

# INDEPENDENT AUDITOR'S REPORT



Government of South Australia

Audit Office of South Australia

Level 9  
State Administration Centre  
200 Victoria Square  
Adelaide SA 5000  
Tel +618 8226 9640  
ABN 53 327 061 410  
enquiries@audit.sa.gov.au  
www.audit.sa.gov.au

**To the Chief Executive  
Department of State Development**

## Opinion

I have audited the financial report of the Department for Industry, Innovation and Science for the financial year ended 30 June 2024.

In my opinion, the accompanying financial report gives a true and fair view of the financial position of the Department for Industry, Innovation and Science as at 30 June 2024, its financial performance and its cash flows for year then ended in accordance with relevant Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards.

The financial report comprises:

- a Statement of Comprehensive Income for the year ended 30 June 2024
- a Statement of Financial Position as at 30 June 2024
- a Statement of Changes in Equity for the year ended 30 June 2024
- a Statement of Cash Flows for the year ended 30 June 2024
- notes, comprising material accounting policy information and other explanatory information
- a Certificate from the Acting Chief Executive and the Acting Director, Finance and Investment Services.

## Basis for opinion

I conducted the audit in accordance with the *Public Finance and Audit Act 1987* and Australian Auditing Standards. My responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial report' section of my report. I am independent of the Department for Industry, Innovation and Science. The *Public Finance and Audit Act 1987* establishes the independence of the Auditor-General. In conducting the audit, the relevant ethical requirements of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* have been met.

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

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

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

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

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

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987*, I have audited the financial report of the Department for Industry, Innovation and Science for the financial year ended 30 June 2024.

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

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

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

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Chief Executive
- conclude on the appropriateness of the Chief Executive's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify the opinion. My conclusion is based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

I communicate with the Chief Executive about, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during the audit.



Andrew Blaskett  
**Auditor-General**

27 September 2024

**Department for Industry, Innovation and Science  
(DIIS)**

**Financial Statements  
for the year ended  
30 June 2024**

**Department for Industry, Innovation and Science**  
**Certification of the Financial Statements**  
*for the year ended 30 June 2024*

---

We certify that the:

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



---

Diana Tembak  
**A / Chief Executive**  
26 September 2024



---

Susan Sheridan  
**A / Director, Finance and Investment Services**  
26 September 2024

**Department for Industry, Innovation and Science**  
**Statement of Comprehensive Income**  
*for the year ended 30 June 2024*

|  | Note | 2024<br>\$'000  | 2023<br>\$'000 |
|--|------|-----------------|----------------|
| <b><u>Income</u></b>   |      |                 |                |
| Appropriations   | 2.1  | 53 688          | 60 779         |
| Fees and charges   | 2.2  | 2 226           | 4 747          |
| SA Government grants, subsidies and transfers                      | 2.3  | 2 929           | 7 700          |
| Resources received free of charge                                  | 2.4  | 783             | 793            |
| Interest   | 2.5  | 48              | 35             |
| Other income   | 2.6  | 1 969           | 4 316          |
| <b>Total income</b>  |      | <b>61 643</b>   | <b>78 370</b>  |
| <b><u>Expenses</u></b>   |      |                 |                |
| Employee related expenses  | 3.3  | 21 932          | 24 018         |
| Supplies and services  | 4.1  | 9 852           | 12 501         |
| Depreciation and amortisation                                      | 4.3  | 1 778           | 2 331          |
| Grants and subsidies   | 4.4  | 29 624          | 42 909         |
| Interest expense on lease liabilities                              |      | 195             | 192            |
| Other expenses   | 4.6  | 21              | 326            |
| Payments to Consolidated Account                                   | 4.7  | 8 822           | 5 940          |
| <b>Total expenses</b>  |      | <b>72 224</b>   | <b>88 217</b>  |
| <b>Net result</b>  |      | <b>(10 581)</b> | <b>(9 847)</b> |
| <b><u>Other comprehensive income</u></b>                           |      |                 |                |
| <b>Items that will not be reclassified to net result</b>           |      |                 |                |
| Changes in property, plant and equipment asset revaluation surplus | 5.1  | 3               | -              |
| <b>Total other comprehensive income</b>                            |      | <b>3</b>        | <b>-</b>       |
| <b>Total comprehensive result</b>                                  |      | <b>(10 578)</b> | <b>(9 847)</b> |

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

**Department for Industry, Innovation and Science**  
**Statement of Financial Position**  
*as at 30 June 2024*

|                                       | Note | 2024<br>\$'000 | 2023<br>\$'000 |
|---------------------------------------|------|----------------|----------------|
| <b><u>Current assets</u></b>          |      |                |                |
| Cash                                  | 6.1  | 14 527         | 26 422         |
| Receivables                           | 6.2  | 3 066          | 3 793          |
| <b>Total current assets</b>           |      | <b>17 593</b>  | <b>30 215</b>  |
| <b><u>Non-current assets</u></b>      |      |                |                |
| Receivables                           | 6.2  | 113            | -              |
| Property, plant and equipment         | 5.1  | 1 011          | 1 405          |
| Leased property, plant and equipment  | 5.2  | 6 884          | 7 564          |
| Intangible assets                     | 5.3  | 513            | 602            |
| <b>Total non-current assets</b>       |      | <b>8 521</b>   | <b>9 571</b>   |
| <b>Total assets</b>                   |      | <b>26 114</b>  | <b>39 786</b>  |
| <b><u>Current liabilities</u></b>     |      |                |                |
| Payables                              | 7.1  | 3 203          | 5 483          |
| Financial liabilities                 | 7.2  | 1 162          | 756            |
| Employee related liabilities          | 3.4  | 2 559          | 2 580          |
| Provisions                            | 7.3  | 48             | 66             |
| Other current liabilities             | 7.4  | 102            | 416            |
| <b>Total current liabilities</b>      |      | <b>7 074</b>   | <b>9 301</b>   |
| <b><u>Non-current liabilities</u></b> |      |                |                |
| Financial liabilities                 | 7.2  | 7 039          | 7 550          |
| Employee related liabilities          | 3.4  | 3 826          | 3 929          |
| Provisions                            | 7.3  | 177            | 218            |
| Other non-current liabilities         | 7.4  | 207            | 367            |
| <b>Total non-current liabilities</b>  |      | <b>11 249</b>  | <b>12 064</b>  |
| <b>Total liabilities</b>              |      | <b>18 323</b>  | <b>21 365</b>  |
| <b>Net assets</b>                     |      | <b>7 791</b>   | <b>18 421</b>  |
| <b><u>Equity</u></b>                  |      |                |                |
| Contributed capital                   |      | 50 978         | 50 978         |
| Retained earnings                     |      | (43 190)       | (32 557)       |
| Asset revaluation surplus             | 8.1  | 3              | -              |
| <b>Total equity</b>                   |      | <b>7 791</b>   | <b>18 421</b>  |

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

**Department for Industry, Innovation and Science**  
**Statement of Changes in Equity**  
*for the year ended 30 June 2024*

|   | Note | Contributed<br>capital<br>\$'000 | Asset<br>revaluation<br>surplus<br>\$'000 | Retained<br>earnings<br>\$'000 | Total<br>equity<br>\$'000 |
|---|------|----------------------------------|---|--------------------------------|---------------------------|
| Balance at 1 July 2022  |      | 44 710                           | 1 574                                     | 74 668                         | 120 952                   |
| <b>Net result for 2022-23</b>                                       |      | -                                | -   | <b>(9 847)</b>                 | <b>(9 847)</b>            |
| <b>Total comprehensive result for 2022-23</b>                       |      | -                                | -   | <b>(9 847)</b>                 | <b>(9 847)</b>            |
| Contributed capital increases                                       |      | 6 268                            | -   | -                              | 6 268                     |
| Transfer between equity components                                  |      | -                                | (1 574)                                   | 1 574                          | -                         |
| Net assets transferred as a result of an administrative restructure | 1.3  | -                                | -   | (98 952)                       | (98 952)                  |
| <b>Balance at 30 June 2023</b>                                      |      | <b>50 978</b>                    | -   | <b>(32 557)</b>                | <b>18 421</b>             |
| <b>Net result for 2023-24</b>                                       |      | -                                | -   | <b>(10 581)</b>                | <b>(10 581)</b>           |
| Gain on revaluation of works of art during 2023-24                  | 5.1  | -                                | 3   | -                              | 3                         |
| <b>Total comprehensive result for 2023-24</b>                       |      | -                                | <b>3</b>                                  | <b>(10 581)</b>                | <b>(10 578)</b>           |
| Net assets transferred as a result of an administrative restructure | 1.3  | -                                | -   | (52)                           | (52)                      |
| <b>Balance at 30 June 2024</b>                                      |      | <b>50 978</b>                    | <b>3</b>                                  | <b>(43 190)</b>                | <b>7 791</b>              |

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



**Department for Industry, Innovation and Science**  
**Statement of Cash Flows**  
*for the year ended 30 June 2024*

|  | Note | 2024<br>\$'000  | 2023<br>\$'000   |
|--|------|-----------------|------------------|
| <b><u>Cash flows from operating activities</u></b>           |      |                 |                  |
| <i>Cash inflows</i>  |      |                 |                  |
| Appropriations   |      | 53 688          | 60 779           |
| Fees and charges   |      | 2 929           | 5 709            |
| SA Government grants, subsidies and transfers                |      | 2 788           | 7 700            |
| GST recovered from the ATO                                   |      | 2 805           | 4 852            |
| Interest received  |      | 48              | 35               |
| Other receipts   |      | 2 941           | 5 769            |
| <b>Cash generated from operations</b>                        |      | <b>65 199</b>   | <b>84 844</b>    |
| <i>Cash outflows</i>   |      |                 |                  |
| Employee related payments                                    |      | (21 816)        | (25 758)         |
| Payments for supplies and services                           |      | (11 796)        | (17 185)         |
| Payments of security deposits                                |      | (58)            | (6)              |
| Payments of grants and subsidies                             |      | (32 713)        | (52 033)         |
| Interest paid  |      | (195)           | (192)            |
| Payments to Consolidated Account                             |      | (8 822)         | (8 535)          |
| Other payments   |      | (1)             | (4)              |
| <b>Cash (used in) operations</b>                             |      | <b>(75 401)</b> | <b>(103 713)</b> |
| <b>Net cash (used in) operating activities</b>               | 8.2  | <b>(10 202)</b> | <b>(18 869)</b>  |
| <b><u>Cash flows from investing activities</u></b>           |      |                 |                  |
| <i>Cash inflows</i>  |      |                 |                  |
| Proceeds from the sale of property, plant and equipment      |      | -               | 5 970            |
| Repayment of principal portion of lease receivable           |      | 201             | 791              |
| <b>Cash generated from investing activities</b>              |      | <b>201</b>      | <b>6 761</b>     |
| <i>Cash outflows</i>   |      |                 |                  |
| Purchase of property, plant and equipment                    |      | (229)           | (67)             |
| <b>Cash (used in) investing activities</b>                   |      | <b>(229)</b>    | <b>(67)</b>      |
| <b>Net cash (used in) / provided by investing activities</b> |      | <b>(28)</b>     | <b>6 694</b>     |
| <b><u>Cash flows from financing activities</u></b>           |      |                 |                  |
| <i>Cash inflows</i>  |      |                 |                  |
| Capital contributions from government                        |      | -               | 6 268            |
| Cash received from restructuring activities                  |      | -               | 22               |
| <b>Cash generated from financing activities</b>              |      | <b>-</b>        | <b>6 290</b>     |
| <i>Cash outflows</i>   |      |                 |                  |
| Cash transferred as a result of restructuring activities     |      | (540)           | (93 736)         |
| Repayment of principal portion of lease liabilities          |      | (1 125)         | (2 489)          |
| <b>Cash (used in) financing activities</b>                   |      | <b>(1 665)</b>  | <b>(96 225)</b>  |
| <b>Net cash (used in) financing activities</b>               |      | <b>(1 665)</b>  | <b>(89 935)</b>  |
| <b>Net (decrease) in cash</b>                                |      | <b>(11 895)</b> | <b>(102 110)</b> |
| Cash at the beginning of the period                          |      | 26 422          | 128 532          |
| <b>Cash at the end of the period</b>                         | 6.1  | <b>14 527</b>   | <b>26 422</b>    |

The accompanying notes form part of these financial statements.

**Department for Industry, Innovation and Science**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2024*

---

**1. About the Department for Industry, Innovation and Science**

The Department for Industry, Innovation and Science (the department) is a not-for-profit government department of the State of South Australia established pursuant to the *Public Sector Act 2009* as an administrative unit acting on behalf of the Crown. As proclaimed on 30 May 2024 and in accordance with section 26 of the *Public Sector and Audit Act 2009*, effective from 1 July 2024 the title of the Department for Industry, Innovation and Science is altered to the Department of State Development.

The Minister for Industry, Innovation and Science has a 25% interest in SABRENet. SABRENet was registered on 28 September 2005 as a not-for-profit company limited by guarantee and has been recognised by the Australian Taxation Office (ATO) as a tax exempt entity. The founding members are the three South Australian public Universities and the South Australian Government. The objectives for which the company was established are to be a not-for-profit institution to further the use of advanced data networking for conducting research and education in South Australia, for the benefit of South Australia and for the purposes of economic and social advancement in Australia generally. While the Minister has significant influence over SABRENet, the Minister's interest in SABRENet is limited to the Minister's use of SABRENet's asset (the network). That is, the Minister receives no return for the interest in SABRENet.

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

**Administered items**

Administered items are disclosed separately in this report (refer note 11).

**1.1. Basis of preparation**

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

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

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

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

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

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

Where asset and liability line items combine amounts expected to be realised within 12 months and more than 12 months, the department has separately disclosed the amounts expected to be recovered or settled after more than 12 months.

Significant accounting policies are set out throughout the notes.

**Department for Industry, Innovation and Science**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2024*

---

**1.2. Objectives and programs**

The department supports sustainable economic growth by developing creative, innovative and productive industries and businesses that leverage South Australia's strengths. This is achieved by:

- collaborating with industry stakeholders and across government to enable relevant, outcome focused and efficient policy and program design,
- delivering industry development strategies and programs to improve the state's industrial capability and capacity,
- supporting our growth industries to access the skilled workforce they need,
- developing and investing in research and innovation to help businesses adopt technology, commercialise ideas, and deliver new products, services and processes, and
- delivering programs and services for small and family businesses and creative industries.

During 2022-23 and 2023-24, the department partnered with other agencies to deliver support and assistance to small businesses in communities impacted by the River Murray flood event.

**Programs**

The department has identified three programs that reflect the nature of the services delivered to the South Australian community.

The programs of the department and their objectives are:

***Industry, Innovation and Science***

The purpose of the Industry, Innovation and Science program is to support a productive and sustainable economy by:

- developing supply chain capability in key industries,
- encouraging and supporting technology adoption and the translation and commercialisation of research through industry, research and government collaboration and investment,
- investing in global excellence in South Australian science and research,
- delivering programs and services to entrepreneurs and start-ups that build capability and attract private sector capital and customers,
- developing South Australian manufacturing policy and delivering programs to manufacturing businesses that increase innovation and build advanced manufacturing capability,
- engaging with industry and regions to identify and implement strategies to address current and emerging workforce and skills challenges,
- managing migration programs to help business and industry access a skilled workforce to meet skills gaps in the local market, and
- developing and implementing policies and programs and undertaking strategic engagements with education providers to build a progressive higher and international education sector.

**Department for Industry, Innovation and Science**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2024*

---

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

***Small and Family Business***

The purpose of the Small and Family Business program is to support small and family businesses in South Australia to successfully start, operate and grow by:

- providing information, tools and resources to business owners and managers,
- delivering targeted capability development programs to address capability and knowledge gaps, build stronger business foundations, and accelerate growth, and
- improving access to government services through diverse communication streams and easy access to tools, information and services.

***Creative Industries***

The purpose of the Creative Industries program is to support the creative industries by:

- facilitating government investment into key organisations within the screen and craft sectors, namely the South Australian Film Corporation, Adelaide Film Festival and JamFactory,
- supporting growth in the state's music industry through the Music Development Office's strategic objectives, and
- engaging with peak bodies and industry leaders on development opportunities and support initiatives.

This program transferred to the Department of the Premier and Cabinet effective from 1 October 2023 (refer note 1.3).

**Department for Industry, Innovation and Science**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2024*

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

**Income and expenses by program**

|   | Industry, Innovation<br>and Science |                 | Small and Family<br>Business |                 | Creative Industries |                 |
|---|-------------------------------------|-----------------|------------------------------|-----------------|---------------------|-----------------|
|   | 2024<br>\$'000                      | 2023<br>\$'000  | 2024<br>\$'000               | 2023<br>\$'000  | 2024<br>\$'000      | 2023<br>\$'000  |
| <b>Income</b>                                 |                                     |                 |                              |                 |                     |                 |
| Appropriations                                | -                                   | -               | -                            | -               | -                   | -               |
| Fees and charges                              | 2 032                               | 4 535           | 194                          | 118             | -                   | 94              |
| SA Government grants, subsidies and transfers | 2 707                               | 5 972           | 222                          | 516             | -                   | 1 212           |
| Resources received free of charge             | 651                                 | 651             | 114                          | 79              | 18                  | 63              |
| Interest                                      | 48                                  | 35              | -                            | -               | -                   | -               |
| Other income                                  | 1 952                               | 4 053           | 17                           | 96              | -                   | 167             |
| <b>Total income</b>                           | <b>7 390</b>                        | <b>15 246</b>   | <b>547</b>                   | <b>809</b>      | <b>18</b>           | <b>1 536</b>    |
| <b>Expenses</b>                               |                                     |                 |                              |                 |                     |                 |
| Employee related expenses                     | 18 448                              | 19 704          | 3 242                        | 2 401           | 242                 | 1 913           |
| Supplies and services                         | 7 529                               | 9 610           | 2 186                        | 1 898           | 137                 | 993             |
| Depreciation and amortisation                 | 1 649                               | 1 859           | 114                          | 162             | 15                  | 310             |
| Grants and subsidies                          | 20 383                              | 23 068          | 4 857                        | 7 589           | 4 384               | 12 252          |
| Interest expense on lease liabilities         | 195                                 | 190             | -                            | -               | -                   | 2               |
| Other expenses                                | 18                                  | 299             | 3                            | 15              | -                   | 12              |
| Payments to Consolidated Account              | -                                   | 5 940           | -                            | -               | -                   | -               |
| <b>Total expenses</b>                         | <b>48 222</b>                       | <b>60 670</b>   | <b>10 402</b>                | <b>12 065</b>   | <b>4 778</b>        | <b>15 482</b>   |
| <b>Net result</b>                             | <b>(40 832)</b>                     | <b>(45 424)</b> | <b>(9 855)</b>               | <b>(11 256)</b> | <b>(4 760)</b>      | <b>(13 946)</b> |

**Department for Industry, Innovation and Science**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2024*

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

**Income and expenses by program (continued)**

|   | <b>General / Unattributed</b> |               | <b>Activity Total</b> |                |
|---|-------------------------------|---------------|-----------------------|----------------|
|   | <b>2024</b>                   | <b>2023</b>   | <b>2024</b>           | <b>2023</b>    |
|   | <b>\$'000</b>                 | <b>\$'000</b> | <b>\$'000</b>         | <b>\$'000</b>  |
| <b><u>Income</u></b>                          |                               |               |                       |                |
| Appropriations                                | 53 688                        | 60 779        | 53 688                | 60 779         |
| Fees and charges                              | -                             | -             | 2 226                 | 4 747          |
| SA Government grants, subsidies and transfers | -                             | -             | 2 929                 | 7 700          |
| Resources received free of charge             | -                             | -             | 783                   | 793            |
| Interest                                      | -                             | -             | 48                    | 35             |
| Other income                                  | -                             | -             | 1 969                 | 4 316          |
| <b>Total income</b>                           | <b>53 688</b>                 | <b>60 779</b> | <b>61 643</b>         | <b>78 370</b>  |
| <b><u>Expenses</u></b>                        |                               |               |                       |                |
| Employee related expenses                     | -                             | -             | 21 932                | 24 018         |
| Supplies and services                         | -                             | -             | 9 852                 | 12 501         |
| Depreciation and amortisation                 | -                             | -             | 1 778                 | 2 331          |
| Grants and subsidies                          | -                             | -             | 29 624                | 42 909         |
| Interest expense on lease liabilities         | -                             | -             | 195                   | 192            |
| Other expenses                                | -                             | -             | 21                    | 326            |
| Payments to Consolidated Account              | 8 822                         | -             | 8 822                 | 5 940          |
| <b>Total expenses</b>                         | <b>8 822</b>                  | <b>-</b>      | <b>72 224</b>         | <b>88 217</b>  |
| <b>Net result</b>                             | <b>44 866</b>                 | <b>60 779</b> | <b>(10 581)</b>       | <b>(9 847)</b> |

**Department for Industry, Innovation and Science**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2024*

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

**Asset and liabilities by program**

|                                      | Industry,<br>Innovation and<br>Science |               | Small and Family<br>Business |              | Creative<br>Industries |              | Activity Total |               |
|--------------------------------------|--|---------------|------------------------------|--------------|------------------------|--------------|----------------|---------------|
|                                      | 2024                                   | 2023          | 2024                         | 2023         | 2024                   | 2023         | 2024           | 2023          |
|                                      | \$'000                                 | \$'000        | \$'000                       | \$'000       | \$'000                 | \$'000       | \$'000         | \$'000        |
| <b><u>Assets</u></b>                 |  |               |                              |              |                        |              |                |               |
| Cash                                 | 11 795                                 | 16 994        | 2 732                        | 4 211        | -                      | 5 217        | 14 527         | 26 422        |
| Receivables                          | 3 079                                  | 3 428         | 100                          | 23           | -                      | 342          | 3 179          | 3 793         |
| Property, plant and equipment        | 946                                    | 1 120         | 65                           | 98           | -                      | 187          | 1 011          | 1 405         |
| Leased property, plant and equipment | 6 884                                  | 7 508         | -                            | -            | -                      | 56           | 6 884          | 7 564         |
| Intangible assets                    | 480                                    | 480           | 33                           | 42           | -                      | 80           | 513            | 602           |
| <b>Total assets</b>                  | <b>23 184</b>                          | <b>29 530</b> | <b>2 930</b>                 | <b>4 374</b> | <b>-</b>               | <b>5 882</b> | <b>26 114</b>  | <b>39 786</b> |
| <b><u>Liabilities</u></b>            |  |               |                              |              |                        |              |                |               |
| Payables                             | 1 977                                  | 3 297         | 1 226                        | 1 646        | -                      | 540          | 3 203          | 5 483         |
| Financial liabilities                | 8 201                                  | 8 266         | -                            | -            | -                      | 40           | 8 201          | 8 306         |
| Employee related liabilities         | 5 431                                  | 5 340         | 954                          | 651          | -                      | 518          | 6 385          | 6 509         |
| Provisions                           | 191                                    | 233           | 34                           | 28           | -                      | 23           | 225            | 284           |
| Other liabilities                    | 255                                    | 539           | 54                           | 107          | -                      | 137          | 309            | 783           |
| <b>Total liabilities</b>             | <b>16 055</b>                          | <b>17 675</b> | <b>2 268</b>                 | <b>2 432</b> | <b>-</b>               | <b>1 258</b> | <b>18 323</b>  | <b>21 365</b> |

**Department for Industry, Innovation and Science**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2024*

---

**1.3. Changes to the department**

***Transferred out 2023-24***

The *Public Sector (Reorganisation of Public Sector Operations) Notice 2023* (dated 14 September 2023) proclaimed that effective from 1 October 2023, resources and functions of Creative Industries will be transferred to the Department of the Premier and Cabinet.

**The following assets and liabilities for Creative Industries were transferred out of the department:**

|                                     | \$'000     |
|-------------------------------------|------------|
| Cash                                | 540        |
| Receivables                         | 29         |
| <b>Total assets</b>                 | <b>569</b> |
| Payables                            | 227        |
| Employee related liabilities        | 277        |
| Provisions                          | 13         |
| <b>Total liabilities</b>            | <b>517</b> |
| <b>Total net assets transferred</b> | <b>52</b>  |

Net assets transferred out by the department were recognised at the carrying amount. The net assets transferred were treated as a contribution to the government as owner.



**Department for Industry, Innovation and Science**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2024*

---

**1.3. Changes to the department (continued)**

***Transferred out 2022-23***

The *Public Sector (Reorganisation of Public Sector Operations) Notice 2022* (dated 30 June 2022) proclaimed that effective from 1 July 2022, resources and functions of Skills Planning and Purchasing, Traineeship and Apprenticeship Services and Analytics and Information Systems will be transferred to the Department for Education.

**The following assets and liabilities for Training and Skills were transferred out of the department:**

|                                      | <b>\$'000</b>  |
|--------------------------------------|----------------|
| Cash                                 | 93 736         |
| Receivables                          | 460            |
| Property, plant and equipment        | 8 247          |
| Leased property, plant and equipment | 12             |
| Intangible assets                    | 3 465          |
| <b>Total assets</b>                  | <b>105 920</b> |
| Payables                             | 2 939          |
| Financial liabilities                | 12             |
| Employee related liabilities         | 4 080          |
| Provisions                           | 132            |
| Other liabilities                    | 257            |
| <b>Total liabilities</b>             | <b>7 420</b>   |
| <b>Total net assets transferred</b>  | <b>98 500</b>  |

Net assets transferred out by the department were recognised at the carrying amount. The net assets transferred were treated as a contribution to the government as owner.

***Transferred in 2022-23***

The *Public Sector (Reorganisation of Public Sector Operations) Notice 2022* (dated 30 June 2022) proclaimed that effective from 1 July 2022, resources and functions of International Education (including StudyAdelaide) will be transferred from the Department for Trade and Investment.

**The following liabilities for International Education were transferred to the department:**

|                                     | <b>\$'000</b> |
|-------------------------------------|---------------|
| Employee related liabilities        | 269           |
| <b>Total liabilities</b>            | <b>269</b>    |
| <b>Total net assets transferred</b> | <b>(269)</b>  |

Net assets transferred into the department were recognised at the carrying amount. The net assets transferred were treated as a contribution to the government as owner.

**Department for Industry, Innovation and Science**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2024*

---

**1.3. Changes to the department (continued)**

*Transferred in 2022-23 (continued)*

The *Public Sector (Reorganisation of Public Sector Operations) Notice 2022* (dated 30 June 2022) proclaimed that effective from 1 July 2022, resources and functions of Industry Capability Network SA will be transferred from the Department for Trade and Investment.

**The following assets and liabilities for Industry Capability Network SA were transferred to the department:**

|                                     | \$'000       |
|-------------------------------------|--------------|
| Cash                                | 22           |
| <b>Total assets</b>                 | <b>22</b>    |
| Payables                            | 22           |
| Employee related liabilities        | 183          |
| <b>Total liabilities</b>            | <b>205</b>   |
| <b>Total net assets transferred</b> | <b>(183)</b> |

Net assets transferred into the department were recognised at the carrying amount. The net assets transferred were treated as a contribution to the government as owner.

**Department for Industry, Innovation and Science**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2024*

**1.4. Budget performance**

The budget performance table compares the department's outcomes against original budget information presented to Parliament (2023-24 Budget Paper 4). Appropriations reflect appropriations issued to special deposit accounts and deposit accounts controlled by the department. The budget amounts have not been adjusted to reflect revised budgets or administrative restructures. The budget process is not subject to audit.

| Statement of Comprehensive Income                                  | Note | Original                 | Actual          | Variance        |
|--|------|--------------------------|-----------------|-----------------|
|  |      | Budget<br>2024<br>\$'000 | 2024<br>\$'000  | 2024<br>\$'000  |
| <b>Income</b>  |      |                          |                 |                 |
| Appropriations   | (a)  | 67 109                   | 53 688          | (13 421)        |
| Fees and charges   |      | 2 193                    | 2 226           | 33              |
| SA Government grants, subsidies and transfers                      |      | 3 578                    | 2 929           | (649)           |
| Resources received free of charge                                  |      | -                        | 783             | 783             |
| Interest   |      | 29                       | 48              | 19              |
| Other income   |      | 1 227                    | 1 969           | 742             |
| <b>Total income</b>  |      | <b>74 136</b>            | <b>61 643</b>   | <b>(12 493)</b> |
| <b>Expenses</b>  |      |                          |                 |                 |
| Employee related expenses  |      | 22 530                   | 21 932          | (598)           |
| Supplies and services  | (b)  | 3 580                    | 9 852           | 6 272           |
| Depreciation and amortisation                                      |      | 2 101                    | 1 778           | (323)           |
| Grants and subsidies   | (c)  | 46 851                   | 29 624          | (17 227)        |
| Interest expense on lease liabilities                              |      | 162                      | 195             | 33              |
| Other expenses   |      | -                        | 21              | 21              |
| Payments to Consolidated Account                                   | (d)  | -                        | 8 822           | 8 822           |
| <b>Total expenses</b>  |      | <b>75 224</b>            | <b>72 224</b>   | <b>(3 000)</b>  |
| <b>Net result</b>  |      | <b>(1 088)</b>           | <b>(10 581)</b> | <b>(9 493)</b>  |
| <b>Other comprehensive income</b>                                  |      |                          |                 |                 |
| Items that will not be reclassified to net result                  |      |                          |                 |                 |
| Changes in property, plant and equipment asset revaluation surplus |      | -                        | 3               | 3               |
| <b>Total other comprehensive income</b>                            |      | <b>-</b>                 | <b>3</b>        | <b>3</b>        |
| <b>Total comprehensive result</b>                                  |      | <b>(1 088)</b>           | <b>(10 578)</b> | <b>(9 490)</b>  |

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

**Department for Industry, Innovation and Science**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2024*

**1.4. Budget performance (continued)**

**Income and operating expenditure**

- (a) Appropriations were \$13.4 million lower than original budget primarily due to the transfer of Creative Industries to the Department of the Premier and Cabinet from 1 October 2023 (\$16.7 million), partially offset by additional funding received from the Governor's Appropriation Fund pursuant to the *Public Finance and Audit Act 1987* (\$3.3 million).
- (b) Supplies and services were \$6.3 million higher than original budget primarily due to reclassification of budgets between expenditure categories during the year.
- (c) Grants and subsidies were \$17.2 million lower than original budget primarily due to the transfer of Creative Industries to the Department of the Premier and Cabinet from 1 October 2023 (\$16.6 million).
- (d) Proceeds paid to the Consolidated Account were \$8.8 million higher than original budget due to the return of surplus cash in accordance with the cash alignment policy.

|                                      |     | Original<br>Budget<br>2024<br>\$'000 | Actual<br>2024<br>\$'000 | Variance<br>2024<br>\$'000 |
|--------------------------------------|-----|--------------------------------------|--------------------------|----------------------------|
| <b>Investing expenditure summary</b> |     |                                      |                          |                            |
| Total annual programs                | (a) | 513                                  | 229                      | (284)                      |
| Total leases                         | (b) | -                                    | 1 019                    | 1 019                      |
| <b>Total investing expenditure</b>   |     | <b>513</b>                           | <b>1 248</b>             | <b>735</b>                 |

**Investing expenditure**

- (a) Expenditure on annual programs is \$0.3 million lower than original budget primarily due to project costs being expensed (\$0.3 million).
- (b) Expenditure on leases is \$1.0 million higher than budget due to the commencement of a new lease agreement with Renewal SA at Lot Fourteen for the Marnirni-apingthi building in October 2023 (\$0.9 million).

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

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

- accommodation expenses are primarily related to accommodation provided by the Department for Infrastructure and Transport under Memoranda of Administrative Arrangement (refer note 4.1).
- grant payments of \$4.7 million to the South Australian Government Financing Authority for grants provided through the Research and Innovation Fund.
- grant payments of \$4.5 million to StudyAdelaide including \$2.0 million to attract and retain high quality international students to drive sustained growth following the COVID-19 pandemic.
- grant payments of \$2.9 million to Creative Industries statutory authorities, South Australian Film Corporation (\$2.1 million) and Adelaide Film Festival (\$0.8 million). Payments to the South Australian Film Corporation include \$0.2 million for the Post Production, Digital and Visual Effects (PDV) Rebate Scheme and Video Games Development (VGD) Rebate Scheme.

**Department for Industry, Innovation and Science**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2024*

---

**2. Income**

**2.1. Appropriations**

|   | <b>2024</b>   | <b>2023</b>   |
|---|---------------|---------------|
|   | <b>\$'000</b> | <b>\$'000</b> |
| Appropriations from Consolidated Account pursuant to the <i>Appropriation Act</i> | 50 373        | 25 082        |
| Appropriations under other Acts   | 3 315         | 35 697        |
| <b>Total appropriations</b>   | <b>53 688</b> | <b>60 779</b> |

Appropriations are recognised on receipt.

Total appropriations received from the Consolidated Account pursuant to the *Appropriation Act* consist of \$50.4 million (2023: \$25.1 million) for capital and operational funding. The original amount appropriated to the department under the annual *Appropriation Act* was adjusted for monies received from the Treasurer via the Governor's Appropriation Fund of \$3.3 million (2023: \$35.7 million) pursuant to the *Public Finance and Audit Act 1987*.

**2.2. Fees and charges**

|                               | <b>2024</b>   | <b>2023</b>   |
|-------------------------------|---------------|---------------|
|                               | <b>\$'000</b> | <b>\$'000</b> |
| Service level agreement fees  | 1 299         | 1 179         |
| Immigration application fees  | 927           | 3 568         |
| <b>Total fees and charges</b> | <b>2 226</b>  | <b>4 747</b>  |

Fees and charges are intended to recover costs and revenue is recognised when services are performed.

The department collects fees to assess skilled and business migrant applications that were set out in the *South Australian Migration Fees 2023* Notice, published in the SA Government Gazette on 27 July 2023.

Service level agreement fees primarily relate to corporate services provided to the Department for Energy and Mining \$1.2 million (2023: \$1 million).

**Department for Industry, Innovation and Science**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2024*

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

|  | 2024         | 2023         |
|--|--------------|--------------|
|  | \$'000       | \$'000       |
| Economic Recovery Fund                                     | 2 500        | 2 000        |
| Transfers from the Treasurer's Contingency Fund            | 63           | 3 170        |
| TVSP reimbursements  | -            | 1 373        |
| Community Development Fund                                 | -            | 850          |
| Other  | 366          | 307          |
| <b>Total SA Government grants, subsidies and transfers</b> | <b>2 929</b> | <b>7 700</b> |

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

Once-off transfers were provided by the Treasurer's Contingency Fund in 2022-23 in response to the River Murray flood event. Funding was provided to support businesses, primary producers and households disconnected from the electricity grid through the Power Shut-Off Grant program (\$2.6 million) and to support small businesses and individuals to recover and rebuild through the Small Business Financial Counselling Support program (\$0.5 million).

**2.4. Resources received free of charge**

|  | 2024       | 2023       |
|--|------------|------------|
|  | \$'000     | \$'000     |
| Services received free of charge - Department of the Premier and Cabinet | 593        | 512        |
| Services received free of charge - Shared Services SA                    | 190        | 281        |
| <b>Total resources received free of charge</b>                           | <b>783</b> | <b>793</b> |

The department receives Financial Accounting, Taxation, Payroll, Accounts Payable and Accounts Receivable services from Shared Services SA free of charge, and ICT and media monitoring services from the Department of the Premier and Cabinet free of charge. The fair value of these services can be reliably measured, and the services would have been purchased had they not been donated. Corresponding expenses are recognised (refer note 4.1).

**2.5. Interest**

|                               | 2024      | 2023      |
|-------------------------------|-----------|-----------|
|                               | \$'000    | \$'000    |
| Interest                      | 42        | 26        |
| Interest on lease receivables | 6         | 9         |
| <b>Total interest</b>         | <b>48</b> | <b>35</b> |

**Department for Industry, Innovation and Science**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2024*

---

**2.6. Other income**

|   | <b>2024</b>   | <b>2023</b>   |
|---|---------------|---------------|
|   | <b>\$'000</b> | <b>\$'000</b> |
| Operating rent from sub-leases                | 1 581         | 1 549         |
| Recoveries                                    | 324           | 1 205         |
| Sponsorship revenues                          | 50            | 205           |
| Gain on remeasurement of finance lease        | 12            | 30            |
| Land sale recoveries - Edinburgh Parks        | -             | 1 090         |
| Variable lease income from finance sub-leases | -             | 176           |
| Gain on accommodation incentive               | -             | 21            |
| Other   | 2             | 40            |
| <b>Total other income</b>                     | <b>1 969</b>  | <b>4 316</b>  |

**Department for Industry, Innovation and Science**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2024*

---

**3. Committees and employees**

The department's committees and employees support the delivery of the department's programs to support sustainable economic growth by developing creative, innovative and productive industries and businesses that leverage South Australia's strengths.

**3.1. Key management personnel**

Key management personnel of the department include the Minister for Industry, Innovation and Science, the Chief Executive Officer and six (2023: eight) members of the Executive Team who have responsibility for the strategic direction and management of the department.

Post-employment benefits relate to superannuation.

|   | 2024         | 2023         |
|---|--------------|--------------|
|   | \$'000       | \$'000       |
| <b>Compensation</b>                             |              |              |
| Salaries and other short term employee benefits | 1 489        | 1 598        |
| Post-employment benefits                        | 238          | 268          |
| <b>Total compensation</b>                       | <u>1 727</u> | <u>1 866</u> |

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

There were no transactions with key management personnel and other related parties.



**Department for Industry, Innovation and Science**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2024*

---

**3.2. Committee members**

Members during the 2024 financial year were:

**Risk and Audit Committee**

- D Contala (Chair)
- C Dunsford (Chair) (resigned December 2023)
- D Price \*
- D Tembak \*
- K Hunt \*

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

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

|                                     | 2024     | 2023     |
|-------------------------------------|----------|----------|
| \$1 - \$19 999                      | 2        | 2        |
| <b>Total number of paid members</b> | <u>2</u> | <u>2</u> |

The total remuneration received or receivable by members was \$18 972 (2023: \$18 191). Remuneration of members includes sitting fees, superannuation contributions, salary sacrifice benefits, fringe benefits and any related fringe benefits tax.

**Department for Industry, Innovation and Science**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2024*

**3.3. Employee related expenses**

|   | <b>2024</b>   | <b>2023</b>   |
|---|---------------|---------------|
|   | <b>\$'000</b> | <b>\$'000</b> |
| Salaries and wages                            | 16 389        | 17 793        |
| Employment on-costs - superannuation          | 2 072         | 2 000         |
| Annual leave                                  | 1 588         | 1 515         |
| Employment on-costs - other                   | 1 039         | 1 037         |
| Long service leave                            | 741           | 92            |
| Skills and experience retention leave         | 80            | 104           |
| Targeted voluntary separation packages        | 50            | 1 361         |
| Board and committee fees - excluding on-costs | 17            | 17            |
| Workers compensation                          | (44)          | 99            |
| <b>Total employee related expenses</b>        | <b>21 932</b> | <b>24 018</b> |

***Employment on-costs – superannuation***

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

***Employee remuneration***

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

|                                  | <b>2024</b>   | <b>2023</b>   |
|----------------------------------|---------------|---------------|
|                                  | <b>Number</b> | <b>Number</b> |
| \$156 001 to \$166 000 *         | N/A           | 4             |
| \$166 001 to \$186 000           | 3             | 4             |
| \$186 001 to \$206 000           | 1             | 2             |
| \$206 001 to \$226 000           | 3             | 2             |
| \$226 001 to \$246 000           | 3             | 2             |
| \$246 001 to \$266 000           | 2             | 2             |
| \$266 001 to \$286 000           | 4             | 1             |
| \$306 001 to \$326 000           | 1             | 2             |
| \$386 001 to \$406 000           | -             | 1             |
| \$426 001 to \$446 000           | 1             | -             |
| <b>Total number of employees</b> | <b>18</b>     | <b>20</b>     |

\* This band has been included for the purposes of reporting comparative figures based on the executive base level remuneration rate for 2022-23.

The total remuneration received by those employees for the year was \$4.5 million (2023: \$4.4 million).

**Department for Industry, Innovation and Science**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2024*

**3.3. Employee related expenses (continued)**

The table includes all employees whose normal remuneration was 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 as well as any termination benefits for employees who have left the department.

**Targeted voluntary separation packages (TVSPs)**

The number of employees who received a TVSP during the reporting period was one (2023: 15).

|  | 2024      | 2023       |
|--|-----------|------------|
|  | \$'000    | \$'000     |
| Amount paid to separated employees:                  |           |            |
| Targeted voluntary separation packages               | 50        | 1 361      |
| Leave paid to separated employees                    | 5         | 641        |
| Recovery from the Department of Treasury and Finance | -         | (1 373)    |
| <b>Net cost to the department</b>                    | <b>55</b> | <b>629</b> |

The net cost to the department after accounting for employment on-costs and Shared Services SA processing fees was \$0.1 million (2023: \$0.6 million).

**3.4. Employee related liabilities**

|   | 2024         | 2023         |
|---|--------------|--------------|
|   | \$'000       | \$'000       |
| <b>Current</b>  |              |              |
| Annual leave  | 1 593        | 1 601        |
| Employment on-costs                                   | 529          | 593          |
| Long service leave                                    | 309          | 241          |
| Skills and experience retention leave                 | 118          | 133          |
| Accrued salaries and wages                            | 10           | 12           |
| <b>Total current employee related liabilities</b>     | <b>2 559</b> | <b>2 580</b> |
| <b>Non-current</b>                                    |              |              |
| Long service leave                                    | 3 470        | 3 573        |
| Employment on-costs                                   | 356          | 356          |
| <b>Total non-current employee related liabilities</b> | <b>3 826</b> | <b>3 929</b> |
| <b>Total employee related liabilities</b>             | <b>6 385</b> | <b>6 509</b> |

Employee related liabilities accrue as a result of services provided up to the reporting date that remain unpaid. Non-current employee related liabilities are measured at present value and current employee related liabilities are measured at nominal amounts.

**Department for Industry, Innovation and Science**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2024*

---

**3.4. Employee related liabilities (continued)**

***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 that date.

The salary inflation rate for annual leave and skills, experience and retention leave liability has increased to 2.4% (2023: 2.0%).

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

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

***Long service leave***

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

***Employment on-costs***

Employment on-costs include payroll tax, ReturnToWorkSA levies and superannuation contributions and are settled when the respective employee benefits that they relate to are discharged. These on-costs primarily relate to the balance of leave owing to employees. Estimates as to the proportion of long service leave estimated to be taken as leave, rather than paid on termination, affects whether certain on-costs are recognised as a consequence of long service leave liabilities.

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

As a result of an actuarial assessment performed by the Department of Treasury and Finance, the proportion of long service leave taken as leave has increased to 44% (2023: 43%) and the average factor for the calculation of employer superannuation cost on-costs has increased to 11.5% (2023: 11.1%). These rates are used in the employment on-cost calculation. The impact on 2024 is immaterial and cannot be reliably estimated for future years.

**Department for Industry, Innovation and Science**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2024*

**4. Expenses**

**4.1. Supplies and services**

|   | 2024         | 2023          |
|---|--------------|---------------|
|   | \$'000       | \$'000        |
| Accommodation and property costs                                | 2 707        | 3 352         |
| Information technology and communication charges <sup>(1)</sup> | 2 325        | 2 947         |
| Contractors   | 1 960        | 2 494         |
| Office administration expenses                                  | 1 287        | 1 708         |
| Staff related expenses  | 477          | 514           |
| Travel and related expenses                                     | 344          | 299           |
| Consultancies   | 245          | 276           |
| Shared services fees <sup>(2)</sup>                             | 193          | 330           |
| Marketing   | 186          | 407           |
| Service recoveries  | 118          | 124           |
| Accounting and audit fees <sup>(3)</sup>                        | 104          | 139           |
| Short term leases   | 8            | 13            |
| Accommodation incentive amortisation                            | (102)        | (102)         |
| <b>Total supplies and services</b>                              | <b>9 852</b> | <b>12 501</b> |

<sup>(1)</sup> Resources provided free of charge by the Department of the Premier and Cabinet were expensed at fair value (refer note 2.4).

<sup>(2)</sup> Resources provided free of charge by Shared Services SA were expensed at fair value (refer note 2.4).

<sup>(3)</sup> Audit fees paid / payable to the Audit Office of South Australia (previously known as the Auditor-General's Department) relating to work performed under the *Public Finance and Audit Act 1987* were \$0.10 million (2023: \$0.14 million). No other services were provided by the Audit Office of South Australia.

***Accommodation and property costs***

Most of the department's accommodation is provided by the Department for Infrastructure and Transport under Memoranda of Administrative Arrangement issued in accordance with Government-wide accommodation policies. These arrangements do not meet the definition of a lease set out in AASB 16 *Leases* and are expensed accordingly.

Information about accommodation incentives relating to this arrangement is shown at note 7.4.

**4.2. Expenditure - South Australian and Non-South Australian business**

The following table includes all expenditure in relation to contracts above \$55,000 (GST inclusive) resulting from a procurement as defined in Treasurer's Instructions 18 *Procurement* (TI 18). Arrangements between public authorities and arrangements with other governments are not included.

Expenditure is inclusive of non-recoverable GST.

|  | 2024         | Proportion SA and |
|--|--------------|-------------------|
|  | \$'000       | non-SA businesses |
| Total expenditure with South Australian businesses     | 3 501        | 70%               |
| Total expenditure with non-South Australian businesses | 1 501        | 30%               |
| <b>Total expenditure</b>                               | <b>5 002</b> | <b>100%</b>       |

**Department for Industry, Innovation and Science**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2024*

**4.2. Expenditure ¥ South Australian and Non-South Australian business (continued)**

Classification as SA business or non-SA business is generally based on circumstances as at the time of entering into a contract. For contracts entered into before 20 February 2023, where sufficient evidence of an assessment made under previous procurement requirements is known to the department, this was used to determine classification. For contracts where such evidence of prior assessment is not available and for all other contracts, classification is based on the definition of an SA business provided in TI 18.

Treasurer's Instructions 18 *Procurement* defines a business as being South Australian where it operates in South Australia and more than 50% of the workforce delivering the contract resulting from the procurement on behalf of the business are South Australian residents.

The disclosure for expenditure with SA businesses reflects the total spent on contracts within the TI 18 definition and in some instances includes the cost of goods sourced from outside South Australia.

In many cases, the determination has been made on the basis of representations made by suppliers at a point in time which has not been subject to independent verification.

**4.3. Depreciation and amortisation**

|   | <b>2024</b>   | <b>2023</b>   |
|---|---------------|---------------|
|   | <b>\$'000</b> | <b>\$'000</b> |
| Right-of-use buildings                              | 1 063         | 1 463         |
| Buildings, accommodation and leasehold improvements | 292           | 337           |
| Intangible assets                                   | 247           | 285           |
| Plant and equipment                                 | 176           | 246           |
| <b>Total depreciation and amortisation</b>          | <b>1 778</b>  | <b>2 331</b>  |

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.

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

Land, works of art and non-current assets classified as held for sale are not depreciated.

***Useful life***

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

| <b>Class of asset</b>                    | <b>Useful life (years)</b> |
|--|----------------------------|
| Accommodation and leasehold improvements | Life of lease              |
| Right-of-use buildings                   | Life of lease              |
| Plant and equipment                      | 3-11                       |
| Intangible assets                        | 3-5                        |

***Review of accounting estimates***

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

**Department for Industry, Innovation and Science**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2024*

**4.4. Grants and subsidies**

|                                   | 2024          | 2023          |
|-----------------------------------|---------------|---------------|
|                                   | \$'000        | \$'000        |
| Industry, Innovation and Science  | 20 134        | 22 422        |
| Small and Family Business         | 4 845         | 7 581         |
| Creative Industries               | 4 384         | 12 246        |
| Migration                         | 182           | 585           |
| Other                             | 79            | 75            |
| <b>Total grants and subsidies</b> | <b>29 624</b> | <b>42 909</b> |

**4.5. Net loss from disposal of non-current assets**

|  | 2024     | 2023     |
|--|----------|----------|
|  | \$'000   | \$'000   |
| <b>Land and buildings</b>  |          |          |
| Proceeds from disposal   | -        | (5 970)  |
| Less net book value of assets disposed                             | -        | 5 970    |
| <b>Total net gain / (loss) from disposal of non-current assets</b> | <b>-</b> | <b>-</b> |

**4.6. Other expenses**

|                             | 2024      | 2023       |
|-----------------------------|-----------|------------|
|                             | \$'000    | \$'000     |
| Expected credit loss        | 20        | 20         |
| Asset derecognition         | -         | 272        |
| Loss on land revaluation    | -         | 30         |
| Other                       | 1         | 4          |
| <b>Total other expenses</b> | <b>21</b> | <b>326</b> |

Asset derecognition includes work in progress for intangible assets and property, plant and equipment transferred to expenses for items that no longer satisfy the definition of an asset.

**4.7. Payments to Consolidated Account**

Proceeds paid / payable to the Consolidated Account of \$8.8 million (2023: \$5.9 million) relate to the return of surplus cash in accordance with the cash alignment policy. In 2023, proceeds paid / payable to the Consolidated Account relate to the sale of land located in the Thebarton Hi-Tech Precinct on 16 June 2023.

**Department for Industry, Innovation and Science**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2024*

**5. Non-financial assets**

**5.1. Property, plant and equipment**

Property, plant and equipment owned by the department with a value equal to or in excess of \$10 000 is capitalised, otherwise it is expensed with the exception of works of art. Works of art are capitalised irrespective of their value.

Property, plant and equipment is recorded at fair value. Detail about the department's approach to fair value is set out in note 10.2.

Plant and equipment includes \$0.4 million (2023: \$0.1 million) of fully depreciated plant and equipment still in use.

***Impairment***

Property, plant and equipment owned by the department has not been assessed for impairment as they are non-cash generating assets that are specialised in nature and held for continual use of their service capacity. Land and buildings are subject to regular revaluation.

***Reconciliation of property, plant and equipment***

Property, plant and equipment comprises tangible assets owned by the department. The assets presented below do not meet the definition of investment property.

The following table shows the movement of property, plant and equipment during 2023-24:

|  | <b>Plant and<br/>equipment</b> | <b>Buildings,<br/>accommodation<br/>and leasehold<br/>improvements</b> | <b>Works of art</b> | <b>Total</b>  |
|--|--------------------------------|--|---------------------|---------------|
|  | <b>\$'000</b>                  | <b>\$'000</b>  | <b>\$'000</b>       | <b>\$'000</b> |
| <b>Carrying amount at 1 July 2023</b>  | 349                            | 1 009  | 47                  | 1 405         |
| Additions                              | 71                             | -  | -                   | 71            |
| Revaluation increment                  | -                              | -  | 3                   | 3             |
| Depreciation                           | (176)                          | (292)  | -                   | (468)         |
| <b>Carrying amount at 30 June 2024</b> | <b>244</b>                     | <b>717</b>   | <b>50</b>           | <b>1 011</b>  |
| <b>Gross carrying amount</b>           |                                |  |                     |               |
| Gross carrying amount                  | 956                            | 2 097  | 50                  | 3 103         |
| Accumulated depreciation               | (712)                          | (1 380)  | -                   | (2 092)       |
| <b>Carrying amount at 30 June 2024</b> | <b>244</b>                     | <b>717</b>   | <b>50</b>           | <b>1 011</b>  |



**Department for Industry, Innovation and Science**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2024*

**5.1. Property, plant and equipment (continued)**

The following table shows the movement of property, plant and equipment during 2022-23:

|   | Plant and<br>equipment | Buildings,<br>accommodation<br>and leasehold<br>improvements | Land     | Works of<br>art | Total        |
|---|------------------------|--|----------|-----------------|--------------|
|   | \$'000                 | \$'000   | \$'000   | \$'000          | \$'000       |
| <b>Carrying amount at 1 July 2022</b>         | 654                    | 4 279  | 11 460   | 47              | 16 440       |
| Additions                                     | 67                     | -  | -        | -               | 67           |
| Asset derecognition                           | (126)                  | (146)  | -        | -               | (272)        |
| Revaluation decrement                         | -                      | -  | (30)     | -               | (30)         |
| Disposal through administrative restructuring | -                      | (2 787)  | (5 460)  | -               | (8 247)      |
| Depreciation                                  | (246)                  | (337)  | -        | -               | (583)        |
| Assets reclassified to assets held for sale   | -                      | -  | (5 970)  | -               | (5 970)      |
| <b>Carrying amount at 30 June 2023</b>        | <b>349</b>             | <b>1 009</b>   | <b>-</b> | <b>47</b>       | <b>1 405</b> |
| <b>Gross carrying amount</b>                  |                        |  |          |                 |              |
| Gross carrying amount                         | 884                    | 2 435  | -        | 47              | 3 366        |
| Accumulated depreciation                      | (535)                  | (1 426)  | -        | -               | (1 961)      |
| <b>Carrying amount at 30 June 2023</b>        | <b>349</b>             | <b>1 009</b>   | <b>-</b> | <b>47</b>       | <b>1 405</b> |

**Department for Industry, Innovation and Science**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2024*

**5.2. Leased property, plant and equipment**

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

**Reconciliation of leased property, plant and equipment**

The following table shows the movement of leased property, plant and equipment during 2023-24:

|  | <b>Right-of-use<br/>buildings</b> | <b>Total</b>  |
|--|-----------------------------------|---------------|
|  | <b>\$'000</b>                     | <b>\$'000</b> |
| <b>Carrying amount at 1 July 2023</b>  | 7 564                             | 7 564         |
| Additions                              | 1 019                             | 1 019         |
| Disposals                              | (636)                             | (636)         |
| Depreciation                           | (1 063)                           | (1 063)       |
| <b>Carrying amount at 30 June 2024</b> | <b>6 884</b>                      | <b>6 884</b>  |
| <b>Gross carrying amount</b>           |                                   |               |
| Gross carrying amount                  | 9 306                             | 9 306         |
| Accumulated depreciation               | (2 422)                           | (2 422)       |
| <b>Carrying amount at 30 June 2024</b> | <b>6 884</b>                      | <b>6 884</b>  |

The following table shows the movement of leased property, plant and equipment during 2022-23:

|   | <b>Right-of-use<br/>vehicles</b> | <b>Right-of-use<br/>buildings</b> | <b>Total</b>  |
|---|----------------------------------|-----------------------------------|---------------|
|   | <b>\$'000</b>                    | <b>\$'000</b>                     | <b>\$'000</b> |
| <b>Carrying amount at 1 July 2022</b>         | 12                               | 8 654                             | 8 666         |
| Additions                                     | -                                | 944                               | 944           |
| Disposals                                     | -                                | (695)                             | (695)         |
| Depreciation                                  | -                                | (1 463)                           | (1 463)       |
| Increase on termination of finance sublease   | -                                | 124                               | 124           |
| Disposal through administrative restructuring | (12)                             | -                                 | (12)          |
| <b>Carrying amount at 30 June 2023</b>        | <b>-</b>                         | <b>7 564</b>                      | <b>7 564</b>  |
| <b>Gross carrying amount</b>                  |                                  |                                   |               |
| Gross carrying amount                         | -                                | 10 034                            | 10 034        |
| Accumulated depreciation                      | -                                | (2 470)                           | (2 470)       |
| <b>Carrying amount at 30 June 2023</b>        | <b>-</b>                         | <b>7 564</b>                      | <b>7 564</b>  |

**Department for Industry, Innovation and Science**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2024*

---

**5.2. Leased property, plant and equipment (continued)**

The department's motor vehicle lease with the South Australian Government Financing Authority transferred to the Department for Education effective from 1 July 2022 (refer note 1.3).

Additions of \$1.0 million primarily relate to the commencement of a new lease agreement with Renewal SA at Lot Fourteen for the Marnirni-apinthe Building (\$0.9 million). In 2023 additions of \$0.9 million were processed to recognise the increase in right-of-use buildings due to an increase in the lease term for the Marnirni-apinthe Building at Lot Fourteen (\$0.4 million) and increased indexation based on the Consumer Price Index for the TechHub (\$0.5 million).

Disposals of \$0.6 million were processed to recognise the reduction in right-of-use buildings due to the commencement of a new finance sub-lease agreement for the Marnirni-apinthe Building at Lot Fourteen. In 2023 disposals of \$0.7 million were processed to recognise the reduction in right-of-use buildings due to the commencement of new finance sub-lease agreement for the Marnirni-apinthe Building at Lot Fourteen (\$0.4 million) and a reduction in the lease term for the St Paul's Creative Centre (\$0.3 million).

The department has a limited number of leases that will continue into 2024-25:

- in October 2023 the department entered into a two year building lease for the Marnirni-apinthe Building at Lot Fourteen with Renewal SA. No contingent rental provisions exist within the lease agreement, and there is an option to renew the lease for an additional two years at the end of the lease term. The lease term is currently assumed to be two years. The department has also entered a 18 month sub-lease from April 2024. The sub-lease is disclosed as a finance lease and the right-of-use asset has been reduced to account for the sub-lease.
- on 30 June 2021 a building lease for the TechHub was transferred to the department from TechInSA. The lease term ends in June 2033, and there is an option to renew the lease for an additional five years at the end of the lease term. The lease term is currently assumed to end in June 2033. Sub-leases associated with the TechHub have been disclosed as operating leases (refer note 9.2). Income from operating sub-leases in 2024 is disclosed in note 2.6.

The building lease for the St Pauls Creative Centre expired in September 2023.

Lease liabilities related to right-of-use assets and the department's maturity analysis of its lease liabilities are disclosed in note 7.2. Expenses related to right-of-use assets, including depreciation and interest expenses, are disclosed in note 4. Cash outflows related to right-of-use assets are disclosed in note 8.2.

Finance lease receivables related to finance sub-leases are disclosed in note 6.2. The department's maturity analysis of its finance lease receivables is disclosed in note 9.2.

***Impairment***

Leased property, plant and equipment has been assessed for impairment. There was no indication of impairment at 30 June 2024. No impairment loss or reversal of impairment loss was recognised.

**Department for Industry, Innovation and Science**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2024*

**5.3. Intangible assets**

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

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

Internally developed computer software primarily relates to the department's intangible integration platform, records management and Migration systems. These systems have an average useful life of five years and carrying amount of \$0.4 million.

**Reconciliation of intangible assets**

The following table shows the movement of intangible assets during 2023-24:

|  | Intangible<br>software | Intangible<br>work in<br>progress | Total      |
|--|------------------------|-----------------------------------|------------|
|  | \$'000                 | \$'000                            | \$'000     |
| <b>Carrying amount at 1 July 2023</b>  | 602                    | -                                 | 602        |
| Additions                              | -                      | 158                               | 158        |
| Capitalisation                         | 63                     | (63)                              | -          |
| Amortisation                           | (247)                  | -                                 | (247)      |
| <b>Carrying amount at 30 June 2024</b> | <b>418</b>             | <b>95</b>                         | <b>513</b> |
| <b>Gross carrying amount</b>           |                        |                                   |            |
| Gross carrying amount                  | 2 071                  | 95                                | 2 166      |
| Accumulated amortisation               | (1 653)                | -                                 | (1 653)    |
| <b>Carrying amount at 30 June 2024</b> | <b>418</b>             | <b>95</b>                         | <b>513</b> |

The following table shows the movement of intangible assets during 2022-23:

|  | Intangible<br>software | Intangible<br>work in<br>progress | Total      |
|--|------------------------|-----------------------------------|------------|
|  | \$'000                 | \$'000                            | \$'000     |
| <b>Carrying amount at 1 July 2022</b>        | 3 706                  | 646                               | 4 352      |
| Amortisation                                 | (285)                  | -                                 | (285)      |
| Disposals through administrative restructure | (2 819)                | (646)                             | (3 465)    |
| <b>Carrying amount at 30 June 2023</b>       | <b>602</b>             | <b>-</b>                          | <b>602</b> |
| <b>Gross carrying amount</b>                 |                        |                                   |            |
| Gross carrying amount                        | 2 008                  | -                                 | 2 008      |
| Accumulated amortisation                     | (1 406)                | -                                 | (1 406)    |
| <b>Carrying amount at 30 June 2023</b>       | <b>602</b>             | <b>-</b>                          | <b>602</b> |

**Department for Industry, Innovation and Science**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2024*

---

**5.4. Non-current assets classified as held for sale**

*Reconciliation of non-current assets classified as held for sale*

The following table shows the movement of non-current assets classified as held for sale during 2022-23:

|   | <u>Land</u>    | <u>Total</u>   |
|---|----------------|----------------|
|   | <u>\$'000</u>  | <u>\$'000</u>  |
| <b>Carrying amount at 1 July 2022</b>       | -              | -              |
| Assets reclassified to assets held for sale | 5 970          | 5 970          |
| Sales                                       | <u>(5 970)</u> | <u>(5 970)</u> |
| <b>Carrying amount at 30 June 2023</b>      | <u>-</u>       | <u>-</u>       |

As at 30 June 2024, the department has no assets classified as held for sale (2023: \$nil).

Land held for sale is measured at fair value less costs to sell. Details about the department's approach to fair value is set out in note 10.2.

**Department for Industry, Innovation and Science**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2024*

**6. Financial assets**

**6.1. Cash**

|  | 2024          | 2023          |
|--|---------------|---------------|
|  | \$'000        | \$'000        |
| Deposits with the Treasurer - Operating Account          | 11 205        | 21 605        |
| Accrual Appropriation Excess Funds                       | 2 275         | 3 755         |
| Section 21 Deposit Account - TechInSA                    | 1 047         | 1 062         |
| <b>Total cash in the Statement of Financial Position</b> | <b>14 527</b> | <b>26 422</b> |
| <br>   |               |               |
| <b>Total cash in the Statement of Cash Flows</b>         | <b>14 527</b> | <b>26 422</b> |

Cash is measured at nominal amounts. Although the department controls the money in the Accrual Appropriation Excess Funds account, its use must be approved by the Treasurer. The department does not earn interest on its deposits with the Treasurer.

**6.2. Receivables**

|                                      | 2024         | 2023         |
|--------------------------------------|--------------|--------------|
|                                      | \$'000       | \$'000       |
| <b><u>Current</u></b>                |              |              |
| <b>Trade receivables</b>             |              |              |
| From government entities             | 1 655        | 937          |
| From non-government entities         | 199          | 592          |
| Less impairment loss on receivables  | (48)         | (28)         |
| <b>Total trade receivables</b>       | <b>1 806</b> | <b>1 501</b> |
| Finance lease receivables            | 432          | 98           |
| Accrued revenues                     | 419          | 1 348        |
| GST input tax recoverable            | 371          | 798          |
| Prepayments                          | -            | 1            |
| Other receivables                    | 38           | 47           |
| <b>Total current receivables</b>     | <b>3 066</b> | <b>3 793</b> |
| <br>                                 |              |              |
| <b><u>Non-current</u></b>            |              |              |
| Finance lease receivables            | 113          | -            |
| <b>Total non-current receivables</b> | <b>113</b>   | <b>-</b>     |
| <br>                                 |              |              |
| <b>Total receivables</b>             | <b>3 179</b> | <b>3 793</b> |

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

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

Refer to note 10.3 for further information on risk management.

**Department for Industry, Innovation and Science**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2024*

---

**6.2. Receivables (continued)**

Statutory receivables do not arise from contracts with customers. They are recognised and measured similarly to contractual receivables (except impairment) but are not classified as financial instruments for disclosure purposes, refer to note 10.3.

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

Receivables, prepayments and accrued revenues are non-interest bearing other than finance lease receivables.

Receivables are held with the objective of collecting the contractual cash flows and they are measured at amortised cost.

***Allowance for impairment loss on receivables***

|                                   | 2024        | 2023        |
|-----------------------------------|-------------|-------------|
|                                   | \$'000      | \$'000      |
| <b>Carrying amount at 1 July</b>  | (28)        | (8)         |
| (Increase) in the allowance       | (20)        | (20)        |
| <b>Carrying amount at 30 June</b> | <u>(48)</u> | <u>(28)</u> |

Impairment losses relate to contracts with customers external to SA Government. No impairment loss was recognised in relation to statutory receivables.

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

**Department for Industry, Innovation and Science**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2024*

---

**7. Liabilities**

**7.1. Payables**

|                                     | <b>2024</b>   | <b>2023</b>   |
|-------------------------------------|---------------|---------------|
|                                     | <b>\$'000</b> | <b>\$'000</b> |
| <b><u>Current</u></b>               |               |               |
| Accrued expenses and trade payables | 3 203         | 5 483         |
| <b>Total payables</b>               | <b>3 203</b>  | <b>5 483</b>  |

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

Statutory payables do not arise from contracts, refer to note 10.3.

**7.2. Financial liabilities**

All financial liabilities relate to lease liabilities.

A maturity analysis of financial liabilities based on undiscounted gross cash flow is reported in the table below:

|   | <b>2024</b>   | <b>2023</b>   |
|---|---------------|---------------|
|   | <b>\$'000</b> | <b>\$'000</b> |
| Within one year                                   | 1 331         | 923           |
| Later than one year but no longer than five years | 3 728         | 3 495         |
| Later than five years                             | 3 926         | 4 818         |
| <b>Total financial liabilities (undiscounted)</b> | <b>8 985</b>  | <b>9 236</b>  |

The department measures financial liabilities including borrowings / debt at amortised cost. Lease liabilities have been measured via discounting lease payments using the Department of Treasury and Finance incremental borrowing rate.



**Department for Industry, Innovation and Science**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2024*

---

**7.3. Provisions**

All provisions relate to workers compensation.

***Reconciliation of workers compensation (statutory and non-statutory)***

|   | <b>2024</b>   | <b>2023</b>   |
|---|---------------|---------------|
|   | <b>\$'000</b> | <b>\$'000</b> |
| <b>Carrying amount at 1 July</b>  | 284           | 344           |
| (Reduction) / increase resulting from re-measurement or settlement without cost | (46)          | 72            |
| (Decrease) in provisions due to transfers on administrative restructure         | (13)          | (132)         |
| <b>Carrying amount at 30 June</b>   | <b>225</b>    | <b>284</b>    |

The department is an exempt employer under the *Return to Work Act 2014*. Under a scheme arrangement, the department is responsible for the management of workers rehabilitation and compensation, and is directly responsible for meeting the cost of workers' compensation claims and the implementation and funding of preventive programs.

Accordingly, a liability has been reported to reflect unsettled workers compensation claims. The workers compensation provision is based on an actuarial assessment of the outstanding liability as at 30 June 2024 provided by a consulting actuary engaged through the Office of the Commissioner of Public Sector Employment.

There is a significant degree of uncertainty associated with estimating future claim and expense payments and also around the timing of future payments due to the variety of factors involved. The liability is impacted by agency claim experience relative to other agencies, average claim sizes and other economic and actuarial assumptions.

**Department for Industry, Innovation and Science**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2024*

**7.4. Other liabilities**

|  | <b>2024</b>   | <b>2023</b>   |
|--|---------------|---------------|
|  | <b>\$'000</b> | <b>\$'000</b> |
| <b><u>Current</u></b>                      |               |               |
| Accommodation incentive                    | 102           | 102           |
| Contract liabilities                       | -             | 314           |
| <b>Total current other liabilities</b>     | <b>102</b>    | <b>416</b>    |
| <b><u>Non-current</u></b>                  |               |               |
| Accommodation incentive                    | 160           | 262           |
| Rental bonds from tenants                  | 47            | 105           |
| <b>Total non-current other liabilities</b> | <b>207</b>    | <b>367</b>    |
| <b>Total other liabilities</b>             | <b>309</b>    | <b>783</b>    |

A maturity analysis of other liabilities based on undiscounted gross cash flow is reported in the table below:

|   | <b>2024</b>   | <b>2023</b>   |
|---|---------------|---------------|
|   | <b>\$'000</b> | <b>\$'000</b> |
| Within one year                                   | 102           | 416           |
| Later than one year but no longer than five years | 207           | 367           |
| <b>Total other liabilities (undiscounted)</b>     | <b>309</b>    | <b>783</b>    |

Accommodation incentive liabilities relate to arrangements with the Department for Infrastructure and Transport for office accommodation. These arrangements do not comprise leases and the accommodation incentives do not comprise financial liabilities under AASB 16 *Leases*. The Department for Infrastructure and Transport has provided a range of incentives relating to the fit-out of accommodation. The benefit of these incentives is spread over the accommodation term so that each year reported accommodation expenses reflect the economic substance of the office accommodation arrangements and related benefits provided.

Rental bonds are recognised as a liability on receipt.

**Department for Industry, Innovation and Science**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2024*

---

**8. Other disclosures**

**8.1. Equity**

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

**8.2. Cash flow**

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

Total cash outflows for leases are \$1.1 million (2023: \$2.5 million).

|   | 2024            | 2023           |
|---|-----------------|----------------|
|   | \$'000          | \$'000         |
| <b><u>Reconciliation of net cash provided by operating activities to net result</u></b> |                 |                |
| Net cash (used in) operating activities   | (10 202)        | (18 869)       |
| <b><u>Add / (less) non-cash items</u></b>   |                 |                |
| Depreciation and amortisation expense of non-current assets                             | (1 778)         | (2 331)        |
| Amortisation of accommodation incentive   | 102             | 102            |
| Net gain on accommodation incentive   | -               | 21             |
| Net gain on remeasurement of finance lease  | 12              | 30             |
| Asset derecognition   | -               | (272)          |
| Expected credit loss  | (20)            | (20)           |
| Resources received free of charge   | 783             | 793            |
| Resources provided free of charge   | (783)           | (793)          |
| Transfer out for administrative restructure   | (488)           | (6 960)        |
| Transfer in for administrative restructure  | -               | 474            |
| Decrements on revaluation of non-current assets   | -               | (30)           |
| <b><u>Movement in assets and liabilities</u></b>  |                 |                |
| (Decrease) in receivables   | (1 041)         | (771)          |
| Decrease in payables  | 2 280           | 14 397         |
| Decrease / (increase) in other liabilities  | 371             | (92)           |
| Decrease / (increase) in provisions   | 59              | (72)           |
| Decrease in employee related liabilities  | 124             | 4 546          |
| <b>Net result</b>   | <b>(10 581)</b> | <b>(9 847)</b> |

**Department for Industry, Innovation and Science**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2024*

---

**9. Outlook**

**9.1. Unrecognised contractual commitments**

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

***Contractual commitments to acquire property, plant and equipment and intangible assets***

The department has no capital commitments to acquire property plant and equipment or intangible assets at 30 June 2024 (2023: \$Nil).

***Other contractual commitments***

|  | 2024          | 2023          |
|--|---------------|---------------|
|  | \$'000        | \$'000        |
| Within one year                                    | 28 752        | 22 967        |
| Later than one year but not longer than five years | 47 068        | 27 797        |
| <b>Total expenditure commitments</b>               | <b>75 820</b> | <b>50 764</b> |

The department's expenditure commitments are for agreements for Memoranda of Administrative Arrangement with the Department for Infrastructure and Transport for accommodation and agreements with contractors, consultants, information and technology contracts and grant recipients.

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

The department has not entered into any leases on or prior to 30 June 2024, that have not yet commenced.

**9.2. Expected rental income**

|   | 2024       | 2023         |
|---|------------|--------------|
|   | \$'000     | \$'000       |
| <b><u>Operating lease maturity analysis</u></b>     |            |              |
| Within one year                                     | 738        | 707          |
| Later than one year but not longer than two years   | -          | 606          |
| <b>Total undiscounted lease payments receivable</b> | <b>738</b> | <b>1 313</b> |
| <br>  |            |              |
| <b>Total operating lease income</b>                 | <b>738</b> | <b>1 313</b> |

The above table sets out a maturity analysis of operating lease payments receivable, showing the undiscounted lease payments to be received after the reporting date. These amounts are not recognised as assets.

Refer to note 5.2 for information about buildings the department leases out under operating leases.

**Department for Industry, Innovation and Science**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2024*

---

**9.2. Expected rental income (continued)**

|   | 2024       | 2023      |
|---|------------|-----------|
|   | \$'000     | \$'000    |
| <b><u>Finance lease maturity analysis</u></b>       |            |           |
| Within one year                                     | 432        | 98        |
| Later than one year but not longer than two years   | 113        | -         |
| <b>Total undiscounted lease payments receivable</b> | <b>545</b> | <b>98</b> |
| <b>Net investment in the lease</b>                  | <b>545</b> | <b>98</b> |

The above table sets out a maturity analysis of finance lease payments, showing the undiscounted lease payments to be received after reporting date, reconciled to the net investment in the lease presented as a lease receivable (refer note 6.2).

**9.3. Contingent assets and liabilities**

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

***Contingent assets***

Where specific conditions relating to a financial assistance grant are not met, the department may request the amount granted be repaid by the grantee. There are no known contingent assets arising from these present obligations as at 30 June 2024.

***Contingent liabilities***

The department is not aware of any contingent liabilities as at 30 June 2024.

**9.4. Impact of standards and statements not yet effective**

The department has assessed the impact of the new and amended Australian Accounting Standards and Interpretations not yet effective and does not expect these to have a material impact on the department's statements.

**Department for Industry, Innovation and Science**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2024*

---

**9.5. Events after the reporting period**

Adjustments are made to amounts recognised in the financial statements, where an event occurs after 30 June 2024 and before the date the financial statements are authorised for issue, where those events provide information about conditions that existed at 30 June 2024.

Note disclosure is made about events between 30 June 2024 and the date the financial statements are authorised for issue where the events relate to a condition which arose after 30 June 2024 and which may have a material impact on the results of subsequent years as set out below.

- As proclaimed on 30 May 2024 and in accordance with section 26 of the *Public Sector and Audit Act 2009*, effective from 1 July 2024 the title of the Department for Industry, Innovation and Science is altered to the Department of State Development.
- As proclaimed on 27 June 2024 and in accordance with section 9(1) of the *Public Sector Act 2009*, effective from 1 July 2024 Skills SA will be transferred from the Department for Education.
- As proclaimed on 27 June 2024 and in accordance with section 9(1) of the *Public Sector Act 2009*, effective from 1 July 2024 Trade and Investment, Brand SA and Office of the Agent-General will be transferred from the Department for Trade and Investment.
- As proclaimed on 27 June 2024 and in accordance with section 9(1) of the *Public Sector Act 2009*, effective from 1 July 2024 Population Strategy will be transferred from the Department of the Premier and Cabinet.

**Department for Industry, Innovation and Science**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2024*

---

**10. Measurement and risk**

**10.1. Long service leave liability - measurement**

The liability for long service leave is measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The expected timing and amount of long service leave payments is determined through whole-of-government actuarial calculations, which are based on actuarial assumptions on expected future salary and wage levels, experience of employee departures and periods of service. These assumptions are based on employee data over SA Government entities.

The discount rate used in measuring the liability is reflective of the yield on long-term Commonwealth Government bonds. The yield on long-term Commonwealth Government bonds has increased to 4.25% (2023: 4%).

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

The actuarial assessment performed by the Department of Treasury and Finance has increased the salary inflation rate to 3.5% (2023: 2.5%) for long service leave liability. The net financial effect of the changes to the salary inflation rate is an increase in the long service leave liability and employee related expense of \$0.2 million.

The net financial effect of the changes to actuarial assumptions in the current financial year is immaterial. The impact on future periods is impracticable to estimate as the long service leave liability is calculated using a number of demographical and financial assumptions – including the long-term discount rate.

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

**10.2. Fair value**

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

***Initial recognition***

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

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

***Revaluation***

Property, plant and equipment, other than right-of-use assets, are subsequently measured at fair value after allowing for accumulated depreciation.

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

Revaluation is undertaken every six years in accordance with APS 116.E. If at any time management considers that the carrying amount of an asset materially differs from its fair value, then the asset will be revalued regardless of when the last valuation took place.

**Department for Industry, Innovation and Science**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2024*

---

**10.2. Fair value (continued)**

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.

***Fair value hierarchy***

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

- Level 1 - traded in active markets and is based on unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at measurement date.
- Level 2 - not traded in an active market and are derived from inputs (inputs other than quoted prices included within level 1) that are observable for the asset, either directly or indirectly.
- Level 3 - not traded in an active market and are derived from unobservable inputs.

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

During 2024 and 2023, all valuations were categorised into level 3, with the exception of land which was classified as level 2. There were no transfers of assets between level 1 and 2 fair value hierarchy levels and there were no changes in valuation techniques.

***Land and buildings***

The fair value of land was determined using the market approach. The valuation was based on recent market transactions for similar land in the area and includes adjustment for factors specific to the land such as size and location. For land classified as restricted in use, adjustments were applied to reflect the restriction when determining fair value.

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

The valuation used estimates about construction materials that would be required to replace the buildings. Information about current construction costs were derived from a combination of internal records, specialised knowledge, the acquisition / transfer costs and the estimated useful life due to age and condition of the building.

***Plant and equipment***

All items of plant and equipment had a fair value at the time of acquisition less than \$1.5 million. Plant and equipment has not been revalued in accordance with APS 116.D. The carrying value of these items is deemed to approximate fair value.

***Works of art***

These assets are classified in level 3 as there is no active market. An independent valuation of works of art was performed by Theodore Bruce, an independent Certified Practising Valuer, as at 1 June 2024. Fair value was determined by estimating the current replacement cost based on the limited market information available for similar works of art assets and reproduction materials.



**Department for Industry, Innovation and Science**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2024*

**10.3. Financial instruments**

***Financial risk management***

Risk management is managed by the department's Commercial and Governance team. Departmental risk management policies are in accordance with the *SA Government Risk Management Guide* and the principles established in the *Australian Standard Risk Management Principles and Guidelines*.

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

***Liquidity risk***

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

Refer to notes 7.1 and 7.2 for further information.

***Credit risk***

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

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

***Impairment of financial assets***

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

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

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

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

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

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

|                        | Debtor gross carrying<br>amount | Loss % | Lifetime expected<br>losses |
|------------------------|---------------------------------|--------|-----------------------------|
|                        | \$'000                          |        | \$'000                      |
| Current (not past due) | 31                              | 1      | -                           |
| 1 - 30 days past due   | 22                              | 2      | 1                           |
| 31 - 60 days past due  | 2                               | 6      | -                           |
| 61 - 90 days past due  | -                               | 17     | -                           |
| 91 - 180 days past due | 144                             | 32     | 47                          |
| <b>Loss allowance</b>  | <b>199</b>                      |        | <b>48</b>                   |

**Department for Industry, Innovation and Science**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2024*

---

**10.3 Financial instruments (continued)**

Loss rates are based on actual history of credit loss, these rates have been adjusted to reflect differences between previous economic conditions, current conditions and the department's view of the forecast economic conditions over the expected life of the receivables.

Impairment losses are presented as net impairment losses within net result, subsequent recoveries of amounts previously written off are credited against the same line item.

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

There were no receivables written off during the year that are still subject to enforcement activity.

**Cash**

The department considers that its cash has low credit risk based on the external credit ratings of the counterparties and therefore the expected credit loss is nil.

**Market risk**

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

Exposure to interest rate risk may arise through its interest-bearing liabilities, including borrowings. The department's interest-bearing liabilities are managed through the South Australian Government Financing Authority and any movement in interest rates are monitored on a daily basis. There is no exposure to foreign currency or other price risks.

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

**Categorisation of financial instruments**

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

**Classification of financial instruments**

The department measures all financial instruments at amortised cost.

**Receivables and payables**

Receivables and payables at amortised cost are \$2.8 million (2023: \$2.9 million) and \$3.1 million (2023: \$5.3 million) respectively.

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

Receivable amounts disclosed here exclude prepayments as they are not financial assets. Prepayments are presented in note 6.2.

A maturity analysis of finance lease receivables is presented in note 9.2.

**Department for Industry, Innovation and Science**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2024*

---

**11. Administered items**

**11.1. Student Transport Concessions**

Student Transport Concessions reflect payments provided to the Department for Infrastructure and Transport to support student travel concessions for higher education students within metropolitan and regional South Australia.

***Administered income and expenses***

|                                     | <b>2024</b>   | <b>2023</b>   |
|-------------------------------------|---------------|---------------|
|                                     | <b>\$'000</b> | <b>\$'000</b> |
| <b><u>Administered Income</u></b>   |               |               |
| Appropriations                      | 10 891        | 10 693        |
| Other income                        | -             | 11            |
| <b>Total administered income</b>    | <b>10 891</b> | <b>10 704</b> |
| <b><u>Administered Expenses</u></b> |               |               |
| Grants and subsidies                | 8 061         | 10 259        |
| <b>Total administered expenses</b>  | <b>8 061</b>  | <b>10 259</b> |
| <b>Net result</b>                   | <b>2 830</b>  | <b>445</b>    |

***Administered assets and liabilities***

|  | <b>2024</b>   | <b>2023</b>   |
|--|---------------|---------------|
|  | <b>\$'000</b> | <b>\$'000</b> |
| <b><u>Administered current assets</u></b>      |               |               |
| Cash   | 5 114         | 2 413         |
| Receivables                                    | -             | 11            |
| <b>Total current assets</b>                    | <b>5 114</b>  | <b>2 424</b>  |
| <b>Total assets</b>                            | <b>5 114</b>  | <b>2 424</b>  |
| <b><u>Administered current liabilities</u></b> |               |               |
| Payables                                       | -             | 139           |
| <b>Total current liabilities</b>               | <b>-</b>      | <b>139</b>    |
| <b>Net assets</b>                              | <b>5 114</b>  | <b>2 285</b>  |
| <b><u>Administered equity</u></b>              |               |               |
| Retained earnings                              | 5 114         | 2 285         |
| <b>Total equity</b>                            | <b>5 114</b>  | <b>2 285</b>  |

**Department for Industry, Innovation and Science**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2024*

---

**11.1. Student Transport Concessions (continued)**

***Budget performance***

The budget performance table compares the department's administered outcomes against original budget information presented to Parliament (2023-24 Budget Paper 4). The budget amounts have not been adjusted to reflect revised budgets or administrative restructures. The budget process is not subject to audit.

|                                     | <b>Original Budget</b> | <b>Actual</b> | <b>Variance</b> |
|-------------------------------------|------------------------|---------------|-----------------|
|                                     | <b>2024</b>            | <b>2024</b>   |                 |
|                                     | <b>\$'000</b>          | <b>\$'000</b> | <b>\$'000</b>   |
| <b><u>Administered Income</u></b>   |                        |               |                 |
| Appropriations                      | 10 891                 | 10 891        | -               |
| <b>Total administered income</b>    | <b>10,891</b>          | <b>10 891</b> | <b>-</b>        |
| <b><u>Administered Expenses</u></b> |                        |               |                 |
| Grants and subsidies                | 10 891                 | 8 061         | (2 830)         |
| <b>Total administered expenses</b>  | <b>10,891</b>          | <b>8 061</b>  | <b>(2 830)</b>  |
| <b>Total comprehensive result</b>   | <b>-</b>               | <b>2 830</b>  | <b>2 830</b>    |

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