



**Government
of South Australia**

South Australian Fire and Emergency Services Commission

Annual Report 2015-16

Annual Report 2015-16

South Australian Fire and Emergency Services Commission
Annual Report 2015-16

31 October 2016
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Letter of Transmittal

31 October 2016

Hon Peter Malinauskas MLC
Minister for Emergency Services
Parliament House
North Terrace
ADELAIDE SA 5000

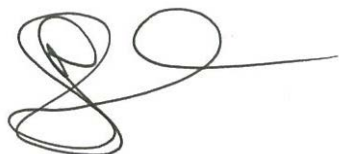
Dear Minister

It is my pleasure on behalf of the South Australian Fire and Emergency Services Commission (SAFECOM) to submit for your information and presentation to Parliament the 2015-16 SAFECOM Annual Report.

Pursuant to section 22 of the *Fire and Emergency Services Act 2005* this report is required to be provided to you on or before 31 October 2016, and includes the audited statement of accounts.

The report summarises the activities and achievements of SAFECOM and the emergency services sector for the period 1 July 2015 to 30 June 2016.

Yours sincerely

A handwritten signature in black ink, consisting of a stylized 'M' followed by a horizontal line extending to the right.

Malcolm Jackman
Chief Executive Officer
SAFECOM

From the Chief Executive



The South Australian Emergency Services Sector (ESS) plays an essential role in the safety of all South Australians. Funded wholly by the people of South Australia, the ESS has a responsibility to delivery benefits and cost efficiency to those it serves and returns an increasing value on their trusted investment.

In line with the State Government's revised 2016 Public Value Framework, the ESS is embracing the opportunity to introduce public value thinking into the everyday delivery of its services. Developed by Harvard Professor Mark Moore, public value thinking supports innovation and engagement and is focused on measureable outcomes.

The ESS is comprised of the Country Fire Service (CFS), Metropolitan Fire Service (MFS), State Emergency Service (SES) and SAFECOM.

The ESS is funded solely and entirely by the Emergency Services Levy (ESL). Whilst every household makes a contribution to the ESL, thankfully very few are beneficiaries of the services provided. Many households will never call upon the ESS and those that do will be blind to the badge on the truck or the colour of the uniform of those who come to help.

Whilst the ESS is highly respected and has an outstanding record in meeting community needs, the dilemma is in recognising the public value in providing an "emergency response capability" that all will pay for but few will need.

The primary role of the ESS is to prevent the loss of life, property, environment and infrastructure through reducing the impact of fires and other emergencies on our community. Not only is this achieved through an ongoing investment in emergency response equipment and trained personnel, but as importantly the ESS is committed to providing emergency warning systems and awareness materials that enable all South Australians to be as prepared and resilient to the dangers of fire and other emergencies as possible.

The impact of fire and other emergencies like flooding, storm damage and extreme heat are often only measured or remembered by the amount of life or property lost and seldom the associated ongoing economic, social and emotional costs to individuals, families and even whole communities. Regional communities in particular can suffer disproportionate losses from the impact of fire and other emergencies due to their greater economic and social interdependency with a small community.

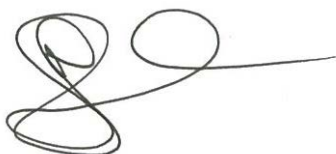
Under the leadership of the SAFECOM Chief Executive (SAFECOM CE) and the Chief Officers of the CFS, MFS and SES, it has been recognised that the ESS must focus and prioritise its efforts on building and promoting the public value that the sector delivers to the community.

The previous thinking around sector reform has been refreshed to embrace a continuous change agenda, one focused on building and strengthening emergency services delivery and the value of that to every South Australian. A review has identified seven key strategies that have been commenced to improve the public value provided by the ESS. These strategies are:

1. Introduce a public “value-based” approach for the ESS that demonstrates the sector’s ability to promote how all areas of the ESS ultimately contribute to greater community safety;
2. Improve the links between community risks and service delivery to ensure responsiveness to community priorities and needs; to foster innovation and; to improve accountability;
3. Improve the governance of the ESS by adopting a common planning and reporting approach to improve our ability to measure and evaluate the services we provide to the community and the value these represent;
4. Improve the ESSs decision processes, management and committee structures to enhance public value decision making;
5. Prioritise frontline services to the community through greater integration of emergency response by the Emergency Service Organisations (ESOs);
6. Improve the sustainability, value and effectiveness of the ESOs frontline support services; and
7. Improve the sustainability, value and effectiveness of SAFECOM’s functional support by reviewing current levels of service provision and where necessary, develop the case for additional funding on the basis of increasing public value.

The ESS comprises “good people, doing good things, for good reasons”; both volunteers and paid staff alike. It is important that we actively enhance the notion of public value not only for the CFS, MFS and SES and the sector as a whole, but also in respect to the ESL that provides our funding.

I look forward to continuing the strong relationship between the State Government and the emergency services.

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

Malcolm Jackman
Chief Executive
SAFECOM

The Emergency Services Sector

The South Australian fire and emergency services sector comprises:

South Australian Fire and Emergency Services Commission

SAFECOM was established in 2005 to:

- Develop and maintain a strategic and policy framework across the ESS;
- Develop and implement a framework of sound corporate governance across the ESS;
- Ensure that appropriate strategic, administrative and support services are provided to the three emergency services organisations (CFS, MFS and SES);
- Ensure that appropriate strategic and business plans are developed, maintained and implemented across the ESS;
- Provide for the effective allocation of resources within the ESS; and
- Support the emergency services agencies.

SAFECOM works with the agencies to:

- Ensure governance and accountability for the sector through common, strategically aligned goals;
- Provide consolidated and integrated support services;
- Maintain a balanced focus on prevention, preparedness, response and recovery services;
- Pursue opportunities for efficiencies and reforms and reinvest savings from within the sector; and
- Enhance participation and support of volunteers within local communities.

SAFECOM is governed by the SAFECOM Board which comprises the SAFECOM CE (Presiding Member), the Chief Officers of the three emergency service agencies, a representative of the United Firefighters Union (UFU), representatives from the SES Volunteer Association (SESVA) and CFS Volunteer Association (CFSVA) and two independent members appointed by the Minister for Emergency Services.

SAFECOM is responsible for:

- Providing key emergency management leadership, particularly in the area of mitigation;
- Representing the State Government at national emergency management forums;
- Managing the expenditure of the Community Emergency Services Fund; and
- Key capabilities such as Alert SA and the State Emergency Information Call Centre Capability (SEICCC).

SA Country Fire Service

The CFS is a dedicated, volunteer-based fire and emergency service dedicated to protecting life, property and environmental assets in outer metropolitan, regional and rural communities of South Australia.

With over 13,000 volunteers and 130 staff, CFS provides a range of fire and emergency services to more than 434 communities across South Australia.

CFS volunteers attend around 15,000 incidents annually. These incidents include bushfires, road crash rescue, hazardous material spills and structure and motor vehicle fires. The CFS also provides support to the MFS and SES and performs an important role with local government in fuel removal and bushfire prevention, and in community bushfire and fire safety education.

SA Metropolitan Fire Service

The MFS is a modern, urban fire and rescue emergency service established in 1862 to protect life, property and the environment from the effects of fire and other dangers. MFS firefighters do not just attend fires but are also called to road crash rescues, gas leaks, chemical spills, structural collapses, animal rescues and other emergencies.

The MFS attends more than 20,000 emergency incidents annually and also supports other emergency service agencies including CFS, SES and SA Police (SAPOL) in emergency response and recovery activities.

The MFS employs more than 1,000 personnel situated in 36 fire stations, with 20 metropolitan stations strategically located through the greater Adelaide area and 16 fire stations protecting major regional centres across the state.

SA State Emergency Service

As a community-based volunteer emergency service, SES was established to provide an emergency response service across the state. SES volunteer units are particularly active in responding to floods, storms, road accidents, searches and rescues.

The SES is comprised of approximately 1,600 volunteers spread across 68 units in the state and responds to around 7,000 tasks and requests for assistance each year. These tasks primarily involve responding to floods, storms, road accidents and emergencies requiring both general rescue and technical rescue services (vertical, confined space, swift water and road crash rescue).

SES provides education programs to improve community resilience to flooding, storms and extreme heat and also supports Volunteer Marine Rescue (VMR) associations in marine search and rescue efforts.

Our Strategic Direction

With the extensive collaboration of all sector agencies, the *South Australian Fire and Emergency Services Strategic Plan 2015-2025* was developed during 2015-16. The plan identifies the strategies the sector is pursuing to achieve under its shared vision.

Vision

"A trusted fire and emergency services sector building safer and more resilient communities"

Mission

"Delivering first class, cost effective emergency management services for South Australia to minimise loss of life and property damage"

Values

*We achieve outcomes through our people
We do what we do because we believe in our communities
Our achievements are the result of working together
We will be judged by what we do rather than what we say*

Our values in action ... Good People Doing Good Things for Good Reasons

OUR PEOPLE

- Dedicated staff and volunteers servicing our communities
- Respected and respectful
- Courageous, caring and careful
- Proud of what we do

OUR COMMUNITY VALUE

- Response to our communities needs
- Contributing to safer and more resilient communities
- Skilled, committed and accountable for our actions
- Efficient, effective, agile and innovative

OUR WAY OF WORKING

- Putting our communities first
- Treating people with respect and understanding
- Strong leaders with well trained staff and volunteers

OUR BEHAVIOURS

- Trustworthy and ethical
- Fair and honest
- Courage to do the right thing
- Supportive and compassionate

Our Operating Principles

Supporting our values are the sector's operating principles which guide the application of emergency management systems and shape the delivery of efficient and effective response services to the communities of South Australia:

- **Flexibility** – The sector adopts an all hazards approach to building its capabilities. Our incident management and response systems must be able to support the community across the full spectrum of emergency incidents. Our people take a risk based approach to the application of our procedures and remain focussed on achieving the mission during all operational decision making.
- **Management by Objectives** – We deal with emergencies by focussing on the desired outcomes and communicating clear and unambiguous objectives to ensure that all incident personnel and partner agencies are working towards the same objective.
- **Functional Management** – Effective response to an emergency requires all personnel responding to understand what role they play, whom they need to communicate with and what level of decision making is expected of them.
- **Collaboration and Alignment** – We work together and draw on the expertise and capacity of strategic partners at the local, state and national level to create a well-informed, integrated and coordinated approach that expands our capability and builds community resilience.
- **Unity of Command** – it is imperative that there is a single recognised management authority at all times. This ensures clarity and unity of effort, promotes timely and effective decision-making and avoids potential conflict in strategy or direction. This applies to the day-to-day management structure and during operations where separate incident management structures are implemented.
- **Span of Control** – During emergencies a rapidly changing environment can become dangerous if not managed effectively. We optimise our span of control to reflect the scale and complexity of an emergency and maintain the ability of our supervisors to effectively set tasks and monitor and evaluate performance.

The South Australian emergency services sector's operating principles are underpinned by concepts of adaptability and scalability, uniform terminology, defined incident management structures, a common operating picture and clearly defined roles, responsibilities and information flows.

SAFECOM Board

The SAFECOM Board was established under the *Fire and Emergency Services Act 2005* and is the governing body of SAFECOM.

The SAFECOM Board has overall responsibility for:

- Establishing the strategic direction of SAFECOM;
- Ensuring that the functions of SAFECOM are effectively exercised in accordance with the *Fire and Emergency Services Act 2005* and any other Act;
- Developing an annual budget for SAFECOM and monitoring results against budget on a regular basis; and
- Monitoring and assessing the performance and outcomes of SAFECOM against its statutory and strategic responsibilities, goals and objectives.

The SAFECOM Board, comprising nine members, meets monthly and is subject to the control and direction of the Minister for Emergency Services.

During 2015-16 the SAFECOM Board comprised:

- Malcolm Jackman, Chief Executive, SAFECOM (Presiding Member)
- Greg Nettleton, Chief Officer, CFS
- Greg Crossman, Chief Officer, MFS
- Chris Beattie, Chief Officer, SES
- Helen Chalmers, Ministerial Appointment
- Virginia Hickey, Ministerial Appointment
- Roger Flavell, CFSVA Nomination
- Susan Caracoussis, SESVA Nomination
- Max Adlam, UFU Nomination

Committees

Emergency Services Sector Executive (ESS Executive)

The ESS Executive is a committee established by the SAFECOM Board pursuant to Section 19 of the *Fire and Emergency Services Act 2005*.

The role of ESS Executive is to provide strategic direction and policy advice to the Minister for Emergency Services, SAFECOM Board, the ESS as a whole and the individual Emergency Services Organisations (ESOs) (CFS, MFS and SES).

ESS Executive covers but is not limited to the following areas:

- Community risks, community expectations, resource allocation and service delivery;
- Emergency management from a prevention, preparedness, response and recovery (PPRR) perspective both inter and intra government;
- Leadership and oversight of the role and functions of the Strategic Operations Committee;
- Volunteer and staff recruitment, development, training, retention and engagement;
- Work health & safety, workers compensation, injury management and return to work;
- Financial performance, cash management and balance management;
- Risk, governance and assurance and statutory obligations;
- Strategic and business planning including business continuity planning (BCP);
- Capability planning and management covering property, light and heavy fleet and equipment;
- ICT strategy and delivery;
- Knowledge management, community education and community engagement in the field of fire and emergency services;
- Public information and warnings;
- ESS input to SA Government committees, working groups and forums such as the Emergency Management Council (EMC), State Emergency Management Council (SEMC) and associated advisory groups; and
- ESS input to Australian Government committees, working groups, forums and the like such as the Law, Crime and Community Safety Council (LCCSC), Australia-New Zealand Emergency Management Committee (ANZEMC), Australasian Fire and Emergency Service Authorities Council (AFAC) and associated advisory groups.

ESS Executive comprises the SAFECOM CE, Chief Officer CFS, Chief Officer MFS and Chief Officer SES.

Emergency Services Sector Leadership (ESS Leadership)

The ESS Leadership is a committee established by the SAFECOM Board pursuant to Section 19 of the *Fire and Emergency Services Act 2005*.

The role of ESS Leadership is to provide strategic direction, policy advice, management recommendations and procedural guidelines to the ESS Executive, the SAFECOM CE and the Chief Officers of the CFS, MFS and SES in the areas of:

- Financial planning, performance and reporting including cash and balance sheet management;
- Volunteer and staff recruitment, development, training, retention and engagement;
- Work, Health and Safety, Workers Compensation, Injury Management and Return to Work;
- Capability planning and management covering property, light and heavy fleet and equipment;
- ICT strategy and delivery; and
- Public information and warnings, marketing and communications.

ESS Leadership comprises the SAFECOM CE, Chief Officer CFS, Chief Officer MFS, Chief Officer SES, Functional Lead Finance, Functional Lead People, Functional Lead Capability, Functional Lead ICT and Functional Lead Public Information and Warnings.

Sector Advisory Committee (SAC)

The SAC is a committee established pursuant to Section 19 of the *Fire and Emergency Services Act 2005*.

The role of the SAC is to provide advice to SAFECOM in respect of:

- Matters related to the employees of emergency services organisations;
- Matters related to volunteers with emergency services organisations; and
- Other matters referred to the SAC by the SAFECOM Board.

Matters referred to the SAC shall be considered on a sector-wide basis. Advice shall be reported to the SAFECOM Board and ESS Executive.

The SAC comprises the SAFECOM CE, Chief Officer CFS, Chief Officer MFS, Chief Officer SES, two CFSVA representatives, two SESVA representatives, two UFU representatives and a Public Service Association (PSA) representative.

Audit and Risk Committee (ARC)

The ARC assists the SAFECOM Board in discharging its obligations to oversee the emergency service sector's risk, control and compliance framework and annual financial statements.

Attendees of the ARC may include the SAFECOM CE, senior officers of CFS, MFS and SES, the SAFECOM Manager Finance, staff of the Auditor-General's Department and any Chief Officer, sector personnel and any external subject matter experts invited by the Chair.

ARC is comprised of two non-executive members of the SAFECOM Board and an independent member who is neither a Board member nor employed by an agency that is subject to the *Fire and Emergency Services Act 2005*.

ARC meets at least four times per year and reports to the SAFECOM Board after each meeting.

During the 2015-16 financial year, the ARC:

- Considered the sector's risk rating methodology with reference to the relevant international standards;
- Endorsed terms of reference for the Sector Risk Forum to the SAFECOM Board;
- Continued to monitor and analyse key risks for the sector;
- Continued to monitor the sector financial management compliance program and associated action plans;
- Endorsed the sector-wide corruption, misconduct and maladministration policy, procedure and control plan to the SAFECOM Board; and
- Examined the draft and final 2014-15 financial statements of SAFECOM and the ESS.

Highlights of 2015-16

SA Fire and Emergency Services Commission

- The SAFECOM Board continued to meet during 2015-16 to provide strategic governance and direction to the ESS.
- SAFECOM provides input and leadership into the implementation of the Council of Australian Governments (COAG) endorsed National Strategy for Disaster Resilience (NSDR), through managing its implementation in South Australia, and leading key committees of the ANZEMC.
- The State Mitigation Advisory Group (SMAG), chaired by SAFECOM, is a key sub-committee of the SEMC which drives mitigation in emergency management in South Australia.
- As chair of SMAG, SAFECOM is required to provide a bi-monthly report of the committee's activities to SEMC. The role of SMAG is to provide assurance in relation to all aspects of emergency mitigation in South Australia. This includes oversight of state hazard plans, zone emergency management plans and associated support plans.
- As senior sponsor and chair of the State Public Information and Warnings Advisory Group (SPIWAG) (formerly the Community Emergency Information Warning Systems (CEIWS) Program Board), SAFECOM continues to provide effective executive oversight and coordination of the Alert SA project including the SEICCC and the CEIWS training program. SPIWAG reports to SEMC and the SAFECOM Board.
- Since its launch, the Alert SA website and mobile app has experience generous uptake in the community with approximately 80,000 mobile app downloads and 140,000 new Alert SA website users. The CFS has recently adopted the Alert SA app, which has replaced the CFS fire app – www.alert.sa.gov.au.
- Emergency Alert is the national telephone warning system used to send voice messages to landlines and text messages to mobile phones within a defined area, regarding likely or actual emergencies such as fire, flood or extreme weather events. Messages are issued to mobile phones identified with a last known location in addition to those phones that have a registered service address within the area.
- South Australian emergency services used the Emergency Alert system 21 times between July 2015 and June 2016, issuing 666,000 messages to communities during significant events.
- The SEICCC provides vital emergency information to the community during an incident and assists in recovery operations after a major incident. The SEICCC was activated five times during the 2015-16 financial year for approximately 500 hours to provide emergency information to the public during extreme weather and bushfire events.
- SAFECOM has administrative responsibility for the South Australian Water Safety Committee (SAWSC) comprising key stakeholders and non-government organisations. In 2016 the Australian Water Safety Council released the *Australian Water Safety Strategy 2016—2020: Towards a Nation Free from Drowning* (AWSS16-20) which continues to address the aspirational goal set in 2008 of achieving a 50% reduction in drowning deaths by the year 2020. In order to align with the AWSS16-20, a large focus of the SAWSC has been directed towards producing the next version of the State Water Safety Plan 2016-20 (SAWSP16-20).

- During 2015-16, SAFECOM project managers worked with personnel from CFS, MFS and SES to deliver \$20.87 million in capital projects across the sector including the acquisition of cab chassis, the building of fire appliances and the construction and upgrade of fire stations.
- A total of \$16.99 million was spent on specialised vehicles and fire appliances during 2015-16. Vehicles included light fleet, bulk water carriers and various types of urban and rural fire appliances, road crash rescue appliances and hook lift vehicles.
- A total of \$7.70 million was spent on plant, equipment, communications and information technology during 2015-16. Major purchases included a replacement PABX system for MFS, tactical radio replacement, and breathing apparatus compressors and cylinder replacement.
- In August 2015, the Volunteer Services Branch (VSB) coordinated an employer engagement breakfast held at The Playford, Adelaide as part of an initiative to raise the profile of emergency service volunteers and encourage support to employees who choose to volunteer with the CFS and SES.
- A number of new recruitment television commercials were launched within the reporting period. The commercials were broadcast in regional locations and focussed on targeting those in South Australian Communities who may not have already considered joining the emergency services. The commercials were designed to target people from culturally and linguistically diverse backgrounds, youth, and women and highlight the non-operational roles available in the CFS and SES. Funding for the commercials and breakfast was made possible following a successful grant submission to the Natural Disaster Resilience Program (NDRP).
- SAFECOM chairs the National Remote Indigenous Communities Working Group. The project piloted emergency management training resources in five indigenous communities across three jurisdictions (South Australian, Western Australian and Northern Territory).
- On 25 June 2015, the Minister for Emergency Services launched a four year \$2 million grant program known as the Regional Capability Community Fund (RCCF) to build the capability of rural and remote landholders, local government and community groups. In June 2016, the Minister for Emergency Services announced 273 RCCF grant approvals.
- During the reporting period, the Logistics Functional Service (LFS) was activated in response to the Pinery bushfire in November 2015 and lessons learned from this incident informed reviews of procedures, policies and training programs.
- The 2015-16 fire danger season was a busy time for the Information Communications Technology (ICT) team, supporting a number of significant incidents including Kyeema, Pinery and Mosquito Hill. At the same time, significant effort was required to migrate and support ICT functions during the relocation of the CFS Region 2 office to the Roseworthy campus of Adelaide University.

SA Country Fire Service

- On 25 November 2015, CFS responded to a fire initially commencing in Pinery, 70 kilometres due north of Adelaide. The fire burned approximately 82,500 hectares of scrub and farmland in the lower mid-north. The fire claimed two lives and 91 houses along with non-residential structures, farm machinery and other vehicles, and domestic and farming animals.

- In January and February 2016, CFS assisted the Tasmanian Fire Service with the provision of two strike teams (16 vehicles and over 200 personnel deployed in three rotations) to support bushfires in the north-west of the state.
- In January 2016, CFS provided incident management personnel to support Western Australian agencies during major bushfires south of Perth.
- Following the Sampson Flat fire in January 2015, research was conducted to evaluate community experiences before, during and after a fire. As a result, recommendations are being implemented to assist communities to effectively prepare for bushfire events.
- Consultation was undertaken with the forestry industry in relation to proposed legislative changes to the *Fire and Emergency Services Act 2005* for industry fire brigades.
- The Limestone Coast and Adelaide-Mount Lofty Ranges Bushfire Management Area Plans were formally adopted by the State Bushfire Coordination Committee.
- Peter Venning (Morphett Vale Brigade), Tracy “Bluey” Devine (Region 4 Commander), Ian Tanner (Department of Environment, Water and Natural Resources (DEWNR), State Incident Management Team) and Richard Munn (SA Water CFS Brigade) were all awarded the Australian Fire Service Medal (AFSM).
- CFS delivered in excess of 48,000 individual training sessions during the 2015-16 year. These sessions resulted in 13,700 national units of competency being awarded to members and a further 34,600 in-house skill sets being facilitated. CFS members increased their access to online and skills maintenance drills, available to all members through the CFS volunteer portal to compliment the face to face delivered training provided at local and state levels.
- Replacement of self-contained breathing apparatus sets, cylinders and compressors was completed, providing contemporary new firefighting equipment across the state.
- Replacement of VHF tactical communications (mobile and portable) radios, for fire ground use, commenced in 2015-16.
- Procurement, planning and distribution for the issue of a second set of structural personal protective clothing commenced in 2015-16. Procurement and planning for the issue of a second set of wildland personal protective clothing has enabled the scheduled distribution to commence in 2016-17.
- A state-wide upgrade of CFS radios that access the South Australian Government Radio Network (GRN) was completed.
- Building works completed during 2015-16 included Coonalpyn. Building works commenced at Farrell Flat, Gawler River, Rapid Bay (Delamere), Port Victoria and Lock. Planning continues for works at Montacute, Western Districts, Rockleigh, Yunta, Mundulla, Piccadilly, Taillem Bend, Stewarts Range and Terowie Brigades.
- CFS procured operational response vehicles within contractual schedules; including seven bulk water carriers, five type 44 tankers, eleven type 34 tankers, seven type 34P tankers, five quick response vehicles, one HAZMAT appliance, and one road crash rescue appliance. In addition, a replacement dry firefighting tractor and an aviation logistics support truck were procured. CFS also commenced planning for the 2016-17 fleet procurement and delivery.

SA Metropolitan Fire Service

- During 2015-16, the MFS Fire Cause Investigation (FCI) section conducted 197 post-fire investigations. The FCI section established the cause of fire in 91% of investigations.
- MFS community education programs include the Road Awareness Program (RAP) and the Juvenile Firelighters Intervention Program (JFLIP). Approximately 99% of 2015-16 RAP participants indicated that as a result of the program they would adopt safer road use behaviours. For the second year running no JFLIP client reoffended. This result means that the program is producing tangible outcomes for JFLIP participants, their families and carers and the broader community.
- MFS Built Environment section personnel provided advice concerning fire safety systems solutions for major South Australian infrastructure projects including; the new Royal Adelaide Hospital, the Women's and Children's Hospital fire safety plan, Adelaide Convention Centre upgrade, the Torrens to Torrens underpass (Superway project), multiple high rise developments within the Adelaide CBD (average height of 20 storeys) and the OBahn tunnel (Hackney Road to Grenfell St) project.
- During the reporting period, MFS responded to over 21,000 incidents. Of these approximately 4,200 were fires and 5,000 were rescues (the majority of these involving road crashes).
- During 2015-16, the MFS contained more than 83% of building and structure fires to the room or object of origin. In these cases the majority of property and contents were saved by MFS intervention.
- MFS also responded to a number of major incidents during 2015-16. These fires included:
 - Major Commercial Fire: Hindley Street 2nd September 2015
On the 2nd of September a fire broke out in the basement of Grandmaster Leong's Wing Chun Kung Fu Academy just off Hindley Street in Adelaide's CBD. The fire quickly spread through the building sending large, acrid smoke plumes across the city. The blaze was fought by 80 firefighters, with 20 appliances in attendance.
 - Pinery Bushfires November 2015
MFS supported CFS during the Pinery bushfires to the north of Adelaide during November 2015. MFS also supported damage assessment and fire cause activities during and after the fires.
 - Factory Fire: Churchill Road, Kilburn 31st October 2015
A fire broke out in a small commercial factory on Churchill Road in the early hours of the 31st of October, which caused approximately \$1 million in damages.
 - Structure Fire: Norwood 6th December 2015
MFS was called to a fire at Coke Street, Norwood on the 6th of December 2015. The deliberately-lit fire spread rapidly through three joined townhouses adjacent the Norwood shopping precinct. Prompt detection and intervention by MFS prevented significant damage to this property.
- Assistance to other agencies included:
 - Extreme Weather Events
MFS crews assisted SES during extreme weather events across the state, with incidents such as flooding and trees down.

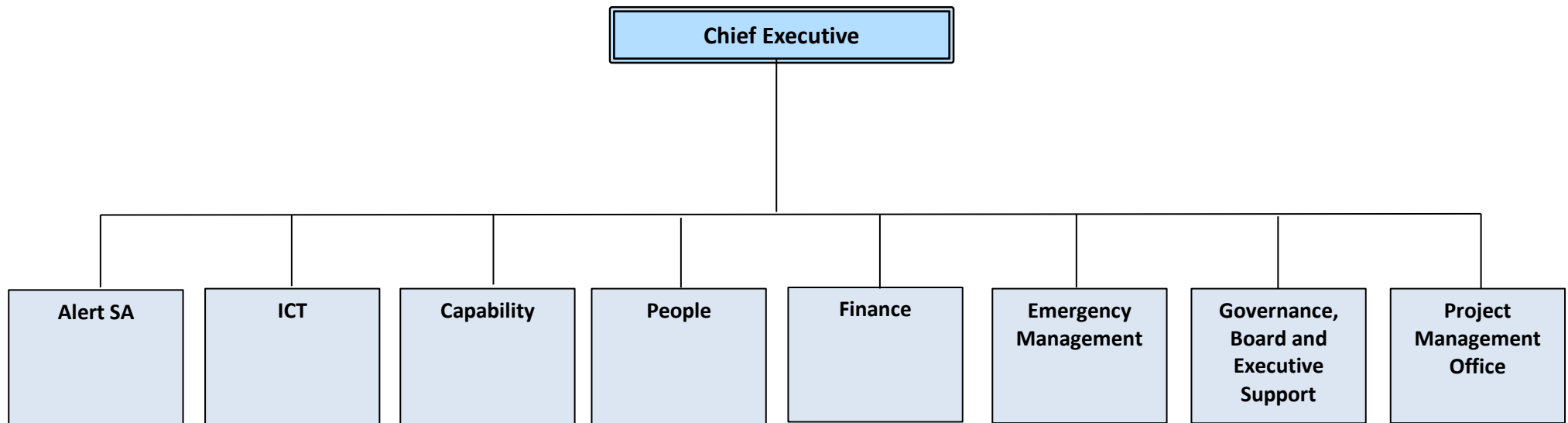
- Transport Vehicles Fire Burton
On 2nd March 2016, MFS assisted CFS with a fire that involved 23 semi-trailers resulting in a \$2.3 million loss. The fire spread rapidly between the B-Double and semi-trailers that were parked closely together prior to sale.
- The MFS Communications Centre (Comcen) is responsible for the call receipt and dispatch for each of the three South Australian emergency services. During 2015-16 Comcen personnel took approximately four seconds to answer 000 calls. The average call handling time (time taken to resolve and emergency call) was approximately 100 seconds. Over 31,000 emergency calls were handled during 2015-16.
- MFS emergency management and major events planning produced response plans for numerous significant community events, including the Tour Down Under and the Clipsal 500.
- MFS also participated in a number of high-level multi-agency exercises. These included:
 - Exercise 'Team Sprit 15' was a hypothetical discussion exercise that explored the responsibilities and challenges of managing a large scale cyber-terrorism attack in South Australia.
 - Exercise 'Joint Command 2' was a field exercise that focussed on the tactical/operational command and decision making processes associated with responding to and resolving simulated multiple terrorist incidents at Adelaide Oval and the InterContinental Hotel during the 'Cricket World Cup' in March 2015.
- The AFSM is considered the highest fire service honour that can be bestowed on a member of the Australian fire industry. During 2015-16 two MFS employees were awarded the AFSM, Station Officer Adrienne Clarke and Senior Firefighter Scott Rogers.
- MFS invests heavily in the recruitment and development of personnel and training and selection of future officers and leaders. Key MFS learning and development outcomes for 2015-16 included:
 - Three Firefighter Recruit courses were conducted during 2015-16 with a total of 54 new full-time firefighters graduating.
 - A new online learning program was developed and implemented as a part of the Senior Firefighter Year 2 program.
- MFS commissioned more of the new combined aerial pumping class of appliances during 2015-16. These multi-capability appliances enhance MFS capability to respond to emergency situations arising in multi-storey/multi-function premises being built in new developments such as Mawson Lakes, Bowden and the Churchill – Prospect Road corridor. These new vehicles have now attracted considerable interest from interstate and international fire authorities.

SA State Emergency Service

- SES responded to 7,272 requests for assistance during the reporting period, an increase of almost 40% over 2014-15. Approximately 108,000 volunteer hours were generously donated.
- SES applied for, and was granted, Australian Skills Quality Authority Delegate status, and is now authorised to add qualifications/units of competency to its scope of registration, once curriculum, resources and training capacity are developed. SES is a finalist in the Medium Employer category of the SA Training Awards, with winners to be announced at a formal dinner in September 2016.

- SES hosted the AFAC and Bushfire and Natural Hazards CRC Conference, with a total of around 2,500 people attending over four days.
- Following their win at the State Rescue Challenge the Tea Tree Gully SES unit competed in the National Disaster Rescue Challenge in September 2015 in Canberra and finished in second place.
- The SES State Training Challenge was held at Angle Park in late May 2016. Feedback received was very positive with many teams reporting they had benefitted greatly from learning new skills and refining existing ones.
- New rescue vessels were commissioned for the Cowell Sea Rescue Squadron (7.4 metre Sea Viper) and the SA Sea Rescue Squadron (8.1 metre Ross Williams III). Both boats were built in South Australia.
- A joint flood warning and intelligence project between SES and DEWNR was established. Tenders for a new flood information system were evaluated and a product selected for implementation in 2016-17. This will be a key feature of the flood intelligence project.
- Exercise Team Spirit was held on 21 October at the SAPOL Training Academy. The exercise centred around a cyber-attack on the State Government's ICT system during a heatwave. It involved 80 participants and was organised by members of the Central Exercise Writing Team.
- The annual SES Unit Managers' Forum was held on 24 and 25 October at the SAPOL Training Academy. In attendance at the forum were 72 Unit Managers and Deputy Unit Managers representing 40 units together with 36 SES staff. As part of the forum, the annual awards dinner was held on 24 October and was attended by all the ESO Chief Officers and the Minister for Emergency Services, who presented awards.
- Enfield and Metro South SES Units celebrated their 50th Anniversaries during the year. Each event was attended by the Minister for Emergency Services who unveiled plaques commemorating the events.
- The Minister for Emergency Services opened the new Kangaroo Island unit building on 16 April 2016.
- SES received two grants under the Natural Disaster Resilience Program for:
 - Establishment of a leadership mentor program for Unit Managers.
 - Development of a training curriculum and resources for an urban search and rescue dogs course focussing on the specialised role of searching for trapped people following a structural collapse.

Organisational Structure



Governance, Board and Executive Support

The office of Governance, Board and Executive Support provides high level strategic advice on governance, legislation, compliance, ministerial liaison and policies. The office is responsible for correspondence coordination and undertakes cross-sector collaboration.

Key stakeholders include the Minister's office, sector agencies, SAFECOM business units, local government, private and not-for-profit organisations, other State Government agencies and the Commonwealth Government.

The office represents State Government at peak emergency management forums at a national level and provides a strong link between all three tiers of government and the South Australian ESS. The office takes an inclusive approach with people in the sector, particularly in regard to leadership and support of the SAFECOM Board and committees and liaison with the volunteer associations and unions.

The office is responsible for administering the SA Emergency Services Medal and Ministerial Commendation process on behalf of the Minister for Emergency Services.

South Australian Water Safety Committee (SAWSC)

The SAWSC comprises key stakeholders from government and non-government organisations and is committed to providing a coordinated approach to reducing the risk of drowning in South Australia.

In 2016, the Australian Water Safety Council released the *Australian Water Safety Strategy 2016-2020: Towards a Nation Free from Drowning* (AWSS16-20), which continues to address the aspirational goal set in 2008 of achieving a 50% reduction in drowning deaths by the year 2020.

In order to align with the AWSS16-20, a large focus of the SAWSC has been directed towards producing the next version of the State Water Safety Plan 2016-20 (SAWSP16-20). While the underlying pillars of the national plan of collaboration, research, education, legislation and policy are reflected in the state plan, it seeks to contextualise them based on local risk and experiences.

South Australia's vision is to have safe environments and safe people, and the mission contained within the SAWSP16-20 is to reduce the risk of drowning and injuries from water-related incidents through an ongoing commitment to:

- Increased water-safety skills and awareness in communities across South Australia;
- Public and private environments that are designed and managed to minimise risks; and
- Coordination and resource sharing by relevant government and non-government stakeholders and the delivery of high quality water safety initiatives.

The objectives of the plan are to:

- Identify, enhance and validate effective programs and services developed by organisations in South Australia and nationally.
- Advance those programs through coordinated and consistent approaches.
- Provide strategic direction to proposed programs based on current and predictable risk demographics.

A key outcome is for organisations to work together to reduce the risk of drowning deaths and water-related injuries using the SAWSP16-20 as a framework.

In November 2015, SAFECOM facilitated the Summer Water Safety Promotion in Rundle Mall, with representatives from key water safety organisations engaging with the general public.

Community Emergency Services Fund (CESF)

The CESF is established pursuant to Part 4 of the *Emergency Services Funding Act 1998*, which falls within the portfolio responsibilities of the Minister for Emergency Services. It is an administered item of SAFECOM and is an independently held fund.

All other parts of the *Emergency Services Funding Act 1998*, including the administration and collection of the ESL, fall within the portfolio responsibilities of the Treasurer.

Funds paid into the CESF include the ESL collected on private and government-owned fixed and mobile property, remissions and concessions subsidising eligible property owners, and interest on the cash balances of the CESF.

The CESF predominantly provides funding for the provision of emergency services by state government agencies, not-for-profit organisations and other entities.

Project Management Office

The Project Management Office (PMO) has been tasked with undertaking a comprehensive review of the sector's programs, systems and resources to identify potential strategies to ensure responsiveness to community and government priorities, to foster innovation and improve accountability.

In line with the State Government's revised 2016 Public Value Framework, the ESS is embracing the opportunity to introduce "public value thinking" into the everyday delivery of its services.

Under the leadership of the SAFECOM CE and Chief Officers of the MFS, CFS and SES, it has been recognised that the ESS must focus and prioritise its efforts on building and promoting public value that the sector delivers to the community.

The PMO is working to improve the sector's focus on public value and continuous improvement, building on the *South Australian Fire and Emergency Services Strategic Plan 2015-2020* (SP2025).

Sector strategy has been further focused on building and strengthening emergency service delivery for the benefit of every South Australian.

The PMO is managing key strategies to improve the public value provided by the ESS.

Alert SA

The Alert SA business unit supports control and recovery agencies with the provision of processes, procedures, training and technical systems which in turn support the distribution of emergency and recovery information to our communities using a diverse range of communication methods. These include:

- Alert SA all hazard alerting website and mobile app;
- Emergency Alert national telephony warning system in South Australia;
- State Emergency Information Call Centre Capability;
- Public Information and Warnings (PIAW) training program; and
- Mass emergency inbound call telephony systems.

The Alert SA staff provide jurisdictional representation on state and national groups that oversee the administration and practice of public information and warnings.

Alert SA Website and Mobile App

The new Alert SA website and mobile app were launched on 28 June 2015. The website and app are the official sources of all hazard public safety information and warnings for South Australia. Alert SA currently obtains data from 14 emergency service agencies, government departments and community partners, enabling the public to view a wide range of event and warning information in one location. This includes (but is not limited to) bushfires, weather events and conditions, earthquakes, power outages, road closures, traffic and public transport disruptions.

Alert SA supports the government's approach for the provision of consistent and coordinated event and warning information to the public; assisting with informed decision making regarding community safety. Alert SA also provides a multi-channel notification capability which enables agencies to disseminate targeted public information and warnings via email, social media and App Push Notification Services to the public.

Since its launch, the Alert SA website and mobile app has experienced generous uptake in the community with approximately 80,000 mobile app downloads and 140,000 new Alert SA website users. The CFS has recently adopted the Alert SA app which has replaced the CFS fire app.

Emergency Alert

Emergency Alert is the national telephone warning system used to send voice messages to landlines and text messages to mobiles within a defined area, regarding likely or actual emergencies such as fire, flood or extreme weather events. Messages are issued to mobile phones identified with a last known location in addition to those phones that have a registered service address within the area.

South Australian emergency services used the Emergency Alert system 21 times between July 2015 and June 2016, issuing 666,000 messages to communities during significant events.

The Emergency Alert service covers all devices connected to the Telstra, Optus and Vodafone mobile networks, including 4G devices.

The current Emergency Alert contract, managed on behalf of all States and Territories by Emergency Management Victoria (EMV) under the 2009 COAG agreement, is due to expire in mid-2018. Work is ongoing by EMV to determine the functional requirements of the Emergency Alert system beyond 2018 with a view to enhancing the system in line with the opportunities created by modern communication technology.

State Emergency Information Call Centre Capability (SEICCC)

The SEICCC provides vital emergency information to the community during an incident and assists in recovery operations after a major incident where existing CFS, MFS, SES, SAPOL or State Recovery Office (SRO) information call centre arrangements have, or are predicted to be, overwhelmed. A service agreement has been put in place for the Energy Markets and Programs division of the Department of State Development to utilise the SEICCC during energy (electricity/liquid fuel/gas) emergencies affecting South Australia.

The SEICCC was activated five times during the 2015-16 financial year for approximately 500 hours to provide emergency information to the public during extreme weather and bushfire events, to provide bushfire recovery information and to register members of the public seeking or wishing to contribute to recovery related services.

The activations saw staff from twelve government agencies/authorities support the emergency management agencies in providing vital information to communities through the call centre's activities. All aspects of the SEICCC business model have been utilised in recent activations, providing a thorough demonstration of the model and the flexibility of the system's capability under operational conditions.

PIAW Training Program

The PIAW training program provides warning systems training functionality for government emergency management agencies within South Australia. The training program is overseen by SPIWAG.

Each agency using PIAW training program products has individual trainers who, with support of the unit's Senior Project Officer, oversee the day to day progression and development of individuals through the various courses. Online learning modules have been updated during the year.

Governance of Public Information and Warnings

The creation of SPIWAG was approved by SEMC on 28 June 2015. Under the amended State Emergency Management Plan (SEMP), SPIWAG reports to SEMC.

The objectives of SPIWAG are to provide leadership in public information and warnings and to promote the collective action of all sectors of society, including all levels of government, business, the non-government sector and individuals, to drive improvements in public information and warnings in South Australia.

The SAFECOM CE chairs SPIWAG to maintain the delivery of business functions, budget management, appropriate staffing levels and the provision of governance functions.

Emergency Management

Pursuant to Section 8 (p) of the *Fire and Emergency Services Act 2005*, SAFECOM's Emergency Management Office (EM Office) provides a strategic leadership role in emergency management and supports the SEMC to meet its core functions under Section 9 of the *Emergency Management Act 2004*. Key initiatives are outlined below.

National Level Emergency Management Activities

The EM Office consults extensively with South Australian stakeholders on state and national issues to support emergency management policy directions at the national level. This informs the Minister for Emergency Services' participation on the LCCSC, the SAFECOM CE's state representation on ANZEMC and EM Office representation on ANZEMC Sub-committees. The EM Office also leads and/or contributes to various national working groups and project groups under the governance of ANZEMC.

National Strategy for Disaster Resilience (NSDR)

The NSDR is COAG's vision for building disaster resilience across all levels of government, non-government organisations, business, the education sector and the community at large.

The NSDR Steering Group, jointly chaired by SAFECOM, facilitates and supports initiatives that implement the strategy in South Australia. The group also is part of the governance structure for state strategic projects funded under the NDRP and SAFECOM contributes to and provides oversight of projects.

National Emergency Management Initiatives

Enhancing Resilience in Remote Indigenous Communities project

SAFECOM chairs the National Remote Indigenous Communities Working Group. The project piloted emergency management training resources in five indigenous communities across three jurisdictions (South Australia, Western Australia and Northern Territory).

Bushfire and Natural Hazards Cooperative Research Centre (BNHCRC)

In March 2013, the Prime Minister established the BNHCRC and committed \$47 million of Commonwealth funding over eight years. SAFECOM is the lead agency on behalf of the state government. This year, the state government contributed \$305,000 to the research program supplemented by a total of over \$300,000 of in-kind contributions from a broad range of state agencies.

State Emergency Management Activities

SEMC and Advisory Groups

SEMC was established under the *Emergency Management Act 2004* to provide leadership and maintain oversight of emergency management in South Australia. The SAFECOM CE is a member and the EM Office contributes to a significant proportion of SEMC business.

SEMC has established four advisory groups across mitigation, response, recovery and public information and warnings. The SAFECOM CE chairs both SMAG and SPIWAG. The EM Office also has membership on the State Response Advisory Group (SRAG) and the State Recovery Committee (SRC) and sub-committees as appropriate.

State Emergency Management Initiatives

Natural Disaster Resilience Program (NDRP)

The National Partnership Agreement (NPA) on Natural Disaster Resilience (2015-17) provides \$4.176 million Commonwealth funding over two years, to be matched by state government and grant recipients under the South Australian NDRP. The EM Office administers and manages the NDRP on behalf of the Minister for Emergency Services. The program supports public value initiatives that align with the NSDR.

State and Zone Emergency Risk Management

The EM Office leads state and emergency management zone-level risk management activities. The work is complex and involves a broad range of stakeholders across state government, local government, industry and non-government organisations. Support was provided to the state's eleven Zone Emergency Management Committees (ZEMCs) and outputs included risk assessment and risk treatment workshops, risk management reports and eleven Zone Emergency Management Plans (ZEMPs). The annual Zone Emergency Management Symposium held in December 2015 was well attended by over 100 delegates. As of 1 July 2016, responsibility for Zone Emergency Risk Management passed to SES.

Regional Capability Community Fund (RCCF)

On 25 June 2015, the Minister for Emergency Services launched a four year \$2 million grant program to build the capability of rural and remote landholders, local government and community groups. The EM office administers and manages the RCCF. In June 2016 the Minister for Emergency Services announced 273 RCCF grant approvals.

Logistics Functional Service (LFS)

Pursuant to the SEMP, SAFECOM is the nominated lead agency for the LFS. The LFS facilitates specialist supply and catering services to agencies and South Australian communities during emergency response and recovery operations. The LFS is staffed by SAFECOM personnel and volunteers from other government agencies.

During the reporting period, the LFS was activated in response to the Pinery bushfire in November 2015 and lessons learned from this event informed reviews of procedures, policies, plans and training programs.

People

The SAFECOM People function is committed to enhancing the capability of ESS agencies by providing high quality human resource management services, which are valued by our customers that support:

- Our frontline emergency services personnel;
- Improving accountability and enhancing public value; and
- Achieving increased harmonisation, alignment and modernisation.

The section provides expertise and professional consulting services across a broad range of human resource management matters within the following functional areas:

- Human Resources;
- Employee Health and Wellbeing;
- Work Health and Safety;
- Injury Management; and
- Volunteer Services

Our key services include:

- Providing strategic advice and policy guidance to agency Chief Officers, Chief Executives and Senior Management.
- Providing essential human resource advice and expertise, consistent with government guidelines, that ensure day to day and sustainable frontline staffing and volunteer levels.
- Developing and maintaining a strategic and policy framework.
- Ensuring the sector's Work Health Safety and Injury Management (WHS&IM) legislated requirements are met.
- Maximising the public value provided by the ESS through a program of Harmonisation, Alignment and Modernisation across the sector.

Human Resources (HR)

The HR team continues to work closely with ESS agencies to provide strategic advice and expertise that supports the recruitment, performance, development, management and wellbeing of employees within the sector. By providing this support HR aims to strengthen agencies' current and future organisational capability by aligning people management initiatives with their business needs and strategic direction.

Workforce Plan

SAFECOM's staffing levels/organisational structure has been under review throughout the year in order to continue to meet the Department of Treasury and Finance (DTF) FTE caps and Sustainable Budget Commission (SBC) savings strategies.

Following the budgetary process for the 2016-17 financial year, Cabinet approved SAFECOM's proposal to retain current FTEs of 55.8 to ensure the existing level of services to the emergency service agencies, as well the current level of governance and emergency management strategic policy advice to government is maintained.

HR ensured all relevant employment contracts for affected staff including the transition of four Zone Emergency Risk Management (ZERM) staff to the SES (considered the agency best suited to effectively manage the ongoing ZERM program) were progressed as a matter of priority, whilst concurrently holding discussions with staff regarding employment arrangements.

In addition, each of SAFECOM's functional support areas - People, IT, Capability, Finance and Public Information and Warnings as well as Emergency Management and Governance, Board and Executive Support is currently being "mapped" so that a review and prioritisation of each function can be undertaken. This will collectively assist in determining how SAFECOM needs to be structured and resourced to meet current and emerging needs of the ESS out to 2025.

HR is working closely with the PMO to map each of the areas of the People function and will provide assistance across the functional areas to support structure/resource decisions.

Recruitment

Recruitment of staff has continued during 2015-16 with HR assisting with filling a number of roles in each of the agencies, including additional roles resulting from the budget process, both in metropolitan and regional centres as follows:

- 29 roles in CFS with one executive, 12 regional based with 3 readvertised;
- 17 roles in SES with 3 regional based;
- 10 roles in MFS with 1 readvertised; and
- 11 roles in SAFECOM with 2 readvertised.

HR has continued to review and refine processes and practices with regard to recruitment and selection across the sector. This has continued to reduce the necessity for HR to be actively involved on all selection panels. However, the branch continued to provide advice, guidance and assistance as required, ensuring meritorious, fair and equitable processes were undertaken at all times.

All recruitment processes were undertaken in line with current public sector guidelines, which focus on ensuring that our workforce reflects the diversity of the community.

Further, HR worked in collaboration with MFS to develop a tailored MFS metropolitan and regional firefighter recruitment and selection campaign which resulted in the following outcomes:

- 9 part time regional firefighters recruited; and
- 45 full time metropolitan firefighters recruited.

A review of the MFS firefighter recruitment strategy, in preparedness for the next campaign launch in late 2016, is being undertaken with an emphasis on encouraging applications from women and people from culturally and linguistic diverse backgrounds.

Employment Conditions

HR represents SAFECOM on the portfolio reference group for the following agreements:

- *South Australian Public Sector Wages Parity Enterprise Agreement: Salaried;*
- *South Australian Public Sector Wages Parity Enterprise Agreement: Weekly paid 2013; and*
- *South Australian Public Sector Wages parity (Plumbing, Metal and Building Trades Employees) Enterprise Agreement 2011.*

Further, HR is working in collaboration with MFS regarding the SA Metropolitan Fire Service Enterprise Agreement 2014 action items.

CHRIS21 and Database Consolidation Project

The upgrade of the government's primary payroll system from CHRIS5 to CHRIS21, led by Shared Services SA (SSSA), has been a major focus for the HR branch this year. The aim of the project is to consolidate and standardise the CHRIS environment as well as significantly improve the level of online self-service capabilities available to employees. HR represents the ESS on the CHRIS21 Project Agency Steering Committee to ensure any variations between existing databases, including activities that may have a direct impact on employees, are effectively addressed and managed in preparation for implementation on 9 January 2017.

Whistle Blowers Protection Act 1993

SAFECOM has appointed a responsible officer for the purposes of the *Whistleblowers Protection Act 1993* (the WP Act) pursuant to Section 7 of the *Public Sector Act 2009*. There were no instances of disclosure of public interest information to a responsible officer of SAFECOM under the WP Act.

Employee Health and Wellbeing

Health and Wellbeing

The Health and Wellbeing function seeks to support frontline staff and volunteers, by providing services that support and improve their health and wellbeing.

Workplace health and wellbeing programs are based on a number of national resources including AFAC, HeadsUp and Beyondblue workplace health and wellbeing programs.

Health and Wellbeing Coordinator

The SAFECOM Health and Wellbeing Coordinator, who manages the workplace health and wellbeing programs, incorporating the Employee Assistance Program (EAP) and the Volunteer Peer Support Team, also manages welfare services during deployments and staff welfare across SAFECOM, CFS and SES. Early in the year, extensive services were provided to staff and volunteers impacted by the sudden death of a senior CFS executive, who was well known to the ESS and the wider community.

The Coordinator has been involved in developing training workshops for leaders in CFS and SES in relation to the Psychological First Aid (PFA) model with strategies on how to implement the model with colleagues. These workshops have proven to be invaluable and provide volunteers with the skills and awareness necessary to support their crews before, during and after a critical incident. It is the intent of SAFECOM to continue these workshops into 2016-17.

The Peer Support Team, consisting of 20 SES and CFS volunteers, have attended two training sessions delivered by the Coordinator. The team has received extensive training in the PFA model, which can be applied in an individual setting as well as in a community setting such as during the Pinery Fire in November, 2015. Peer support officers provide services on-site during campaign fires; after critical incidents and in general with members of brigades and units.

Mental health in the workplace has become an emerging issue for the ESS. With the introduction of the “Good Practice Framework for Mental health and Wellbeing in First Responder Organisations” produced by Beyondblue, work has commenced to develop a mental health plan and strategy for implementation across the services. It is anticipated that mental health literacy training for managers and team leaders will be incorporated into the plan.

Employee Assistance Program (EAP)

A tender process for the procurement of a sector-wide Wellbeing and Intervention Program Panel contract (covering SAFECOM, MFS, CFS and SES), has been completed and will commence on 1 August, 2016. Services include EAP counselling, group sessions and stress and trauma awareness training for volunteers. Employees, volunteers and their immediate families will have a choice of three providers to assist them with strategies for dealing with life’s challenges.

The EAP continues to be a worthwhile work health and safety strategy, providing short term professional services in the prevention of long term illnesses and psychological injuries.

Work Health Safety and Injury Management (WHS&IM)

Safety Culture

SAFECOM recognises that the health and safety of the workforce is integral to enhanced business function and service delivery, and that safety performance underpins business outcomes which in turn supports frontline services that protect the South Australian community and ultimately enhance public value.

SAFECOM remains committed to a zero harm vision for all its employees. SAFECOM utilises the guiding principles within the Premier’s commitment to safety when addressing its functional support requirements, (which does not compromise the operational capabilities of the ESOs), in striving for zero harm and in pursuing 100% return to work for any worker who may be injured at work. In the event that an injury does occur, SAFECOM provides equitable, effective and efficient claims management, rehabilitation and welfare services.

SAFECOM is committed to leadership in safety and wellbeing and sets an example for others. SAFECOM continues to support the ESS with ongoing governance and implementation of WHS&IM initiatives, working in consultation with executive, senior managers, staff and other stakeholders to resolve WHS&IM matters. The consultation and communication process includes an elected health and safety representative and a public service delegate to consult and communicate with workers. . SAFECOM also have an audit and risk committee that meets to discuss and monitor corporate risk.

SAFECOM monitors progress in achieving this vision by implementing the Building Safety Excellence in the public sector strategy that builds on the progress that has already been achieved through previous South Australian public sector safety strategies.

Table 1: WHS Legislative Requirements - SAFECOM

| | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------|---|
| 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 |

Workers Compensation

The 2015-16 financial year shows a reduction in all fields with only minimal costs incurred and one new claim for the year.

For the sector as a whole, there were significant increases in redemption costs and lump sum payments for whole person impairments. The redemption costs increased due to the number of claims finalised when the worker left their employment. The increase in whole person impairment costs is mainly attributed to presumptive and non-presumptive cancer claims.

Work Health and Safety Performance

Table 2: Agency gross¹ workers compensation expenditure for 2015-16 compared with 2014-15²

| SAFECOM Claims Expenditure | 2015-16 (\$) | 2014-15 (\$) | Variation (\$)+ (-) | % Change + (-) |
|---------------------------------------|-------------------------|-------------------------|--------------------------------|---------------------------|
| Income support | \$147.10 | \$0.00 | \$147.10 | 0.00% |
| Hospital | \$0.00 | \$0.00 | \$0.00 | Nil |
| Medical | \$1238.49 | \$3298.53 | -\$2,060.04 | -62.45% |
| Rehabilitation/return to work | \$0.00 | \$0.00 | \$0.00 | Nil |
| Investigations | \$0.00 | \$0.00 | \$0.00 | Nil |
| Legal expenses | \$0.00 | \$0.00 | \$0.00 | Nil |
| Lump sum | \$0.00 | \$0.00 | \$0.00 | Nil |
| Travel | \$0.00 | \$0.00 | \$0.00 | Nil |
| Other | \$0.00 | \$0.00 | \$0.00 | Nil |
| Lump sum | \$0.00 | \$0.00 | \$0.00 | Nil |
| Total claims expenditure | \$1,385.59 | \$3,198.53 | -\$1,912.94 | -57.99% |

| Emergency Services Sector Claims Expenditure | 2015-16 (\$) | 2014-15 (\$) | Variation (\$)+ (-) | % Change + (-) |
|---------------------------------------------------------|-------------------------|-------------------------|--------------------------------|---------------------------|
| Income support | \$1,979,662.72 | \$1,193,391.20 | \$786,271.52 | 65.89% |
| Hospital | \$210,087.64 | \$287,477.07 | -\$77,389.43 | -26.92% |
| Medical | \$802,913.73 | \$966,580.10 | -\$163,666.37 | -16.93% |
| Rehabilitation/Return to Work | \$24,608.64 | \$13,418.40 | \$11,190.24 | 83.39% |
| Investigations | \$26,201.70 | \$14,157.19 | \$12,044.51 | 85.08% |
| Legal expenses | \$179,334.40 | \$250,902.00 | -\$71,567.60 | -28.52% |
| Lump Sum | \$5,773,328.58 | \$3,791,702.05 | \$1,981,626.53 | 52.26% |
| Travel | \$81,399.64 | \$68,550.00 | \$12,849.64 | 18.74% |
| Other | \$639,060.47 | \$156,802.76 | \$482,257.71 | 307.56% |
| Total claims expenditure | \$9,716,597.52 | \$6,742,980.77 | \$2,973,616.75 | 44.10% |

¹ Before third party recovery

² Information available from SIMS - for detailed advice on data extraction contact Public Sector Workforce Relations

Volunteer Services Branch (VSB)

The VSB is responsible for providing strategic leadership, advice and support tailored to meet the needs of CFS and SES volunteers and staff. The CFS and SES have a combined total of approximately 15,000 dedicated volunteers across South Australia.

VSB provides valuable support through the provision of recruitment, retention and recognition of volunteers through strategies including the delivery of non-operational training, conflict resolution, reporting, employer and volunteer recognition, legislative advice and youth programs.

Through service level agreements, VSB works in partnership with agencies to develop and implement improvements in volunteer management, which in turn supports frontline services that protect the South Australian community.

Non-operational Training

While the principle focus of VSB remains on the recruitment and retention of CFS and SES volunteers, the branch continues to deliver training packages designed to provide volunteers with practical skills to assist team performance. These training packages include Dealing with Inappropriate Behaviour and Understanding Your Team training.

VSB continued to undertake Cadet Leader and Child Safe Environment training, which are designed specifically for brigades and units with cadet programs (members between 11-18 years of age) or who are looking to commence cadet programs.

A health check remains one of the most requested training sessions by brigades and units from VSB. Health checks are a thorough evaluation of the brigade or unit examining areas including leadership, morale, teamwork and material resources which culminates in a report that may include recommendations to address any issues.

During the last twelve months VSB delivered 35 training sessions to 488 volunteers.

Within the next reporting period, a number of new VSB training packages will be made available for volunteers, including courses that can be undertaken online for the first time.

ANZAC Eve Youth Vigil

A total of 22 young people from the CFS and SES joined members of various other youth volunteer organisations to conduct an overnight vigil acknowledging the legacy of the Australian and New Zealand Army Corps (ANZAC), held at the State War Memorial on North Terrace.

Ten CFS cadets from the Adelaide Hills and Fleurieu Peninsula and twelve SES cadets from Enfield and Kapunda units joined members of various other youth volunteer organisations to participate in the vigil. This activity was coordinated by VSB who arranged travel, special uniforms, catering and accommodation for the cadets.

CFS Youth Advisory Council (YAC)

The YAC was formed in November 2010. YAC consists of ten people, six of those representing CFS regions, one representing the volunteer association and one acting as a mentor for YAC. The CFS Deputy Chief Officer and VSB Youth Development Officer (Executive Officer) attend the committee. CFS is helping to build the skills of these young people to enable them to become leaders of tomorrow.

The YAC:

- Provides a youth perspective on issues;
- Is actively involved and plays an important role in leadership and decision-making (including membership of Chief Officers Advisory Council (COAC)); and
- Raises issues that have been identified as important to young people in the CFS.

During 2015-16, YAC members participated in a number of different events and activities, which included presenting at the AFAC conference held in Adelaide. They were also involved in running the 'YAC Frontline Leadership Event' (in conjunction with the CFS Foundation) and attended Expedition Compass which provided members with team building and project planning opportunities.

Recruitment and Retention of Emergency Service Volunteers

In August 2015, an Employer Engagement Breakfast was held at The Playford, Adelaide as part of an initiative to raise the profile of emergency service volunteers and encourage support to employees who choose to volunteer with the CFS and SES. The event was attended by representatives from businesses and organisations that have a presence in regional South Australia, including those from the agricultural, mining, retail and banking sectors. This was an opportunity for them to provide valuable input into the future direction of supporting employers of emergency service volunteers.

A number of new recruitment television commercials were launched within the reporting period. The commercials were broadcast in regional locations and focussed on targeting those in South Australian communities who may not have already considered joining the emergency services. The commercials are designed to target people from culturally and linguistically diverse backgrounds, youth, women and highlight the non-operational roles available in the CFS and SES. Funding for the commercials and the Employer Engagement Breakfast was made possible following a successful grant submission to the NDRP.

As part of providing development opportunities for current volunteers, VSB coordinated the participation of two teams from the CFS in the 2015 Australian Fire Cadet Championships. The teams were made up of CFS cadets from across all six regions who travelled to Lake Macquarie in NSW for the four day event. The young people selected to attend were given a unique opportunity to meet their peers from interstate and learn valuable new skills.

This period also saw the ESS reaffirm its commitment to the safe and efficient management of young volunteers, through the implementation of a 16-17 Year Old Firefighter Policy and Guideline. The purpose of these documents is to provide guidance to CFS staff, volunteers and parents/guardians regarding the management and supervision of 16-17 year old firefighters.

CFS Volunteer Numbers

| Region | Firefighters | | | | Operational Support | | | | Cadets | | | | Total | | | |
|--------------|--------------|--------------|------------|---------------|---------------------|-------------|------------|--------------|------------|------------|------------|---------------|--------------|--------------|------------|---------------|
| | June-15 | June-16 | Net Change | % Change | June-15 | June-16 | Net Change | % Change | June-15 | June-16 | Net Change | % Change | June-15 | June-16 | Net Change | % Change |
| DEWNR | 343 | 361 | 18 | 4.99% | 160 | 142 | -18 | -12.68% | 0 | 0 | 0 | 0.00% | 503 | 503 | 0 | 0.00% |
| S/OPS | 16 | 21 | 5 | 23.81% | 2 | 2 | 0 | 0.00% | 0 | 0 | 0 | 0.00% | 18 | 23 | 5 | 21.74% |
| 1 | 2447 | 2403 | -44 | -1.83% | 697 | 738 | 41 | 5.56% | 231 | 236 | 5 | 2.12% | 3375 | 3377 | 2 | 0.06% |
| 2 | 2206 | 2217 | 11 | 0.50% | 414 | 431 | 17 | 3.94% | 261 | 234 | -27 | -11.54% | 2881 | 2882 | 1 | 0.03% |
| 3 | 1175 | 1155 | -20 | -1.73% | 185 | 191 | 6 | 3.14% | 74 | 66 | -8 | -12.12% | 1434 | 1412 | -22 | -1.56% |
| 4 | 1574 | 1575 | 1 | 0.06% | 256 | 261 | 5 | 1.92% | 167 | 152 | -15 | -9.87% | 1997 | 1988 | -9 | -0.45% |
| 5 | 1713 | 1695 | -18 | -1.06% | 313 | 288 | -25 | -8.68% | 49 | 45 | -4 | -8.89% | 2075 | 2028 | -47 | -2.32% |
| 6 | 1374 | 1370 | -4 | -0.29% | 299 | 296 | -3 | -1.01% | 48 | 49 | 1 | 2.04% | 1721 | 1715 | -6 | -0.35% |
| Total | 10848 | 10797 | -51 | -0.47% | 2326 | 2349 | 23 | 0.98% | 830 | 782 | -48 | -6.14% | 14004 | 13928 | -76 | -0.55% |

SES Volunteer Numbers

| Region | General Operations | | | | Support Operations | | | | Cadets | | | | Total | | | |
|--------------|--------------------|-------------|------------|---------------|--------------------|------------|------------|---------------|-----------|-----------|------------|---------------|-------------|-------------|------------|---------------|
| | June-15 | June-16 | Net Change | % Change | June-15 | June-16 | Net Change | % Change | June-15 | June-16 | Net Change | % Change | June-15 | June-16 | Net Change | % Change |
| North | 395 | 402 | 7 | 1.74% | 201 | 213 | 12 | 5.63% | 22 | 17 | -5 | -29.41% | 618 | 632 | 14 | 2.22% |
| South | 678 | 635 | -43 | -6.77% | 337 | 281 | -56 | -19.93% | 35 | 39 | 4 | 10.26% | 1050 | 955 | -95 | -9.95% |
| Total | 1073 | 1037 | -36 | -3.47% | 538 | 494 | -44 | -8.91% | 57 | 56 | -1 | -1.79% | 1668 | 1587 | -81 | -5.10% |

Information Communications Technology

Information Communications Technology (ICT) supports and maintains information technology for the ESS, staff and volunteers. Much of the work undertaken by the ICT team is in maintaining existing systems to keep them running efficiently and effectively with programmed maintenance, support and upgrades allowing staff and volunteers to work uninterrupted.

The 2015-16 fire danger season was a busy time for the ICT team supporting a number of significant incidents including Kyeema, Pinery and Mosquito Hill. At the same time significant effort was required to migrate and support ICT functions during the relocation of the CFS Region 2 office to the Roseworthy campus of Adelaide University.

Internally within SAFECOM, a major upgrade to the financial reporting system was successfully completed as well as a major migration activity for all ESS agencies to move to the new Government email system.

The annual asset replacement program also now includes a significant upgrade to Windows 10 and Microsoft Office 2016 as part of the continuous improvement program within ICT. A number of server and storage upgrades were either planned or completed to take advantage of the latest technology advances. Moving forward, the focus will be on the adoption of appropriate cloud technologies in line with the state government's Cloud First policy and away from investment in physical on premise infrastructure.

The ICT team also continues to support the following ICT projects with the sector:

- MFS mobile responder;
- SES flood information system;
- CFS/SES volunteer Windows 10 standard operating environment development;
- ICT functional support services mapping;
- NBN and telecommunication carrier data bandwidth upgrade for regional sites and volunteer locations;
- SES regional router replacements (Pt Pirie, Berri and Mt Gambier);
- MFS Gartan evaluation and deployment planning;
- SAFECOM staff onboarding to TAS and online learning;
- MFS Angle Park facility – wireless hardware upgrade; and
- SES floor relocation within 60 Waymouth Street.

Capability

Assets and Procurement

The Assets and Procurement section provides quality advice and services to support and contribute to effective management within the ESS. This is achieved through:

- Providing project management and property expertise to support and deliver the capital works building program;
- Advising and undertaking the acquisition or disposal of property and leasing property for the sector;
- Providing asset facilities and management services in relation to real property;
- Providing direction, advice and preparation of procurement documents for major programs;
- Ensuring agencies understand and comply with government assets and procurement policies and procedures; and
- Managing and delivering major projects, particularly in relation to fire appliance purchases and builds, station buildings and procurement of services and equipment.
- Ensuring all construction and procurement activities provide the best value and outcome for the money invested

A review of staffing during 2015-16 resulted in additional resources being allocated to procurement activities to meet the increasing demand of these services.

The section also provided support and assistance to Surf Life Saving SA (SLSSA) for its major capital works program replacing or upgrading SA surf lifesaving clubs.

Capital

During 2015-16, SAFECOM project managers worked with agency personnel from MFS, CFS and SES to deliver \$20.87 million in capital projects across the sector. This included acquiring cab chassis, building fire appliances and constructing and upgrading fire stations.

Land and Buildings

Land acquisitions for future stations to be constructed for the Bradbury CFS, Rockleigh CFS, Western Districts CFS, Montacute CFS, Piccadilly CFS, Taillem Bend CFS commenced while land tenure for Port Victoria CFS, Farrell Flat CFS and Gawler River CFS were completed.

SAFECOM successfully managed the completion of various building projects, including a new station at Salisbury, staff privacy and compliance upgrade at St Marys and O'Halloran Hill fire stations, Breathing and Training Apparatus (BATA) upgrade and a fire hydrant ring main replacement project at Adelaide station. SES capital projects include a new operations and appliance building at Salisbury, new bore and water drainage system at Mount Gambier, new four bay appliance shed to the Coromandel Valley unit together with the upgrade of a new site for Eastern Suburbs SES.

Vehicles and Appliances

A total of \$16.99 million was spent on specialised vehicles and fire appliances during 2015-16. Vehicles included light fleet, bulk water carriers and various types of urban and rural fire appliances, road crash rescue appliances and hook lift vehicles.

Plant, Equipment, Communications and Information Technology

A total of \$7.70 million was spent on plant, equipment and communications and information technology during 2015-16. Major purchases included a replacement PABX system for MFS, tactical radio replacement, and breathing apparatus compressors and cylinder replacement.

Procurement

SAFECOM has continued to maintain its fire appliance panel contract for the build of new fire appliances. A review was undertaken of quality accredited suppliers over the last year and the number of accredited suppliers has increased to 40.

Annual Reporting Requirements for Industry Participation Policy (IPP)

In September 2013, the State Government made changes to the IPP. These changes included reducing the threshold at which tenderers are required to submit industry participation plans. The commitments made in these plans subsequently become conditions of contract for successful tenderers.

These tenderers are required to report to the awarding agency at least annually in accordance with the table below to demonstrate how they have performed against the commitments made in their IPP plan in the areas of jobs, investment and supply chain.

| Contract Value | South Australian IPP Plan Requirement |
|----------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| \$4 million (\$1 million in regional areas) and above and less than \$50 million | Reporting annually and on completion of the contract. Reporting is a contractual obligation. |
| Strategic Projects and projects over \$50 million | Reporting requirements to be negotiated between the agency and successful tenderer during contract award but to occur at least bi-annually and at end of contract. Reporting is a contractual obligation. |

SAFECOM has one contract subject to the IPP reporting requirements, however this contract, for Tactical Communications, is currently in the process of being novated due to the business being sold, and as a consequence IPP reporting for this period is still outstanding.

Environmental Impact

As part of a continuous improvement process for construction, emergency services agencies are encouraged by SAFECOM project managers to consider new and emerging products with the potential to achieve better energy efficiency, lower environmental impacts and deliver savings.

Each project is specifically engineered for the site to ensure all aspects of environmental and energy designs are considered during the planning phase of the project.

The Emergency Services Sector Environmental Sustainability Action Plan 2015-2020 was released during 2015-16 and provides strategies to assist the ESS to minimise our impact on the environment. The Action Plan provides detailed guidance on how to implement sustainable initiatives to contribute to a cleaner, greener planet.

Finance

The SAFECOM Finance section provides quality advice and services to support and contribute to effective management within the ESS. This is achieved through:

- Providing financial management, financial accounting and budget planning and monitoring services;
- Managing the financial compliance program including the coordination of budget sector statements, budget submissions and quarterly budget reviews;
- Providing financial advice, reviews and business management support;
- Ensuring agencies understand and comply with government finance and policies and procedures; and
- Managing the CESF.

Consultants

The sector considers all alternatives, including the use of cross-government expertise, prior to appointing a consultant.

Consultancy costs incurred by the sector in 2015-16 were grouped into the following ranges:

Consolidated

| Range | Number of Consultants | Total Expenditure \$ |
|--------------------|-----------------------|----------------------|
| Below \$10,000 | 5 | 33,338 |
| \$10,000 and above | 3 | 158,788 |
| Total | 8 | \$192,126 |

Value below \$10,000

| Consultant | Agency | Number | Total \$ |
|------------------------------|---------|----------|-----------------|
| - | SAFECOM | 0 | 0 |
| - | CFS | 0 | 0 |
| Aktis Performance Management | SES | 1 | 9,350 |
| Various | MFS | 4 | 23,988 |
| Total | | 5 | \$33,338 |

Value \$10,000 and Above

SAFECOM

| Consultant | Purpose of Consultancy | Total \$ |
|---------------|----------------------------------------|-----------------|
| Ernst & Young | Design of an integrated services model | 74,653 |
| Total | 1 | \$74,653 |

MFS

| Consultant | Purpose of Consultancy | Total \$ |
|-------------------|-----------------------------------------------|-----------------|
| Planning Chambers | Expert advice regarding the Bath Lane closure | 18,279 |
| Total | 1 | \$18,279 |

CFS

| Consultant | Purpose of Consultancy | Total \$ |
|---------------------------------|-------------------------------------------|-----------------|
| Noetic Infrastructure Solutions | Lessons learned review of the Pinery fire | 65,856 |
| Total | 1 | \$65,856 |

SES

SES did not engage external consultants to perform services in the ranges of \$10,000 and above during the 2015-16 financial year.

Public Sector Fraud

SAFECOM has a fraud and dishonesty policy and is committed to maintaining a working environment free of fraud and corrupt behaviour. No incidents of fraud were reported within SAFECOM during the reporting period.

Overseas Travel

SAFECOM has established and maintained a process for rigorous examination of each request to travel overseas where the employee is on duty, whether or not travel expenses are paid for by the government. Records pertaining to overseas travel such as approvals and supporting documentation are retained by the agency and are readily available for auditing purposes.

Overseas travel undertaken by SAFECOM employees (including the SAFECOM CE) is published on SAFECOM's website. This information will be updated periodically and published when it becomes available, but not less than annually.

The information on SAFECOM overseas travel can be found at www.safecom.sa.gov.au.

Appendix 1

Financial Statements

INDEPENDENT AUDITOR'S REPORT



Government of South Australia
Auditor-General's Department

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To the Presiding Officer South Australian Fire and Emergency Services Commission Board

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987* and subsection 21(2) of the *Fire and Emergency Services Act 2005*, I have audited the accompanying financial report of the South Australian Fire and Emergency Services Commission and the consolidated entity comprising the South Australian Fire and Emergency Services Commission and its controlled entities for the financial year ended 30 June 2016. The financial report comprises:

- a Statement of Comprehensive Income for the year ended 30 June 2016
- a Statement of Financial Position as at 30 June 2016
- a Statement of Changes in Equity for the year ended 30 June 2016
- a Statement of Cash Flows for the year ended 30 June 2016
- notes, comprising a summary of significant accounting policies and other explanatory information
- a Statement of Administered Comprehensive Income for the year ended 30 June 2016
- a Statement of Administered Financial Position as at 30 June 2016
- a Statement of Administered Changes in Equity for the year ended 30 June 2016
- a Statement of Administered Cash Flows for the year ended 30 June 2016
- notes, comprising a summary of significant accounting policies and other explanatory information for administered items
- a Certificate from the Presiding Officer, the Chief Executive and the Manager Financial Services.

The financial report comprises the South Australian Fire and Emergency Services Commission and the entities it controlled at the year's end or from time to time during the financial year.

The members of the South Australian Fire and Emergency Services Commission Board's responsibility for the financial report

The members of the South Australian Fire and Emergency Services Commission Board are responsible for the preparation of the financial report that gives a true and fair view in accordance with the Treasurer's Instructions promulgated under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards, and for such internal control as the members of the South Australian Fire and Emergency Services Commission Board determine is necessary to enable the preparation of financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

My responsibility is to express an opinion on the financial report based on the audit. The audit was conducted in accordance with the requirements of the *Public Finance and Audit Act 1987* and Australian Auditing Standards. The auditing standards require that the auditor comply with relevant ethical requirements and that the auditor plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

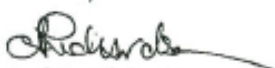
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the members of the South Australian Fire and Emergency Services Commission Board, as well as evaluating the overall presentation of the financial report.

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

My report refers only to the financial statements described above and does not provide assurance over the integrity of publication of the financial report on the South Australian Fire and Emergency Services Commission's website nor does it provide an opinion on any other information which may have been hyperlinked to/from these statements.

Opinion

In my opinion, the financial report gives a true and fair view of the financial position of the South Australian Fire and Emergency Services Commission and its controlled entities as at 30 June 2016, their financial performance and their cash flows for the year then ended in accordance with the Treasurer's Instructions promulgated under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards.



Andrew Richardson
Auditor-General
19 September 2016

**South Australian Fire and Emergency
Services Commission
(SAFECOM)**

Financial Statements

For the year ended 30 June 2016

South Australian Fire and Emergency Services Commission Certification of the Financial Statements

We certify that the attached general purpose financial statements for the South Australian Fire and Emergency Services Commission:

- comply with relevant Treasurer's Instructions issued under Section 41 of the *Public Finance and Audit Act 1987*, and relevant Australian Accounting Standards;
- are in accordance with the accounts and records of the South Australian Fire and Emergency Services Commission; and
- present a true and fair view of the financial position of the South Australian Fire and Emergency Services Commission as at 30 June 2016 and the results of its operations and cash flows for the financial year.


We certify that the internal controls employed by the South Australian Fire and Emergency Services Commission for the financial year over its financial reporting and its preparation of the general purpose financial statements have been effective throughout the reporting period.



Malcolm Jackman
Presiding Officer
South Australian Fire and Emergency Services Commission Board
16 September 2016



Malcolm Jackman
Chief Executive
South Australian Fire and Emergency Services Commission
16 September 2016



Iolanda Calabrese
Manager Financial Services
South Australian Fire and Emergency Services Commission
16 September 2016

South Australian Fire and Emergency Services Commission
Statement of Comprehensive Income
for the year ended 30 June 2016

| | | Consolidated | | SAFECOM Entity | |
|---------------------------------------------------------------------|------|----------------|----------------|----------------|----------------|
| | | 2016 | 2015 | 2016 | 2015 |
| | Note | \$'000 | \$'000 | \$'000 | \$'000 |
| Expenses | | | | | |
| Employee benefits | 5 | 163 609 | 144 192 | 8 009 | 7 940 |
| Supplies and services | 6 | 74 979 | 73 727 | 6 829 | 6 395 |
| Depreciation and amortisation | 7 | 20 350 | 19 255 | 841 | 715 |
| Grants and subsidies | 8 | 3 219 | 2 961 | 3 029 | 2 418 |
| Net loss from disposal of non-current assets | 9 | 183 | 482 | - | - |
| Total expenses | | 262 340 | 240 617 | 18 708 | 17 468 |
| Income | | | | | |
| Fees and charges | 10 | 6 508 | 6 166 | 708 | 636 |
| Grants and contributions | 11 | 5 455 | 5 764 | 2 088 | 1 514 |
| Interest | 12 | 288 | 667 | 53 | 190 |
| Resources received free of charge | 13 | 20 | - | - | - |
| Other | 14 | 1 542 | 2 809 | 43 | 81 |
| Total income | | 13 813 | 15 406 | 2 892 | 2 421 |
| Net cost of providing services | | 248 527 | 225 211 | 15 816 | 15 047 |
| Revenues from SA Government | | | | | |
| Revenues from SA Government | 15 | 240 084 | 226 333 | 12 897 | 11 514 |
| Total revenues from SA Government | | 240 084 | 226 333 | 12 897 | 11 514 |
| Net result | | (8 443) | 1 122 | (2 919) | (3 533) |
| Other comprehensive income | | | | | |
| <i>Items that will not be reclassified to net result</i> | | | | | |
| Net income or expenses relating to non-current assets held for sale | | - | (133) | - | - |
| Total other comprehensive income | | - | (133) | - | - |
| Total comprehensive result | | (8 443) | 989 | (2 919) | (3 533) |

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

South Australian Fire and Emergency Services Commission
Statement of Financial Position
as at 30 June 2016

| | Note | Consolidated | | SAFECOM Entity | |
|------------------------------------------------|------|----------------|----------------|----------------|---------------|
| | | 2016 | 2015 | 2016 | 2015 |
| | | \$'000 | \$'000 | \$'000 | \$'000 |
| Current assets | | | | | |
| Cash and cash equivalents | 16 | 22 705 | 25 058 | 4 492 | 7 453 |
| Receivables | 17 | 3 686 | 6 695 | 439 | 629 |
| Other financial assets | 18 | 2 657 | 2 548 | - | - |
| Non-current assets classified as held for sale | 19 | 996 | 782 | - | - |
| Total current assets | | 30 044 | 35 083 | 4 931 | 8 082 |
| Non-current assets | | | | | |
| Property, plant and equipment | 20 | 345 935 | 337 662 | 296 | 382 |
| Intangible assets | 21 | 1 951 | 2 391 | 1 852 | 2 266 |
| Total non-current assets | | 347 886 | 340 053 | 2 148 | 2 648 |
| Total assets | | 377 930 | 375 136 | 7 079 | 10 730 |
| Current liabilities | | | | | |
| Payables | 23 | 13 529 | 11 607 | 1 256 | 2 012 |
| Employee benefits | 24 | 15 772 | 17 509 | 987 | 824 |
| Provisions | 25 | 8 746 | 3 706 | 31 | 30 |
| Total current liabilities | | 38 047 | 32 822 | 2 274 | 2 866 |
| Non-current liabilities | | | | | |
| Payables | 23 | 2 485 | 2 254 | 167 | 172 |
| Employee benefits | 24 | 26 638 | 24 931 | 1 806 | 1 917 |
| Provisions | 25 | 14 069 | 9 995 | 40 | 64 |
| Total non-current liabilities | | 43 192 | 37 180 | 2 013 | 2 153 |
| Total liabilities | | 81 239 | 70 002 | 4 287 | 5 019 |
| Net assets | | 296 691 | 305 134 | 2 792 | 5 711 |
| Equity | | | | | |
| Retained earnings | 26 | 231 845 | 240 288 | 2 792 | 5 711 |
| Revaluation surplus | 26 | 64 846 | 64 846 | - | - |
| Total equity | | 296 691 | 305 134 | 2 792 | 5 711 |

Total equity is attributable to the SA Government as owner

| | |
|--------------------------------------|----|
| Unrecognised contractual commitments | 28 |
| Contingent assets and liabilities | 29 |

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

South Australian Fire and Emergency Services Commission
Statement of Changes in Equity
for the year ended 30 June 2016

| | | Consolidated | | |
|---------------------------------------------------------------------|------|----------------------------------|--------------------------------|-----------------|
| | Note | Revaluation Surplus \$'000 | Retained Earnings \$'000 | Total \$'000 |
| Balance at 30 June 2014 | | 64 979 | 239 166 | 304 145 |
| Net result for 2014-15 | | - | 1 122 | 1 122 |
| Net income or expenses relating to non-current assets held for sale | | (133) | - | (133) |
| Total comprehensive result for 2014-15 | | (133) | 1 122 | 989 |
| Balance at 30 June 2015 | 26 | 64 846 | 240 288 | 305 134 |
| Net result for 2015-16 | | - | (8 443) | (8 443) |
| Total comprehensive result for 2015-16 | | - | (8 443) | (8 443) |
| Balance at 30 June 2016 | 26 | 64 846 | 231 845 | 296 691 |

| SAFECOM Entity | | | | |
|----------------------------------------|------|----------------------------------|--------------------------------|-----------------|
| | Note | Revaluation Surplus \$'000 | Retained Earnings \$'000 | Total \$'000 |
| Balance at 30 June 2014 | | - | 9 244 | 9 244 |
| Net result for 2014-15 | | - | (3 533) | (3 533) |
| Total comprehensive result for 2014-15 | | - | (3 533) | (3 533) |
| Balance at 30 June 2015 | 26 | - | 5 711 | 5 711 |
| Net result for 2015-16 | | - | (2 919) | (2 919) |
| Total comprehensive result for 2015-16 | | - | (2 919) | (2 919) |
| Balance at 30 June 2016 | 26 | - | 2 792 | 2 792 |

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

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

South Australian Fire and Emergency Services Commission
Statement of Cash Flows
for the year ended 30 June 2016

| | | Consolidated | | SAFEKOM Entity | |
|---------------------------------------------------------------|------|------------------|------------------|-----------------|-----------------|
| | | 2016 | 2015 | 2016 | 2015 |
| | Note | \$'000 | \$'000 | \$'000 | \$'000 |
| Cash flows from operating activities | | | | | |
| Cash outflows | | | | | |
| Employee benefit payments | | (153 343) | (140 635) | (7 950) | (7 698) |
| Payments for supplies and services | | (83 806) | (84 084) | (9 863) | (7 756) |
| Payments of grants and subsidies | | (2 975) | (2 961) | (2 785) | (2 418) |
| Payments for paid parental leave scheme | | (88) | (55) | - | - |
| Cash used in operations | | (240 212) | (227 735) | (20 598) | (17 872) |
| Cash inflows | | | | | |
| Receipts from fees and charges | | 8 569 | 7 264 | 865 | 1 028 |
| Receipts from grants and contributions | | 5 695 | 5 007 | 2 088 | 1 514 |
| Interest received | | 273 | 687 | 60 | 196 |
| GST recovered from the ATO | | 10 424 | 9 318 | 2 166 | 2 218 |
| Receipts for paid parental leave scheme | | 85 | 60 | - | - |
| Other receipts | | 1 506 | 3 325 | 44 | 125 |
| Cash generated from operations | | 26 552 | 25 661 | 5 223 | 5 081 |
| Cash flows from SA Government | | | | | |
| Contributions from Community Emergency Services Fund | | 237 917 | 224 405 | 10 795 | 11 487 |
| Other receipts from SA Government | | 2 167 | 1 928 | 2 102 | 27 |
| Cash generated from SA Government | | 240 084 | 226 333 | 12 897 | 11 514 |
| Net cash provided by operating activities | 27 | 26 424 | 24 259 | (2 478) | (1 277) |
| Cash flows from investing activities | | | | | |
| Cash outflows | | | | | |
| Purchase of property, plant and equipment | | (29 049) | (31 307) | (483) | (926) |
| Purchase of investments | | (109) | (368) | - | - |
| Payments for the disposal of property | | (33) | - | - | - |
| Cash used in investing activities | | (29 191) | (31 675) | (483) | (926) |
| Cash inflows | | | | | |
| Proceeds from the sale of property, plant and equipment | | 414 | 289 | - | - |
| Cash generated from investing activities | | 414 | 289 | - | - |
| Net cash used in investing activities | | (28 777) | (31 386) | (483) | (926) |
| Net increase / (decrease) in cash and cash equivalents | | (2 353) | (7 127) | (2 961) | (2 203) |
| Cash and cash equivalents at the beginning of the period | | 25 058 | 32 185 | 7 453 | 9 656 |
| Cash and cash equivalents at the end of the period | 16 | 22 705 | 25 058 | 4 492 | 7 453 |

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

South Australian Fire and Emergency Services Commission
Notes to and forming part of the financial statements
for the year ended 30 June 2016

1 Establishment, objectives and funding arrangements

Establishment

The South Australian Fire and Emergency Services Commission (SAFECOM) is established under the *Fire and Emergency Services Act 2005* (the Act).

The Act also defines the emergency services sector as consisting of the:

- South Australian Fire and Emergency Services Commission
- South Australian State Emergency Service (SASES)
- South Australian Country Fire Service (SACFS)
- South Australian Metropolitan Fire Service (SAMFS).

The Act requires consolidated statements of accounts be prepared for the emergency services sector.

Objectives

SAFECOM has the following objectives:

- to develop and maintain a strategic and policy framework as well as sound corporate governance across the emergency services sector
- to provide adequate support services to the emergency services organisations and to ensure the effective allocation of resources within the emergency services sector
- to ensure relevant statutory compliance by the emergency services organisations
- to build a safer community through integrated emergency service delivery
- to undertake a leadership role in the emergency management
- to report regularly to the Minister about relevant issues.

Funding arrangements

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

2 Summary of significant accounting policies

(a) 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 comply with Treasurer's Instructions and Accounting Policy Statements promulgated under the provisions of the *Public Finance and Audit Act 1987*.

SAFECOM has applied Australian Accounting Standards that are applicable to not-for-profit entities as SAFECOM is a not-for-profit entity.

Except for AASB 2015-7 which SAFECOM 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 SAFECOM for the reporting period ending 30 June 2016 (refer note 3).

2 Summary of significant accounting policies (continued)

(b) 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 SAFECOM's accounting policies. The areas involving a higher degree of judgement or where assumptions and estimates are significant to the financial statements, are outlined in the applicable notes.
- accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events are reported.
- 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) revenues, 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. A threshold of \$100 000 for separate identification of these items may be utilised. SAFECOM has elected not to utilise this threshold; that is all revenue, expense, financial assets and liabilities relating to SA Government have been separately disclosed
 - (b) expenses incurred as a result of engaging consultants
 - (c) 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
 - (d) 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.

SAFECOM'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 valuation policy applicable.

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

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

The accounting policies set out below have been applied in preparing the financial statements for the year ended 30 June 2016 and the comparative information presented.

(c) Principles of consolidation

The financial statements incorporate the assets and liabilities of all entities controlled by SAFECOM and forming the emergency services sector as at 30 June 2016 and the results of all controlled entities for the year then ended. The effects of all transactions between entities in the consolidated entity are eliminated in full.

(d) Reporting entity

SAFECOM is an administrative unit of the Crown, established under the Act.

SAFECOM does not control any other entity and has no interest in unconsolidated structured entities. In forming this view, SAFECOM considered its involvement with CFS Foundation and various volunteer marine rescue organisations and determined that it does not control these entities.

South Australian Fire and Emergency Services Commission
Notes to and forming part of the financial statements
for the year ended 30 June 2016

2 (d) Reporting entity (continued)

In making this assessment, SAFECOM considered its power over the entities, its exposure or rights (e.g. protective and substantive rights) to variable returns from involvement with the entities and the ability to use its power to affect returns amounts (e.g. ability to direct relevant major activities).

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

The financial statements and accompanying notes include all the controlled activities of SAFECOM. Transactions and balances relating to administered resources are not recognised as departmental income, expenses, assets and liabilities. As administered, the Community Emergency Services Fund items is significant in relation to SAFECOM's overall financial performance and position and therefore are disclosed in the administered financial statements (schedule of administered items) at the back of the controlled general purpose financial statements. Except as otherwise disclosed, administered items are accounted for on the same basis and using the same accounting policies as for SAFECOM items.

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

Transaction and balances relating to the trust assets are not recognised as the agency's income, expense, assets and liabilities, but are disclosed in note 35 as 'Trust Funds'.

(e) Budgeted amounts

Budget information refers to the amounts presented to Parliament in the original budgeted financial statements in respect of the reporting period (2015-16 Budget Paper 4). Budget information has been included for the Statement of Comprehensive Income and for Investment Expenditure. Budget information has not been included for the Statement of Financial Position or Statement of Cash Flows as the information in these statements are not budgeted for on the same basis and/or determined in a different manner to financial statement information. These original budgeted amounts have been presented and classified on a basis that is consistent with line items in the financial statements. However, these amounts have not been adjusted to reflect revised budgets. The budget process is not subject to audit.

(f) 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.

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

(g) Rounding

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

(h) Taxation

SAFECOM is not subject to income tax. SAFECOM 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 GST is recognised as part of the cost of acquisition of the asset or as part of the expense item applicable
- receivables and payables, which are stated with the amount of GST included.

South Australian Fire and Emergency Services Commission
Notes to and forming part of the financial statements
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2 (h) Taxation (continued)

The net amount of GST recoverable from, or payable to, the Australian Taxation Office 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 Australian Taxation Office 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 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.

GST receivables/payables associated with administered items transactions are included in SAFECOM statements.

(i) Events after the reporting period

Adjustments are 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 that existed at 30 June.

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

(j) Income

Income is recognised to the extent that it is probable that the flow of economic benefits to SAFECOM 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.

The following are specific recognition criteria:

Revenues from SA Government

Contributions from the Fund and other receipts from SA Government are recognised as an asset and income when SAFECOM obtains control over the funding. Control over funding is normally obtained upon receipt.

Grants and contributions

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

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

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

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

Resources free of charge

Resources received free of charge are recorded as revenue in the Statement of Comprehensive Income at their fair value.

South Australian Fire and Emergency Services Commission
Notes to and forming part of the financial statements
for the year ended 30 June 2016

2 (j) Income (continued)

Fees and charges

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

Other income

Other income consists of donations received, fundraising revenue and other minor revenues.

(k) Expenses

Expenses are recognised to the extent that it is probable that the flow of economic benefits from SAFECOM will occur 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.

The following are specific recognition criteria:

Employee benefits expenses

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

Superannuation

The amount charged to the Statement of Comprehensive Income represents the contributions made by SAFECOM to the superannuation plan in respect of current services of current SAFECOM staff. The Department of Treasury and Finance centrally recognises the superannuation liability in the whole of government financial statements for all Government managed funds.

Operating leases

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

Loss from disposal of non-current assets

Expenses from the disposal of non-current assets are recognised when the control of the asset has passed to the buyer and determined by comparing proceeds with carrying amount. When revalued assets are sold, the revaluation surplus is transferred to retained earnings.

Any loss on disposal is recognised at the date control of the asset is passed to the buyer and is determined after deducting the cost of the asset from the proceeds at that time.

Depreciation and amortisation

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

Assets' residual values, useful lives and amortisation methods are reviewed and adjusted if appropriate, on an annual basis.

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

South Australian Fire and Emergency Services Commission
Notes to and forming part of the financial statements
for the year ended 30 June 2016

2 (k) Expenses (continued)

Land and assets held for sale is not depreciated.

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

| Class of asset | Consolidated Useful life (years) | SAFECOM Entity Useful life (years) |
|--------------------------|---------------------------------------------|-----------------------------------------------|
| Buildings | 40-50 | 40 |
| Vehicles | 15-20 | 15 |
| Communications equipment | 10 | 10 |
| Plant and equipment | 10 | 10 |
| Computer equipment | 5 | 5 |
| Intangibles | 5 | 5 |

Grants and Subsidies

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

All contributions paid by SAFECOM have been contributions with unconditional stipulations attached.

(l) Current and non-current classification

Assets and liabilities are characterised as either current or non-current in nature. Assets and liabilities that are to be sold, consumed or realised as part of the normal operating cycle even when they are not expected to be realised within 12 months after the reporting date have been 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 12 months and more than 12 months, SAFECOM has separately disclosed the amounts expected to be recovered or settled after more than 12 months.

(m) 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 in the Statement of Financial Position include cash at bank and on hand and short-term highly liquid investments with maturities of three months or less that are readily converted to cash and which are subject to insignificant risk of changes in value.

For the purposes of the Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

Cash is measured at nominal value.

Receivables

Receivables include amounts receivable from goods and services, GST input tax credits recoverable, 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.

South Australian Fire and Emergency Services Commission
Notes to and forming part of the financial statements
for the year ended 30 June 2016

2 (m) Assets (continued)

Collectability of receivables is reviewed on an ongoing basis. An allowance for doubtful debts is raised when there is objective evidence that SAFECOM will not be able to collect the debt. Bad debts are written off when identified.

Other financial assets

SAFECOM measures other financial assets at cost. All assets in this category are either short or medium term cash deposits.

Non-current assets

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.

All non-current tangible assets with a value equal to or in excess of \$10 000 are capitalised.

Revaluation of non-current assets

All non-current tangible assets are valued at fair value. On an ongoing basis, revaluations are made in accordance with related policies whereby independent valuations are obtained every six years and carrying amounts are adjusted accordingly.

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.

Non-current tangible assets that are acquired between revaluations are held at cost until the next valuation, where they are revalued to fair value.

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

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

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

Impairment

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 costs. 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 revaluation surplus.

South Australian Fire and Emergency Services Commission
Notes to and forming part of the financial statements
for the year ended 30 June 2016

2 (m) Assets (continued)

Intangible assets

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

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

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

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. This is because SAFECOM has been unable to attribute this expenditure to the intangible asset rather than to SAFECOM as a whole.

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.

SAFECOM 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.

Non-financial assets

In determining fair value, SAFECOM has taken into account the characteristic 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 (e.g. physically possible, legally permissible, financially feasible).

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

Refer note 22 for disclosure regarding fair value measurement techniques and inputs used to develop fair value measurements for non-financial assets.

Financial assets

SAFECOM does not recognise any financial assets at fair value.

South Australian Fire and Emergency Services Commission
Notes to and forming part of the financial statements
for the year ended 30 June 2016

2 Summary of significant accounting policies (continued)

(n) 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.

Payables

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

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

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

The Paid Parental Leave Scheme payable represents amounts which SAFECOM has received from the Commonwealth Government to forward onto eligible employees via SAFECOM's standard payroll processes. That is, SAFECOM is acting as a conduit through which the payment to eligible employees is made on behalf of the Family Assistance Office.

All payables are measured at their nominal amount, are unsecured and are normally settled within 30 days from the date of the invoice or date the invoice is first received.

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

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

Employee benefits

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

Salaries and wages, annual leave, skills and experience retention leave and sick leave

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

The annual leave liability and the skills and experience retention leave liability is expected to be payable within 12 months and is measured at the undiscounted amount expected to be paid. In the unusual event where salary and wages, annual leave and skills and experience retention liability are payable later than 12 months, the liability will be measured at present value.

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 projected unit credit method.

South Australian Fire and Emergency Services Commission
Notes to and forming part of the financial statements
for the year ended 30 June 2016

2 (n) Liabilities (continued)

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 the police and emergency services sector 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.

(o) Provisions

Provisions are recognised when SAFECOM has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When SAFECOM expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the Statement of Comprehensive Income net of any reimbursement.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. If the effect of the time value of money is material, provisions are discounted for the time value of money and the risks specific to the liability.

The workers compensation provision is an actuarial estimate of the outstanding liability as at 30 June 2016 provided by a consulting actuary engaged through the Office for the Public Sector (a division of the Department of the Premier and Cabinet). The provision is for the estimated cost of ongoing payments to employees as required under current legislation.

SAFECOM is responsible for the payment of workers compensation claims.

(p) Unrecognised contractual commitments and contingent assets and liabilities

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

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

Unrecognised contractual commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the 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.

South Australian Fire and Emergency Services Commission
Notes to and forming part of the financial statements
for the year ended 30 June 2016

3 New and revised accounting standards and policies

SAFECOM did not voluntarily change any of its accounting policies during 2015-16.

Except for AASB 2015-7 which SAFECOM 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 SAFECOM for the period ending 30 June 2016. SAFECOM has assessed the impact of the new and amended standards and interpretations and considers there will be no impact on accounting policies or the financial statements of SAFECOM except as outlined below.

AASB 16 Leases will apply for the first time in the 30 June 2020 financial report. This standard will require all leased items in the statement of financial position to be recognised as assets representing the value of that which is leased, and liabilities representing expected future lease payments. Depending on the lease arrangements entered into by SAFECOM at the time, significant assets and liabilities could be recognised and amortised over the lease terms.

4 Activities of South Australian Fire and Emergency Services Commission

In achieving its objectives, SAFECOM provides strategic and corporate support services to the SACFS, SAMFS and SASES. These services are classified under one program titled "Fire and Emergency Services Strategic and Business Support".

South Australian Fire and Emergency Services Commission
Notes to and forming part of the financial statements
for the year ended 30 June 2016

5 Employee benefits expenses

| | Consolidated | | SAFECOM Entity | |
|-----------------------------------------|----------------|----------------|----------------|--------------|
| | 2016 | 2015 | 2016 | 2015 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Salaries and wages | 103 305 | 98 420 | 5 811 | 5 863 |
| Annual leave | 12 525 | 11 757 | 564 | 553 |
| Skills and experience retention leave | 918 | 867 | 38 | 39 |
| Long service leave | 5 511 | 5 109 | 239 | 432 |
| Employment on-costs - superannuation | 14 725 | 13 679 | 1 006 | 740 |
| Payroll tax | 6 697 | 6 367 | 349 | 352 |
| Workers compensation | 19 244 | 7 217 | (21) | (70) |
| Other employment related expenses | 684 | 776 | 23 | 31 |
| Total employee benefits expenses | 163 609 | 144 192 | 8 009 | 7 940 |

Remuneration of employees

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

| | Consolidated | | SAFECOM Entity | |
|-----------------------------------------------|--------------|-----------|----------------|----------|
| | 2016 | 2015 | 2016 | 2015 |
| | Number | Number | Number | Number |
| \$141 500 – \$145 000 | N/A | 10 | N/A | 1 |
| \$145 001 – \$155 000 | 14 | 23 | - | - |
| \$155 001 – \$165 000 | 16 | 16 | - | - |
| \$165 001 – \$175 000 | 8 | 2 | - | - |
| \$175 001 – \$185 000 | 3 | 5 | - | - |
| \$185 001 – \$195 000 | 6 | - | - | - |
| \$195 001 – \$205 000 | 1 | 5 | - | - |
| \$205 001 – \$215 000 | 1 | 1 | - | - |
| \$235 001 – \$245 000 | - | 1 | - | - |
| \$245 001 – \$255 000 | 2 | 2 | - | - |
| \$255 001 – \$265 000 | 1 | - | - | - |
| \$265 001 – \$275 000 | 1 | - | - | - |
| \$295 001 – \$305 000 | 1 | 2 | - | 1 |
| \$305 001 – \$315 000 | 1 | - | - | - |
| \$315 001 – \$325 000 | 1 | - | - | - |
| \$375 001 – \$385 000 | 1 | - | 1 | - |
| \$565 001 – \$575 000 ^a | - | 1 | - | - |
| Total number of executives / employees | 57 | 68 | 1 | 2 |

^a This band includes an early termination payment year 2015

The table includes all employees who received remuneration equal to or greater than the base executive remuneration level during the year.

Remuneration of employees reflects all costs of employment including salaries and wages, payments in lieu of leave, superannuation contributions, salary sacrifice benefits and fringe benefits and any fringe benefits tax paid or payable in respect of those benefits. The total remuneration received by these employees for the year was SAFECOM entity \$0.4 million (2015: \$0.4million) and SAFECOM Consolidated \$10.4 million (2015: \$11.8 million).

South Australian Fire and Emergency Services Commission
Notes to and forming part of the financial statements
for the year ended 30 June 2016

6 Supplies and services

| | Consolidated | | SAFECOM Entity | |
|----------------------------------------|---------------|---------------|----------------|--------------|
| | 2016 | 2015 | 2016 | 2015 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Accommodation | 424 | 410 | - | 1 |
| Aerial support costs | 9 074 | 10 803 | - | - |
| Auditor's remuneration | 202 | 189 | 117 | 102 |
| Communications | 3 854 | 2 892 | 1 941 | 1 049 |
| Computing costs | 3 644 | 3 273 | 820 | 622 |
| Consultancy, contractor and legal fees | 4 547 | 4 502 | 855 | 1 020 |
| Consumables | 2 978 | 3 327 | 48 | 50 |
| Energy | 1 598 | 1 588 | 9 | 8 |
| Government radio network | 14 649 | 14 292 | - | - |
| Insurance premiums | 725 | 642 | 9 | 7 |
| Minor plant and equipment | 2 968 | 2 343 | 1 | 2 |
| Operating lease costs | 4 178 | 4 202 | 416 | 552 |
| Operational costs | 2 040 | 2 844 | 14 | 13 |
| Repairs and maintenance | 10 581 | 9 324 | 90 | 232 |
| Shared Services SA payments | 1 597 | 1 547 | 1 597 | 1 546 |
| Travel and training | 3 813 | 3 861 | 139 | 209 |
| Uniforms and protective clothing | 3 893 | 3 298 | - | - |
| Other expenses | 4 214 | 4 390 | 773 | 982 |
| Total supplies and services | 74 979 | 73 727 | 6 829 | 6 395 |

Consultancy fees

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

| | Consolidated | | SAFECOM Entity | | Consolidated | | SAFECOM Entity | |
|--------------------------------------------------|--------------|----------|----------------|----------|--------------|------------|----------------|-----------|
| | 2016 | 2015 | 2016 | 2015 | 2016 | 2015 | 2016 | 2015 |
| | No. | No. | No. | No. | \$'000 | \$'000 | \$'000 | \$'000 |
| Below \$10 000 | 6 | 3 | - | - | 34 | 14 | - | - |
| Above \$10 000 | 3 | 3 | 1 | 2 | 159 | 124 | 75 | 86 |
| Total paid/payable to consultants engaged | 9 | 6 | 1 | 2 | 193 | 138 | 75 | 86 |

Auditor's remuneration

| | Consolidated | | SAFECOM Entity | |
|---------------------------------------------------------------------------------------------------------------|--------------|------------|----------------|------------|
| | 2016 | 2015 | 2016 | 2015 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Audit fees paid/payable to the Auditor-General's Department relating to the audit of the financial statements | 202 | 189 | 117 | 102 |
| Total audit fees | 202 | 189 | 117 | 102 |

Other services

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

South Australian Fire and Emergency Services Commission
Notes to and forming part of the financial statements
for the year ended 30 June 2016

7 Depreciation and amortisation

| | Consolidated | | SAFECOM Entity | |
|--------------------------------------------|---------------|---------------|----------------|------------|
| | 2016 | 2015 | 2016 | 2015 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Depreciation | | | | |
| Buildings | 5 436 | 5 283 | 3 | 3 |
| Vehicles | 11 636 | 11 400 | - | - |
| Computers | 370 | 74 | 55 | 36 |
| Plant and equipment | 838 | 585 | 47 | 46 |
| Communications | 1 308 | 1 281 | - | - |
| Total depreciation | 19 588 | 18 623 | 105 | 85 |
| Amortisation | | | | |
| Computer software | 762 | 632 | 736 | 630 |
| Total amortisation | 762 | 632 | 736 | 630 |
| Total depreciation and amortisation | 20 350 | 19 255 | 841 | 715 |

8 Grants and subsidies

| | Consolidated | | SAFECOM Entity | |
|-----------------------------------|--------------|--------------|----------------|--------------|
| | 2016 | 2015 | 2016 | 2015 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Grants and subsidies | 3 219 | 2 961 | 3 029 | 2 418 |
| Total grants and subsidies | 3 219 | 2 961 | 3 029 | 2 418 |

South Australian Fire and Emergency Services Commission
Notes to and forming part of the financial statements
for the year ended 30 June 2016

9 Net loss from disposal of non-current assets

| | Consolidated | | SAFECOM Entity | |
|-----------------------------------------------------------|---------------|---------------|----------------|----------|
| | 2016 | 2015 | 2016 | 2015 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Land and buildings | | | | |
| Less costs of disposal | (33) | (1) | - | - |
| Net loss from disposal of land and buildings | (33) | (1) | - | - |
| Vehicles | | | | |
| Proceeds from disposal | 414 | 289 | - | - |
| Less net book value of assets disposed | (560) | (692) | - | - |
| Net loss from disposal of vehicles | (146) | (403) | - | - |
| Communication equipment | | | | |
| Less net book value of assets disposed | - | (78) | - | - |
| Net loss from disposal of communication equipment | - | (78) | - | - |
| Plant and equipment | | | | |
| Less net book value of assets disposed | (4) | - | - | - |
| Net loss from disposal of plant and equipment | (4) | - | - | - |
| Total assets | | | | |
| Total proceeds from disposal | 414 | 289 | - | - |
| Less net book value of assets disposed | (564) | (770) | - | - |
| Less costs of disposal | (33) | (1) | - | - |
| Total net loss from disposal of non-current assets | (183) | (482) | - | - |

10 Revenues from fees and charges

| | Consolidated | | SAFECOM Entity | |
|---------------------------------------------|--------------|--------------|----------------|------------|
| | 2016 | 2015 | 2016 | 2015 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Fire alarm attendance fees | 2 306 | 2 395 | - | - |
| Fire safety fees | 453 | 482 | - | - |
| Fire alarm monitoring fees | 2 305 | 2 205 | - | - |
| Incident cost recoveries | 510 | 98 | 29 | - |
| Training and other recoveries | 181 | 326 | - | - |
| Salary recovery prior year | 737 | 646 | 679 | 636 |
| Other recoveries | 16 | 14 | - | - |
| Total revenues from fees and charges | 6 508 | 6 166 | 708 | 636 |

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11 Grants and contributions

| | Consolidated | | SAFECOM Entity | |
|---------------------------------------|--------------|--------------|----------------|--------------|
| | 2016 | 2015 | 2016 | 2015 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Commonwealth Government | 5 198 | 4 829 | 2 088 | 1 514 |
| State Government | 244 | 924 | - | - |
| Private industry and local government | 13 | 11 | - | - |
| Total grants and contributions | 5 455 | 5 764 | 2 088 | 1 514 |

Commonwealth grant funding for SAFECOM relates to the Natural Disaster Resilience Program.

Contributions which have conditions of expenditure still to be met as at reporting date were \$3.494 million (2015: \$4.432 million). These contributions relate to Natural Disaster Resilience Program, National Emergency Management Projects.

Commonwealth grant funding for Consolidated mainly relates to the provision of fire and emergency services to Commonwealth properties, contributions towards aerial firefighting costs, Natural Disaster Resilience Program funding for emergency management projects and Australian Apprenticeships Incentive Program.

Restrictions attached to these contributions include completion of progress reports and final project acquittal.

12 Interest revenues

| | Consolidated | | SAFECOM Entity | |
|--------------------------------|--------------|------------|----------------|------------|
| | 2016 | 2015 | 2016 | 2015 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Interest on deposit accounts | 288 | 667 | 53 | 190 |
| Total interest revenues | 288 | 667 | 53 | 190 |

13 Resources received free of charge

| | Consolidated | | SAFECOM Entity | |
|------------------------------------------------|--------------|----------|----------------|----------|
| | 2016 | 2015 | 2016 | 2015 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Asset received free of charge | 20 | - | - | - |
| Total resources received free of charge | 20 | - | - | - |

14 Other income

| | Consolidated | | SAFECOM Entity | |
|-----------------------------------|--------------|--------------|----------------|-----------|
| | 2016 | 2015 | 2016 | 2015 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Donations | 1 | 1 | - | - |
| Groups/Brigades/Units fundraising | 221 | 775 | - | - |
| Rent received | 467 | 1 108 | - | - |
| Insurance recoveries | 179 | 274 | - | - |
| Other | 674 | 651 | 43 | 81 |
| Total other income | 1 542 | 2 809 | 43 | 81 |

South Australian Fire and Emergency Services Commission
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15 Revenues from SA Government

| | Consolidated | | SAFECOM Entity | |
|------------------------------------------------------|----------------|----------------|----------------|---------------|
| | 2016 | 2015 | 2016 | 2015 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Revenues from SA Government | | | | |
| Contributions from Community Emergency Services Fund | 237 917 | 224 405 | 10 796 | 11 487 |
| Other revenues from SA Government | 2 167 | 1 928 | 2 102 | 27 |
| Total revenues from SA Government | 240 084 | 226 333 | 12 897 | 11 514 |

Revenues from SA Government for SAFECOM entity consist of \$12.686 million (2015: \$11.264 million) for operational funding and \$0.211 million (2015: \$0.250 million) for capital projects.

Revenues from SA Government for SAFECOM consolidated consist of \$213.327 million (2015: \$199.755 million) for operational funding and \$26.757 million (2015: \$26.578 million) for capital projects.

For details on the expenditure associated with the operational funding and capital funding refer notes 5, 6, 8, 20 and 21.

16 Cash and cash equivalents

| | Consolidated | | SAFECOM Entity | |
|---------------------------------------------|---------------|---------------|----------------|--------------|
| | 2016 | 2015 | 2016 | 2015 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Cash on hand | 12 | 13 | - | - |
| Deposits with the Treasurer | 17 104 | 19 415 | 4 492 | 7 453 |
| Cash at bank | 584 | 556 | - | - |
| Cash at bank - Groups/Brigades/Units | 4 162 | 4 299 | - | - |
| Short-term deposits - Groups/Brigades/Units | 796 | 727 | - | - |
| Short-term deposits | 47 | 48 | - | - |
| Total cash and cash equivalents | 22 705 | 25 058 | 4 492 | 7 453 |

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

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17 Receivables

| | Consolidated | | SAFECOM Entity | |
|------------------------------------|---------------------|---------------------|-------------------|-------------------|
| | 2016 | 2015 | 2016 | 2015 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Current | | | | |
| Receivables | 1 561 | 4 198 | 29 | 181 |
| Less: Allowance for doubtful debts | (102) | (50) | - | - |
| | <u>1 459</u> | <u>4 148</u> | <u>29</u> | <u>181</u> |
| Accrued revenues | 56 | 122 | 5 | 13 |
| GST input tax recoverable | 2 171 | 2 425 | 405 | 435 |
| Total receivables | <u>3 686</u> | <u>6 695</u> | <u>439</u> | <u>629</u> |

Movement in the allowance for doubtful debts

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

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

| | Consolidated | | SAFECOM Entity | |
|-----------------------------------------------------------------------|---------------|--------------|----------------|----------|
| | 2016 | 2015 | 2016 | 2015 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Movement in the allowance for doubtful debts (impairment loss) | | | | |
| Carrying amount at beginning of the period | (50) | (61) | - | - |
| Increase in the allowance | (58) | (24) | - | - |
| Amounts written off | 6 | 35 | - | - |
| Carrying amount at the end of the period | (102) | (50) | - | - |

Interest rate and credit risk

Receivables are raised for all goods and services provided for which payment has not been received. Receivables are normally settled within 30 days. Receivables, prepayments and accrued revenues are non-interest bearing. Other than as recognised in the allowance for doubtful debts, it is not anticipated that counterparties will fail to discharge their obligations. The carrying amount of receivables approximates net fair value due to being receivable on demand. There is no concentration of credit risk.

Maturity analysis of receivables and categorisation of financial instruments and risk exposure information

Refer note 34.

18 Other financial assets

| | Consolidated | | SAFECOM Entity | |
|----------------------------------------------|---------------------|---------------------|-----------------|-----------------|
| | 2016 | 2015 | 2016 | 2015 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Current | | | | |
| Medium Term Deposits - Groups/Brigades/Units | 2 657 | 2 548 | - | - |
| Total current other financial assets | <u>2 657</u> | <u>2 548</u> | <u>-</u> | <u>-</u> |

Maturity analysis of receivables and categorisation of financial instruments and risk exposure information

Refer note 34.

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19 Non-current assets classified as held for sale

| | Consolidated | | SAFECON Entity | |
|-------------------------------------------------------------|--------------|------------|----------------|----------|
| | 2016 | 2015 | 2016 | 2015 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Land | 982 | 782 | - | - |
| Buildings | 14 | - | - | - |
| Total non-current assets classified as held for sale | 996 | 782 | - | - |

Due to the opening of a new SAMFS Salisbury fire station the ex-Salisbury fire station site is surplus to requirements at balance date.

The SAMFS Burra site has been withdrawn from held for sale and will transition to SASES during 2016-17.

A tender to sell surplus SACFS land at Port Lincoln during 2011 failed to be realised, and as at 30 June 2016 the property continues to remain on the market for sale.

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20 Property, plant and equipment

| | Consolidated | | SAFECOM Entity | |
|--------------------------------------------|----------------|----------------|----------------|------------|
| | 2016 | 2015 | 2016 | 2015 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Land | | | | |
| At valuation | 63 040 | 63 189 | - | - |
| At cost (deemed fair value) | 342 | 250 | - | - |
| Total land | 63 382 | 63 439 | - | - |
| Buildings | | | | |
| At valuation | 113 849 | 113 454 | 29 | 29 |
| At cost (deemed fair value) | 13 811 | 4 241 | - | - |
| Less accumulated depreciation | (13 374) | (7 938) | (8) | (5) |
| Total buildings | 114 286 | 109 757 | 21 | 24 |
| Vehicles | | | | |
| At valuation | 123 371 | 121 864 | - | - |
| At cost (deemed fair value) | 27 996 | 15 044 | - | - |
| Less accumulated depreciation | (28 864) | (17 308) | - | - |
| Total vehicles | 122 503 | 119 600 | - | - |
| Communication (Comms.) equipment | | | | |
| At valuation | 6 741 | 6 742 | - | - |
| At cost (deemed fair value) | 3 391 | 2 397 | - | - |
| Less accumulated depreciation | (3 154) | (1 846) | - | - |
| Total communication equipment | 6 978 | 7 293 | - | - |
| Computer equipment | | | | |
| At valuation | 268 | 49 | 18 | 18 |
| At cost (deemed fair value) | 1 811 | 1 655 | 240 | 240 |
| Less accumulated depreciation | (457) | (87) | (96) | (41) |
| Total computer equipment | 1 622 | 1 617 | 162 | 217 |
| Plant and equipment | | | | |
| At valuation | 2 936 | 2 950 | 209 | 209 |
| At cost (deemed fair value) | 5 497 | 1 629 | 19 | - |
| Less accumulated depreciation | (1 702) | (872) | (115) | (68) |
| Total plant and equipment | 6 731 | 3 707 | 113 | 141 |
| Capital work in progress | | | | |
| Capital work in progress | 30 433 | 32 249 | - | - |
| Total capital work in progress | 30 433 | 32 249 | - | - |
| Total property, plant and equipment | 345 935 | 337 662 | 296 | 382 |

South Australian Fire and Emergency Services Commission
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20 Property, plant and equipment (continued)

Valuation of assets

As at 30 June 2016 in accordance with South Australian Fire and Emergency Services Commission (SAFECOM) policy, a review of the valuations were undertaken by a suitability qualified officer of SAFECOM which indicated that there was no material difference between the fair value and carrying amount of the assets. Consequently it was determined no revaluation adjustment were required at this time.

At 1 January 2014 independent valuations for land, buildings, vehicles, communication, computer, plant and equipment assets were undertaken by Liquid Pacific, Mr M Burns, MRICS, AAPi (CPV). The fair value of all vehicles, communications, computer and plant and equipment items was determined by identifying a market buying price, estimated as written down modern equivalent replacement cost. The fair value of land and buildings was based on recent market transactions for similar land and buildings in the area taking into account zoning and restricted use.

Impairment

There were no indications of impairment for property, plant and equipment as at 30 June 2016.

Movement reconciliation of property, plant and equipment

| | Land | Buildings | Vehicles | Comms. equip | Computer equip | Plant & equip | Capital work in progress | Total |
|------------------------------------------------------|---------------|----------------|----------------|--------------|----------------|---------------|--------------------------|----------------|
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| 2016: Consolidated | | | | | | | | |
| Carrying amount at the beginning of the period | 63 439 | 109 757 | 119 600 | 7 293 | 1 617 | 3 707 | 32 249 | 337 662 |
| Additions | - | - | - | - | - | - | 28 943 | 28 943 |
| Disposals | - | - | (560) | - | - | (4) | - | (564) |
| Assets reclassified (to) / from assets held for sale | (200) | (14) | - | - | - | - | - | (214) |
| Transfers (to) / from capital WIP | 143 | 9 979 | 15 079 | 993 | 375 | 3 866 | (30 437) | (2) |
| Assets received free of charge | - | - | 20 | - | - | - | - | 20 |
| Depreciation | - | (5 436) | (11 636) | (1 308) | (370) | (839) | - | (19 589) |
| Transfer to/(from) intangibles | - | - | - | - | - | - | (322) | (322) |
| Carrying amount at the end of the period | 63 382 | 114 286 | 122 503 | 6 978 | 1 622 | 6 731 | 30 433 | 345 935 |

| | Land | Buildings | Vehicles | Comms. equip | Computer equip | Plant & equip | Capital work in progress | Total |
|------------------------------------------------------|---------------|----------------|----------------|--------------|----------------|---------------|--------------------------|----------------|
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| 2015: Consolidated | | | | | | | | |
| Carrying amount at the beginning of the period | 63 077 | 111 320 | 126 397 | 6 857 | 268 | 2 866 | 15 710 | 326 495 |
| Additions | - | - | 59 | - | - | - | 31 400 | 31 459 |
| Disposals | - | - | (892) | (78) | - | - | - | (770) |
| Assets reclassified (to) / from assets held for sale | 112 | 4 | - | - | - | - | - | 116 |
| Transfers (to) / from capital WIP | 250 | 3 715 | 5 236 | 1 796 | 1 423 | 1 426 | (13 847) | (1) |
| Depreciation | - | (5 282) | (11 400) | (1 282) | (74) | (585) | - | (18 623) |
| Transfer to/(from) intangibles | - | - | - | - | - | - | (1 014) | (1 014) |
| Carrying amount at the end of the period | 63 439 | 109 757 | 119 600 | 7 293 | 1 617 | 3 707 | 32 249 | 337 662 |

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20 Property, plant and equipment (continued)

| | Land | Buildings | Vehicles | Comms. equip | Computer equip | Plant & equip | Capital work in progress | Total |
|------------------------------------------------|--------|-----------|----------|-----------------|-------------------|------------------|--------------------------------|--------|
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| 2016: SAFECOM Entity | | | | | | | | |
| Carrying amount at the beginning of the period | - | 24 | - | - | 217 | 141 | - | 382 |
| Acquisitions | - | - | - | - | - | - | 341 | 341 |
| Transfers (to) / from Capital WIP | - | - | - | - | - | 19 | (19) | - |
| Transfer to/(from) Intangibles | - | - | - | - | - | - | (322) | (322) |
| Depreciation | - | (3) | - | - | (55) | (47) | - | (105) |
| Carrying amount at the end of the period | - | 21 | - | - | 162 | 113 | - | 296 |

| | Land | Buildings | Vehicles | Comms. equip | Computer equip | Plant & equip | Capital work in progress | Total |
|------------------------------------------------|--------|-----------|----------|-----------------|-------------------|------------------|--------------------------------|--------|
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| 2015: SAFECOM Entity | | | | | | | | |
| Carrying amount at the beginning of the period | - | 27 | - | - | 161 | 187 | - | 375 |
| Acquisitions | - | - | - | - | - | - | 987 | 987 |
| Transfers (to)/from Capital WIP | - | - | - | - | 92 | - | (92) | - |
| Transfer (to)/from Intangibles | - | - | - | - | - | - | (895) | (895) |
| Depreciation | - | (3) | - | - | (36) | (46) | - | (85) |
| Carrying amount at the end of the period | - | 24 | - | - | 217 | 141 | - | 382 |

21 Intangible Assets

| | Consolidated | | SAFECOM Entity | |
|--------------------------------|--------------|--------------|----------------|--------------|
| | 2016 | 2015 | 2016 | 2015 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Computer software | | | | |
| At cost | 4 784 | 4 473 | 4 003 | 3 681 |
| Less accumulated amortisation | (2 833) | (2 082) | (2 151) | (1 415) |
| Total computer software | 1 951 | 2 391 | 1 852 | 2 266 |
| Total intangible assets | 1 951 | 2 391 | 1 852 | 2 266 |

South Australian Fire and Emergency Services Commission
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21 Intangibles (continued)

Movement reconciliation of intangible assets

| | Consolidated | | SAFECOM Entity | |
|------------------------------------------------|--------------|--------------|----------------|--------------|
| | 2016 | 2015 | 2016 | 2015 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Carrying amount at the beginning of the period | 2 391 | 2 010 | 2 266 | 2 001 |
| Transfers from capital WIP | 322 | 1 013 | 322 | 895 |
| Amortisation | (762) | (632) | (736) | (630) |
| Carrying amount at the end of the period | 1 951 | 2 391 | 1 852 | 2 266 |

Asset details and amortisation

Intangible assets detailed above relate to computer software externally acquired.

Impairment

There were no indications of impairment of intangible assets at 30 June 2016.

22 Fair value measurement

Fair Value Hierarchy

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

Fair value measurements recognised in the balance sheet are categorised into the following levels at 30 June 2016.

SAFECOM had no valuations categorized into level 1.

| Fair value measurements at 30 June 2016 | Consolidated | | | SAFECOM Entity | | |
|----------------------------------------------------|---------------|----------------|----------------|----------------|------------|------------|
| | Level 2 | Level 3 | Total | Level 2 | Level 3 | Total |
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Recurring fair value measurements | | | | | | |
| Land (note 20) | 13 443 | 49 939 | 63 382 | - | - | - |
| Buildings (note 20) | 13 859 | 100 427 | 114 286 | - | 21 | 21 |
| Vehicles (note 20) | - | 122 503 | 122 503 | - | - | - |
| Communication (Comms.) equipment (note 20) | - | 6 978 | 6 978 | - | - | - |
| Computer equipment (note 20) | - | 1 622 | 1 622 | - | 162 | 162 |
| Plant and equipment (note 20) | - | 6 731 | 6 731 | - | 113 | 113 |
| Total recurring fair value measurements | 27 302 | 288 200 | 315 502 | - | 296 | 296 |
| Non-recurring fair value measurements | | | | | | |
| Land held for sale (note 19) | 982 | - | 982 | - | - | - |
| Building held for sale (note 19) | 14 | - | 14 | - | - | - |
| Total non-recurring fair value measurements | 996 | - | 996 | - | - | - |
| Total fair value measurements | 28 298 | 288 200 | 316 498 | - | 296 | 296 |

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22 Fair value measurement (continued)

| Fair value measurements at 30 June 2015 | Consolidated | | | SAFECOM Entity | | |
|----------------------------------------------------|---------------|----------------|----------------|----------------|------------|------------|
| | Level 2 | Level 3 | Total | Level 2 | Level 3 | Total |
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Recurring fair value measurements | | | | | | |
| Land (note 20) | 13 313 | 50 126 | 63 439 | - | - | - |
| Buildings (note 20) | 14 426 | 95 331 | 109 757 | - | 24 | 24 |
| Vehicles (note 20) | - | 119 600 | 119 600 | - | - | - |
| Communication (Comms.) equipment (note 20) | - | 7 293 | 7 293 | - | - | - |
| Computer equipment (note 20) | - | 1 617 | 1 617 | - | 217 | 217 |
| Plant and equipment (note 20) | - | 3 707 | 3 707 | - | 141 | 141 |
| Total recurring fair value measurements | 27 739 | 277 674 | 305 413 | - | 382 | 382 |
| Non-recurring fair value measurements | | | | | | |
| Land held for sale (note 19) | 782 | - | 782 | - | - | - |
| Total non-recurring fair value measurements | 782 | - | 782 | - | - | - |
| Total fair value measurements | 28 521 | 277 674 | 306 195 | - | 382 | 382 |

There were no transfers of assets between level 1 and 2 fair value hierarchy levels in 2016. SAFECOM's policy is to recognise transfers into and out of fair value hierarchy levels as at the end of the reporting period.

Refer to APF III Asset Accounting Framework for guidance in determining the applicable fair value hierarchy disclosure level.

Valuation techniques and inputs

Valuation techniques and inputs used to derive level 2 and 3 fair values are at note 20. There were no changes in the valuation techniques during 2016.

Land subject to restricted use is considered within Input Level 3.

Buildings that are specialised are classified as Input Level 3.

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

2016: Consolidated

Reconciliation of Level 3 recurring fair value measurement at 30 June 2016

| | Land | Buildings | Vehicles | Comms. equip | Computer equip | Plant & equip | Total |
|--------------------------------------------------------|---------------|----------------|----------------|---------------|----------------|---------------|----------------|
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Opening balance at the beginning of the period | 50 126 | 95 331 | 119 600 | 7 293 | 1 617 | 3 707 | 277 674 |
| Capitalised subsequent expenditure | 53 | 9 979 | 15 079 | 993 | 375 | 3 866 | 30 345 |
| Assets reclassified to assets held for sale | (240) | (14) | - | - | - | - | (254) |
| Assets received free of charge | - | - | 20 | - | - | - | 20 |
| Depreciation | - | (4 869) | (11 636) | (1 308) | (370) | (836) | (19 021) |
| Disposals | - | - | (560) | - | - | (4) | (564) |
| Total gains / (losses) recognised in net result | (187) | 5 096 | 2 903 | (315) | 5 | 3 024 | 10 526 |
| Closing balance at the end of the period | 49 939 | 100 427 | 122 503 | 6 978 | 1 622 | 6 731 | 288 200 |

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22 Fair value measurement (continued)

2016: SAFECOM Entity

Reconciliation of Level 3 recurring fair value measurement at 30 June 2016

| | Land \$'000 | Buildings \$'000 | Vehicles \$'000 | Comms. equip \$'000 | Computer equip \$'000 | Plant & equip \$'000 | Total \$'000 |
|-------------------------------------------------|----------------|---------------------|--------------------|---------------------------|-----------------------------|----------------------------|-----------------|
| Opening balance at the beginning of the period | - | 24 | - | - | 217 | 141 | 382 |
| Capitalised subsequent expenditure | - | - | - | - | - | 19 | 19 |
| Depreciation | - | (3) | - | - | (55) | (47) | (105) |
| Total gains / (losses) recognised in net result | - | (3) | - | - | (55) | (28) | (86) |
| Closing balance at the end of the period | - | 21 | - | - | 162 | 113 | 296 |

2015: Consolidated

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

| | Land \$'000 | Buildings \$'000 | Vehicles \$'000 | Comms. equip \$'000 | Computer equip \$'000 | Plant & equip \$'000 | Total \$'000 |
|-------------------------------------------------|----------------|---------------------|--------------------|---------------------------|-----------------------------|----------------------------|-----------------|
| Opening balance at the beginning of the period | 50 126 | 100 105 | 126 395 | 6 858 | 268 | 2 866 | 286 618 |
| Acquisitions | - | - | 60 | - | - | - | 60 |
| Capitalised subsequent expenditure | - | - | 5 237 | 1 795 | 1 423 | 1 426 | 9 881 |
| Depreciation | - | (4 774) | (11 400) | (1 282) | (74) | (585) | (18 115) |
| Disposals | - | - | (692) | (78) | - | - | (770) |
| Total gains / (losses) recognised in net result | - | (4 774) | (6 795) | 435 | 1 349 | 841 | (8 944) |
| Closing balance at the end of the period | 50 126 | 95 331 | 119 600 | 7 293 | 1 617 | 3 707 | 277 674 |

2015: SAFECOM Entity

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

| | Land \$'000 | Buildings \$'000 | Vehicles \$'000 | Comms. equip \$'000 | Computer equip \$'000 | Plant & equip \$'000 | Total \$'000 |
|-------------------------------------------------|----------------|---------------------|--------------------|---------------------------|-----------------------------|----------------------------|-----------------|
| Opening balance at the beginning of the period | - | 27 | - | - | 161 | 187 | 375 |
| Capitalised subsequent expenditure | - | - | - | - | 92 | - | 92 |
| Depreciation | - | (3) | - | - | (36) | (46) | (85) |
| Total gains / (losses) recognised in net result | - | (3) | - | - | 56 | (46) | 7 |
| Closing balance at the end of the period | - | 24 | - | - | 217 | 141 | 382 |

South Australian Fire and Emergency Services Commission
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23 Payables

| | Consolidated | | SAFECOM Entity | |
|------------------------------------|---------------|---------------|----------------|--------------|
| | 2016 | 2015 | 2016 | 2015 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Current | | | | |
| Creditors | 6 802 | 4 345 | 595 | 973 |
| Accrued expenses | 2 858 | 4 089 | 483 | 891 |
| Paid parental leave scheme payable | 3 | 6 | - | - |
| Employment on-costs | 3 766 | 3 167 | 178 | 148 |
| Total current payables | 13 529 | 11 607 | 1 256 | 2 012 |
| Non-current | | | | |
| Creditors | 6 | 5 | - | - |
| Employment on-costs | 2 479 | 2 249 | 167 | 172 |
| Total non-current payables | 2 485 | 2 254 | 167 | 172 |
| Total payables | 16 014 | 13 861 | 1 423 | 2 184 |

Employment on-costs

The actuarial assessment performed by the Department of Treasury and Finance, has resulted in the percentage of the proportion of long service leave taken increasing from 2015 (37%) to 2016 (40%), and the average factor for the calculation of employer superannuation cost on-cost has decreased from 2015 (10.3%) to 2016(10.2%). These rates are used in the employment on-cost calculation. The net financial effect of the changes in the current financial year is an increase in the employment on-cost of SAFECOM \$0.005 million, Consolidated \$0.070 million and employee benefit expense of SAFECOM \$0.005 million, Consolidated \$0.070 million. The estimated impact on future periods is not expected to be materially different to the effect on the current period as shown above.

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 represents fair value due to the amounts being payable on demand.

Maturity analysis of payables and categorisation of financial instruments and risk exposure information

Refer note 34.

South Australian Fire and Emergency Services Commission
Notes to and forming part of the financial statements
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24 Employee benefits

| | Consolidated | | SAFECOM Entity | |
|--------------------------------------------|---------------|---------------|----------------|--------------|
| | 2016 | 2015 | 2016 | 2015 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Current | | | | |
| Accrued salaries and wages | 876 | 3 630 | 96 | 52 |
| Annual leave | 11 335 | 10 608 | 661 | 615 |
| Skills and experience retention leave | 1 288 | 1 159 | 61 | 55 |
| Long service leave | 2 273 | 2 112 | 167 | 102 |
| Total current employee benefits | 15 772 | 17 509 | 987 | 824 |
| Non-current | | | | |
| Long service leave | 26 638 | 24 931 | 1 806 | 1 917 |
| Total non-current employee benefits | 26 638 | 24 931 | 1 806 | 1 917 |
| Total employee benefits | 42 410 | 42 440 | 2 793 | 2 741 |

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 Government bonds as the discount rate in the measurement of the long service leave liability. The yield on long-term Commonwealth Government bonds has decreased from 2015 (3.0%) to 2016 (2.0%).

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

The net financial effect of the changes in the current financial year is an increase in the long service leave liability of SAFECOM \$0.128 million, Consolidated \$1.974 million and employee benefits expense of SAFECOM \$0.128 million, Consolidated \$1.974 million.

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

South Australian Fire and Emergency Services Commission
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25 Provisions

| | Consolidated | | SAFECOM Entity | |
|-------------------------------------|---------------|---------------|----------------|-----------|
| | 2016 | 2015 | 2016 | 2015 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Current | | | | |
| Provision for workers compensation | 8 746 | 3 706 | 31 | 30 |
| Total current provisions | 8 746 | 3 706 | 31 | 30 |
| Non-current | | | | |
| Provision for workers compensation | 14 069 | 9 995 | 40 | 64 |
| Total non-current provisions | 14 069 | 9 995 | 40 | 64 |
| Total provisions | 22 815 | 13 701 | 71 | 94 |

Provision movement

| | | | | |
|-------------------------------------------------|---------------|---------------|-----------|-----------|
| Carrying amount at the beginning of the period | 13 701 | 13 929 | 94 | 166 |
| Additional provision recognised | 19 241 | 5 186 | (22) | (69) |
| Reductions arising from payments | (10 127) | (5 414) | (1) | (3) |
| Carrying amount at the end of the period | 22 815 | 13 701 | 71 | 94 |

SAFECOM has reported a liability to reflect unsettled workers compensation claims. The workers compensation provision is based on an actuarial assessment performed by the Office of the Public Sector (a division of the Department of the Premier and Cabinet).

Presumptive workers compensation coverage for firefighters for a range of cancers came into effect from 1 July 2013. The workers compensation provision as at 30 June 2016 is based on a valuation prepared by an actuary that assesses all known claims. While further firefighters may be eligible to make a claim, a reliable estimate of further liabilities cannot be presently made to satisfy the conditions for recognition of liabilities under accounting standards. A contingent liability disclosure has been made at note 29 to the financial statements. Consequently, there may be a significant increase in the workers compensation provision in future years as further claims are received and assessed.

26 Equity

| | Consolidated | | SAFECOM Entity | |
|---------------------------|----------------|----------------|----------------|--------------|
| | 2016 | 2015 | 2016 | 2015 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Retained earnings | 231 845 | 240 288 | 2 792 | 5 711 |
| Asset revaluation surplus | 64 846 | 64 846 | - | - |
| Total equity | 296 691 | 305 134 | 2 792 | 5 711 |

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

South Australian Fire and Emergency Services Commission
Notes to and forming part of the financial statements
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27 Cash flow reconciliation

| | Consolidated | | SAFECOM Entity | |
|------------------------------------------------------------------------------------------------------------------|------------------|------------------|-----------------|-----------------|
| | 2016 | 2015 | 2016 | 2015 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Reconciliation of cash and cash equivalents at the end of the reporting period: | | | | |
| Cash and cash equivalents disclosed in the Statement of Financial Position | 22 705 | 25 058 | 4 492 | 7 453 |
| Balance as per Statement of Cash Flows | 22 705 | 25 058 | 4 492 | 7 453 |
| Reconciliation of net cash provided by / (used in) operating activities to net cost of providing services | | | | |
| Net cash provided by / (used in) operating activities | 26 424 | 24 259 | (2 478) | (1 277) |
| Less revenues from SA Government | (240 084) | (226 333) | (12 897) | (11 514) |
| Add / less non-cash items | | | | |
| Depreciation and amortisation | (20 350) | (19 255) | (841) | (715) |
| Assets received free of charge | 20 | - | - | - |
| Net gain / (loss) from disposal of non-current assets | (183) | (482) | - | - |
| Movements in assets and liabilities | | | | |
| (Decrease) / increase in receivables | (1 223) | 852 | (190) | (569) |
| (Increase) / decrease in payables | (3 697) | (1 390) | 619 | (765) |
| (Increase) / decrease in employee benefits | (320) | (3 080) | (52) | (279) |
| (Increase) / decrease in provisions | (9 114) | 228 | 23 | 72 |
| Net cost of providing services | (248 527) | (225 211) | (15 816) | (15 047) |

28 Unrecognised contractual commitments

Operating lease commitments

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

| | Consolidated | | SAFECOM Entity | |
|---------------------------------------------------|--------------|--------------|----------------|------------|
| | 2016 | 2015 | 2016 | 2015 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Within one year | 3 216 | 3 184 | 429 | 411 |
| Later than one year but not later than five years | 3 416 | 5 312 | 191 | 545 |
| Later than five years | 528 | 1 071 | - | - |
| Total operating lease commitments | 7 160 | 9 567 | 620 | 956 |

These non-cancellable leases relate to vehicle and property leases, with rental payable monthly. Contingent rental provisions within the lease agreements require the minimum lease payments to be increased annually based on consumer price index movement.

South Australian Fire and Emergency Services Commission
Notes to and forming part of the financial statements
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28 Unrecognised contractual commitments (continued)

Capital commitments

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

| | Consolidated | | SAFECOM Entity | |
|---------------------------------------------------|--------------|--------------|----------------|------------|
| | 2016 | 2015 | 2016 | 2015 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Within one year | 7 025 | 8 274 | - | 125 |
| Later than one year but not later than five years | - | 1 585 | - | - |
| Total capital commitments | 7 025 | 9 859 | - | 125 |

These capital commitments are for property and vehicles.

Expenditure commitments

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

| | Consolidated | | SAFECOM Entity | |
|---------------------------------------------------|---------------|---------------|----------------|--------------|
| | 2016 | 2015 | 2016 | 2015 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Within one year | 8 290 | 7 523 | 1 327 | 1 030 |
| Later than one year but not later than five years | 8 687 | 13 278 | 2 471 | 658 |
| Total expenditure commitments | 16 977 | 20 801 | 3 798 | 1 688 |

Expenditure commitments relate to a range of general goods and services used in operational areas. These goods and services are contracted for at reporting date but not included as liabilities in the financial report.

29 Contingent assets and liabilities

Contingent assets

SAFECOM entity is not aware of any contingent assets.

SAFECOM consolidated

SACFS and SASES has previously reported that in 2009-10, prepayments were made for capital works projects of \$1 million for works that did not materialise and that recovery of the prepayments had been sought. Recovery of the amount is now no longer possible.

Contingent liabilities

SAFECOM entity is not aware of any contingent liabilities.

SAFECOM consolidated

Presumptive workers compensation coverage for firefighters for a range of cancers came into effect from 1 July 2013. The workers compensation provision as at 30 June 2016 recognises a liability for all known claims based on a valuation prepared by an actuary. Further firefighters may be eligible to make a claim, however, a reliable estimate of the liability relating to those potential claims cannot be presently made.

SAFECOM consolidated has several other contingent liabilities for SACFS in the form of unresolved litigation. However, the outcome cannot be reliably determined at this stage. In each case the financial exposure is limited to a \$10 000 excess under insurance arrangements.

South Australian Fire and Emergency Services Commission
Notes to and forming part of the financial statements
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30 Remuneration of board and committee members

Members of boards and committees during 2016 were:

**South Australian Fire and Emergency Services
Commission Board**

Andy Wood
 Ann De Piaz *
 Christopher Beattie *
 David Place * (retired 17 July 2015)
 Denise Keenan
 Dermot Barry *
 Greg Crossman *
 Gregory Nettleton *
 Greg Northcott
 Helen Chalmers
 Malcolm Jackman * (appointed 6 July 2015)
 Max Adlam
 Michael Morgan *
 Roger Flavell
 Susan Caracoussis
 Virginia Hickey
 Warren Hicks

**South Australian Fire and Emergency Services
Commission**

Audit and Risk Committee

Aaron Chia *
 Andrew Lawson * (retired 11 September 2015)
 Ann De Piaz * (retired 24 February 2016)
 David Carman * (retired 24 February 2016)
 Dermot Barry * (retired 24 February 2016)
 Helen Chalmers
 Roy Thompson * (retired 24 February 2016)
 Virginia Hickey

**South Australian Metropolitan Fire Service
Disciplinary Committee**

Brendan West *
 Charles Bailes
 Christopher Smith *
 Michael Vander-Jeugd *

State Bushfire Coordination Committee

Ann De Piaz *
 Bruce Hull
 Bryan Fahy *
 Chris Zarfiropoulos * (appointed 1 July 2015)
 Donald Gilbertson
 Fiona Dunstan *
 Franco Crisci *
 Glenn Benham *
 Graham Gates
 Grant Pelton *
 Gregory Nettleton *
 Gregory Saunder *
 Jacqueline Frizenchaf * (appointed 1 July 2015)
 James Crocker *
 Jayne Bates
 Jeffrey Wiseman *
 John Nairn *
 Joseph Keynes
 Justin Cook *
 Katherine Stanley-Murray
 Kylie Egan
 Maurice Roche
 Mark Langham * (appointed 1 July 2015)
 Mark Sutton *
 Naomi Rea (appointed 1 July 2015)
 Peter White
 Scott Thompson *
 Stephen Pascale *
 Suzanne Mickan
 Timothy Kelly (appointed 1 July 2015)
 Wayne Thorley
 William McIntosh
 William Zacharin * (appointed 1 July 2015)

South Australian Fire and Emergency Services Commission
Notes to and forming part of the financial statements
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30 Remuneration of board and committee members (continued)

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

| | Consolidated | | SAFECOM Entity | |
|---------------------|--------------|-----------|----------------|-----------|
| | 2016 | 2015 | 2016 | 2015 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Nil | 46 | 43 | 15 | 26 |
| \$1 - \$9 999 | 5 | 7 | 1 | 2 |
| \$10 000 - \$19 999 | - | 1 | - | 1 |
| \$20 000 - \$29 999 | 3 | 3 | 3 | 3 |
| \$30 000 - \$39 999 | 2 | 1 | 2 | 1 |
| Total | 56 | 55 | 21 | 33 |

Remuneration of members reflects all costs of performing board/committee member duties including sitting fees, superannuation contributions, salary sacrifice benefits and fringe benefits and any fringe benefits tax paid or payable in respect of those benefits. The total remuneration received or receivable by members was SAFECOM Consolidated \$153 100 (2015: \$143 400) and SAFECOM \$147 100 (2015: \$135 300).

*In accordance with the Premier and Cabinet's Circular Number 016, government employees did not receive any remuneration for board/committee duties during the financial year.

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

For the purposes of this table, travel allowances and other expenses paid to members have not been included as remuneration as it is considered to be reimbursement of direct out-of-pocket expenses incurred by relevant members.

31 Events after the reporting period

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

South Australian Fire and Emergency Services Commission
Notes to and forming part of the financial statements
for the year ended 30 June 2016

32 Transactions with SA Government – Consolidated

| | | SA Government | | Non-SA Government | | Total | |
|----------------------------------------------|------|----------------|----------------|-------------------|------------------|----------------|----------------|
| | Note | 2016 | 2015 | 2016 | 2015 | 2016 | 2015 |
| | | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Expenses | | | | | | | |
| Employee benefits expense | 5 | 26 809 | 14 378 | 136 800 | 129 814 | 163 609 | 144 192 |
| Supplies and services | 6 | | | | | | |
| Accommodation | | 350 | 320 | 74 | 90 | 424 | 410 |
| Aerial support costs | | 29 | 18 | 9 045 | 10 785 | 9 074 | 10 803 |
| Auditor's remuneration | | 202 | 189 | - | - | 202 | 189 |
| Communications | | 105 | 106 | 3 749 | 2 786 | 3 854 | 2 892 |
| Computing costs | | 991 | 889 | 2 653 | 2 384 | 3 644 | 3 273 |
| Consultancy, contractor and legal fees | | 560 | 651 | 3 987 | 3 851 | 4 547 | 4 502 |
| Consumables | | 213 | 255 | 2 765 | 3 072 | 2 978 | 3 327 |
| Energy | | 50 | 50 | 1 548 | 1 538 | 1 598 | 1 588 |
| Government radio network | | 14 649 | 14 292 | - | - | 14 649 | 14 292 |
| Insurance premiums | | 659 | 577 | 66 | 65 | 725 | 642 |
| Minor plant and equipment | | 5 | 1 | 2 963 | 2 342 | 2 968 | 2 343 |
| Operating lease costs | | 3 187 | 3 016 | 991 | 1 186 | 4 178 | 4 202 |
| Operational costs | | 68 | 88 | 1 972 | 2 756 | 2 040 | 2 844 |
| Repairs and maintenance | | 2 151 | 1 657 | 8 430 | 7 667 | 10 581 | 9 324 |
| Shared Services SA payments | | 1 597 | 1 547 | - | - | 1 597 | 1 547 |
| Travel and training | | 88 | 88 | 3 725 | 3 773 | 3 813 | 3 861 |
| Uniforms and protective clothing | | 1 | 1 | 3 892 | 3 297 | 3 893 | 3 298 |
| Other expenses | | 617 | 586 | 3 597 | 3 804 | 4 214 | 4 390 |
| Depreciation and amortisation expense | 7 | - | - | 20 350 | 19 255 | 20 350 | 19 255 |
| Grants and subsidies | 8 | 294 | 490 | 2 925 | 2 471 | 3 219 | 2 961 |
| Net loss from disposal of non-current assets | 9 | 29 | - | 154 | 482 | 183 | 482 |
| Total expenses | | 52 654 | 39 199 | 209 686 | 201 418 | 262 340 | 240 617 |
| Income | | | | | | | |
| Revenues from fees and charges | 10 | | | | | | |
| Fire alarm attendance fees | | 479 | 505 | 1 827 | 1 890 | 2 306 | 2 395 |
| Fire safety fees | | 18 | 17 | 435 | 465 | 453 | 482 |
| Fire alarm monitoring fees | | 271 | 246 | 2 034 | 1 959 | 2 305 | 2 205 |
| Incident cost recoveries | | 51 | 15 | 459 | 83 | 510 | 98 |
| Training and other recoveries | | 63 | 43 | 118 | 283 | 181 | 326 |
| Salary recovery prior year | | 692 | 635 | 45 | 11 | 737 | 646 |
| Other recoveries | | 9 | 1 | 7 | 13 | 16 | 14 |
| Grants and contributions | 11 | | | | | | |
| Commonwealth Government | | - | - | 5 196 | 4 829 | 5 198 | 4 829 |
| Private industry and local government | | - | - | 13 | 11 | 13 | 11 |
| State Government | | 244 | 924 | - | - | 244 | 924 |
| Interest revenues | 12 | 288 | 667 | - | - | 288 | 667 |
| Resources received free of charge | 13 | - | - | 20 | - | 20 | - |
| Other income | 14 | | | | | | |
| Donations | | - | - | 1 | 1 | 1 | 1 |
| Groups/Brigades/Units fundraising | | - | - | 221 | 775 | 221 | 775 |
| Rent received | | - | 500 | 467 | 608 | 467 | 1 108 |
| Insurance recoveries | | 116 | 268 | 63 | 6 | 179 | 274 |
| Other | | 193 | 95 | 481 | 556 | 674 | 651 |
| Revenues from SA Government | 15 | | | | | | |
| Revenues from SA Government | | 240 084 | 226 333 | - | - | 240 084 | 226 333 |
| Total income | | 242 508 | 230 249 | 11 389 | 11 490 | 253 897 | 241 739 |
| Net result | | 189 854 | 191 050 | (198 297) | (189 928) | (8 443) | 1 122 |

South Australian Fire and Emergency Services Commission
Notes to and forming part of the financial statements
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32 Transactions with SA Government - Consolidated (continued)

| | Note | SA Government | | Non-SA Government | | Total | |
|------------------------------------|------|----------------|----------------|-------------------|----------------|----------------|----------------|
| | | 2016 \$'000 | 2015 \$'000 | 2016 \$'000 | 2015 \$'000 | 2016 \$'000 | 2015 \$'000 |
| Financial assets | | | | | | | |
| Receivables | 17 | | | | | | |
| Receivables | | 194 | 952 | 1 367 | 3 246 | 1 561 | 4 198 |
| Less: Allowance for doubtful debts | | - | - | (102) | (50) | (102) | (50) |
| Accrued revenues | | 31 | 44 | 25 | 78 | 56 | 122 |
| GST input tax recoverable | | - | - | 2 171 | 2 425 | 2 171 | 2 425 |
| Other financial assets | 18 | - | - | 2 657 | 2 548 | 2 657 | 2 548 |
| Total financial assets | | 225 | 996 | 6 118 | 8 247 | 6 343 | 9 243 |
| Financial liabilities | | | | | | | |
| Payables | 23 | | | | | | |
| Creditors | | 1 289 | 912 | 5 619 | 3 438 | 6 908 | 4 350 |
| Accrued expenses | | 2 165 | 1 558 | 693 | 2 531 | 2 858 | 4 089 |
| Paid parental leave scheme payable | | - | - | 3 | 6 | 3 | 6 |
| Employment on-costs | | 2 955 | 2 750 | 3 290 | 2 666 | 6 245 | 5 416 |
| Total financial liabilities | | 6 409 | 5 220 | 9 605 | 8 641 | 16 014 | 13 861 |

Transactions with SA Government - SAFECOM

| | Note | SA Government | | Non-SA Government | | Total | |
|----------------------------------------|------|----------------|----------------|-------------------|----------------|----------------|----------------|
| | | 2016 \$'000 | 2015 \$'000 | 2016 \$'000 | 2015 \$'000 | 2016 \$'000 | 2015 \$'000 |
| Expenses | | | | | | | |
| Employee benefits expense | 5 | 392 | 313 | 7 617 | 7 627 | 8 009 | 7 940 |
| Supplies and services | 6 | | | | | | |
| Accommodation | | - | 1 | - | - | - | 1 |
| Auditor's remuneration | | 117 | 102 | - | - | 117 | 102 |
| Communications | | 37 | 40 | 1 904 | 1 009 | 1 941 | 1 049 |
| Computing costs | | 169 | 179 | 651 | 443 | 820 | 622 |
| Consultancy, contractor and legal fees | | 291 | 361 | 564 | 659 | 855 | 1 020 |
| Consumables | | 12 | 13 | 36 | 37 | 48 | 50 |
| Energy | | 9 | 6 | - | 2 | 9 | 8 |
| Insurance premiums | | 9 | 7 | - | - | 9 | 7 |
| Minor plant and equipment | | - | - | 1 | 2 | 1 | 2 |
| Operating lease costs | | 411 | 481 | 5 | 71 | 416 | 552 |
| Operational costs | | - | 1 | 14 | 12 | 14 | 13 |
| Repairs and maintenance | | 79 | 90 | 11 | 142 | 90 | 232 |
| Shared Services SA payments | | 1 597 | 1 546 | - | - | 1 597 | 1 546 |
| Travel and training | | 5 | 1 | 134 | 208 | 139 | 209 |
| Other expenses | | 8 | 5 | 765 | 977 | 773 | 982 |
| Depreciation and amortisation expense | 7 | - | - | 841 | 715 | 841 | 715 |
| Grants and subsidies | 8 | 920 | 779 | 2 109 | 1 639 | 3 029 | 2 418 |
| Total expenses | | 4 056 | 3 925 | 14 652 | 13 543 | 18 708 | 17 468 |

South Australian Fire and Emergency Services Commission
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32 Transactions with SA Government – SAFECOM (continued)

| | Note | SA Government | | Non-SA Government | | Total | |
|------------------------------------|------|---------------|---------------|-------------------|-----------------|----------------|----------------|
| | | 2016 | 2015 | 2016 | 2015 | 2016 | 2015 |
| | | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Income | | | | | | | |
| Revenues from fees and charges | 10 | | | | | | |
| Salary recovery prior year | | 679 | 635 | - | 1 | 679 | 636 |
| Other recoveries | | 29 | - | - | - | 29 | - |
| Grants and contributions | 11 | | | | | | |
| Commonwealth Government | | - | - | 2 088 | 1 514 | 2 088 | 1 514 |
| Interest revenues | 12 | 53 | 190 | - | - | 53 | 190 |
| Other income | 14 | | | | | | |
| Other | | - | 61 | 43 | 20 | 43 | 81 |
| Revenues from SA Government | 15 | | | | | | |
| Revenues from SA Government | | 12 897 | 11 514 | - | - | 12 897 | 11 514 |
| Total income | | 13 658 | 12 400 | 2 131 | 1 535 | 15 789 | 13 935 |
| Net result | | 9 602 | 8 475 | (12 521) | (12 008) | (2 919) | (3 533) |
| Financial assets | | | | | | | |
| Receivables | 17 | | | | | | |
| Receivables | | 29 | 59 | - | 122 | 29 | 181 |
| Accrued revenues | | 5 | 12 | - | 1 | 5 | 13 |
| GST input tax recoverable | | - | - | 405 | 435 | 405 | 435 |
| Total financial assets | | 34 | 71 | 405 | 558 | 439 | 629 |
| Financial liabilities | | | | | | | |
| Payables | 23 | | | | | | |
| Creditors | | 63 | 369 | 532 | 604 | 595 | 973 |
| Accrued expenses | | 275 | 587 | 208 | 304 | 483 | 891 |
| Employment on-costs | | 172 | 167 | 173 | 153 | 345 | 320 |
| Total financial liabilities | | 510 | 1 123 | 913 | 1 061 | 1 423 | 2 184 |

South Australian Fire and Emergency Services Commission
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33 Budgetary reporting and explanations of major variances between budget and actual amounts

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 the original budgeted total expenses.

| | Note | SAFECOM | | |
|--------------------------------------------------------|------|---------------------------------|------------------|----------------|
| | | Original Budget ¹ | Entity Actual | Variance |
| | | 2016 \$'000 | 2016 \$'000 | 2016 \$'000 |
| Statement of Comprehensive Income | | | | |
| Expenses | | | | |
| Employee benefits | (a) | 6 605 | 8 009 | 1 404 |
| Supplies and services | (b) | 11 800 | 6 829 | (4 971) |
| Depreciation and amortisation | | 867 | 841 | (26) |
| Grants and subsidies | | 3 190 | 3 029 | (161) |
| Total Expenses | | 22 462 | 18 708 | (3 754) |
| Income | | | | |
| Fees and charges | | 604 | 708 | 104 |
| Grants and contributions | (c) | 4 176 | 2 088 | (2 088) |
| Interest | | 24 | 53 | 29 |
| Other | | 134 | 43 | (91) |
| Total Income | | 4 938 | 2 892 | (2 046) |
| Net cost of providing services | | 17 524 | 15 816 | (1 708) |
| Revenues from / (payments to) SA Government | | | | |
| Revenues from SA Government | (d) | 14 399 | 12 897 | (1 502) |
| Net Revenues from / (payments to) SA Government | | 14 399 | 12 897 | (1 502) |
| Net result | | (3 125) | (2 919) | 206 |
| Total comprehensive result | | (3 125) | (2 919) | 206 |

¹ The budget process is not subject to audit. Budget information refers to the amounts presented to Parliament in the original budget financial statements in respect of the reporting period (2015-16 Budget Paper 4). These original budget 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.

- (a) Employee benefits was higher than the original budget primarily due to contract and grant funded positions.
- (b) The original supplies and services budget included budget initiatives relating to the Emergency Services Organisations which were subsequently transferred to the respective agencies during the financial year.
- (c) The original budget for grants and contributions income was subsequently updated for the actual funding under the 2013-15 National Partnership Agreement on Natural Disaster Resilience.
- (d) Revenues from SA Government were lower than the original budget mainly due to the transfer of budget initiative funding to the Emergency Services Organisations. This was partly offset by an unbudgeted cash injection from the Department of Treasury and Finance.

South Australian Fire and Emergency Services Commission
Notes to and forming part of the financial statements
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33 Budgetary reporting and explanations of major variances between budget and actual amounts (continued)

| | Original Budget ¹ 2016 \$'000 | Actual 2016 \$'000 | Variance 2016 \$'000 |
|--------------------------------------|---------------------------------------------------|--------------------------|----------------------------|
| Note | | | |
| Investing Expenditure Summary | | | |
| Total existing projects | - | 279 | 279 |
| Total annual programs | - | 62 | 62 |
| Total investing expenditure | - | 341 | 341 |

¹ The budget process is not subject to audit. Budget information refers to the amounts presented to Parliament in the original budget financial statements in respect of the reporting period (2015-16 Budget Paper 4). These amounts have not been adjusted to reflect revised budgets.

34 Financial risk management/financial instruments

34.1 Financial risk management

Risk management is managed by SAFECOM corporate services section and departmental risk management policies are in accordance with the *Risk Management Policy Statement* issued by the Premier and Treasurer and the principles established in the Australian Standard *Risk Management Principles and Guidelines*.

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

34.2 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.

Refer note 34.3 for the carrying amounts of each of the following categories of financial assets and liabilities: Held-to-maturity investments; receivables and payables measured at cost.

SAFECOM does not recognise any financial assets or financial liabilities at fair value, but does disclose fair value in the notes. All of the resulting fair value estimates are included in level 2 as all significant inputs required are observable.

- The carrying value less impairment provisions of receivables and payables is a reasonable approximation of their fair values due to the short-term nature of these (refer notes 2, 17 and 23).
- Held-to-maturity investments are initially recognised at fair value, then subsequently held at amortised cost. This is the most representative of fair value in the circumstances (refer notes 2 and 18).

34.3 Liquidity risk

Liquidity risk arises from the possibility that SAFECOM is unable to meet its financial obligations as they fall due. SAFECOM is funded principally from the Fund. SAFECOM 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.

SAFECOM 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.

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

The carrying amount recorded in table 34.3 represent SAFECOM's maximum exposure.

South Australian Fire and Emergency Services Commission
Notes to and forming part of the financial statements
for the year ended 30 June 2016

34 Financial risk management/financial instruments (continued)

The following table discloses the carrying amount of each category of financial instrument held by SAFECOM including the contractual maturity analysis for financial assets and liabilities (i.e. liquidity risk).

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates.

Table 34.3 **Categorisation and maturity analysis of financial assets and liabilities**

| Category of financial asset and financial liability | Notes | 2016 Carrying amount / fair value \$'000 | 2016 Contractual Maturities Consolidated | | 2016 Carrying amount / fair value \$'000 | 2016 Contractual Maturities SAFECOM Entity | |
|-----------------------------------------------------|-------|------------------------------------------|------------------------------------------|--------------------------|------------------------------------------|--------------------------------------------|--------------------------|
| | | | Current \$'000 | More than 5 years \$'000 | | < 1 year \$'000 | More than 5 years \$'000 |
| Financial assets | | | | | | | |
| Cash and cash equivalents | 16 | 22 705 | 22 705 | - | 4 492 | 4 492 | - |
| Receivables ⁽¹⁾⁽²⁾ | 17 | 1 486 | 1 486 | - | 34 | 34 | - |
| Other financial assets | 18 | 2 657 | 2 657 | - | - | - | - |
| Total financial assets | | 26 848 | 26 848 | - | 4 526 | 4 526 | - |
| Financial liabilities | | | | | | | |
| Payables ⁽¹⁾ | 23 | 9 132 | 9 126 | 6 | 955 | 955 | - |
| Total financial liabilities | | 9 132 | 9 126 | 6 | 955 | 955 | - |

| Category of financial asset and financial liability | Notes | 2015 Carrying amount / fair value \$'000 | 2015 Contractual Maturities Consolidated | | 2015 Carrying amount / fair value \$'000 | 2015 Contractual Maturities SAFECOM Entity | |
|-----------------------------------------------------|-------|------------------------------------------|------------------------------------------|--------------------------|------------------------------------------|--------------------------------------------|--------------------------|
| | | | Current \$'000 | More than 5 years \$'000 | | < 1 year \$'000 | More than 5 years \$'000 |
| Financial assets | | | | | | | |
| Cash and cash equivalents | 16 | 25 058 | 25 058 | - | 7 453 | 7 453 | - |
| Receivables ⁽¹⁾⁽²⁾ | 17 | 4 291 | 4 291 | - | 191 | 191 | - |
| Other financial assets | 18 | 2 548 | 2 548 | - | - | - | - |
| Total financial assets | | 31 897 | 31 897 | - | 7 644 | 7 644 | - |
| Financial liabilities | | | | | | | |
| Payables ⁽¹⁾ | 23 | 8 254 | 8 249 | 5 | 1 761 | 1 761 | - |
| Total financial liabilities | | 8 254 | 8 249 | 5 | 1 761 | 1 761 | - |

South Australian Fire and Emergency Services Commission
Notes to and forming part of the financial statements
for the year ended 30 June 2016

34 Financial risk management/financial instruments (continued)

¹ Receivable and payable amounts disclosed here exclude amounts relating to statutory receivables and payables (e.g. Commonwealth, State and Local Government taxes, fees and charges; Auditor-General's Department audit fees). In government, certain rights to receive or pay cash may not be contractual and therefore in these situations, the requirements will not apply. Where rights or obligations have their source in legislation such as levies, tax and equivalents etc they would be excluded from the disclosure. The standard defines contract as enforceable by law. All amounts recorded are carried at cost.

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

34.4 Credit risk

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

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

Allowances for impairment of financial assets are calculated on past experience and current and expected changes in credit rating. Other than receivables, there is no evidence to indicate that financial assets are impaired. Refer note 17 for information on the allowance for impairment in relation to receivables.

The carrying amount of financial assets as detailed in note 34.3 represents SAFECOM's maximum exposure to credit risk.

Table 34.4 Ageing analysis of financial assets

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

| | Consolidated | | | | | SAFECOM Entity | | | | |
|----------------------------|---------------------------|--------------------------------|---------------------------------|--------------------------------|--------|---------------------------|--------------------------------|---------------------------------|--------------------------------|--------|
| | Current Not overdue | Overdue for < 30 days | Overdue for 30-60 days | Overdue for > 60 days | Total | Current Not overdue | Overdue for < 30 days | Overdue for 30-60 days | Overdue for > 60 days | Total |
| 2016 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Not impaired | | | | | | | | | | |
| Receivables ⁽¹⁾ | 479 | 637 | 35 | 233 | 1 384 | 34 | - | - | - | 34 |
| Other financial assets | 2 657 | - | - | - | 2 657 | - | - | - | - | - |
| Impaired | | | | | | | | | | |
| Receivables ⁽¹⁾ | - | - | - | 102 | 102 | - | - | - | - | - |
| 2015 | | | | | | | | | | |
| Not impaired | | | | | | | | | | |
| Receivables ⁽¹⁾ | 3 950 | 118 | 34 | 139 | 4 241 | 191 | - | - | - | 191 |
| Other financial assets | 2 548 | - | - | - | 2 548 | - | - | - | - | - |
| Impaired | | | | | | | | | | |
| Receivables ⁽¹⁾ | - | - | - | 50 | 50 | - | - | - | - | - |

South Australian Fire and Emergency Services Commission
Notes to and forming part of the financial statements
for the year ended 30 June 2016

34 Financial risk management/financial instruments (continued)

[†] The receivable amounts disclosed here exclude amounts relating to statutory receivables (amounts owing from Government taxes). They are carried at cost.

34.5 Market risk

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

SAFECOM does not trade in foreign currency, enter into transactions for speculative purposes, nor for hedging. SAFECOM 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*.

Sensitivity disclosure analysis

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

35 Trust funds

| | Consolidated | | SAFECOM Entity | |
|--------------------------|--------------|------------|----------------|----------|
| | 2016 | 2015 | 2016 | 2015 |
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Cash at bank | 350 | 337 | - | - |
| Total trust funds | 350 | 337 | - | - |

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. SASES will administer these funds until they are fully expended. In 2015-16, total income earned by the Council was \$0.058m and expenses incurred totalled \$0.030m.

Community Emergency Services Fund

Annual Financial Statements

For the year ended 30 June 2016

Community Emergency Services Fund
Statement of Administered Comprehensive Income
for the year ended 30 June 2016

| | Note | 2016 \$'000 | 2015 \$'000 |
|-----------------------------------------------------|------|----------------|----------------|
| Administered expenses | | | |
| Contributions to SA Government administrative units | A 3 | 264 477 | 250 407 |
| Grants and subsidies | A 4 | 2 674 | 2 237 |
| Other | A 5 | 9 258 | 8 769 |
| Total administered expenses | | 276 409 | 261 413 |
| Administered income | | | |
| Levy sources | A 6 | 277 975 | 263 342 |
| Fees and charges | A 7 | 442 | 438 |
| Interest | A 8 | 1 308 | 1 594 |
| Total administered income | | 279 725 | 265 374 |
| Net result | | 3 316 | 3 961 |
| Total comprehensive result | | 3 316 | 3 961 |

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

Community Emergency Services Fund
Statement of Administered Financial Position
as at 30 June 2016

| | Note | 2016 \$'000 | 2015 \$'000 |
|-----------------------------------------|-------------|------------------------|------------------------|
| Administered current assets | | | |
| Cash and cash equivalents | A 9 | 34 518 | 6 571 |
| Receivables | A 10 | 1 625 | 2 260 |
| Total current assets | | 36 143 | 8 831 |
| Administered current liabilities | | | |
| Payables | A 11 | 25 278 | 1 282 |
| Total current liabilities | | 25 278 | 1 282 |
| Net assets | | 10 865 | 7 549 |
| Administered equity | | | |
| Retained earnings | A 12 | 10 865 | 7 549 |
| Total equity | | 10 865 | 7 549 |

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

| | |
|--------------------------------------|------|
| Unrecognised contractual commitments | A 14 |
| Contingent assets and liabilities | A 15 |

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

Community Emergency Services Fund
Statement of Administered Changes in Equity
for the year ended 30 June 2016

| | Note | Retained Earnings \$'000 | Total \$'000 |
|----------------------------------------|------|--------------------------------|-----------------|
| Balance at 30 June 2014 | | 3 588 | 3 588 |
| Net result for 2014-15 | | 3 961 | 3 961 |
| Total comprehensive result for 2014-15 | | <u>3 961</u> | <u>3 961</u> |
| Balance at 30 June 2015 | A 12 | <u>7 549</u> | <u>7 549</u> |
| Net result for 2015-16 | | 3 316 | 3 316 |
| Total comprehensive result for 2015-16 | | <u>3 316</u> | <u>3 316</u> |
| Balance at 30 June 2016 | A 12 | <u>10 865</u> | <u>10 865</u> |

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

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

Community Emergency Services Fund
Statement of Administered Cash Flows
for the year ended 30 June 2016

| | | 2016 | 2015 |
|---------------------------------------------------------------------|------|------------------|------------------|
| | Note | \$'000 | \$'000 |
| Cash flows from operating activities | | | |
| Cash outflows | | | |
| Payments to SA Government administrative units | | (240 519) | (274 552) |
| Payments of grants and subsidies | | (2 712) | (2 383) |
| Other payments | | (9 182) | (8 908) |
| Cash used in operations | | (252 413) | (285 843) |
| Cash inflows | | | |
| Receipts from levy sources | | 278 622 | 264 955 |
| Fees and charges | | 444 | 435 |
| Interest received | | 1 294 | 1 601 |
| Cash generated from operations | | 280 360 | 266 991 |
| Net cash provided by / (used in) operating activities | A 13 | 27 947 | (18 852) |
| Net increase / (decrease) in cash and cash equivalents | | 27 947 | (18 852) |
| Cash and cash equivalents at the beginning of the reporting period | | 6 571 | 25 423 |
| Cash and cash equivalents at the end of the reporting period | A 9 | 34 518 | 6 571 |

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

Community Emergency Services Fund
Notes to and forming part of the administered statements
For the year ended 30 June 2016

A 1 Establishment, objectives and funding arrangements

Establishment

The Community Emergency Services Fund (CESF) is established pursuant to the *Emergency Services Funding Act 1988* (the Act).

Objectives

CESF is the primary source of funding for the State Government's key emergency services agencies: the SA Metropolitan Fire Service, SA Country Fire Service, SA State Emergency Service and SA Fire and Emergency Services Commission. CESF also provides funding to other State Government agencies and Non-Government Organisations for the provision of emergency services and its related activities, and collection and administration costs, as allowed under section 28(4) the Act.

Funding arrangements

Under section 28(3) the Act, funds collected through the Emergency Services Levy (fixed and mobile property) for both private and Government property owners, Government contributions for concessions and remissions to property owners and interest earned on cash balances are paid into CESF. The administration, collection and policy-setting of the Emergency Service Levy falls within the portfolio responsibilities of the Treasurer.

A 2 Summary of significant accounting policies

In general, CESF adopts the accounting policies of SAFECOM, as detailed in Note 2 of SAFECOM's Financial Statements. Deviations from these policies are as follows:

Payments to SA Government administrative units:

All payments to SA Government administrative units are only recognised upon certainty of payment. Recognition of accrual payments, based upon budgeted claims or requested payments are not recognised until approved and payment is certain.

A 3 Contributions to SA Government administrative units

| | 2016 | 2015 |
|------------------------------------------------------------------|----------------|----------------|
| | \$'000 | \$'000 |
| South Australian Fire and Emergency Services Commission | 10 795 | 11 487 |
| South Australian State Emergency Service | 16 290 | 14 794 |
| South Australian Country Fire Service | 74 389 | 74 279 |
| South Australian Metropolitan Fire Service | 136 443 | 123 845 |
| South Australian Police | 20 563 | 20 061 |
| South Australian Police - Government radio network | 704 | 687 |
| Attorney-General's Department - State Rescue Helicopter Service | 654 | 638 |
| South Australian Ambulance Service | 1 104 | 1 077 |
| South Australian Ambulance Service - Government radio network | 214 | 209 |
| Department of Environment, Water and Natural Resources | 3 321 | 3 330 |
| Total contributions to SA Government administrative units | 264 477 | 250 407 |

Community Emergency Services Fund
Notes to and forming part of the administered statements
For the year ended 30 June 2016

A 4 Grants and subsidies

| | 2016 | 2015 |
|-----------------------------------|--------------|--------------|
| | \$'000 | \$'000 |
| Surf Life Saving South Australia | 1 202 | 983 |
| Volunteer Marine Rescue | 1 158 | 886 |
| Shark Beach Patrol | 314 | 368 |
| Total grants and subsidies | 2 674 | 2 237 |

A 5 Other expenses

| | 2016 | 2015 |
|-------------------------------------------------------------------------|--------------|--------------|
| | \$'000 | \$'000 |
| Revenue SA - collection costs | 6 342 | 6 187 |
| Department of Planning, Transport and Infrastructure - collection costs | 1 023 | 995 |
| Fixed property refunds | 1 287 | 995 |
| Administration costs | 606 | 592 |
| Total other expenses | 9 258 | 8 769 |

A 6 Revenues from levy sources

| | 2016 | 2015 |
|-----------------------------------------|----------------|----------------|
| | \$'000 | \$'000 |
| Fixed property collections | 199 281 | 191 494 |
| Fixed property remissions | 26 484 | 19 955 |
| Mobile collections | 42 639 | 41 467 |
| Mobile remissions | 3 123 | 3 868 |
| Government concessions | 6 448 | 6 558 |
| Total revenues from levy sources | 277 975 | 263 342 |

A 7 Revenues from fees and charges

| | 2016 | 2015 |
|--------------------------------------------------------------------|------------|------------|
| | \$'000 | \$'000 |
| Certificate sales and from other entities within the SA Government | 442 | 438 |
| Total revenue from fees and charges | 442 | 438 |

A 8 Interest revenues

| | 2016 | 2015 |
|-----------------------------------------------------------------------|--------------|--------------|
| | \$'000 | \$'000 |
| Interest on deposit accounts - from entities within the SA Government | 1 308 | 1 594 |
| Total interest revenues | 1 308 | 1 594 |

Community Emergency Services Fund
Notes to and forming part of the administered statements
For the year ended 30 June 2016

A 9 Cash and cash equivalents

| | 2016 | 2015 |
|----------------------------------------|---------------|--------------|
| | \$'000 | \$'000 |
| Deposits with the Treasurer | 34 518 | 6 571 |
| Total cash and cash equivalents | 34 518 | 6 571 |

Interest Rate Risk

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

A 10 Receivables

| | 2016 | 2015 |
|----------------------------------------------------|--------------|--------------|
| | \$'000 | \$'000 |
| Current | | |
| Receivables from entities within the SA Government | 1 625 | 2 260 |
| Total cash and cash equivalents | 1 625 | 2 260 |

All receivable amounts disclosed above are expected to be recovered within 12 months after reporting date.

Interest rate and credit risk

Receivables are raised for all goods and services provided for which payment has not been received. Receivables are normally settled within 30 days. Receivables, prepayments and accrued revenues are non-interest bearing. Other than as recognised in the allowance for doubtful debts, it is not anticipated counterparties will fail to discharge their obligations. The carrying amount of receivables approximates net fair value due to being receivable on demand. There is no concentration of credit risk.

Maturity analysis of receivables and categorisation of financial instruments and risk exposure information

Refer to Note A18

A 11 Payables

| | 2016 | 2015 |
|-------------------------------|---------------|--------------|
| | \$'000 | \$'000 |
| Current | | |
| Accrued expenses | 21 267 | 652 |
| Creditors | 4 011 | 630 |
| Total current payables | 25 278 | 1 282 |

Interest rate and credit risk

Creditors and accruals are raised for all amounts billed but unpaid. Sundry creditors are normally settled within 30 days. All payables are non-interest bearing. The carrying amount of payables represents fair value due to amounts being payable on demand.

Maturity analysis of receivables and categorisation of financial statements and risk exposure information

Refer to Note A18

Community Emergency Services Fund
Notes to and forming part of the administered statements
For the year ended 30 June 2016

A 12 Administered Equity

| | 2016 | 2015 |
|---------------------|---------------|--------------|
| | \$'000 | \$'000 |
| Accumulated surplus | 10 865 | 7 549 |
| Total equity | 10 865 | 7 549 |

A 13 Cash flow reconciliation

| | 2016 | 2015 |
|------------------------------------------------------------------------------------------------------------------|--------------|--------------|
| | \$'000 | \$'000 |
| Reconciliation of cash and cash equivalents at the end of the reporting period: | | |
| Cash and cash equivalents disclosed in the Statement of Administered Financial Position | 34 518 | 6 571 |
| Balance as per the Statement of Administered Cash Flows | 34 518 | 6 571 |
| Reconciliation of net cash provided by / (used in) operating activities to net cost of providing services | | |
| Net cash provided by/(used in) operating activities | 27 947 | (18 852) |
| Movements in assets and liabilities | | |
| (Decrease) in receivables | (635) | (1 617) |
| (Increase) / decrease in payables | (23 996) | 24 430 |
| Net cost of providing services | 3 316 | 3 961 |

A 14 Unrecognised contractual commitments

CESF has no unrecognised contractual commitments at reporting date.

A 15 Contingent assets and liabilities

CESF is not aware of any contingent assets or contingent liabilities.

A 16 Events after the reporting period

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

Community Emergency Services Fund
Notes to and forming part of the administered statements
For the year ended 30 June 2016

A 17 Budgetary reporting and explanations of major variances between budget and actual amounts

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

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

| | Original Budget ¹ 2016 \$'000 | Actual 2016 \$'000 | Variance \$'000 |
|-----------------------------------------------------|---------------------------------------------------|--------------------------|--------------------|
| Statement of Comprehensive Income | | | |
| Expenses | | | |
| Contributions to SA Government administrative units | 263 826 | 264 477 | 651 |
| Grants and subsidies | 5 817 | 2 674 | (3 143) |
| Other | 8 571 | 9 258 | 687 |
| Total administered expenses | 278 214 | 276 409 | (1,805) |
| Income | | | |
| Levy sources | 283 816 | 277 975 | (5 841) |
| Fees and charges | 421 | 442 | 21 |
| Interest | 1 500 | 1 308 | (192) |
| Total administered income | 285 737 | 279 725 | (6,012) |
| Net result | 7 523 | 3 316 | (4 207) |
| Total comprehensive result | 7 523 | 3 316 | (4 207) |

¹ The budget process is not subject to audit. Budget information refers to the amounts presented to Parliament in the original budget financial statements in respect of the reporting period (2015-16 Budget Paper 4). These original budget 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.

There were no variances where the variance exceeds the greater of 10% of the original budget amount and 5% of original budgeted total expenses.

A 18 Financial risk management/financial instruments

A 18.1 Financial risk management

Risk management is managed by SAFECOM corporate services section and the departmental risk management policies are in accordance with the *Risk Management Policy Statement* issued by the Premier and Treasurer and the principles established in the Australian Standard *Risk Management Principles and Guidelines*.

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

A 18.2 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 A 2.

Community Emergency Services Fund
Notes to and forming part of the administered statements
For the year ended 30 June 2016

A 18.2 Categorisation of financial instruments (continued)

Refer note 18.3 for the carrying amounts of each of the following categories of financial assets and liabilities: receivables and payables held at cost.

CESF does not recognise any financial assets or financial liabilities at fair value, but does disclose fair value in the notes. All of the resulting fair value estimates are included in level 2 as all significant inputs required are observable.

- The carry value less impairment provisions of receivables and payables is a reasonable approximation of their fair values due to the short-term nature of these (refer Notes A 2, A 10 and A 11).

A 18.3 Liquidity risk

CESF is funded principally from Emergency Services Levy contributions, government concessions and remissions, and interest. The payments from CESF are approved by the Economic and Finance Committee, pursuant to the Act, and endorsed by the Minister for Emergency Services. CESF is an Administered item and cash flows associated with its approved payments and budgeted receipts, as set by the Department of Treasury and Finance, are done to ensure funding is provided through the SA Government budgetary processes to meet the expected cash flows.

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

The carrying amount recorded in table A 18.3 represents CESF's maximum exposure. The table discloses the carrying amount of each category of financial instrument held by CESF including the contractual maturity analysis for financial assets and liabilities (i.e. liquidity risk). Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may differ from that disclosed. The timing of cash flows presents in the table to settle financial liabilities reflects the earliest contractual settlement dates.

Table 18.3 Categorisation and maturity analysis of financial assets and liabilities

| Category of financial asset and financial liability | Notes | 2016 Carrying amount/fair value \$'000 | 2016 Contractual maturities | | | |
|-----------------------------------------------------|-------|----------------------------------------------------|-----------------------------|----------------------------|---------------------|--------------------------------|
| | | | Current \$'000 | Within 1 year \$'000 | 1-5 years \$'000 | More than 5 years \$'000 |
| Financial assets | | | | | | |
| Cash and cash equivalents | A 9 | 34 518 | 34 518 | - | - | - |
| Receivables ⁽¹⁾⁽²⁾ | A 10 | 1 625 | 1 625 | - | - | - |
| Total financial assets | | 36 143 | 36 143 | - | - | - |
| Financial liabilities | | | | | | |
| Payables ⁽¹⁾ | A 11 | 25 278 | 25 278 | - | - | - |
| Total financial liabilities | | 25 278 | 25 278 | - | - | - |
| Category of financial asset and financial liability | Notes | 2015 Carrying amount/fair value \$'000 | 2015 Contractual maturities | | | |
| | | | Current \$'000 | Within 1 year \$'000 | 1-5 years \$'000 | More than 5 years \$'000 |
| Financial assets | | | | | | |
| Cash and cash equivalents | A 9 | 6 571 | 6 571 | - | - | - |
| Receivables ⁽¹⁾⁽²⁾ | A 10 | 2 260 | 2 260 | - | - | - |
| Total financial assets | | 8 831 | 8 831 | - | - | - |
| Financial liabilities | | | | | | |
| Payables ⁽¹⁾ | A 11 | 1 282 | 1 282 | - | - | - |
| Total financial liabilities | | 1 282 | 1 282 | - | - | - |

⁽¹⁾ Receivable and payable amounts disclosed here exclude amounts relating to statutory receivables and payables (e.g. Commonwealth, State and Local Government taxes, fees and charges; Auditor-General's Department audit fees).

Community Emergency Services Fund
Notes to and forming part of the administered statements
For the year ended 30 June 2016

A 18.3 Liquidity risk (continued)

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

⁽²⁾ Receivables amount disclosed here excludes prepayments. Prepayments are presented in A 10 as trade and other receivables in accordance with paragraph 78(b) of AASB 101. However, prepayments are not financial assets as defined in AASB 132 as the future economic benefit of these assets is the receipt of goods and services rather than the right to receive cash or another financial asset.

A 18.4 Credit risk

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

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

Allowances for impairment of financial assets are calculated on past experience and current and expected changes in client credit rating. At reporting date, there is no evidence to indicate that any of the financial assets are impaired.

The carrying amount of financial assets as detailed in Note A 18.3 represents CESF's maximum exposure to credit risk.

Table A 18.4 Ageing analysis of financial assets

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

| | Not past due and not impaired \$'000 | Past due but not impaired | | | Impaired financial assets \$'000 |
|----------------------------|-----------------------------------------|-----------------------------------------|----------------------------------|-----------------------------------------|-------------------------------------|
| | | Overdue for less than 30 days \$'000 | Overdue for 30-60 days \$'000 | Overdue for more than 60 days \$'000 | |
| 2016 | | | | | |
| Receivables ⁽¹⁾ | 1 625 | - | - | - | - |
| 2015 | | | | | |
| Receivables ⁽¹⁾ | 2 260 | - | - | - | - |

⁽¹⁾ Receivable amounts disclosed here exclude amounts relating to statutory receivables (amounts owing to government). They are carried at cost.

A 18.5 Market Risk

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

CESF does not trade in foreign currency, enter into transactions for speculative purposes, nor for hedging. CESF 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*.

Sensitivity disclosure analysis

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

Community Emergency Services Fund
Notes to and forming part of the administered statements
For the year ended 30 June 2016

A 19 Remuneration of board and committee members

CESF does not have any board or committee members.

Appendix 2

SAFECOM Workforce Statistics

Employee Numbers, Gender and Status

Employee Numbers

| Total Number of Employees | Consolidated | SAFECOM Entity |
|---------------------------|--------------|----------------|
| Persons | 1427 | 72 |
| FTEs | 1215 | 70 |

Employee Gender

| | Consolidated | | SAFECOM Entity | |
|--------|--------------|--------|----------------|--------|
| | % Persons | % FTEs | % Persons | % FTEs |
| Male | 87.04% | 86.83% | 38.89% | 40.00% |
| Female | 12.96% | 13.25% | 61.11% | 60.00% |

Employee Turnover

| Number of Persons During the 2014-15 Financial Year | Consolidated | SAFECOM Entity |
|-----------------------------------------------------|--------------|----------------|
| Separated from the agency | 104 | 13 |
| Recruited to the agency | 129 | 12 |

Employee Leave without Pay

| Number of Persons at 30 June 2015 | Consolidated | SAFECOM Entity |
|-----------------------------------|--------------|----------------|
| On leave without pay | 13 | 1 |

Executives

Executives by Gender, Classification and Status

| Consolidated | | | | | | | | | | | | |
|----------------|---------|--------|--------------|--------|----------------|--------|----------------|--------|-------|------|--------|------|
| Classification | Ongoing | | Term Tenured | | Term Untenured | | Other (Casual) | | Total | | | |
| | Male | Female | Male | Female | Male | Female | Male | Female | Male | % | Female | % |
| EXEEOA | 0 | 0 | 0 | 0 | 2 | 1 | 0 | 0 | 2 | 22.2 | 1 | 12.5 |
| EXEEOB | 0 | 0 | 0 | 0 | 3 | 0 | 0 | 0 | 3 | 37.5 | 0 | 0 |
| EXEEOC | 0 | 0 | 0 | 0 | 2 | 0 | 0 | 0 | 2 | 22.2 | 0 | 0 |
| EXEEOD | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 1 | 12.5 | 0 | 0 |
| TOTAL | 0 | 0 | 0 | 0 | 8 | 1 | 0 | 0 | 9 | 94.4 | 1 | 12.5 |

| SAFECOM Entity | | | | | | | | | | | | |
|----------------|---------|--------|--------------|--------|----------------|--------|----------------|--------|-------|-----|--------|---|
| Classification | Ongoing | | Term Tenured | | Term Untenured | | Other (Casual) | | Total | | | |
| | Male | Female | Male | Female | Male | Female | Male | Female | Male | % | Female | % |
| EXECOD | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 1 | 100 | 0 | 0 |
| TOTAL | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 1 | 100 | 0 | 0 |

Leave Management

Average Days Leave Per Full-Time Equivalent Employee

| Leave Type | Consolidated | | | | SAFECOM Entity | | | |
|-----------------------------|--------------|-------------|-------------|-------------|----------------|-------------|------------|------------|
| | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2012-13 | 2013-14 | 2014-15 | 2015-16 |
| Sick Leave | 11.4 | 11.6 | 11.5 | 11.5 | 8.1 | 9.5 | 6.5 | 6.7 |
| Family Carer's Leave | 0.6 | 0.8 | 0.7 | 1.0 | 1.3 | 1.6 | 1.0 | 1.2 |
| Miscellaneous Special Leave | 0.6 | 0.7 | 0.9 | 0.2 | 0.5 | 0.2 | 0.4 | 0.4 |
| TOTAL | 12.6 | 13.1 | 13.1 | 13.1 | 9.9 | 11.3 | 7.9 | 8.3 |

Workforce Diversity

Number of Employees by Age Bracket by Gender

| Age Bracket | Consolidated | | | | SAFECOM Entity | | | | 2014 Workforce Benchmark * |
|--------------|--------------|------------|-------------|----------------|----------------|-----------|-----------|----------------|----------------------------|
| | Male | Female | Total | % of Total | Male | Female | Total | % of Total | |
| 15-19 | 2 | 0 | 2 | 0.14% | 0 | 0 | 0 | 0% | 6.4% |
| 20-24 | 23 | 2 | 25 | 1.75% | 0 | 0 | 0 | 0% | 10.4% |
| 25-29 | 56 | 7 | 63 | 4.41% | 0 | 3 | 3 | 4.17% | 11.0% |
| 30-34 | 111 | 27 | 138 | 9.67% | 4 | 6 | 10 | 13.89% | 10.1% |
| 35-39 | 137 | 22 | 159 | 11.14% | 1 | 6 | 7 | 9.72% | 10.3% |
| 40-44 | 195 | 24 | 219 | 15.35% | 5 | 6 | 11 | 15.28% | 11.0% |
| 45-49 | 179 | 33 | 212 | 14.85% | 3 | 9 | 12 | 16.66% | 11.5% |
| 50-54 | 189 | 27 | 216 | 15.14% | 2 | 8 | 10 | 13.89% | 11.4% |
| 55-59 | 220 | 22 | 242 | 16.96% | 5 | 4 | 9 | 12.50% | 9.4% |
| 60-64 | 101 | 16 | 117 | 8.20% | 6 | 2 | 8 | 11.11% | 5.5% |
| 65+ | 29 | 5 | 34 | 2.38% | 2 | 0 | 2 | 2.78% | 3.0% |
| TOTAL | 1242 | 185 | 1427 | 100.00% | 28 | 44 | 72 | 100.00% | 100.0% |

* Source: Australian Bureau of Statistics Demographic Statistics, 6291.0.55.001 Labour Force Statistics (ST LM8) by sex, age, state, marital status - employed - total from Feb 78 Supertable, South Australia at May 2011.

Total Number of Employees with Disabilities

| Consolidated | | | | SAFECOM Entity | | | |
|--------------|--------|-------|-------------|----------------|--------|-------|-------------|
| Male | Female | Total | % of Agency | Male | Female | Total | % of Agency |
| 5 | 9 | 14 | 0.98% | 0 | 2 | 2 | 2.80% |

Types of Disability (Where Specified)

| Disability | Consolidated | | | | SAFECOM Entity | | | |
|-------------------------------------------|--------------|--------|-------|-------------|----------------|--------|-------|-------------|
| | Male | Female | Total | % of Agency | Male | Female | Total | % of Agency |
| Disability requiring workplace adaptation | 5 | 9 | 14 | 0.98% | 0 | 2 | 2 | 2.8% |
| Physical | 3 | 5 | 8 | 0.56% | 0 | 2 | 2 | 2.8% |
| Intellectual | 0 | 0 | 0 | 0.00% | 0 | 0 | 0 | 0.0% |
| Sensory | 2 | 4 | 6 | 0.42% | 0 | 0 | 0 | 0.0% |
| Psychological/Psychiatric | 0 | 0 | 0 | 0.00% | 0 | 0 | 0 | 0.0% |

Performance Management

Documented Review of Individual Performance Management

| | Consolidated | SAFECOM Entity |
|-----------------------------------|--------------|----------------|
| A review within the past 6 months | 0.00% | 0.00% |
| A review older than 6 months | 5.93% | 13.9% |
| No review | 94.07% | 86.10% |

Appendix 3

Board Attendance

Board Attendance

| Board Meeting | Jul-15 | Aug-15 | Sep-15 | Oct-15 | Nov-15 | Dec-15 | Jan-16 | Feb-16 | Mar-16 | Apr-16 | May-16 | Jun-16 |
|-------------------|---------|---------|---------|------------------|---------|------------------|------------------|---------|--------|--------|--------|---------|
| Malcolm Jackman | ✓ | ✓ | ✓ | NO BOARD MEETING | ✓ | NO BOARD MEETING | NO BOARD MEETING | ✓ | ✓ | ✓ | ✓ | ✓ |
| Greg Crossman | ✓ | ✓ | ✓ | | ✓ | | | ✓ | ✓ | ✓ | ✓ | ✓ |
| Greg Nettleton | ✓ | ✓ | Apology | | Apology | | | ✓ | ✓ | ✓ | ✓ | ✓ |
| Chris Beattie | ✓ | ✓ | ✓ | | ✓ | | | ✓ | ✓ | ✓ | ✓ | Apology |
| Virginia Hickey | ✓ | Apology | Apology | | ✓ | | | Apology | ✓ | ✓ | ✓ | ✓ |
| Helen Chalmers | ✓ | ✓ | ✓ | | ✓ | | | ✓ | ✓ | ✓ | ✓ | Apology |
| Roger Flavell | ✓ | ✓ | ✓ | | ✓ | | | ✓ | ✓ | ✓ | ✓ | ✓ |
| Max Adlam | Apology | ✓ | ✓ | | ✓ | | | ✓ | ✓ | ✓ | ✓ | ✓ |
| Susan Caracoussis | ✓ | ✓ | ✓ | | ✓ | | | ✓ | ✓ | ✓ | ✓ | ✓ |

Appendix 4

Freedom of Information Statement

The purpose of the *Freedom of Information Act 1991* (FOI Act) is to promote openness and accountability within the South Australian Government and facilitate public participation in government decision making.

This statement is published in accordance with subsection 9(2) of the *Freedom of Information Act 1991* (FOI Act). Subject to certain restrictions, the FOI Act gives members of the public a legally enforceable right to access information held by the South Australian Government.

A comprehensive introduction to freedom of information can be found on the State Records website at www.archives.sa.gov.au.

Structures and functions of SAFECOM

The structures and functions of SAFECOM are located at the front of this annual report.

Documents held by SAFECOM

Documents held by SAFECOM fall broadly into the categories described below. While most are available in hard copy, it should be noted that some are only available electronically. The listing of these categories does not necessarily mean all documents are accessible in full or in part under the FOI Act.

The categories include:

- Corporate files containing correspondence, memoranda and minutes on all aspects of SAFECOM's operations;
- Policies, procedures and guidelines prescribing the way various activities and programs are to be performed;
- Personnel files relating to SAFECOM's employees;
- Accounting and financial reports relating to the running of SAFECOM;
- Annual reports, strategic plans and policy reports;
- Minutes of meetings and terms of reference;
- Documents relating to functions of SAFECOM's divisions;

- Information relating to graduate recruitment, indigenous employment strategic and the notice of vacancies; and
- Information relating to 'work life balance'.

Freedom of Information (FOI) Applications

The FOI Act gives members of the public a legally enforceable right of access (subject to certain restrictions) to documents within the possession of South Australian Government agencies, Local Government authorities and South Australian Universities. The purpose of the FOI Act is to make the business of government open and accountable to the public. The department fully supports the objectives and spirit of the FOI Act and is active in its endeavours to continually improve records management practices.

Making an Application

In accordance with the FOI Act, applications for access to documents held by an agency must:

- Be made in writing: you may choose to write a letter or use the application form;
- Specify that the application is made under the FOI Act;
- Application must be accompanied by a \$33.50 application fee (exemptions apply for Members of Parliament and pensioners or health card holders);
- Specify an address in Australia to which the information can be sent;
- Clearly identify the documents being sought or the matter to which they pertain;
- Specify whether the documents contain information of a personal nature; and
- Specify the desired type of access to the document, such as inspection of the document at an arranged location or having a copy made.

Application to Review a Determination

If you are refused access to all or part of a document that you requested access to, you will be informed of the reasons why and advised of your rights to seek a review or appeal.

For further information and the application for review of a freedom of information determination (decision), please contact:

Contact details for Ombudsman SA

Phone 8226 8699
Toll Free: 1800 182 150 (within SA)
Email: ombudsman@ombudsman.sa.gov.au

Contact details for the District Court

Phone: 8204 0289
Email: district.civil@courts.sa.gov.au

As one of the administrative and support services provided to the emergency services agencies, the SAFECOM Accredited FOI Officer administers the provisions of the FOI Act, and in addition to applications made directly to SAFECOM, processes applications on behalf of MFS and SES.

To lodge an application, please complete the appropriate form available on the State Records website at: <http://www.archives.sa.gov.au/content/foi-forms> and forward it to the address shown below, along with the application fee if payable.

Address for Applications

Freedom of Information Officer
SA Fire and Emergency Services Commission
GPO Box 2706
ADELAIDE SA 5001

Telephone: (08) 8463 4338
Facsimile: (08) 8463 5054

Appendix 5

Abbreviations

| | |
|----------------|-------------------------------------------------------------|
| AFAC | Australasian Fire and Emergency Service Authorities Council |
| AFSM | Australian Fire Services Medal |
| ANZAC | Australian and New Zealand Army Corps |
| ANZEMC | Australia-New Zealand Emergency Management Committee |
| ARC | Audit and Risk Committee |
| AWSS16-20 | Australian Water Safety Strategy 2016-2020 |
| BCP | Business Continuity Planning |
| BNHCRC | Bushfire and Natural Hazards Cooperative Research Centre |
| CEIWS | Community Emergency Information Warning Systems |
| CESF | Community Emergency Services Fund |
| CFS | Country Fire Service |
| CFSVA | Country Fire Service Volunteer Association |
| COAC | Chief Officers Advisory Council |
| COAG | Council of Australian Governments |
| COMCEN | MFS Communications Centre |
| DEWNR | Department of Environment, Water and Natural Resources |
| DTF | Department of Treasury and Finance |
| EAP | Employee Assistance Program |
| EM | Emergency Management Office |
| EMC | Emergency Management Council |
| EMV | Emergency Management Victoria |
| ESL | Emergency Services Levy |
| ESOs | Emergency Service Organisations |
| ESS | Emergency Services Sector |
| ESS Executive | Emergency Services Sector Executive |
| ESS Leadership | Emergency Services Sector Leadership |
| FCI | Fire Cause Investigation |
| FOI | Freedom of Information |
| GRN | Government Radio Network |
| HR | SAFECOM Human Resources |
| ICT | Information Communications Technology |
| IPP | Industry Participation Policy |
| JFLIP | Juvenile Firefighters Intervention Program |
| LCCSC | Law, Crime and Community Safety Council |
| LFS | Logistics Functional Service |
| MFS | Metropolitan Fire Service |
| NDRP | Natural Disaster Resilience Program |
| NPA | National Partnership Agreement |
| NSDR | National Strategy for Disaster Resilience |
| PFA | Psychological First Aid |
| PIAW | Public Information and Warnings |

| | |
|------------|-----------------------------------------------------------------------|
| PMO | Project Management Office |
| PPRR | Prevention, Preparedness, Response and Recovery |
| PSA | Public Service Association |
| RAP | Road Awareness Program |
| RCCF | Regional Capability Community Fund |
| SAFECOM | South Australian Fire and Emergency Services Commission |
| SAFECOM CE | SAFECOM Chief Executive |
| SAPOL | SA Police |
| SAWSC | South Australian Water Safety Committee |
| SAWSP16-20 | State Water Safety Plan 2016-2020 |
| SBC | Sustainable Budget Commission |
| SEICCC | State Emergency Information Call Centre Capability |
| SEMC | State Emergency Management Committee |
| SEMP | State Emergency Management Plan |
| SES | State Emergency Service |
| SLSSA | Surf Life Saving South Australia |
| SMAG | State Mitigation Advisory Group |
| SP2025 | South Australian Fire and Emergency Services Strategic Plan 2015-2025 |
| SPIWAG | State Public Information and Warnings Advisory Group |
| SRAG | State Response Advisory Group |
| SRC | State Recovery Committee |
| SRO | State Recovery Office |
| SSSA | Shared Services SA |
| UFU | United Firefighters Union |
| VMR | Volunteer Marine Rescue |
| VS | Volunteer Services Branch |
| WHS&IM | Work Health Safety and Injury Management |
| YAC | Youth Advisory Council |
| ZEMC | Zone Emergency Management Committee |
| ZEMP | Zone Emergency Management Plans |
| ZERM | Zone Emergency Risk Management |

