The following is a brief summary of the overall financial position of the agency. The information is unaudited. Full audited financial statements for 2020-2021 are attached to this report.

<b>Statement of Comprehensive Income</b>	<b>2020-21 Budget \$000s</b>	<b>2020-21 Actual \$000s</b>	<b>Variation \$000s</b>	<b>Past year 2019-20 Actual \$000s</b>
Total Income	27 148	28 597	1 449	23 264
Total Expenses	22 166	26 632	4 466	20 879
<b>Net Result</b>	<b>4 982</b>	<b>1 965</b>	<b>(3 017)</b>	2 385
<b>Total Comprehensive Result</b>	<b>4 982</b>	<b>1 980</b>	<b>(3 002)</b>	<b>5 701</b>

<b>Statement of Financial Position</b>	<b>2020-21 Budget \$000s</b>	<b>2020-21 Actual \$000s</b>	<b>Variation \$000s</b>	<b>Past year 2019-20 Actual \$000s</b>
Current assets	4 694	3 866	(828)	3 060
Non-current assets	49 817	52 389	2 572	49 796
<b>Total assets</b>	<b>54 511</b>	<b>56 255</b>	<b>1 744</b>	<b>52 856</b>
Current liabilities	3 082	3 152	70	2 730
Non-current liabilities	4 276	4 843	567	3 846
<b>Total liabilities</b>	<b>7 358</b>	<b>7 995</b>	<b>637</b>	<b>6 576</b>
<b>Net assets</b>	<b>47 153</b>	<b>48 260</b>	<b>1 107</b>	<b>46 280</b>
<b>Equity</b>	<b>47 153</b>	<b>48 260</b>	<b>1 107</b>	<b>46 280</b>

**Consultants disclosure**

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

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

Consultancies	Purpose	\$ Actual payment
All consultancies below \$10,000 each - combined	Various	\$ 950

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

Consultancies	Purpose	\$ Actual payment
Nil		
	Total	\$ 0

Data for previous years is available at <https://www.ses.sa.gov.au/about-us/publications-and-reports/sa-ses-annual-reports/>

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

**Contractors disclosure**

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

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

Contractors	Purpose	\$ Actual payment
All contractors below \$10,000 each - combined	Various	\$11 655

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

<b>Contractors</b>	<b>Purpose</b>	<b>\$ Actual payment</b>
Bureau of Meteorology	Fire Weather Briefing & Support Services	\$ 85 154
University of Adelaide	Provide Heatwave and warning decision support tools	\$ 14 000
	Total	\$ 99 154

Data for previous years is available at: <https://www.ses.sa.gov.au/about-us/publications-and-reports/sa-ses-annual-reports/>

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

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

## Risk management

### Risk and audit at a glance

The SASES Governance Reporting and Review Group meets monthly to oversee the effectiveness of the service's policy and procedural controls and integrate business activities into an effective compliance and performance monitoring framework. SASES maintains a risk register and conducts internal audits and participates in SAFECOM internal sector audits. The agency attends the sector Risk and Performance Committee which oversees the certified audited statements submitted to the Auditor General for inclusion in his Annual Report.

### Fraud detected in the agency

Category/nature of fraud	Number of instances
Nil	0

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

### Strategies implemented to control and prevent fraud

The SASES maintains a governance structure and internal controls that are designed to prevent and minimise the impact of fraud including:

- Policies, procedures and systems are in place to prevent, detect and report on fraud and dishonesty.
- maintaining an asset register of attractive items and stocktakes undertaken on a regular basis.
- undertaking internal audits quarterly of corporate purchase card transactions of staff and volunteers and an independent audit annually.
- annual returns of locally held bank accounts.
- receipt of an unqualified audit report for this financial year.

Data for previous years is available at: <https://www.ses.sa.gov.au/about-us/publications-and-reports/sa-ses-annual-reports/>

The following is a brief summary of the overall financial position of the agency. The information is unaudited. Full audited financial statements for 2020-2021 are attached to this report.

### Public interest disclosure

Number of occasions on which public interest information has been disclosed to a responsible officer of the agency under the *Public Interest Disclosure Act 2018*: 1

Nil Data for previous years

Note: Disclosure of public interest information was previously reported under the *Whistleblowers Protection Act 1993* and repealed by the *Public Interest Disclosure Act 2018* on 1/7/2019.

## Reporting required under any other act or regulation

Act or Regulation	Requirement
<i>Fire and Emergency Services Act 2005</i>	Part 5, Division 6, s121 (1) & (2)

(1) *SASES must, on or before 30 September in each year, deliver to the Commission a report on activities of SASES during the preceding financial year (and need not provide a report under the Public Sector Act 2009)*

(2) *The report must –*

- (a) *Include the audited statements of account required under this Division; and*
- (b) *Include any other information that would be required if SASES were reporting under the Public Sector Act 2009; and*
- (c) *Comply with any other requirements prescribed by or under this Act or the regulations.*

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

NOT APPLICABLE

## Public complaints

### Number of public complaints reported

Complaint categories	Sub-categories	Example	Number of Complaints 2020-21
Professional behaviour	Attitude	Failure to demonstrate values such as empathy, respect, and fairness.	2
Professional behaviour	Competency	Failure to action service request; incorrect or incomplete service provided	1
Service quality	Service responsiveness	Service design doesn't meet customer needs; poor service fit with customer expectations	2
		<b>Total</b>	<b>5</b>

Additional Metrics	Total
Number of positive feedback comments	1135
Number of negative feedback comments	13
Total number of feedback comments	1148
% complaints resolved within policy timeframes	na

### Service Improvements

SASES has focussed on establishing an internal Customer Relationship Management (CRM) system. The SASES website provides the public the opportunity to lodge a compliment or a complaint, these are logged in the CRM and distributed to the responsible business area. The CRM trends and statistics are reported to the monthly Governance Reporting and Review Group.

**Compliance Statement**

SASES is compliant with Premier and Cabinet Circular 039 – complaint management in the South Australian public sector	Y/N
SASES has communicated the content of PC 039 and the agency's related complaints policies and procedures to employees.	Y/N



## **Appendix: Audited financial statements 2020-21**

# **South Australian State Emergency Service**

## **Financial Statements**

For the year ended 30 June 2021

## South Australian State Emergency Service Certification of the Financial Statements

We certify that the:

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



Chris Beattie  
Chief Officer

t7 September 2021



Silvana Di Ciocca  
Business Manager

/7 September 2021

**South Australian State Emergency Service**  
**Statement of Comprehensive Income**  
*for the year ended 30 June 2021*

	<b>Note</b>	<b>2021 \$'000</b>	<b>2020 \$'000</b>
<b>Income</b>			
Contributions from the Community Emergency Services Fund	2.1	22 913	22 998
Fees and charges	2.2	261	159
SA Government grants, subsidies and transfers	2.3	5 330	41
Investment and interest revenues	2.4	8	15
Net gain from disposal of non-current assets	4.4	43	-
Other income	2.5	42	51
<b>Total income</b>		<b>28 597</b>	<b>23 264</b>
<b>Expenses</b>			
Employee benefits expenses	3.2	12 203	7 493
Supplies and services	4.1	10 758	10 133
Grants and subsidies		90	88
Depreciation and amortisation	4.2	3 166	2 908
Net loss from disposal of non-current assets	4.4	-	236
Borrowing Costs		19	21
Other expenses	4.3	396	-
<b>Total expenses</b>		<b>26 632</b>	<b>20 879</b>
<b>Net result</b>		<b>1 965</b>	<b>2 385</b>
<b>Other comprehensive income</b>			
<i>Items that will not be reclassified to net result</i>			
Changes in property, plant and equipment asset revaluation surplus		-	3 330
<i>Items that will be reclassified to net result when specific conditions are met</i>			
Gains or losses recognised directly in equity	8.1	15	(14)
<b>Total other comprehensive income</b>		<b>15</b>	<b>3 316</b>
<b>Total comprehensive result</b>		<b>1 980</b>	<b>5 701</b>

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

**South Australian State Emergency Service**  
**Statement of Financial Position**  
*as at 30 June 2021*

		<b>2021</b>	<b>2020</b>
	<b>Note</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Current assets</b>			
Cash and cash equivalents	6.1	2 246	2 135
Receivables	6.2	1 461	734
Other financial assets	6.3	159	191
<b>Total current assets</b>		<b>3 866</b>	<b>3 060</b>
<b>Non-current assets</b>			
Property, plant and equipment	5.2	52 234	49 599
Intangible assets	5.4	155	197
<b>Total non-current assets</b>		<b>52 389</b>	<b>49 796</b>
<b>Total assets</b>		<b>56 255</b>	<b>52 856</b>
<b>Current liabilities</b>			
Payables	7.1	1 157	1 120
Employee benefits	3.3	1 584	1 254
Provisions	7.3	265	203
Financial liabilities	7.2	146	153
<b>Total current liabilities</b>		<b>3 152</b>	<b>2 730</b>
<b>Non-current liabilities</b>			
Payables	7.1	155	126
Employee benefits	3.3	1 650	1 367
Provisions	7.3	2 215	1 382
Financial liabilities	7.2	823	971
<b>Total non-current liabilities</b>		<b>4 843</b>	<b>3 846</b>
<b>Total liabilities</b>		<b>7 995</b>	<b>6 576</b>
<b>Net assets</b>		<b>48 260</b>	<b>46 280</b>
<b>Equity</b>			
Asset revaluation surplus	8.1	8 482	8 482
Retained earnings	8.1	39 771	37 806
Investments market value reserve	8.1	7	(8)
<b>Total equity</b>		<b>48 260</b>	<b>46 280</b>

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

**South Australian State Emergency Service**  
**Statement of Changes in Equity**  
*for the year ended 30 June 2021*

		Investments market value reserve	Asset revaluation surplus	Retained earnings	Total equity
	Note	\$'000	\$'000	\$'000	\$'000
<b>Balance at 1 July 2019</b>		<b>6</b>	<b>5 152</b>	<b>35 421</b>	<b>40 579</b>
Net result for 2019-20		-	-	2 385	2 385
Gain on revaluation of land and buildings during 2019-20		-	1 390	-	1 390
Loss on revaluation of vehicles during 2019-20		-	(378)	-	(378)
Gain on revaluation of plant and equipment during 2019-20		-	2 318	-	2 318
Gains or losses recognised directly in equity		(14)	-	-	(14)
<b>Total comprehensive result for 2019-20</b>		<b>(14)</b>	<b>3 330</b>	<b>2 385</b>	<b>5 701</b>
<b>Balance at 30 June 2020</b>		<b>(8)</b>	<b>8 482</b>	<b>37 806</b>	<b>46 280</b>
<b>Net result for 2020-21</b>		-	-	1 965	1 965
Gains or losses recognised directly in equity		15	-	-	15
<b>Total comprehensive result for 2020-2021</b>		<b>15</b>	<b>-</b>	<b>1 965</b>	<b>1 980</b>
<b>Balance at 30 June 2021</b>	8.1	<b>7</b>	<b>8 482</b>	<b>39 771</b>	<b>48 260</b>

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

**South Australian State Emergency Service**  
**Statement of Cash Flows**  
*for the year ended 30 June 2021*

		<b>2021</b>	<b>2020</b>
	<b>Note</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Cash flows from operating activities</b>			
<b>Cash inflows</b>			
Contributions from Community Emergency Services Fund		22 913	22 998
Fees and charges		261	26
Investment and interest received		8	15
SA Government grants, subsidies and transfers		4 788	41
GST recovered from the ATO		1 820	886
Receipts for Paid parental Leave Scheme		14	-
Other receipts		51	9
<b>Cash generated from operations</b>		<b>29 855</b>	<b>23 975</b>
<b>Cash outflows</b>			
Employee benefits payments		(10 603)	(7 676)
Payments for supplies and services		(12 913)	(11 687)
Payments of grants and subsidies		(90)	(88)
Payments for paid Parental Leave Scheme		(14)	-
Interest paid		(19)	(21)
<b>Cash used in operations</b>		<b>(23 639)</b>	<b>(19 472)</b>
<b>Net cash provided by operating activities</b>	<b>8.2</b>	<b>6 216</b>	<b>4 503</b>
<b>Cash flows from investing activities</b>			
<b>Cash inflows</b>			
Proceeds from the sale of property, plant and equipment		69	109
Proceeds from the sale of investments		47	78
<b>Cash generated from investing activities</b>		<b>116</b>	<b>187</b>
<b>Cash outflows</b>			
Purchase of property, plant and equipment		(6 073)	(4 666)
<b>Cash used in investing activities</b>		<b>(6 073)</b>	<b>(4 666)</b>
<b>Net cash used in investing activities</b>		<b>(5 957)</b>	<b>(4 479)</b>
<b>Cash flows from financing activities</b>			
<b>Cash outflows</b>			
Repayment of principal portion of lease liabilities		(148)	(156)
<b>Cash used in financing activities</b>		<b>(148)</b>	<b>(156)</b>
<b>Net cash used in financing activities</b>		<b>(148)</b>	<b>(156)</b>
<b>Net decrease in cash and cash equivalents</b>		<b>111</b>	<b>(132)</b>
Cash and cash equivalents at the beginning of the period		2 135	2 267
<b>Cash and cash equivalents at the end of the period</b>	<b>6.1</b>	<b>2 246</b>	<b>2 135</b>

The accompanying notes form part of these financial statements.

**South Australian State Emergency Service**  
**Notes to and forming part of the financial statements**  
*For the year ended 30 June 2021*

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**NOTES TO THE FINANCIAL STATEMENTS**

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# **South Australian State Emergency Service**

## **Notes to and forming part of the financial statements**

### *For the year ended 30 June 2021*

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#### **1. About the South Australian State Emergency Service**

Under the *Fire and Emergency Services Act 2005* (the Act), the South Australian State Emergency Service (SES) is a not for profit body corporate, an agency of the Crown and part of the consolidated emergency services sector.

The financial statements include all the controlled activities of SES.

SES does not control any other entity and has no interests in unconsolidated structured entities.

The financial statements and accompanying notes include all the controlled activities of SES.

#### **1.1. Basis of preparation**

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

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

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

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

SES is not subject to Income Tax. SES is liable for Payroll Tax, Fringe Benefits Tax (FBT) and Goods and Services Tax (GST).

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

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

Significant accounting policies are set out throughout these notes.

#### **1.2. Trust funds**

SES administers, but does not control, certain activities on behalf of the Australian Council of State and Territory Emergency Services. It is accountable for the transactions relating to those trust activities but does not have the discretion, for example, to deploy the resources for the achievement of SES's own objectives.

Transactions and balances relating to the trust assets are not recognised as SES's income, expenses, assets and liabilities, but are disclosed in the accompanying schedules as 'Trust Funds', refer note 10.4.

**South Australian State Emergency Service**  
**Notes to and forming part of the financial statements**  
*For the year ended 30 June 2021*

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**1.3. Objectives and programs**

**Objectives**

The South Australian State Emergency Service (SES) is a volunteer based, not for profit body corporate of the State of South Australia. SES was established on 1 October 2005 under the *Fire and Emergency Services Act 2005* (the Act) with the following objectives:

- to assist the Commissioner of Police, South Australian Metropolitan Fire Service and South Australian Country Fire Service in dealing with any emergency
- to assist the State Co-ordinator, in accordance with the State Emergency Management Plan, in carrying out prevention, preparedness, response or recovery operations under the *Emergency Management Act 2004*
- to deal with any emergency where the emergency is caused by flood or storm damage, or where there is no other body or person with lawful authority to assume control of operations for dealing with the emergency
- to deal with any emergency until such time as anybody or person that has the lawful authority to assume control of operations for dealing with the emergency
- to respond to emergency calls and where appropriate, provide assistance in any situation of need whether or not the situation constitutes an emergency
- to undertake rescues.

**Funding arrangements**

Funding of SES is primarily derived from the Community Emergency Services Fund (the Fund), in accordance with the *Emergency Services Funding Act 1998*.

Funds generated by Units through fund raising activities are held locally for expenditure in the local community.

These funds are recognised as part of the 'other income' within SES's financial statements.

**Programs**

In achieving its objectives, SES provides these services classified under one program titled 'State Emergency Service'.

These services are predominantly provided by volunteers. As at 30 June 2021, the State Emergency Services has 1 700 volunteers.

**1.4. Impact of COVID-19 pandemic on SES**

The COVID-19 pandemic has impacted on the operations of the SES and the impacts are included under the relevant disclosure notes. The key impacts in 2020-21 were:

- Additional expenditure of \$195 000 to keep personnel and volunteers safe while maintaining service delivery to the community.
- Additional expenditure of \$3.13 million to support the South Australian response to the COVID-19 pandemic, including \$3.10 million to support SAPOL COVID-19 operations at border check points and Adelaide Airport.

The Emergency Services Sector has considered the possible impact of the COVID-19 pandemic on property, plant and equipment valuations and has concluded that there is no observable evidence of what that impact would be at this stage.

**South Australian State Emergency Service**  
**Notes to and forming part of the financial statements**  
*For the year ended 30 June 2021*

**1.5. Budget performance**

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

	Note	Original budget 2021 \$'000	Actual 2021 \$'000	Variance \$'000
<b>Statement of Comprehensive Income</b>				
<b>Income</b>				
Contributions from the Community Emergency Services Fund		22 597	22 913	316
Fees and charges		-	261	261
SA Government grants, subsidies and transfers	(a)	4 430	5 330	900
Investment and interest revenues		23	8	(15)
Other income		98	42	(56)
Net gain from the disposal of property, plant and equipment		-	43	43
<b>Total income</b>		<b>27 148</b>	<b>28 597</b>	<b>1 449</b>
<b>Expenses</b>				
Employee benefits	(a)	10 076	12 203	2 127
Supplies and services	(a)	9 498	10 758	1 260
Grants and subsidies		91	90	(1)
Depreciation and amortisation		2 481	3 166	685
Borrowing costs		20	19	(1)
Other expenses		-	396	396
<b>Total expenses</b>		<b>22 166</b>	<b>26 632</b>	<b>4 466</b>
<b>Net result</b>		<b>4 982</b>	<b>1 965</b>	<b>(3 017)</b>
<b>Other comprehensive income</b>				
<i>Items that will be reclassified subsequently to net result when specific conditions are met</i>				
Gains or losses recognised directly in equity		-	15	15
<b>Total other comprehensive income</b>		<b>-</b>	<b>15</b>	<b>15</b>
<b>Total comprehensive result</b>		<b>4 982</b>	<b>1 980</b>	<b>(3 002)</b>

	Note	Original budget 2021 \$'000	Actual 2021 \$'000	Variance \$'000
<b>Investing expenditure summary</b>				
Total new projects		630	721	(91)
Total Annual Programs		6 281	5 468	813
<b>Total investing expenditure</b>		<b>6 911</b>	<b>6 189</b>	<b>722</b>

**South Australian State Emergency Service**  
**Notes to and forming part of the financial statements**  
*For the year ended 30 June 2021*

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**1.5. Budget performance (continued)**

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

- a. Variances to SA Government grants revenue, employee benefits expenditure and supplies and services expenditure is predominantly due to SES providing support to SAPOL for COVID-19 operations.

**1.6. Significant transactions with government entities**

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

The following transactions were significant for SES:

- Contributions from the Community Emergency Services Fund (refer note 2.1).
- Payment from SAPOL of \$3.1 million for costs of assistance provided in COVID-19 operations.
- Payment to the Attorney-General's Department for the government radio network of \$3.14 million.

**South Australian State Emergency Service**  
**Notes to and forming part of the financial statements**  
*For the year ended 30 June 2021*

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**2. Income**

**2.1. Contributions from the Community Emergency Service Fund**

	2021	2020
	\$'000	\$'000
Community Emergency Services Fund	22 913	22 998
<b>Contributions from the Community Emergency Services Fund</b>	<b>22 913</b>	<b>22 998</b>

Contributions from Community Emergency Services Fund are recognised as revenues when SES obtains control over the funding. Control over contributions is normally obtained upon receipt.

For details on the expenditure associated with the operational funding and capital funding refer notes 3.2, 4.1 and 5.1.

**2.2. Fees and charges**

	2021	2020
	\$'000	\$'000
Incident cost recoveries	261	159
<b>Total fees and charges</b>	<b>261</b>	<b>159</b>

Revenue from fees and charges is recognised from contracts with customers.

**Incident cost recoveries**

SES provide support to other jurisdictions that request it when an emergency incident occurs. The terms of deployment are managed under the Arrangement for Interstate Assistance Framework by the National Resource Sharing Centre under the Australian and New Zealand National Council for Fire and Emergency Services (AFAC).

The inputs of the request are outlined in an operating plan and may include personnel, equipment and supplies, and consumables. Payment is made by the jurisdiction who received the assistance in arrears once performance obligations have been met and total costs of assistance have been assessed. Revenue is recognised in arrears once the emergency event has concluded and all assistance outlined in the operating plan has ceased.

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

	2021	2020
	\$'000	\$'000
Intra government transfers	-	41
COVID 19 Support - SAPOL	3 100	-
Capital Program	2 230	-
<b>Total SA Government grants subsidies and transfers</b>	<b>5 330</b>	<b>41</b>

SA government grants, subsidies and transfers are recognised as income on receipt.

Capital Program is related to the funding from DTF for accelerated unit upgrades, vehicle replacements and purchase of land for the Strathalbyn Unit.

**South Australian State Emergency Service**  
**Notes to and forming part of the financial statements**  
*For the year ended 30 June 2021*

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**2.4. Investment and interest revenues**

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
Dividend Income	7	5
Interest on deposit accounts	<u>1</u>	<u>10</u>
<b>Total interest revenues</b>	<b><u>8</u></b>	<b><u>15</u></b>

**2.5. Other income**

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
Donations	7	14
Unit fundraising	7	6
Salary recoveries	5	-
Sundry revenues	-	8
Other	<u>23</u>	<u>23</u>
<b>Total other income</b>	<b><u>42</u></b>	<b><u>51</u></b>

Other income is recognised upon receipt.

SES volunteer members give a significant number of hours to providing frontline emergency response services to the community. A value for volunteer services received has not been recognised in the financial statements as the recognition criteria of AASB 1058 *Income of Not for Profit Entities* has not been met.

**South Australian State Emergency Service**  
**Notes to and forming part of the financial statements**  
*For the year ended 30 June 2021*

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**3. Board, committees and employees**

**3.1. Key management personnel**

Key management personnel of SES include the Minister, the Chief Officer, Deputy Chief Officer and the General Manager of SES who have responsibility for the strategic direction and management of the agency.

The compensation disclosed in this note excludes salaries and other benefits the Minister receives. The Minister's remuneration and allowances are set by the *Parliamentary Remuneration Act 1990* and the Remuneration Tribunal of SA respectively and are payable from the Consolidated Account under section 6 the *Parliamentary Remuneration Act 1990*.

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Compensation</b>		
Salaries and other short-term employee benefits	778	482
Post-employment benefits	77	43
<b>Total compensation</b>	<b>855</b>	<b>525</b>

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

SES did not enter into any transactions with key management personnel or their close family during the reporting period.

**3.2. Employee benefits expenses**

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
Salaries and wages	8 386	6 115
Workers compensation	332	(18)
Employment on-costs - superannuation	886	633
Annual leave	732	460
Long service leave	414	(149)
Payroll tax	519	352
Skills and experience retention leave	30	16
Additional compensation	870	51
Other employment related expenses	34	33
<b>Total employee benefits expenses</b>	<b>12 203</b>	<b>7 493</b>

**Employment on-costs - superannuation**

The superannuation employment on-cost charge represents SES contributions to superannuation plans in respect of current services of current employees. There are no liabilities for payments to beneficiaries recognised by SES as they have been assumed by the respective superannuation schemes.

**South Australian State Emergency Service**  
**Notes to and forming part of the financial statements**  
*For the year ended 30 June 2021*

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**3.2. Employee benefits expenses (continued)**

**Employee remuneration**

	<b>Employees 2021 Number</b>	<b>2020 Number</b>
The number of employees whose remuneration received or receivable falls within the following bands:		
\$154 001 to \$174 000	4	4
\$234 001 to \$254 000	-	1
\$254 001 to \$274 000	1	-
\$274 001 to \$294 000	<u>1</u>	<u>1</u>
<b>Total</b>	<b><u>6</u></b>	<b><u>6</u></b>

The total remuneration received by these employees for the year was \$1.19 million (2020: \$1.18 million).

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



**South Australian State Emergency Service**  
**Notes to and forming part of the financial statements**  
*For the year ended 30 June 2021*

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**3.3. Employee benefits liability**

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Current</b>		
Accrued salaries and wages	354	184
Annual leave	1 078	941
Skills and experience retention leave	29	30
Long service leave	123	99
<b>Total current employee benefits</b>	<b>1 584</b>	<b>1 254</b>
<b>Non-current</b>		
Long service leave	1 650	1 367
<b>Total non-current employee benefits</b>	<b>1 650</b>	<b>1 367</b>
<b>Total employee benefits</b>	<b>3 234</b>	<b>2 621</b>

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

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

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

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

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

**Long service leave**

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

**South Australian State Emergency Service**  
**Notes to and forming part of the financial statements**  
*For the year ended 30 June 2021*

**4. Expenses**

Employee benefits expenses are disclosed in note 3.2.

**4.1. Supplies and services**

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
Government radio network	3 144	3 050
Short term leases	123	2
Accommodation	1 266	1 192
Operational costs	1 071	1 291
Vehicle	741	778
Travel and training	593	520
Property costs	626	508
Computing costs	1 107	737
Communication	327	385
Consultancy, contractors and legal fees	601	655
Uniforms and protective clothing	429	327
Insurance premiums	95	86
Other expenses	635	602
<b>Total supplies and services</b>	<b>10 758</b>	<b>10 133</b>

**Accommodation**

SES holds accommodation arrangements with the Department for Infrastructure and Transport under Memoranda of Administrative Arrangement (MoAA) issued in accordance with Government-wide accommodation policies for a number of sites. These arrangements do not meet the definition of a lease set out in AASB 16.

**Other**

Audit fees paid/payable to the Auditor-General's Department (AGD) relating to work performed under the *Public Finance and Audit Act* were \$30 000 (2020: \$30 000). These costs are recognised in Other Expenses above. No other services were provided by the Auditor-General's Department.

**Leases**

SES recognises lease payments associated with short-term leases (12 months or less) and low value (less than \$15 000) as an expense on a straight-line basis over the lease term. Lease commitments for short-term leases is similar to short term lease expenses disclosed.

**Property costs**

A review of capital projects in the year ended 30 June 2021 identified \$396 000 of costs included in capital works in progress at 30 June 2020 that should have been expended in a prior year. SES have assessed the impact of this error to be immaterial and the correction has been made in the current year by an adjustment to property costs.

Refer note 5.2.

**Consultants**

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

	<b>No.</b>	<b>2021</b>	<b>No.</b>	<b>2020</b>
		<b>\$'000</b>		<b>\$'000</b>
Below \$10 000	1	1	2	12
Above \$10 000	-	-	2	40
<b>Total paid / payable to the consultants</b>	<b>1</b>	<b>1</b>	<b>4</b>	<b>52</b>

**South Australian State Emergency Service**  
**Notes to and forming part of the financial statements**  
*For the year ended 30 June 2021*

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**4.2. Depreciation and amortisation**

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Depreciation</b>		
Vehicles	1 153	1 099
Buildings	937	861
Communications equipment	371	336
Computer equipment	133	149
Plant and equipment	376	289
Right-of-use buildings	153	160
Right-of-use vehicles	1	6
<b>Total depreciation</b>	<b>3 124</b>	<b>2 900</b>
<b>Amortisation</b>		
Computer software	42	8
<b>Total amortisation</b>	<b>42</b>	<b>8</b>
<b>Total depreciation and amortisation</b>	<b>3 166</b>	<b>2 908</b>

All non-current assets not held for sale with a limited useful life are systematically depreciated/amortised over their useful lives in a manner that reflects the consumption of their service potential.

**Useful life**

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

<b>Class of asset</b>	<b>Useful life (years)</b>
Buildings	1-40
Vehicles	1-20
Communications equipment	2-10
Plant and equipment	1-19
Computer equipment	2-7
Computer software	5
ROU Assets	1-10

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

**Review of Accounting Estimates**

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

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**4.3. Other expenses**

	2021	2020
	\$'000	\$'000
CWIP write off	396	-
<b>Total other expenses</b>	<b>396</b>	<b>-</b>

**4.4. Net gain / (loss) from disposal of non-current assets**

	2021	2020
	\$'000	\$'000
Land and buildings		
Proceeds from disposal	-	-
Less net book value of assets disposed	-	(220)
<b>Net gain / (loss) from disposal of land and buildings</b>	<b>-</b>	<b>(220)</b>

Vehicles		
Proceeds from disposal	68	104
Less net book value of assets disposed	(26)	(125)
<b>Net gain / (loss) from disposal of vehicles</b>	<b>42</b>	<b>(21)</b>

Plant and equipment		
Proceeds from disposal	1	5
Less net book value of assets disposed	-	-
<b>Net gain / (loss) from disposal of plant and equipment</b>	<b>1</b>	<b>5</b>

Total assets:		
Proceeds from disposal of non-current assets	69	109
Net book value of assets disposed	(26)	(345)
<b>Net gain / (loss) from disposal of non-current assets</b>	<b>43</b>	<b>(236)</b>

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

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**5. Non-financial assets**

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

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Land</b>		
Land at fair value	5 262	4 617
<b>Total land</b>	<b>5 262</b>	<b>4 617</b>
<b>Buildings</b>		
Buildings at fair value	22 800	21 942
Accumulated depreciation	(1 547)	(611)
<b>Total buildings</b>	<b>21 253</b>	<b>21 331</b>
<b>Vehicles</b>		
Vehicles at fair value	16 367	14 077
Accumulated depreciation	(1 920)	(770)
<b>Total vehicles</b>	<b>14 447</b>	<b>13 307</b>
<b>Communications (Comms.) equipment</b>		
Communications equipment at fair value	2 419	2 408
Accumulated depreciation	(608)	(237)
<b>Total communications equipment</b>	<b>1 811</b>	<b>2 171</b>
<b>Computer equipment</b>		
Computer equipment at fair value	786	694
Accumulated depreciation	(210)	(77)
<b>Total computer equipment</b>	<b>576</b>	<b>617</b>
<b>Plant and equipment</b>		
Plant and equipment at fair value	3 121	3 105
Accumulated depreciation	(601)	(226)
<b>Total plant and equipment</b>	<b>2 520</b>	<b>2 879</b>
<b>Capital work in progress</b>		
Capital works in progress at cost (deemed fair value)	5 412	3 563
<b>Total capital work in progress</b>	<b>5 412</b>	<b>3 563</b>
<b>Right-of-use buildings</b>		
Right-of-use buildings at cost	1 258	1 273
Accumulated amortisation	(305)	(160)
<b>Total right-of-use buildings</b>	<b>953</b>	<b>1 113</b>
<b>Right-of-use vehicles</b>		
Right-of-use vehicles at cost	-	7
Accumulated amortisation	-	(6)
<b>Total right-of-use vehicles</b>	<b>-</b>	<b>1</b>
<b>Total property, plant and equipment</b>	<b>52 234</b>	<b>49 599</b>

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**5.2. Property, plant and equipment owned by SES**

Property, plant and equipment owned by SES with a value equal to or in excess of \$10,000 is capitalised, otherwise it is expensed. Property, plant and equipment owned by SES is initially recorded on a cost basis and subsequently measured at fair value. Where assets are acquired at no value or minimal value they are recorded at fair value in the Statement of Financial Position. Detail about SES' approach to fair value is set out in note 10.2.

**Impairment**

Property, plant and equipment owned by SES has not been assessed for impairment as they are non-cash generating assets, that are specialised in nature and held for continual use of their service capacity.

Revaluation of property, plant and equipment is undertaken on a regular cycle as detailed in note 10.2. If at any time management considers that the carrying amount of an asset materially differs from its fair value, then the asset will be revalued regardless of when the last valuation took place.

**Reconciliation of property, plant and equipment during 2020-21**

	Land	Buildings	Vehicles	Comms. equipment	Computer equipment	Plant & equipment	Work in progress	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Carrying amount at the beginning of the period</b>	<b>4 617</b>	<b>21 331</b>	<b>13 307</b>	<b>2 171</b>	<b>617</b>	<b>2 879</b>	<b>3 563</b>	<b>48 485</b>
Acquisitions	-	-	-	-	-	-	6 188	6 188
Transfers from capital WIP	645	859	2 319	11	92	17	(3 943)	-
Depreciation	-	(937)	(1 153)	(371)	(133)	(376)	-	(2 970)
Disposals	-	-	(26)	-	-	-	-	(26)
CWIP write off	-	-	-	-	-	-	(396)	(396)
<b>Carrying amount at the end of the period</b>	<b>5 262</b>	<b>21 253</b>	<b>14 447</b>	<b>1 811</b>	<b>576</b>	<b>2 520</b>	<b>5 412</b>	<b>51 281</b>

**Reconciliation of property, plant and equipment during 2019-20**

	Land	Buildings	Vehicles	Comms. equipment	Computer equipment	Plant & equipment	Work in progress	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Carrying amount at the beginning of the period</b>	<b>4 236</b>	<b>19 908</b>	<b>13 228</b>	<b>1 342</b>	<b>238</b>	<b>925</b>	<b>3 871</b>	<b>43 748</b>
Acquisitions	-	-	-	-	-	-	4 665	4 665
Transfers from capital WIP	-	1 522	1 674	146	-	1 445	(4 973)	(186)
Transfers between asset classes	-	(27)	-	-	-	27	-	-
Revaluation increment	382	1 008	(378)	1 019	528	771	-	3 330
Depreciation	-	(861)	(1 099)	(336)	(149)	(289)	-	(2 734)
Disposals	(1)	(219)	(125)	-	-	-	-	(345)
Other	-	-	7	-	-	-	-	7
<b>Carrying amount at the end of the period</b>	<b>4 617</b>	<b>21 331</b>	<b>13 307</b>	<b>2 171</b>	<b>617</b>	<b>2 879</b>	<b>3 563</b>	<b>48 485</b>

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**5.3. Property, plant and equipment leased by SES**

Right-of-use assets leased by SES as lessee are measured at cost and there was no indication of impairment for right-of-use assets.

Additions to leased property, plant and equipment during 2020-21 were nil.

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

The SES has two commercial leases for buildings which are for the purpose of SES operational and administrative activities.

The lease liabilities and interest expense related to the right-of-use assets are disclosed in note 7.2. SES' maturity analysis of its lease liabilities is disclosed in note 10.3. Depreciation expense is disclosed in note 4.2. Cash outflows related to leases are disclosed in note 8.2. SES has not committed to any lease arrangements that have not commenced from 1 July.

**5.4. Intangible assets**

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Computer software</b>		
Computer software	209	209
Accumulated amortisation	<u>(54)</u>	<u>(12)</u>
<b>Total computer software</b>	<u><b>155</b></u>	<u><b>197</b></u>
 <b>Total intangibles</b>	 <u><u><b>155</b></u></u>	 <u><u><b>197</b></u></u>

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

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

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**5.4. Intangible assets (continued)**

	<b>Computer software \$'000</b>	<b>Total \$'000</b>
<b>Reconciliation 2020-21</b>		
Carrying amount at the beginning of the period	<b>197</b>	<b>197</b>
Amortisation	<u>(42)</u>	<u>(42)</u>
Carrying amount at the end of the period	<b><u>155</u></b>	<b><u>155</u></b>

	<b>Computer software \$'000</b>	<b>Total \$'000</b>
<b>Reconciliation 2019-20</b>		
Carrying amount at the beginning of the period	<b>19</b>	<b>19</b>
Transfers from capital WIP	186	186
Amortisation	<u>(8)</u>	<u>(8)</u>
Carrying amount at the end of the period	<b><u>197</u></b>	<b><u>197</u></b>



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**6. Financial assets**

**6.1. Cash and cash equivalents**

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
Deposits with the Treasurer (Special deposit accounts)	997	955
Cash at bank - Units	849	894
Short-term deposits - Units	294	194
Short-term deposits	106	92
<b>Total cash and cash equivalents</b>	<b>2 246</b>	<b>2 135</b>

Cash is measured at nominal amounts.

**Deposits with the Treasurer**

Special deposit accounts are established under section 8 of the *Public Finance and Audit Act 1987*. Special deposit accounts must be used in accordance with their approved purpose. One operating account is held with the Treasurer. This account is interest bearing.

**Cash at Bank - Units**

Accounts held at Unit level comprising of proceeds from fundraising, donations and other local activities.

**Short term deposits**

Short-term deposits are made for varying periods of between one day and three months. The deposits are lodged with various financial institutions at their respective short-term deposit rates.

**Interest rate risk**

Cash on hand is non-interest bearing. SES does not earn interest on its deposits with the Treasurer. The carrying amount of cash and cash equivalents represent fair value.

**6.2. Receivables**

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Current</b>		
Receivables	681	118
Prepayments	358	202
Accrued revenues	31	59
GST input tax recoverable	391	355
<b>Total current receivables</b>	<b>1 461</b>	<b>734</b>
<b>Total receivables</b>	<b>1 461</b>	<b>734</b>

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

The carrying amount of receivables approximates net fair value due to being receivable on demand. There is no concentration of credit risk.

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

Refer to note 10.3 for further information on risk management.

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**6.3. Other financial assets**

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
Medium term deposits - Units	53	100
<i>Investments classified as fair value through other comprehensive income</i>		
Listed equity instruments	106	91
<b>Total receivables</b>	<b>159</b>	<b>191</b>

Medium-term deposits are made for varying periods of between three months and twelve months. The deposits are lodged with various financial institutions at their respective medium-term deposit rates.

The equity instruments are carried at fair value.

Investments were designated at fair value through other comprehensive income with all changes in fair value being taken to the investment reserve. These investments are not subject to impairment testing.

On disposal of these equity investments, any related balance within the investment reserve will be reclassified to retained earnings. Dividends arising from these investments will be recognised in the statement of comprehensive income.

For further information on risk management refer to note 10.3.

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**7. Liabilities**

Employee benefits liabilities are disclosed in note 3.3.

**7.1. Payables**

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Current</b>		
Creditors	263	120
Accrued expenses	618	787
Employment on-costs	276	213
<b>Total current payables</b>	<b>1 157</b>	<b>1 120</b>
<b>Non-current</b>		
Employment on-costs	155	126
<b>Total non-current payables</b>	<b>155</b>	<b>126</b>
<b>Total payables</b>	<b>1 312</b>	<b>1 246</b>

Payables are measured at nominal amounts.

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

The net amount of GST recoverable from the ATO is included as part of receivables. However, if a net GST payable arises then this amount would be disclosed in the Payables note.

**Employment on-costs**

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

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

As a result of an actuarial assessment performed by the Department of Treasury and Finance (DTF), the proportion of long service leave taken as leave has remained at 42% and the average factor for the calculation of employer superannuation cost on-cost has changed from the 2020 rate (9.8%) to 10.1%. These rates are used in the employment on-cost calculation. The net financial effect of the changes in the current financial year is not material. The estimated impact on future periods is not expected to be materially different to the effect on the current period as shown above.

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**7.2. Financial Liabilities**

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Current</b>		
Lease liabilities	146	153
<b>Total current financial liabilities</b>	<b>146</b>	<b>153</b>
<b>Non-current</b>		
Lease liabilities	823	971
<b>Total non-current financial liabilities</b>	<b>823</b>	<b>971</b>
<b>Total financial liabilities</b>	<b>969</b>	<b>1 124</b>

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

SES measures lease liabilities at discounted future lease payments using either the interest rate implicit in the lease or the Department of Treasury and Finance's incremental borrowing rate. There were no defaults or breaches throughout the year.

Interest expense paid on lease liabilities during 2020-21 was \$19 000 (2019-20 \$21 000). SES does not capitalise borrowing costs.

**7.3. Provisions**

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Current</b>		
Provision for workers compensation	211	194
Additional compensation	54	9
<b>Total current provisions</b>	<b>265</b>	<b>203</b>
<b>Non-current</b>		
Provision for workers compensation	651	644
Additional compensation	1 564	738
<b>Total non-current provisions</b>	<b>2 215</b>	<b>1 382</b>
<b>Total provisions</b>	<b>2 480</b>	<b>1 585</b>

<b>Movement in provisions</b>	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Workers compensation:</b>		
Carrying amount at the beginning of the period	<b>838</b>	<b>950</b>
Additional provision recognised	332	-
Reductions arising from payments	(308)	(94)
Reductions resulting from re-measurement	-	(18)
<b>Carrying amount at the end of the period</b>	<b>862</b>	<b>838</b>
<b>Additional compensation:</b>		
Carrying amount at the beginning of the period	<b>747</b>	<b>696</b>
Additional provisions recognised	895	51
Reductions arising from payments	(24)	-
<b>Carrying amount at the end of the period</b>	<b>1 618</b>	<b>747</b>

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**7.3. Provisions (continued)**

**Workers Compensation**

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

The provision has remained stable in 2021, with a marginal increase due to increased costs for income support and other expenses.

SES is responsible for the payment of workers compensation claims.

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

Additional compensation was introduced in 2018 and provides continuing benefits to workers who have suffered eligible work-related injuries and whose entitlements have ceased under the statutory workers compensation scheme.

The additional compensation provision is based on an actuarial assessment of the outstanding liability as at 30 June 2021 provided by a consulting actuary engaged through the Office of the Commissioner for the Public Sector Employment. The provision is for the estimated cost of ongoing payments to workers as required under current arrangements.

SES is responsible for the payment of additional compensation claims.

There is a degree of uncertainty associated with this estimate. In addition to the general uncertainties associated with estimating future claim and expense payments, the additional compensation provision is impacted by a short claim's history and the evolving nature of the interpretation of, and evidence required to meet, eligibility criteria.

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**8. Other disclosures**

**8.1 Equity**

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

**Investment reserve**

The reserve is used to record all changes in fair value of investments classified as fair value through other comprehensive income.

**8.2 Cash flow**

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

Total cash outflows for leases for SES was \$290 000 (2019-20: \$177 000).

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Reconciliation of cash and cash equivalents at the end of the reporting period</b>		
Cash and cash equivalents disclosed in the Statement of Financial Position	2 246	2 135
Balance as per the Statement of Cash Flows	2 246	2 135
<b>Reconciliation of net cash provided by operating activities to net cost of providing services</b>		
Net cash provided by operating activities	6 216	4 503
<b>Add / (less) non-cash items</b>		
Depreciation and amortisation	(3 166)	(2 908)
Net gain/(loss) from disposal of non-current assets	43	(236)
<b>Movement in assets and liabilities</b>		
Increase/(decrease) in receivables	727	427
(Increase)/decrease in payables	(347)	415
(Increase)/decrease in employee benefits	(613)	123
(Increase)/decrease in provisions	(895)	61
<b>Net result</b>	<b>1 965</b>	<b>2 385</b>

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**9. Outlook**

**9.1. Unrecognised contractual commitments**

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

**Capital commitments**

Capital expenditure contracted for at the reporting date but not recognised as liabilities in the financial report, are payable as follows:

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
Within one year	113	46
<b>Total capital commitments</b>	<b>113</b>	<b>46</b>

SES' capital commitments are for building, vessel and equipment projects.

**Expenditure commitments**

Expenditure contracted for at the reporting date but not recognised as liabilities in the financial report, are payable as follows:

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
Within one year	619	965
Later than one year but not later than five years	702	1 205
<b>Total expenditure commitments</b>	<b>1 321</b>	<b>2 170</b>

SES expenditure commitments relate to information technology contracts, equipment and promotional goods.

Major expenditure commitments include MOAAs with the Department of Infrastructure and Transport for accommodation.

The above commitments figures do not include the cost of the new Emergency Services Headquarters that parts of the sector will be relocating to in late 2021 as the agreement is not yet finalised.

**9.2. Contingent assets and liabilities**

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

SES is not aware of any contingent assets or liabilities.

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**9.3. Impact of standards not yet effective**

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

Amending Standard AASB 2020-3 *Amendments to Australian Accounting Standards – Annual Improvements 2018-2020 and Other Amendments* will apply from 1 July 2022 and Amending Standard AASB 2021-2 *Amendments to Australian Accounting Standards - Disclosure of Accounting Policies and Definition of Accounting Estimates* will apply from 1 July 2023. Although applicable to SES, these amending standards are not expected to have an impact on the SES's general purpose financial statements. SES will update its policies, procedures and work instructions, where required, to reflect the additional clarification requirements.

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

**9.4. COVID-19 pandemic outlook for SES**

The COVID-19 pandemic will continue to impact the operations of the agency in 2021-22. The key expected impacts are:

- Further significant outbreaks of the COVID-19 pandemic in South Australia would see greater response measures with associated additional expenses.
- Additional expenditure to assistance SA Health, SAPOL and other SA Government departments in response to the COVID-19 pandemic.
- Additional expenditure to keep SES personnel and volunteers safe while maintaining service delivery to the community.
- Additional expenditure may be incurred due to supplier business restrictions.
- Delays in the delivery of capital and ICT programs and increase capital expenditure due to supplier business restrictions and demand.

**9.5. Events after the reporting period**

There were no events after the reporting period affecting the financial statements.



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**10. Measurement and risk**

**10.1. Long service leave**

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

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

AASB 119 requires the use of the yield on long-term Commonwealth Government bonds as the discount rate in the measurement of the long service leave liability. The yield on long-term Commonwealth Government bonds has increased from 2020 (1.00%) to 2021 (1.5%).

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

The net financial effect of the changes to actuarial assumptions in the current financial year is a decrease in the long service leave liability of \$81 000 and employee benefits expense of \$81 000. The impact on future periods is impracticable to estimate as the long service leave liability is calculated using a number of assumptions - a key assumption is the long-term discount rate.

The actuarial assessment performed by DTF left the salary inflation rate at 2.50% for long service leave liability. As a result, there is no net financial effect resulting from changes in the salary inflation rate.

Current long service leave reflects the portion of leave expected to be settled within the next 12 months, based on the average proportion of long service leave taken or paid over the last 3 years.

**10.2. Fair value**

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

The revaluation process is reviewed by SES each year.

Non-current tangible assets are valued at fair value, and revaluation of non-current assets or a group of assets is only performed when the fair value at the time of acquisition is greater than \$1.5 million and estimated useful life is greater than three years.

Revaluation is undertaken on a regular cycle as detailed below. If at any time management considers that the carrying amount of an asset materially differs from its fair value, the asset is revalued regardless of when the last valuation took place.

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

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**10.2. Fair value (continued)**

**Fair value hierarchy**

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

- Level 1: traded in active markets and is based on unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at measurement date.
- Level 2: not traded in 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 active market and are derived from unobservable inputs.

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

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

	Note	Level 2	Level 3	Total
Recurring fair value measurements		\$'000	\$'000	\$'000
Land	5.1	320	4 942	5 262
Buildings	5.1	-	21 253	21 253
Vehicles	5.1	-	14 447	14 447
Communication equipment	5.1	-	1 811	1 811
Computer equipment	5.1	-	576	576
Plant and equipment	5.1	-	2 520	2 520
<b>Total recurring fair value measurements</b>		<b>320</b>	<b>45 549</b>	<b>45 869</b>
<b>Total fair value measurements</b>		<b>320</b>	<b>45 549</b>	<b>45 869</b>

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

	Note	Level 2	Level 3	Total
Recurring fair value measurements		\$'000	\$'000	\$'000
Land	5.1	320	4 297	4 617
Buildings	5.1	-	21 331	21 331
Vehicles	5.1	-	13 307	13 307
Communication equipment	5.1	-	2 171	2 171
Computer equipment	5.1	-	617	617
Plant and equipment	5.1	-	2 879	2 879
<b>Total recurring fair value measurements</b>		<b>320</b>	<b>44 602</b>	<b>44 922</b>
<b>Total fair value measurements</b>		<b>320</b>	<b>44 602</b>	<b>44 922</b>

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**10.2. Fair value (continued)**

**Land and Buildings**

An independent valuation of land and buildings was performed by a Certified Practising Valuer from Liquid Pty Ltd as at 1 November 2019. The Emergency Services Sector did not revalue land and buildings related to peppercorn leased sites. These have been recognised at their carrying amounts from 30 June 2020. The land and buildings values at revaluation were considered relevant for 30 June 2021.

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

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

**Plant and equipment**

All items of plant and equipment that had a fair value at the time of acquisition less than \$1.5 million and had an estimated useful life that less than three years have not been revalued. The carrying value of these items is deemed to approximate fair value.

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**10.2. Fair value (continued)**

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

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

	Land	Buildings	Vehicles	Comms. equipment	Computer equipment	Plant & equipment	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Opening balance at the beginning of the period</b>	<b>4 297</b>	<b>21 331</b>	<b>13 307</b>	<b>2 171</b>	<b>617</b>	<b>2 879</b>	<b>44 602</b>
Capitalised asset transfers	645	859	2 319	11	92	17	3 943
Disposals	-	-	(26)	-	-	-	(26)
Gains/(losses) for the period recognised in net result:							
Depreciation and amortisation	-	(937)	(1 153)	(371)	(133)	(376)	(2 970)
Total losses recognised in net result	-	(937)	(1 153)	(371)	(133)	(376)	(2 970)
<b>Carrying amount at the end of the period</b>	<b>4 942</b>	<b>21 253</b>	<b>14 447</b>	<b>1 811</b>	<b>576</b>	<b>2 520</b>	<b>45 549</b>

**Reconciliation of level 3 recurring fair value measurements at 30 June 2020**

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

	Land	Buildings	Vehicles	Comms. equipment	Computer equipment	Plant & equipment	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Opening balance at the beginning of the period</b>	<b>2 297</b>	<b>10 166</b>	<b>13 228</b>	<b>1 342</b>	<b>238</b>	<b>925</b>	<b>28 196</b>
Capitalised asset transfers	-	1 522	1 674	146	-	1 445	4 787
Disposals	(1)	(219)	(125)	-	-	-	(345)
Transfers between asset classes	-	(27)	-	-	-	27	-
Transfer to level 3	1 619	9 742	7	-	-	-	11 368
Gains/(losses) for the period recognised in net result:							
Depreciation and amortisation	-	(861)	(1 099)	(336)	(149)	(289)	(2 734)
Total losses recognised in net result	-	(861)	(1 099)	(336)	(149)	(289)	(2 734)
Gains for the period recognised in other comprehensive income (OCI)							
Revaluation increments	382	1 008	(378)	1 019	528	771	3 330
Total gains recognised in OCI	<b>382</b>	<b>1 008</b>	<b>(378)</b>	<b>1 019</b>	<b>528</b>	<b>771</b>	<b>3 330</b>
<b>Carrying amount at the end of the period</b>	<b>4 297</b>	<b>21 331</b>	<b>13 307</b>	<b>2 171</b>	<b>617</b>	<b>2 879</b>	<b>44 602</b>

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**10.3. Financial instruments**

**Financial risk management**

Risk management is managed by SES corporate services section. SES risk management policies are in accordance with the *SA Government Risk Management Guide* and the principles established in the Australian Standard *Risk Management Principles and Guidelines*.

The exposure of SES to financial risk (liquidity risk, credit risk and market risk) is low due to the nature of the financial instruments held. There have been no changes in risk exposure since the last reporting period.

**Liquidity risk**

Liquidity risk arises from the possibility that SES is unable to meet its financial obligations as they fall due. SES is funded principally from the Fund. SES works with the Fund to determine the cash flows associated with its government-approved program of work to ensure funding meets the expected cash flows.

Refer to notes 1.3 and 2.1 for further information.

**Credit risk**

SES has minimal concentration of credit risk. SES has policies and procedures in place to ensure that transactions occur with customers with appropriate credit history. SES does not engage in high risk hedging for its financial assets. No collateral is held as security and no credit enhancements relate to financial assets held by SES.

**Impairment of financial assets**

Loss allowances for receivables are measured at an amount equal to lifetime expected credit loss (ECL) using the simplified approach in AASB 9. SES uses an allowance matrix to measure the expected credit loss of receivables from non-government debtors. It is expected the credit loss for SES is nil.

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

**Cash**

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

**Market risk**

SES does not trade in foreign currency, nor enter into transactions for speculative purpose nor for hedging. SES does not undertake any hedging in relation to interest or foreign currency risk and manages its risk as per the government's risk management strategy articulated in TI 23 *Management of Foreign Currency Exposures*.

SES has non-interest-bearing assets (receivables) and liabilities (payables) and interest-bearing assets (cash at bank and investments). SES's exposure to market risk and cash flow interest risk is minimal. There is minimal exposure to foreign currency or other price risks.

**Categorisation of financial instruments**

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

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**10.3. Financial instruments (continued)**

**Classification of financial instruments**

SES measures all financial instruments at amortised cost.

**Maturity analysis of financial instruments**

SES financial assets and liabilities carrying amount represents their fair value and are expected to be settled within one year excluding lease liabilities for which undiscounted cash flows maturity analysis is disclosed in the below table.

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Lease Liabilities</b>		
within 1 year	164	153
1 to 5 years	486	971
More than 5 years	392	
<b>Total lease liabilities (undiscounted)</b>	<b>1 042</b>	<b>1 124</b>

**10.4. Trust funds**

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
Cash at bank	221	158
<b>Total trust funds</b>	<b>221</b>	<b>158</b>

The trust funds represent funds held by the Australian Council of State Emergency Services. The funds will be utilised to meet expenses incurred by each of the State Emergency Services Headquarters in Australia. SES will administer these funds until they are fully expended. In 2020-21, total income earned by the Council was \$60 000 and expenses incurred totalled \$0.