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## To the Chief Executive Department for Housing and Urban Development

### Opinion

I have audited the financial report of the Department for Trade and Investment 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 Trade and Investment 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 Statement of Administered Comprehensive Income for the year ended 30 June 2024
- a Statement of Administered Financial Position as at 30 June 2024
- a Statement of Administered Cash Flows for the year ended 30 June 2024
- notes, comprising material accounting policy information and other explanatory information for administered items
- a Certificate from the Chief Executive and Acting Chief Operating Officer.

## **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 Trade and Investment. 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 Trade and Investment 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 Trade and Investment'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**

23 September 2024

**Department for Trade and Investment  
(DTI)**

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

**Department for Trade and Investment**  
**Statement of Comprehensive Income**  
*for the year ended 30 June 2024*

	Note	2024 \$'000	2023 \$'000
<b><u>Income</u></b>			
Appropriations	2.1	124 493	120 512
Fees and charges	2.2	54 944	50 887
Commonwealth-sourced grants and funding	2.3	287	589
Resources received free of charge	2.4	1 211	954
Net gain from the disposal of non-current assets	2.5	-	29
SA Government grants, subsidies and transfers	2.6	10 195	8 990
Other income	2.7	17 018	712
<b>Total income</b>		<b>208 148</b>	<b>182 673</b>
<b><u>Expenses</u></b>			
Employee related expenses	3.3	49 099	46 991
Supplies and services	4.1	129 051	118 667
Depreciation and amortisation	5.1, 5.2	7 208	7 240
Grants and subsidies	4.3	7 179	10 224
Borrowing costs		21	28
Other expenses	4.4	2	16 696
<b>Total expenses</b>		<b>192 560</b>	<b>199 846</b>
<b>Net result</b>		<b>15 588</b>	<b>(17 173)</b>
<b><u>Other comprehensive income</u></b>			
<b>Items that will not be reclassified to net result</b>			
Changes in asset revaluation surplus	5.2	3 274	-
<b>Total other comprehensive income</b>		<b>3 274</b>	<b>-</b>
<b>Total comprehensive result</b>		<b>18 862</b>	<b>(17 173)</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 Trade and Investment**  
**Statement of Financial Position**  
*as at 30 June 2024*

	Note	2024 \$'000	2023 \$'000
<b><u>Current assets</u></b>			
Cash and cash equivalents	6.1	39 384	23 384
Receivables	6.2	6 407	6 712
<b>Total current assets</b>		<b>45 791</b>	<b>30 096</b>
<b><u>Non-current assets</u></b>			
Property, plant and equipment	5.1	5 808	6 801
Right-of-use assets	5.1	1 021	2 035
Intangible assets	5.2	350 732	335 124
<b>Total non-current assets</b>		<b>357 561</b>	<b>343 960</b>
<b>Total assets</b>		<b>403 352</b>	<b>374 056</b>
<b><u>Current liabilities</u></b>			
Payables	7.1	22 945	11 054
Financial liabilities	7.2	310	1 060
Employee related liabilities	3.4	5 536	5 208
Provisions	7.3	75	107
Other current liabilities	7.4	739	739
<b>Total current liabilities</b>		<b>29 605</b>	<b>18 168</b>
<b><u>Non-current liabilities</u></b>			
Financial liabilities	7.2	710	941
Employee related liabilities	3.4	6 867	6 901
Provisions	7.3	315	314
Other non-current liabilities	7.4	5 404	6 143
<b>Total non-current liabilities</b>		<b>13 296</b>	<b>14 299</b>
<b>Total liabilities</b>		<b>42 901</b>	<b>32 467</b>
<b>Net assets</b>		<b>360 451</b>	<b>341 589</b>
<b><u>Equity</u></b>			
Retained earnings		357 177	341 589
Asset revaluation surplus	8.1	3 274	-
<b>Total equity</b>		<b>360 451</b>	<b>341 589</b>

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

**Department for Trade and Investment**  
**Statement of Changes in Equity**  
*for the year ended 30 June 2024*

	Note	Asset revaluation surplus \$'000	Retained earnings \$'000	Total equity \$'000
<b>Balance at 1 July 2022</b>		-	13 314	13 314
Original net result 2022-23		-	(8 495)	(8 495)
Error correction	5.2	-	(8 678)	(8 678)
<b><u>Net result for 2022-23</u></b>		-	(17 173)	(17 173)
<b>Total comprehensive result for 2022-23</b>		-	(17 173)	(17 173)
Net assets received from an administrative restructure	1.3	-	344 996	344 996
Net assets transferred as a result of an administrative restructure	1.3	-	452	452
<b>Balance at 30 June 2023</b>		-	341 589	341 589
<b><u>Net result for 2023-24</u></b>		-	15 588	15 588
Gain on revaluation of intangible assets asset during 2023-24	5.2	3 274	-	3 274
<b>Total comprehensive result 2023-24</b>		3 274	15 588	18 862
<b>Balance at 30 June 2024</b>		3 274	357 177	360 451

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

**Department for Trade and Investment**  
**Statement of Cash Flows**  
*for the year ended 30 June 2024*

	Note	2024 \$'000	2023 \$'000
<b><u>Cash flows from operating activities</u></b>			
<i>Cash inflows</i>			
Appropriations		124 493	120 512
Fees and charges		55 303	51 791
Receipts from Commonwealth-sourced grants		151	597
SA Government grants, subsidies and transfers		10 127	8 993
Net GST recovered from ATO		13 176	8 437
Other receipts		2 943	2 600
<b>Cash generated from operations</b>		<b>206 193</b>	<b>192 930</b>
<i>Cash outflows</i>			
Employee related payments		(48 910)	(46 724)
Payments for supplies and services		(130 172)	(125 358)
Payments of grants and subsidies		(7 562)	(13 094)
Net GST allocation to Planning and Development Fund		(1 145)	(1 608)
Borrowing costs		(21)	(28)
<b>Cash used in operations</b>		<b>(187 810)</b>	<b>(186 812)</b>
<b>Net cash provided by operating activities</b>	8.2	<b>18 383</b>	<b>6 118</b>
<b><u>Cash flows from investing activities</u></b>			
<i>Cash inflows</i>			
Proceeds from sale of property, plant and equipment and other assets		-	29
<b>Cash generated from investing activities</b>		<b>-</b>	<b>29</b>
<i>Cash outflows</i>			
Purchase of property, plant and equipment		(1 305)	(1 629)
<b>Cash used in investing activities</b>		<b>(1 305)</b>	<b>(1 629)</b>
<b>Net cash (used in) investing activities</b>		<b>(1 305)</b>	<b>(1 600)</b>
<b><u>Cash flows from financing activities</u></b>			
<i>Cash outflows</i>			
Cash transferred as a result of restructuring activities		-	(22)
Repayment of principal portion of lease liabilities		(1 078)	(1 409)
<b>Cash used in financing activities</b>		<b>(1 078)</b>	<b>(1 431)</b>
<b>Net cash (used in) financing activities</b>		<b>(1 078)</b>	<b>(1 431)</b>
<b>Net increase in cash and cash equivalents</b>		<b>16 000</b>	<b>3 087</b>
Cash and cash equivalents at the beginning of the period		23 384	20 297
<b>Cash and cash equivalents at the end of the period</b>	6.1	<b>39 384</b>	<b>23 384</b>

The accompanying notes form part of these financial statements.



# Department for Trade and Investment

## Notes to and forming part of the financial statements

### for the year ended 30 June 2024

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#### 1. About the Department for Trade and Investment

The Department for Trade and Investment (the department) is a not-for-profit government department of the State of South Australia. The department is established pursuant to the *Public Sector Act 2009* as an administrative unit acting on behalf of the Crown.

The department produces both controlled and administered financial statements. The controlled financial statements and accompanying notes include all the controlled activities of the department.

Administered financial statements relate to administered resources and except as otherwise disclosed, administered items are accounted for on the same basis and using the same accounting policies as for controlled items.

Effective 1 July 2024, pursuant to Machinery of Government gazetted on 30 May 2024, the Department for Trade and Investment was renamed the Department for Housing and Urban Development.

#### 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 have been prepared on a 12 month reporting period and presented in Australian currency. All amounts in the financial statements and accompanying notes have been rounded to the nearest thousand dollars (\$'000). Any transactions in foreign currency are translated into Australian dollars at the exchange rate at the date the transaction occurs. The historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item measured.

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

Significant accounting policies are set out throughout the notes.

The department is liable for fringe benefits tax (FBT) and goods and services tax (GST).

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

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

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

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

# Department for Trade and Investment

## Notes to and forming part of the financial statements

### for the year ended 30 June 2024

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#### 1.2. Objectives and programs

##### Objectives

The department facilitates South Australia's growth in a way that is strong, effective and sustainable by identifying and promoting South Australia's competitive advantages. The department helps attract local, national, and international investment and makes it easier for South Australian businesses to export premium goods and services.

The department oversees South Australia's planning system to create liveable and sustainable communities that enhance the lives of all South Australians. It helps create an environment that promotes a culture of good design in the built environment and one where people and businesses can thrive.

##### *Trade and investment*

A program of the department is Trade and Investment which enables economic growth in South Australia, by promoting the state to key markets, attracting investment, increasing value and diversity of exports, building global reputation and removing barriers to business success. The department works with industry to help create employment opportunities, economic sustainability and an internationally competitive economy.

##### *Office of the Valuer-General*

The Office of the Valuer-General supports the Valuer-General in providing regulatory oversight and management of the various services undertaken by the service provider (Land Services SA), whilst also ensuring the integrity of the valuation roll, service delivery and the independence of the Valuer-General, which in turn provides service to the whole community.

##### *Office of the Registrar-General*

The Office of the Registrar-General is the regulatory body that oversees the performance of the contractual obligations and operational aspects of the land titling functions provided to the State by the service provider (Land Services SA) to ensure the integrity of the land register is maintained.

##### *Planning and Land Use Services*

Planning and Land Use Services provides advice on the preparation of new planning instruments, strategic planning, undertaking the assessment of complex land use proposals and facilitates infrastructure provision for housing developments across the state.

##### *Office for Design and Architecture SA*

The Office for Design and Architecture South Australia promotes high quality design across South Australia's built environments, by embedding design quality in government and planning policy, shaping and influencing significant developments, promoting the role of good design in contributing to healthy neighbourhoods, supporting design innovation and promoting the integration of smart and sustainable technologies.

**Department for Trade and Investment**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2024*

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

	Trade and Investment		Office of the Valuer- General		Office of the Registrar- General	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
<b><u>Income</u></b>						
Appropriations	-	-	-	-	-	-
Fees and charges	-	-	17 666	15 902	19 631	17 975
Commonwealth-sourced grants and funding	287	589	-	-	-	-
Resources received free of charge	-	350	-	-	-	-
SA Government grants and subsidies	-	297	562	601	-	-
Net gain from disposal of non-current assets	-	29	-	-	-	-
Other income	154	151	327	255	16 321	304
<b>Total income</b>	<b>441</b>	<b>1 416</b>	<b>18 555</b>	<b>16 758</b>	<b>35 952</b>	<b>18 279</b>
<b><u>Expenses</u></b>						
Employee related expenses	20 398	20 170	2 971	2 698	1 257	1 486
Supplies and services	21 150	13 312	12 709	11 668	83 131	80 311
Grants and subsidies	5 672	9 166	-	-	960	1 023
Depreciation and amortisation	1 358	1 598	9	32	1 506	1 530
Borrowing costs	21	28	-	-	-	-
Other expenses	2	-	-	40	-	16 223
<b>Total expenses</b>	<b>48 601</b>	<b>44 274</b>	<b>15 689</b>	<b>14 438</b>	<b>86 854</b>	<b>100 573</b>
<b>Net result</b>	<b>(48 160)</b>	<b>(42 858)</b>	<b>2 866</b>	<b>2 320</b>	<b>(50 902)</b>	<b>(82 294)</b>

**Department for Trade and Investment**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2024*

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

	Planning and Land Use		Office for Design and		General/ Not attributable		Total	
	Services		Architecture SA					
	2024	2023	2024	2023	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b><u>Income</u></b>								
Appropriations	-	-	-	-	124 493	120 512	124 493	120 512
Fees and charges	17 624	17 000	23	10	-	-	54 944	50 887
Commonwealth-sourced grants and funding	-	-	-	-	-	-	287	589
Resources received free of charge	-	-	-	-	1 211	604	1 211	954
SA Government grants and subsidies	6 133	4 285	2 310	2 082	1 190	1 725	10 195	8 990
Net gain from disposal of non-current assets	-	-	-	-	-	-	-	29
Other income	216	2	-	-	-	-	17 018	712
<b>Total income</b>	<b>23 973</b>	<b>21 287</b>	<b>2 333</b>	<b>2 092</b>	<b>126 894</b>	<b>122 841</b>	<b>208 148</b>	<b>182 673</b>
<b><u>Expenses</u></b>								
Employee related expenses	21 355	19 794	3 118	2 843	-	-	49 099	46 991
Supplies and services	10 702	12 985	1 359	391	-	-	129 051	118 667
Grants and subsidies	547	35	-	-	-	-	7 179	10 224
Depreciation and amortisation	4 132	3 877	203	203	-	-	7 208	7 240
Borrowing costs	-	-	-	-	-	-	21	28
Other expenses	-	284	-	-	-	149	2	16 696
<b>Total expenses</b>	<b>36 736</b>	<b>36 975</b>	<b>4 680</b>	<b>3 437</b>	<b>-</b>	<b>149</b>	<b>192 560</b>	<b>199 846</b>
<b>Net result</b>	<b>(12 763)</b>	<b>(15 688)</b>	<b>(2 347)</b>	<b>(1 345)</b>	<b>126 894</b>	<b>122 692</b>	<b>15 588</b>	<b>(17 173)</b>

**Department for Trade and Investment**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2024*

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

	Trade and investment		Office of the Valuer- General		Office of the Registrar- General	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
<b><u>Current assets</u></b>						
Cash and cash equivalents	-	-	-	-	-	-
Receivables	485	1 222	14	-	3 951	3 751
<b>Total current assets</b>	<b>485</b>	<b>1 222</b>	<b>14</b>	<b>-</b>	<b>3 951</b>	<b>3 751</b>
<b><u>Non-current assets</u></b>						
Property, plant and equipment	1 123	1 414	-	3	-	-
Right-of-use assets	1 021	2 035	-	-	-	-
Intangible assets	-	-	-	-	327 186	309 196
<b>Total non-current assets</b>	<b>2 144</b>	<b>3 449</b>	<b>-</b>	<b>3</b>	<b>327 186</b>	<b>309 196</b>
<b><u>Current liabilities</u></b>						
Payables	4 313	2 897	1 172	20	15 702	7 331
Financial liabilities	346	1 081	-	(4)	-	-
Employee related liabilities	2 360	1 979	225	297	94	131
Provisions	-	-	-	-	-	-
Other current liabilities	74	74	-	-	-	-
<b>Total current liabilities</b>	<b>7 093</b>	<b>6 031</b>	<b>1 397</b>	<b>313</b>	<b>15 796</b>	<b>7 462</b>
<b><u>Non-Current liabilities</u></b>						
Financial liabilities	710	941	-	-	-	-
Employee related liabilities	2 462	2 432	523	544	160	326
Provisions	-	-	-	-	-	-
Other non-current liabilities	194	267	-	-	-	-
<b>Total non-current liabilities</b>	<b>3 366</b>	<b>3 640</b>	<b>523</b>	<b>544</b>	<b>160</b>	<b>326</b>
<b>Net assets (liabilities)</b>	<b>(7 830)</b>	<b>(5 000)</b>	<b>(1 906)</b>	<b>(854)</b>	<b>315 181</b>	<b>305 159</b>

**Department for Trade and Investment**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2024*

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

	Planning and Land Use Services		Office for Design and Architecture SA		General / Not attributable		Total	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
<b><u>Current assets</u></b>								
Cash and cash equivalents	-	-	-	-	39 384	23 384	39 384	23 384
Receivables	1 936	1 738	21	1	-	-	6 407	6 712
<b>Total current assets</b>	<b>1 936</b>	<b>1 738</b>	<b>21</b>	<b>1</b>	<b>39 384</b>	<b>23 384</b>	<b>45 791</b>	<b>30 096</b>
<b><u>Non-current assets</u></b>								
Property, plant and equipment	4 668	5 164	17	220	-	-	5 808	6 801
Right-of-use assets	-	-	-	-	-	-	1 021	2 035
Intangible assets	23 546	25 928	-	-	-	-	350 732	335 124
<b>Total non-current assets</b>	<b>28 214</b>	<b>31 092</b>	<b>17</b>	<b>220</b>	<b>-</b>	<b>-</b>	<b>357 561</b>	<b>343 960</b>
<b><u>Current liabilities</u></b>								
Payables	1 679	806	79	-	-	-	22 945	11 054
Financial liabilities	(36)	(17)	-	-	-	-	310	1 060
Employee related liabilities	2 552	2 500	305	301	-	-	5 536	5 208
Provisions	-	-	-	-	75	107	75	107
Other current liabilities	665	665	-	-	-	-	739	739
<b>Total current liabilities</b>	<b>4 860</b>	<b>3 954</b>	<b>384</b>	<b>301</b>	<b>75</b>	<b>107</b>	<b>29 605</b>	<b>18 168</b>
<b><u>Non-Current liabilities</u></b>								
Financial liabilities	-	-	-	-	-	-	710	941
Employee related liabilities	3 262	3 103	460	496	-	-	6 867	6 901
Provisions	-	-	-	-	315	314	315	314
Other non-current liabilities	5 210	5 876	-	-	-	-	5 404	6 143
<b>Total non-current liabilities</b>	<b>8 472</b>	<b>8 979</b>	<b>460</b>	<b>496</b>	<b>315</b>	<b>314</b>	<b>13 296</b>	<b>14 299</b>
<b>Net assets (liabilities)</b>	<b>16 818</b>	<b>19 897</b>	<b>(806)</b>	<b>(576)</b>	<b>38 994</b>	<b>22 963</b>	<b>360 451</b>	<b>341 589</b>

**Department for Trade and Investment**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2024*

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**1.3. Changes to the department**

*Transferred in 2022-23*

As a result of administrative arrangements outlined in the Government Gazette on 30 June 2022, effective from 1 July 2022 the Office of the Valuer-General, the Office of the Registrar-General and Planning and Land Use Services (including the Office for Design and Architecture SA) were transferred to the department from Attorney-General's Department (AGD).

Net assets assumed by the department as a result of these transfers were recognised at their carrying amount. Net assets transferred were treated as a contribution by the government as owner.

**The following assets and liabilities for the Office of the Valuer-General were transferred to the department:**

	<b>\$'000</b>
Receivables	391
Property, plant and equipment	75
<b>Total assets</b>	<b>466</b>
Payables	947
Employee benefits liabilities	1 089
<b>Total liabilities</b>	<b>2 036</b>
<b>Total net assets transferred</b>	<b>(1 570)</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 Trade and Investment**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2024*

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

*Transferred in 2022-23 (continued)*

**The following assets and liabilities for the Office of the Registrar-General were transferred to the department:**

	\$'000
Receivables	3 797
Property, plant and equipment	135
Intangible assets	326 679
<b>Total assets</b>	<b>330 611</b>
Payables	7 614
Employee benefits liabilities	459
<b>Total liabilities</b>	<b>8 073</b>
<b>Total net assets transferred</b>	<b>322 538</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.

**The following assets and liabilities for Planning and Land Use Services were transferred to the department:**

	\$'000
Receivables	2 504
Property, plant and equipment	1 151
Intangible assets	27 855
<b>Total assets</b>	<b>31 510</b>
Payables	900
Employee benefits liabilities	6 320
Provisions	262
<b>Total liabilities</b>	<b>7 482</b>
<b>Total net assets transferred</b>	<b>24 028</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 Trade and Investment**  
**Notes to and forming part of the financial statements**  
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**1.3. Changes to the department (continued)**

*Transferred out 2022-23 (continued)*

As a result of administrative arrangements outlined in *The Government Gazette No. 43, 30 June 2022* the Industry Capability Network SA, and International Education transferred from the Department for Trade and Investment (DTI) to the Department for Industry, Innovation and Science (DIIS).

The effective date of the transfer was 1 July 2022.

**The following liabilities for Industry Capability Network SA were transferred from the department:**

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

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

	<b>\$'000</b>
Employee benefits liabilities	269
<b>Total liabilities</b>	<b>269</b>
<b>Total net assets transferred</b>	<b>(269)</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 Trade and Investment**  
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**1.4. Budget Performance**

The budget performance table compares the department's outcomes against budget information presented to Parliament (2023-24 Budget Paper 4). Appropriation reflects appropriation 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.

		Original DTI Budget 2024 \$'000	Actual 2024 \$'000	Variance 2024 \$'000
<b>Statement of Comprehensive Income</b>				
<b><u>Income</u></b>				
Appropriations	a)	118 542	124 493	5 951
Fees and charges	b)	51 387	54 944	3 557
Commonwealth-sourced grants and funding		-	287	287
Resources received free of charge		-	1 211	1 211
SA Government grants, subsidies and transfers		7 376	10 195	2 819
Other income	c)	323	17 018	16 695
<b>Total income</b>		<b>177 628</b>	<b>208 148</b>	<b>30 520</b>
<b><u>Expenses</u></b>				
Employee related expenses		48 225	49 099	874
Supplies and services	d)	114 730	129 051	14 321
Depreciation and amortisation		6 368	7 208	840
Grants and subsidies	e)	12 738	7 179	(5 559)
Borrowing costs		27	21	(6)
Other expenses		606	2	(604)
<b>Total expenses</b>		<b>182 694</b>	<b>192 560</b>	<b>9 866</b>
<b>Net result</b>		<b>(5 066)</b>	<b>15 588</b>	<b>20 654</b>

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

**Statement of Comprehensive Income**

- a) Appropriations are favourable compared to the initial budget due mainly to volume related changes to the LSSA contract under the *Real Property Act*.
- b) Fees and charges exceed the initial budget due mainly to fees associated with the *Planning, Development and Infrastructure Act* and the *Real Property Act*.
- c) Revaluation outcomes are not budgeted.
- d) Supplies and Services are unfavourable compared to the initial budget due mainly to volume related changes to the LSSA contract under the *Real Property Act* (\$5.7m), and expense outlays related to changes in Fees and Charges.
- e) Grants and subsidies are favourable compared to the initial budget due mainly to grant carryovers from prior periods.

**Department for Trade and Investment**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2024*

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**1.4. Budget Performance (continued)**

	Original Budget 2024 \$'000	Actual 2024 \$'000	Variance 2024 \$'000
<b>Investing expenditure summary</b>			
Annual program - minor capital works	1 323	1 305	(18)
Total leases	89	97	8
<b>Total investing expenditure</b>	<b>1 412</b>	<b>1 402</b>	<b>(10)</b>

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

Significant transactions with the SA government are identifiable throughout this financial report. Noteworthy are:

- approximately 28% of grant payments were paid to SA government entities, primarily for investment programs.
- accrued expenses liability includes \$0.9 million relating to reimbursements for other government related entities.
- costs of \$3.488 million related to accommodation and utility costs supplied by the Department of Infrastructure and Transport and SA Water.

**Department for Trade and Investment**  
**Notes to and forming part of the financial statements**  
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**2. Income**

**2.1. Appropriations**

	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
Appropriations from the Consolidated Account pursuant to the <i>Appropriation Act</i>	118 542	120 512
Appropriation from Governor's Appropriation Fund	5 951	-
<b>Total revenues from appropriations</b>	<b>124 493</b>	<b>120 512</b>

Appropriations are recognised on receipt.

Total appropriations received from the Consolidated Account pursuant to the *Appropriation Act* consist of \$118.5 million (2023: \$120.5 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 \$6.0 million (2023: nil) 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>
Land services fees	19 713	18 033
Office of the valuer-general services	17 624	15 861
Planning and land use services	17 464	16 797
Sales of goods - Fees	143	196
<b>Total fees and charges</b>	<b>54 944</b>	<b>50 887</b>

All revenue from fees and charges is revenue recognised from contracts with customers when performance obligations are met.

Land Services fees are collected for the sale of land information products and property interest reports.

Planning and Land Use Services provide planning and development services on South Australian land and buildings via an online platform.

Office of the Valuer-General provide property valuation reports, data and review services on South Australian land and buildings.

**Department for Trade and Investment**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2024*

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**2.3. Commonwealth-sourced grants and funding**

	2024	2023
	\$'000	\$'000
TradeStart	287	582
Employment Facilitator Services for Regional Employment Trials Program	-	7
<b>Total Commonwealth-sourced grants and funding</b>	<b>287</b>	<b>589</b>

The department was selected by the Australian Trade and Investment Commission (Austrade) as the successful tenderer to deliver TradeStart services in South Australia for 2019-24.

Such funding is recognised over time as there is an enforceable contract and the department's performance obligations are satisfied over time. \$163 000 was received in 2024 (2023: \$582 000).

**2.4. Resources received free of charge**

	2024	2023
	\$'000	\$'000
Services received free of charge - Shared Services SA	801	580
Services received free of charge - DPC ICT & Media monitoring	410	374
<b>Total resources received free of charge</b>	<b>1 211</b>	<b>954</b>

Contributions of services are recognised only when a fair value can be determined reliably and the services would be purchased if they had not been donated.

The department receives financial accounting, taxation, payroll, accounts payable and accounts receivable services from Shared Services SA free of charge valued at \$801 000 (2023: \$580 000) and ICT services and media monitoring services valued at \$379 000 (2023: \$350 000) and \$31 000 (2023: \$ 24 000) respectively from the Department of the Premier and Cabinet (DPC).

**2.5. Net gain from disposal of non-current assets**

	2024	2023
	\$'000	\$'000
<b><u>Plant and equipment and other assets</u></b>		
Proceeds from disposal	-	29
Less net book value of assets disposed	-	-
<b>Net loss from disposal of plant and equipment and other assets</b>	<b>-</b>	<b>29</b>

**Department for Trade and Investment**  
**Notes to and forming part of the financial statements**  
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**2.6. SA Government grants, subsidies and transfers**

	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
Project funding	5 472	3 972
Other recoveries	4 681	3 297
Employee separation package and TVSP reimbursements	42	1 721
<b>Total SA Government grants, subsidies and transfers</b>	<b>10 195</b>	<b>8 990</b>

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

Project funding relates to contributions from other South Australian Government entities for specific time-limited projects led by the department.

Other recoveries are amounts reimbursed for payroll and supplies and services undertaken on behalf of other government agencies.

**2.7. Other income**

	<b>Note</b>	<b>2024</b>	<b>2023</b>
		<b>\$'000</b>	<b>\$'000</b>
Revaluation increment	5.2	16 133	-
Recoveries		404	430
Other income		341	282
Movement in trade receivable allowance	6.2	140	-
<b>Total other income</b>		<b>17 018</b>	<b>712</b>

Recoveries and other income are recognised as income on receipt.

**Department for Trade and Investment**  
**Notes to and forming part of the financial statements**  
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**3. Committees and employees**

**3.1. Key management personnel**

Key management personnel of the department include the Minister for Trade and Investment (the Minister), the Chief Executive and the nine members (2023: eight) of the Executive Team.

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

	<b>2024</b>	<b>2023</b>
<u>Compensation</u>	<u>\$'000</u>	<u>\$'000</u>
Salaries and other short term employee benefits	2 620	2 058
Post-employment benefits	291	281
Termination benefits	-	770
Other long-term employment benefits	-	263
<b>Total</b>	<b>2 911</b>	<b>3 372</b>

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

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

**Department for Trade and Investment**  
**Notes to and forming part of the financial statements**  
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**3.2. Board and committee members**

Members during the 2024 financial year were:

**Audit and Risk Committee**

D Powell (Chair)  
L Jones  
N Wessel\*

**State Commission Assessment Panel**

R Thomas (Chair)  
M Adcock  
D Altmann  
J Botten  
D Donaldson  
J Eckert  
J Hayter  
P Leadbeter  
J Newman  
R Rutschack

**Building Technical Panel**

D Frisby (Chair)  
J Shillabeer  
J Payne  
J Cibich  
B Fennell  
B Steer  
P Murton  
N Ingerson  
M Centofanti  
L Bertholini

**Building Fire and Safety Committee**

J Evans \* (Chair)  
M Brown \*  
H Lim \* (retired May 24)  
C Paton \*  
E Bradley \* (appointed May 24)

**Brand SA Advisory Board**

J Jeffreys (Chair)  
F dos Santos  
G Georgiadis  
C Hann  
R Morse  
J Torres

**State Planning Commission**

C Holden (Chair)  
S Johnston  
S Moseley  
D O'Loughlin  
S Smith \*  
J Stimson  
L Teburea  
J Barkla  
J Mazzone  
N Harvey  
A Moroney

**Heritage Subcommittee**

S Johnston (Chair)  
L Bird\*  
R Danvers  
B Harry  
E Little  
D Lindsay  
J Newman  
A Pope  
M Queale\*

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



**Department for Trade and Investment**  
**Notes to and forming part of the financial statements**  
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**3.2. Board and committee members (continued)**

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

	2024	2023
\$0 - \$19 999	40	47
\$40 000 - \$59 999	6	8
\$60 000 - \$79 999	5	2
\$100 000 - \$119 999	1	1
<b>Total number of paid members</b>	<b>52</b>	<b>58</b>

The total remuneration received or receivable by members was \$0.8 million (2023: \$0.7 million). Remuneration of members includes sitting fees, superannuation contributions, salary sacrifice benefits, fringe benefits and any related fringe benefits tax.

**3.3. Employee related expenses**

	2024	2023
	\$'000	\$'000
Salaries and wages	36 064	35 117
Employment on-costs - superannuation	4 478	3 975
Annual leave	3 453	3 303
Employment on-costs - other	2 368	2 291
Long service leave	987	666
Targeted voluntary separation packages	837	681
Board fees	729	667
Skills and experience retention leave	205	204
Workers compensation <sup>^</sup>	(22)	87
<b>Total employee related expenses</b>	<b>49 099</b>	<b>46 991</b>

<sup>^</sup> Includes the impact of the revaluation of the provision for workers compensation.

Departmental employees are employed under Part 7 of the *Public Sector Act*.

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

**Department for Trade and Investment**  
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**3.3. Employee related expenses (continued)**

**Employee remuneration**

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

	2024 Number	2023 Number
\$160 001 to \$166 000 <sup>^</sup>	N/A	3
\$166 001 to \$186 000	7	7
\$186 001 to \$206 000 <sup>#</sup>	5	8
\$206 001 to \$226 000	3	3
\$226 001 to \$246 000	2	1
\$246 001 to \$266 000	2	2
\$266 001 to \$286 000 <sup>%</sup>	2	-
\$306 001 to \$326 000 <sup>Δ#</sup>	1	2
\$326 001 to \$346 000 <sup>Δ</sup>	2	3
\$546,001 to \$566,000	1	-
\$686,001 to \$706,000 <sup>*</sup>	-	1
<b>Total</b>	<b>25</b>	<b>30</b>

<sup>^</sup> This band has been included for the purpose of reporting comparative figures based on the executive base level remuneration rate for 2022-23.

<sup>Δ</sup> This band includes employees that have received payments for contract termination, leave payouts or TVSP in 2023.

<sup>%</sup> This band includes employees that have received payments for contract termination, leave payouts or TVSP in 2024.

<sup>\*</sup> Includes payments in lieu of leave in 2023

<sup>#</sup> Includes payments in lieu of leave in 2024

The total remuneration received by those employees for the year was \$6 million (2023: \$7 million).

The table includes all employees who received remuneration equal to or greater than the base executive remuneration level during the year. Remuneration of employees reflects all costs of employment including salaries and wages, payments in lieu of leave, TVSPs / early terminations, superannuation contributions, salary sacrifice benefits and any related fringe benefits tax paid.

**Targeted voluntary separation packages**

Nine (9) employees received a TVSP during the reporting period (2023:7).

	2024 \$'000	2023 \$'000
Amount paid to separated employees:		
Targeted voluntary separation packages	837	681
Leave paid to separated employees	293	209
Recovery from the Department of Treasury and Finance	-	(890)
<b>Net cost to the department</b>	<b>1 130</b>	<b>-</b>

**Department for Trade and Investment**  
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**3.4. Employee related liabilities**

	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
<b><u>Current</u></b>		
Annual leave	3 792	3 540
Employment on-costs	1 179	1 112
Long service leave	320	272
Skills and experience retention leave	236	254
Accrued salaries and wages	9	30
<b>Total current employee related liabilities</b>	<b>5 536</b>	<b>5 208</b>
<b><u>Non-current</u></b>		
Long service leave	6 228	6 276
Employment on-costs	639	625
<b>Total non-current employee related liabilities</b>	<b>6 867</b>	<b>6 901</b>
<b>Total employee related liabilities</b>	<b>12 403</b>	<b>12 109</b>

Employee related liabilities accrue as a result of services provided up to the reporting date that remain unpaid. Long-term employee related liabilities are measured at present value and short-term employee related liabilities are measured at their nominal amounts. Accrued salaries and wages varies depending on the timing of the last payroll for the year.

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

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

The annual leave liability and the SERL liability in full 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.

***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.

**Department for Trade and Investment**  
**Notes to and forming part of the financial statements**  
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**3.4. Employee related liability (continued)**

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.

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 \$0.3 million.

The current portion of employee related liabilities reflects the amount for which the department does not have right to defer settlement for at least 12 months after reporting date. For long service leave, the amount relates to leave approved before year end that will be taken within 12 months, expected amount of leave to be approved and taken by eligible employees within 12 months, and expected amount of leave to be paid on termination to eligible employees within 12 months.

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

As a result of an actuarial assessment performed by DTF, the proportion of long service leave taken as leave has increased from 43% in 2023 to a rate of 44% and the average factor for the calculation of employer superannuation on-costs has changed to 11.5% (2023: 11.1%). These rates are used in the employment on-cost calculation. The impact on 2024 is \$84 000 (2023: 86 000) and cannot be reliably estimated for future years.

**Department for Trade and Investment**  
**Notes to and forming part of the financial statements**  
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**4. Expenses**

**4.1 Supplies and services**

	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
Contract payments – Land Administration Services	93 953	90 852
Contractors	7 988	6 230
Overseas trade representation	6 085	4 118
Information technology and communication charges	4 723	3 373
Office administration expenses	4 503	2 841
Accommodation	3 012	4 567
Service level agreements <sup>(1)</sup>	2 656	2 637
Marketing	2 311	849
Staff related expenses	2 000	1 378
Travel and related expenses	1 263	1 354
Consultants	260	176
Accounting and audit fees	205	172
Short term leases	86	116
Records management	6	4
<b>Total supplies and services</b>	<b>129 051</b>	<b>118 667</b>

(1) Includes resources provided free of charge by the Department of State Development (DSD) (previously known as Department for Industry, Innovation and Science), the DPC ICT and Digital Government division and Shared Services SA for the provision of corporate, ICT, financial and payroll support were expensed at fair value (refer to note 2.4).

***Accommodation***

The department's accommodation for Planning and Land Use Services, the Office for Design and Architecture SA, the Minister's Office and Trade and Investment (from 3 March 2024) is provided by the Department for Infrastructure and Transport (DIT) under Memoranda of Administrative Arrangement issued in accordance with government wide accommodation policies. These arrangements do not meet the definition of a lease and accordingly are expensed.

***Accounting and audit fees***

Audit fees paid / payable to the Audit Office of South Australia (formerly the Auditor-General's Department) relate to work performed under the *Public Finance and Audit Act 1987* were \$140 300 (2023: \$108 800). No other services were provided by the Audit Office of South Australia.

**Department for Trade and Investment**  
**Notes to and forming part of the financial statements**  
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**4.2. Expenditure – SA Business and Non-SA 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.

	<b>2024</b>	<b>Proportion SA and non-SA businesses</b>
	<b>\$'000</b>	
Total expenditure with South Australian businesses	102 522	96%
Total expenditure with non-South Australian businesses	4 409	4%
	<hr/>	<hr/>
		100%

Classification of 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.

TI 18 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. Grants and subsidies**

	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Class of assistance:</b>		
Trade	2 492	1 964
Investment	2 476	6 227
Intra Government Disbursements	975	1 033
Other	636	1 000
Tourism	600	-
<b>Total grants and subsidies</b>	<hr/> <b>7 179</b>	<hr/> <b>10 224</b>

The timing of payments for Investment grants varies between financial years, predominantly as per Economic Investment Fund commitments.

**Department for Trade and Investment**  
**Notes to and forming part of the financial statements**  
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**4.4. Other expenses**

	Note	2024 \$'000	2023 \$'000
Other		2	1
Revaluation decrement	5.2	-	16 133
Leasehold improvements written-off		-	414
Movement in trade receivable allowance	6.2	-	148
<b>Total other expenses</b>		<b>2</b>	<b>16 696</b>

In 2022-23, the Planning and Land Use Services and the Office of the Valuer-General relocated offices to 83 Pirie Street, Adelaide. This resulted in the leasehold improvements in the 101 Grenfell and 50 Flinders Street premises being derecognised during 2022-23.

**4.5. Overseas representative offices**

The following table provides a summary of the financial transactions for the reporting period for overseas offices, where the department funds their operations. The transactions relating to operating expenses and operating revenues have been included in the financial statements.

The costs relating to overseas representation provided through Austrade are not included in the table below. These costs are shown in note 4.1 (refer Overseas trade representation).

	Jinan \$'000	London \$'000	2024 \$'000
Operating expenses	243	1 691	1 934
Operating revenues	-	263	263
Funds advanced to overseas offices towards operating expenses	198	1 950	2 148
	<b>Jinan \$'000</b>	<b>London \$'000</b>	<b>2023 \$'000</b>
Operating expenses	204	1 495	1 699
Operating revenues	-	138	138
Funds advanced to overseas offices towards operating expenses	173	1 573	1 746

**Department for Trade and Investment**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2024*

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**5. Non-financial assets**

**5.1. Property, plant and equipment**

Property, plant and equipment comprises tangible assets owned and right-of-use assets.

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 owned by the department is recorded at fair value. Detail about the department's approach to fair value is set out in note 10.1.

***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.

***Depreciation***

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

***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.

Works of art controlled by the department have very long and indeterminate useful lives. Their service potential has not, in any material sense, been consumed during the reporting period. Consequently, no depreciation has been recognised.

***Useful life***

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

<b>Class of asset</b>	<b>Useful life (years)</b>
Plant and equipment	3-13
Intangible assets	5-11
Service Commission data	Infinite
Leasehold improvements	Lease term
Right-of-use buildings	Lease term
Right-of use vehicles	Lease term



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

*Reconciliation 2023-24*

	Plant and equipment	Leasehold improvements	Works of art	ROU Buildings	ROU Vehicles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying amount at 1 July 2023	397	6 380	24	1 943	92	8 836
Additions	99	-	-	-	97	196
Depreciation and amortisation	(103)	(989)	-	(1 041)	(70)	(2 203)
<b>Carrying amount at 30 June 2024</b>	<b>393</b>	<b>5 391</b>	<b>24</b>	<b>902</b>	<b>119</b>	<b>6 829</b>
<b>Gross carrying amount</b>						
Gross carrying amount	1 671	8 769	24	5 572	223	16 259
Accumulated depreciation	(1 278)	(3 378)	-	(4 670)	(104)	(9 430)
<b>Carrying amount at 30 June 2024</b>	<b>393</b>	<b>5 391</b>	<b>24</b>	<b>902</b>	<b>119</b>	<b>6 829</b>

*Reconciliation 2022-23*

	Plant and equipment	Buildings and leasehold improvements	Works of art	ROU Buildings	ROU Vehicles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying amount at 1 July 2022	-	1 547	24	3 245	58	4 874
Additions	178	5 254	-	3	96	5 531
Disposals	-	(414)	-	(4)	-	(418)
Depreciation and amortisation	(82)	(1 067)	-	(1 301)	(62)	(2 512)
Acquisition through administrative restructuring	301	1 060	-	-	-	1 361
<b>Carrying amount at 30 June 2023</b>	<b>397</b>	<b>6 380</b>	<b>24</b>	<b>1 943</b>	<b>92</b>	<b>8 836</b>
<b>Gross carrying amount</b>						
Gross carrying amount	1 572	8 770	24	5 571	185	16 122
Accumulated depreciation	(1 175)	(2 390)	-	(3 628)	(93)	(7 286)
<b>Carrying amount at 30 June 2023</b>	<b>397</b>	<b>6 380</b>	<b>24</b>	<b>1 943</b>	<b>92</b>	<b>8 836</b>

**Department for Trade and Investment**  
**Notes to and forming part of the financial statements**  
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**5.1. Property, plant and equipment (continued)**

**Leased property, plant and equipment**

Right-of-use assets for property, plant and equipment leased by the department as lessee are measured at cost and there was no indication of impairment.

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

The department has a limited number of leases:

- Right-of-use buildings leases relate to overseas representative offices disclosed in note 4.5.
- The department has 10 motor vehicle leases with the South Australian Government Financing Authority (SAFA). Motor vehicle leases are non-cancellable, with rental payments monthly in arrears. Motor vehicle lease terms can range from 3 years (60,000km) up to 5 years (100,000km). No contingent rental provisions exist within the lease agreements and no options exist to renew the leases at the end of their term.

The lease liabilities related to the right-of-use assets are disclosed in note 7.2. The department's maturity, analysis of its lease liabilities is disclosed in note 7.2. Expenses related to leases, including interest expenses, are disclosed in note 4.1. Cash outflows related to leases are disclosed in note 8.2.

**Department for Trade and Investment**  
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**5.2 Intangible assets**

	Service concession asset -data	Service concession asset - software	Intangible software	Intangible work in progress	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Carrying amount at 1 July 2023</b>	300 168	8 948	26 008	-	335 124
Additions	-	-	89	1 117	1 206
Amortisation	-	(1 491)	(3 514)	-	(5 005)
Revaluation increment	19 407	-	-	-	19 407
Transfer between asset classes	-	-	433	(433)	-
<b>Carrying amount at 30 June 2024</b>	<b>319 575</b>	<b>7 457</b>	<b>23 016</b>	<b>684</b>	<b>350 732</b>
<b>Gross carrying amount</b>					
Gross carrying amount	319 575	17 389	34 369	684	372 017
Accumulated amortisation	-	(9 932)	(11 353)	-	(21 285)
<b>Carrying amount at 30 June 2024</b>	<b>319 575</b>	<b>7 457</b>	<b>23 016</b>	<b>684</b>	<b>350 732</b>
	Service concession asset -data	Service concession asset - software	Intangible software	Intangible work in progress	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Carrying amount at 1 July 2022</b>	-	-	-	-	-
Additions	-	52	412	987	1 451
Amortisation	-	(1 482)	(3 246)	-	(4 728)
Net assets transferred as a result of an administrative restructure	316 301	10 378	27 855	-	354 534
Revaluation decrement	(16 133)	-	-	-	(16 133)
Transfer between asset classes	-	-	987	(987)	-
<b>Carrying amount at 30 June 2023</b>	<b>300 168</b>	<b>8 948</b>	<b>26 008</b>	<b>-</b>	<b>335 124</b>
<b>Gross carrying amount</b>					
Gross carrying amount	300 168	17 388	35 256	-	352 812
Accumulated amortisation	-	(8 440)	(9 248)	-	(17 688)
<b>Carrying amount at 30 June 2023</b>	<b>300 168</b>	<b>8 948</b>	<b>26 008</b>	<b>-</b>	<b>335 124</b>

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

The internally developed computer software mostly relates to the departments ePlanning system with a remaining useful life of 6 years and 9 months and carrying amount of \$ 23 million.

**Department for Trade and Investment**  
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**5.2 Intangible assets (continued)**

***Intangible - Service Concession Assets***

Service concession arrangements (SCAs) are contracts between a grantor and an operator where an operator provides a public service related to a service concession asset on behalf of the public sector grantor for a specified period of time and manages at least some of those services.

Based on the department's assessment, the following arrangement falls in scope of AASB 1059 - *Service Concession Arrangements: Grantors*.

<b>Description</b>	<b>Service Concession Arrangement</b>
Name and description of the SCA	Land Services SA (LSSA) operates and maintains the South Australian Integrated Land Information System (SAILIS) on behalf of the State. SAILIS is the electronic register used to keep all current and historical information underpinning the government guarantee of indefeasibility of title.
Terms of the arrangement	Under the Land Services Agreement, the Service Provider LSSA is responsible for delivering the following services; <ul style="list-style-type: none"> <li>(i) Lands Titling Services</li> <li>(ii) Valuation Services</li> <li>(iii) General Services</li> <li>(iv) New Project Services; and</li> <li>(v) Disengagement Assistance</li> </ul>
Period of the arrangement	The arrangement began on October 2017. The maximum term was 40 years as prescribed in the Land Services Agreement, which has now been extended by a further seven years to 47 years as per the election under clause 9.7(d) of the Implementation Deed.
<b>Rights and obligations</b>	
The carrying amount of service concession assets as at 1 July 2023	\$300.2 million (data service concession asset) \$8.9 million (software service concession asset)
The carrying amount of service concession assets as at 30 June 2024	\$319.6 million (data service concession asset) \$7.5 million (software service concession asset)

**Department for Trade and Investment**  
**Notes to and forming part of the financial statements**  
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**5.2 Intangible assets (continued)**

***Initial recognition***

The data service concession asset was initially recognised at current replacement cost based on *AASB 13 Fair Value Measurement* in accordance with AASB 1059. The software service concession asset was an existing intangible asset of the DIT initially recognised at cost under *AASB 138 Intangible Assets* and continues to be recognised at cost upon adoption of AASB 1059 as per the Treasurer's approval.

***Subsequent to initial recognition***

Subsequent to the initial recognition, the data service concession asset is measured at current replacement cost, and the software service concession asset is measured at cost. The fair value of the data service concession asset is assessed at each year end. The data service concession asset is assessed to have an indefinite life and therefore is not amortised. The software asset is assessed to have a finite life and is amortised over the useful life of 11 years.

***Delivery of Land Titling, Registration and Valuation Services***

In 2017-18 the State entered into a contract with a private operator Land Services South Australia (LSSA) for the delivery of land titling, registration and valuation services to the State. The commercialisation of the State's land services operations resulted in an arrangement that meets *AASB 1059 Service Concession Arrangements: Grantors*.

Planning and Land Use Services transferred to the department from AGD (refer note 1.4) on 1 July 2022 which included SAILIS.

Based on DTI's assessment, the SAILIS contract falls in the scope of AASB 1059. The arrangement involves LSSA in the management of the SAILIS Software System.

The related liability is recognised as unearned revenue (referred to as the grant of a right to the operator liability). Refer to note A6.2 in the departments administered financial statements. The unearned revenue will be progressively reduced over the period of the arrangement, which is 47 years, on a straight-line basis.

The value of the data asset subject to the service concession arrangement has been revalued at 30 June 2024 as per the revaluation model in line with *AASB 138 Intangible Assets*.

***Revaluation of data service concession asset***

To comply with the requirements of *AASB1059 Service Concession Arrangements: Grantors*, KPMG were engaged by the department during 2023-24 to undertake a fair value valuation of the data and the cost in replacing that data held within SAILIS. This led to a \$19.4 million revaluation increment being recognised in 2023-24 (\$16.1 million in other income and \$3.3 million recognised in asset revaluation reserve).

The fair value of the Land Titles register and the valuation roll are measured in reference to current replacement cost in *AASB 13 Fair Value Measurement*, where the market value of an asset is determined by reference to the new replacement cost of a modern equivalent of the asset and adjusted to reflect losses in value attributable to physical depreciation/amortisation and obsolescence. This approach is also deemed to be the minimum cost to replace the existing asset with the same economic benefit.

The current replacement cost of SAILIS data was derived as a hypothetical exercise with the following assumptions

- The information required to populate and recreate the register is available at no cost.
- The existence of a physical or electronic copy of a record that can be used to recreate the data
- SAILIS software, architecture and trained workforce required for data recreation are available.
- Only data that sits within the SAILIS is replicated.

**Department for Trade and Investment**  
**Notes to and forming part of the financial statements**  
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**5.2 Intangible assets (continued)**

Considering these assumptions, the minimum cost to replicate the existing service potential of SAILIS data is calculated based on:

1. The cost of manually inputting and manipulating records, using the cost incurred by the current operator to process dealings/plan/titles at valuation date. These costs are then applied to the relevant total volume of records.
2. Scanning and digitizing costs i.e., the estimates of current cost to input non digital records into SAILIS.
3. Due to the nature and complexity that might surround a data recreation project of this size, a contingency amount is included to cater for variations in the cost of recreating complicated records, technological requirements, quality assurance, timing, and staffing.

The calculation of the fair value of the service concession asset data requires judgements, estimates and assumptions relating to future events.

The estimates and assumptions made are based on previous experience and other factors that management considers reasonable in the circumstances, but that are inherently uncertain and unpredictable. The assumptions may be incomplete or inaccurate and unexpected events or circumstances may arise. Furthermore, the department, is subject to risks and uncertainties which may result in the actual amounts deviating from the estimates.

It may become necessary to change estimates made previously due to changes in the assumptions on which the previous estimates were based or due to knowledge or subsequent events.

The department revises the estimates and assumptions periodically and the effects of any changes are reflected through the profit and loss if they only involve that period. If the revision involves both the current and the future periods, the change is recognised in the period in which the revision is made and in the related future periods.

***Error correction***

Due to an error in the revaluation of the data service concession asset in 2022-23 an adjustment of \$8.678 million was made. This was corrected by decreasing the value of the data service concession asset and retained earnings and increasing other expenses for 2022-23.

**Department for Trade and Investment**  
**Notes to and forming part of the financial statements**  
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**6. Financial assets**

**6.1. Cash and cash equivalents**

	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
Deposits with the Treasurer – Operating Account	37 461	21 773
Deposits with the Treasurer – Accrual Appropriation Excess Funds Account	1 766	1 453
Deposits at call - Overseas Offices	157	158
<b>Total cash and cash equivalents in the Statement of Financial Position</b>	<b>39 384</b>	<b>23 384</b>
<b>Total cash and cash equivalents in the Statement of Cash Flows</b>	<b>39 384</b>	<b>23 384</b>

***Deposits with the Treasurer***

The department has two deposit accounts with the Treasurer – a general operating account and an Accrual Appropriation Excess Funds Account.

Although the department controls the money in the Accrual Appropriation Excess Funds Account, its use must be approved by the Treasurer. The department does not earn interest on its deposits with the Treasurer.

The office has overseas deposit accounts in China and the United Kingdom. The carrying amount of cash and cash equivalents represents nominal value in Australian dollars.

**Department for Trade and Investment**  
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**6.2. Receivables**

	2024	2023
	\$'000	\$'000
<b>Current</b>		
From non-government entities	364	1 360
From government entities	171	1 421
Less allowance for doubtful debts	10.2 (28)	(168)
<b>Total trade receivables</b>	<b>507</b>	<b>2 613</b>
Prepayments	1 612	672
GST input tax recoverable	2 415	1 417
Accrued revenue	1 815	1 970
Other receivables	58	40
<b>Total other receivables</b>	<b>5 900</b>	<b>4 099</b>
<b>Total receivables</b>	<b>6 407</b>	<b>6 712</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 10.2 for further information on risk management.

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.

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

Receivables, prepayments and accrued revenues are non-interest bearing. Receivables are held with the objective of collecting the contractual cash flows and they are measured at amortised cost.

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

	2024	2023
	\$'000	\$'000
Carrying amount at the beginning of the period	168	28
Amounts written off	-	(8)
Movement in allowance	(140)	148
<b>Carrying amount at the end of the period</b>	<b>28</b>	<b>168</b>

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

Refer to note 10.2 for details regarding credit risk and the methodology for determining impairment.



**Department for Trade and Investment**  
**Notes to and forming part of the financial statements**  
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**7. Liabilities**

**7.1. Payables**

	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
<b><u>Current</u></b>		
Accrued expenses	13 912	10 600
Trade payables	9 033	454
<b>Total payables</b>	<b>22 945</b>	<b>11 054</b>

Payables are measured at nominal amounts.

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.

**7.2. Financial liabilities**

All financial liabilities relate to leases.

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

	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Financial liabilities</b>		
Within one year	330	1 078
Later than one year but no longer than five years	728	975
<b>Total financial liabilities (undiscounted)</b>	<b>1 058</b>	<b>2 053</b>

Lease liabilities have been measured via discounting lease payments using either the interest rate implicit in the lease (where it is readily determined) or DTF's incremental borrowing rate. There were no defaults or breaches on any of the financial liabilities throughout the year.

Interest expense on lease liabilities was \$21 000 (2023: \$28 000).

**Department for Trade and Investment**  
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**7.3. Provisions**

All provisions relate to workers compensation.

<b>Reconciliation of provisions</b>	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Carrying amount at the beginning of the period</b>	421	132
Net provision transferred as a result of an administrative restructure	-	262
(Decrease) / increase in provisions recognised	(24)	82
Reductions arising from payments / other sacrifice of future economic benefits	(7)	(55)
<b>Carrying amount at the end of the period</b>	<b>390</b>	<b>421</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 directly responsible for meeting the cost of workers compensation claims and the implementation and funding of preventive programs.

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

**7.4. Other liabilities**

	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
<b><u>Current</u></b>		
Accommodation incentive	739	739
<b>Total current other liabilities</b>	<b>739</b>	<b>739</b>
<b><u>Non-current</u></b>		
Accommodation incentive	5 404	6 143
<b>Total non-current other liabilities</b>	<b>5 404</b>	<b>6 143</b>
<b>Total other liabilities</b>	<b>6 143</b>	<b>6 882</b>

Accommodation incentive liabilities relate to an arrangement with the DIT for office accommodation. DIT has provided fit-out free of charge and 8.5 months rent free at the beginning of the arrangement in 2022-23. The benefit of these incentives is spread over the accommodation term so that each years reported accommodation expenses reflect the economic substance of the office accommodation arrangements and related benefits provided.

**Department for Trade and Investment**  
**Notes to and forming part of the financial statements**  
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**8. Other disclosures**

**8.1. Equity**

The asset revaluation surplus is used to record increments in the fair value of data service concession asset to the extent that they offset one another. Relevant amounts are transferred to retained earnings when an asset is derecognised.

**8.2. Cash flow reconciliation**

***Cash flow reconciliation***

	2024	2023
	\$'000	\$'000
<b><u>Reconciliation of net cash used in operating activities to net result</u></b>		
Net cash provided by operating activities	18 383	6 118
<b><u>Add / (less) non-cash items</u></b>		
Depreciation and amortisation expense of non-current assets	(7 208)	(7 240)
Resources provided free of charge	(1 211)	(954)
Revaluation increment	16 133	-
Resources received free of charge	1 211	954
Amortisation of lease incentive	739	185
Bad and doubtful debts expense	140	(148)
Assumption of liabilities	-	(1 400)
Asset derecognition	-	(414)
Revaluation decrement	-	(16 133)
Other liability movements	-	58
Transfer in for administrative restructure	-	10 899
Transfer out for administrative restructure	-	(474)
Gain from disposal and write down of non-current	-	29
<b><u>Movement in assets and liabilities</u></b>		
(Decrease) / increase in receivables	(445)	6 101
(Increase) in payables	(11 891)	(8 738)
Decrease in other liabilities	-	7
Decrease / (increase) in provisions	31	(289)
(Increase) in employee related liabilities	(294)	(5 734)
<b>Net result</b>	<b>15 588</b>	<b>(17 173)</b>

Total cash outflows for leases were \$1.112 million (2023: \$1.553 million).

**Department for Trade and Investment**  
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**9. Outlook**

**9.1. Unrecognised 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 asset***

	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
Within one year	958	321
<b>Total expenditure commitments</b>	<b>958</b>	<b>321</b>

The department's commitments are for the provision of specialist application developer support services.

***Other contractual commitments***

	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
Within one year	18 355	16 045
Later than one year but not longer than five years	26 161	12 342
Later than five years	10 506	-
<b>Total expenditure commitments</b>	<b>55 022</b>	<b>28 387</b>

The department's other contractual commitments comprise:

- memoranda of administrative arrangements with DIT for accommodation \$22.7 million.
- commitments arising from agreements with contractors, service contracts, consultants, ICT contracts and grant recipients.

**9.2. Contingent assets and liabilities**

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

The department is not aware of any contingent liabilities.

***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. These represent possible assets whose existence will be confirmed only by the failure of the recipient to meet the grant conditions.

There are no known contingent assets arising from these present obligations as at 30 June 2024.

**Department for Trade and Investment**  
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**9.3. 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 implemented and changes to the Accounting Policy Statements issued by the Treasurer as minimal.

**9.4. Events after the reporting period**

- 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 Trade and Investment is altered to the Department for Housing and Urban 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 Invest SA, International, Trade, Brand SA and Office of the Agent-General will be transferred to the Department of State Development.
- Also proclaimed on 27 June 2024 and in accordance with section 9(1) of the *Public Sector Act 2009*, effective from 1 July 2024 the Office for Local Government will be transferred from the Department for Infrastructure and Transport.

**Department for Trade and Investment**  
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## **10. Measurement and risk**

### **10.1. 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 significantly less than fair value, they are recorded at fair value in the Statement of Financial Position. However, if the assets are acquired at significantly less than fair 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, is subsequently measured at fair value after allowing for 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 and estimated useful life is greater than three years.

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.

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), and
- 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, the department had no valuations categorised into level 1 and level 2; there were no transfers of assets between level 1 and 2 fair value hierarchy levels and there were no changes in valuation technique.

All assets are classified at level 3 and movement schedules are in note 5.1.

**Department for Trade and Investment**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2024*

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**10.2. Financial instruments**

***Financial risk management***

Risk management is managed by the department's corporate services section. 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 appropriation by the SA Government. The department works with the DTF to determine the cash flows associated with its government approved program of work and to ensure funding is provided through SA Government budgetary processes to meet the expected cash flows.

Refer to note 7.1 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***

The department has adopted the simplified impairment approach under AASB 9 and measured lifetime expected credit losses (ECL) on all trade receivables using an allowance matrix as a practical expedient to measure the impairment allowance.

To measure the expected credit losses, receivables are grouped based on shared risks characteristics and the 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 losses for non-government debtors.

	Debtor gross carrying amount \$'000	Loss %	Lifetime expected losses \$'000
Current (not past due)	247	3%	7
1 - 30 days past due	28	6%	1
31 - 60 days past due	83	21%	17
61 - 90 days past due	-	37%	-
More than 90 days past due	6	52%	3
<b>Loss allowance</b>	<b>364</b>		<b>28</b>

**Department for Trade and Investment**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2024*

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**10.2. Financial instruments (continued)**

Impairment losses relate to receivables arising from contracts with customers that are external to SA Government. 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 90 days past due.

There were no receivables written off during the year.

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

***Market risk***

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

The department has minor exposure to foreign currency gain / loss due to overseas transactions including the department's overseas representation offices. No gain or loss was made in 2024 (2023: net loss \$6 064).

***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 at amortised cost are \$2.24 million (2023: \$3.37 million) and \$22.83 million (2023: \$10.95 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 will not apply. The standard defines contract as enforceable by law. All amounts recorded are carried at amortised cost.



**Department for Trade and Investment**  
**Certification of the Financial Statements**  
*for the year ended 30 June 2024*

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We certify that the:

- financial statements of the Department for Trade and Investment:
  - 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 Trade and Investment for the financial year over its financial reporting and its preparation of financial statements have been effective.



David Reynolds  
Chief Executive

12 September 2024



Jane Burton  
Acting Chief Operating Officer

12 September 2024

**Department for Trade and Investment  
(DTI)**

**Administered Financial Statements**

For the year ended 30 June 2024

**Department for Trade and Investment**  
**Statement of Administered Comprehensive Income**  
*for the year ended 30 June 2024*

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	Note	2024 \$'000	2023 \$'000
<b><u>Administered income</u></b>			
Fees and charges	A2.1	403 381	360 736
Appropriation	A2.2	1 799	2 074
SA Government grants, subsidies and transfers	A2.3	441	276
Interest and investment revenue	A2.4	1 105	844
Recoveries and other income	A2.5	34 389	34 258
<b>Total administered income</b>		<b>441 115</b>	<b>398 188</b>
<b><u>Administered expenses</u></b>			
Payments to Consolidated Account	A4.1	378 056	336 129
Intra-government transfers	A4.2	1 047	1 034
Employee related expenses	A3.1	1 141	968
Other	A4.3	25 119	25 655
<b>Total administered expenses</b>		<b>405 363</b>	<b>363 786</b>
<b>Net result</b>		<b>35 752</b>	<b>34 402</b>
<b>Total comprehensive result</b>		<b>35 752</b>	<b>34 402</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 Trade and Investment**  
**Statement of Administered Financial Position**  
*as at 30 June 2024*

	Note	2024 \$'000	2023 \$'000
<b><u>Administered current assets</u></b>			
Cash and cash equivalents	A5.1	46 659	38 179
Receivables	A5.2	4 022	2 156
<b>Total current assets</b>		<b>50 681</b>	<b>40 335</b>
<b>Total assets</b>		<b>50 681</b>	<b>40 335</b>
<b><u>Administered current liabilities</u></b>			
Payables	A6.1	40 646	32 208
Employee related liabilities	A3.2	22	19
Contract liabilities	A6.2	34 210	34 210
Other current liabilities	A6.3	889	541
<b>Total current liabilities</b>		<b>75 767</b>	<b>66 978</b>
<b><u>Administered non-current liabilities</u></b>			
Contract liabilities	A6.2	1 334 179	1 368 389
Employee related liabilities	A3.2	39	24
<b>Total non-current liabilities</b>		<b>1 334 218</b>	<b>1 368 413</b>
<b>Total liabilities</b>		<b>1 409 985</b>	<b>1 435 391</b>
<b>Net (liabilities)</b>		<b>(1 359 304)</b>	<b>(1 395 056)</b>
<b><u>Administered equity</u></b>			
Retained earnings		(1 359 304)	(1 395 056)
<b>Total equity</b>		<b>(1 359 304)</b>	<b>(1 395 056)</b>

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

**Department for Trade and Investment**  
**Statement of Administered Cash Flows**  
*for the year ended 30 June 2024*

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		2024	2023
	Note	\$'000	\$'000
<b><u>Cash flows from operating activities</u></b>			
<i>Cash inflows</i>			
Fees and charges		401 632	324 107
Appropriation		1 799	2 074
SA Government grants, subsidies and transfers		441	276
Interest receipts		1 088	850
Other receipts		79	279
<b>Cash generated from operations</b>		<b>405 039</b>	<b>327 586</b>
<i>Cash outflows</i>			
Payments to Consolidated Account		(369 553)	(304 508)
Intra-government transfers		(1 130)	(790)
Employee related payments		(1 123)	(950)
Other payments		(24 753)	(26 017)
<b>Cash used in operations</b>		<b>(396 559)</b>	<b>(332 265)</b>
<b>Net cash provided by / (used in) operations</b>	A7.1	<b>8 480</b>	<b>(4 679)</b>
<b><u>Cash flows from financing activities</u></b>			
<i>Cash inflows</i>			
Cash transferred from administrative restructure		-	42 644
<b>Cash generated from financing activities</b>		<b>-</b>	<b>42 644</b>
<b>Net increase in cash and cash equivalents</b>		<b>8 480</b>	<b>37 965</b>
Cash and cash equivalents at the beginning of the period		38 179	214
<b>Cash and cash equivalents at the end of the period</b>	A5.1	<b>46 659</b>	<b>38 179</b>

The accompanying notes form part of these financial statements.

**Department for Trade and Investment**  
**Schedule of Income and Expenses attributable to Administered Programs**  
*for the year ended 30 June 2024*

Administered programs - refer note A1.1

	Trade and Investment		Office of the Registrar-General		Office of Valuer-General		Planning and Land Use Services		General/Non Attributable		Total	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
<b><u>Administered income</u></b>												
Fees and charges	-	-	378 888	335 816	-	-	24 489	24 910	4	10	403 381	360 736
Appropriation	-	-	55	54	-	42	1 010	1 376	734	602	1 799	2 074
SA Government grants, subsidies and transfers	441	276	-	-	-	-	-	-	-	-	441	276
Interest and investment revenues	-	-	766	617	-	-	-	-	339	227	1 105	844
Recoveries and other income	-	-	34 389	34 258	-	-	-	-	-	-	34 389	34 258
<b>Total administered income</b>	<b>441</b>	<b>276</b>	<b>414 098</b>	<b>370 745</b>	<b>-</b>	<b>42</b>	<b>25 499</b>	<b>26 286</b>	<b>1 077</b>	<b>839</b>	<b>441 115</b>	<b>398 188</b>
<b><u>Administered expenses</u></b>												
Payments to Consolidated Account	-	-	378 056	336 129	-	-	-	-	-	-	378 056	336 129
Intra-government transfers	-	-	-	-	-	-	1 047	1 034	-	-	1 047	1 034
Employee related expenses	408	269	-	-	329	310	-	-	404	389	1 141	968
Other	118	-	498	716	-	-	24 503	24 936	-	3	25 119	25 655
<b>Total administered expenses</b>	<b>526</b>	<b>269</b>	<b>378 554</b>	<b>336 845</b>	<b>329</b>	<b>310</b>	<b>25 550</b>	<b>25 970</b>	<b>404</b>	<b>392</b>	<b>405 363</b>	<b>363 786</b>
<b>Net result</b>	<b>(85)</b>	<b>7</b>	<b>35 544</b>	<b>33 900</b>	<b>(329)</b>	<b>(268)</b>	<b>(51)</b>	<b>316</b>	<b>673</b>	<b>447</b>	<b>35 752</b>	<b>34 402</b>

**Department for Trade and Investment**  
**Schedule of Assets and Liabilities attributable to Administered Programs**  
*as at 30 June 2024*

Administered programs - refer note A1.1

	Trade and Investment		Office of the Registrar-General		Office of Valuer-General		Planning and Land Use Services		General/Non Attributable		Total	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
<b><u>Administered current assets</u></b>												
Cash and cash equivalents	-	-	-	-	-	-	-	-	46 659	38 179	46 659	38 179
Receivables	715	-	3 150	2 120	-	-	-	12	157	24	4 022	2 156
<b>Total current assets</b>	<b>715</b>	<b>-</b>	<b>3 150</b>	<b>2 120</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12</b>	<b>46 816</b>	<b>38 203</b>	<b>50 681</b>	<b>40 335</b>
<b>Total administered assets</b>	<b>715</b>	<b>-</b>	<b>3 150</b>	<b>2 120</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12</b>	<b>46 816</b>	<b>38 203</b>	<b>50 681</b>	<b>40 335</b>
<b><u>Administered current liabilities</u></b>												
Payables	-	-	40 123	31 672	67	64	456	472	-	-	40 646	32 208
Employee related liabilities	-	-	-	-	22	19	-	-	-	-	22	19
Contract liabilities	-	-	34 210	34 210	-	-	-	-	-	-	34 210	34 210
Other current liabilities	-	-	-	-	-	-	-	-	889	541	889	541
<b>Total current liabilities</b>	<b>-</b>	<b>-</b>	<b>74 333</b>	<b>65 882</b>	<b>89</b>	<b>83</b>	<b>456</b>	<b>472</b>	<b>889</b>	<b>541</b>	<b>75 767</b>	<b>66 978</b>
<b><u>Administered non-current liabilities</u></b>												
Contract liabilities	-	-	1 334 179	1 368 389	-	-	-	-	-	-	1 334 179	1 368 389
Employee related liabilities	-	-	-	-	39	24	-	-	-	-	39	24
<b>Total non-current liabilities</b>	<b>-</b>	<b>-</b>	<b>1 334 179</b>	<b>1 368 389</b>	<b>39</b>	<b>24</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1 334 218</b>	<b>1 368 413</b>
<b>Total administered liabilities</b>	<b>-</b>	<b>-</b>	<b>1 408 512</b>	<b>1 434 271</b>	<b>128</b>	<b>107</b>	<b>456</b>	<b>472</b>	<b>889</b>	<b>541</b>	<b>1 409 985</b>	<b>1 435 391</b>
<b>Net assets (liabilities)</b>	<b>715</b>	<b>-</b>	<b>(1 405 362)</b>	<b>(1 432 151)</b>	<b>(128)</b>	<b>(107)</b>	<b>(456)</b>	<b>(460)</b>	<b>45 927</b>	<b>37 662</b>	<b>(1 359 304)</b>	<b>(1 395 056)</b>

**Department for Trade and Investment**  
**Notes to and forming part of the administered financial statements**  
*For the year ended 30 June 2024*

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**A1. Basis of preparation and accounting policies**

The basis of preparation for the administered financial statements is the same as the basis outlined in note 1.1 of the department's controlled financial statements. The department applies the same accounting policies to the administered financial statements as set out in the notes to the department's financial statements.

**A1.1. Objectives/Activities of the department's Administered Items**

Administered items of the department include:

- Planning Fees
- Real Property Act Assurance Fund
- Real Property Act Trust Accounts
- Registrar-General and Surveyor-General Statutory Act revenues
- Special Acts - Payment of Ministerial Salary and Allowances
- Special Acts - Payment of Statutory Officer Salaries
- Urban Tree Canopy Offset Scheme
- West Beach Trust – tax equivalent regime
- Worker's Liens Trust Account

The department's administered items are structured to contribute to three main programs, these are:

***Trade and Investment***

The department disburses salaries and allowances pursuant to the *Agent-General Act 1901* and the *Parliamentary Remuneration Act 1990* on behalf of the State Government.

***Office of the Registrar-General***

This administered program relates to the fees and charges collected in relation to land title transactions, mainly under the *Real Property Act 1886*.

***Planning and Land Use Services***

Administering the South Australian Planning and Development system, leading and presenting South Australia's strategic land use and development planning, and assessing applications for land use and development.



**Department for Trade and Investment**  
**Notes to and forming part of the administered financial statements**  
*For the year ended 30 June 2024*

**A1.2. Budget performance**

The budget performance table compares the department's outcomes against budget information presented to Parliament (2023-24 Budget Paper 4). Appropriation reflects appropriation 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.

		Original budget 2024	Adjustment for Planning and Development Fund 2024	Original DTI budget 2024	Actual 2024	Variance
	Note	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Statement of Administered Comprehensive Income</b>						
<b><u>Administered Income</u></b>						
Fees and charges	a)	373 395	-	373 395	403 381	29 986
Appropriation		2 033	-	2 033	1 799	(234)
Recoveries and other income		34 980	-	34 980	34 389	(591)
SA Government grants, subsidies and transfers		417	-	417	441	24
Interest revenue	b)	-	-	-	1 105	1 105
<b>Total administered income</b>		<b>410 825</b>	<b>-</b>	<b>410 825</b>	<b>441 115</b>	<b>30 290</b>
<b><u>Administered Expenses</u></b>						
Payments to Consolidated Account	c)	344 013	25 594	318 419	378 056	59 637
Intra-government transfers		6 026	5 016	1 010	1 047	37
Employee related expenses		1 075	-	1 075	1 141	66
Other		16 303	(10 482)	26 785	25 119	(1 666)
<b>Total administered expenses</b>		<b>367 417</b>	<b>20 128</b>	<b>347 289</b>	<b>405 363</b>	<b>58 074</b>
<b>Net result</b>		<b>43 408</b>	<b>(20 128)</b>	<b>63 536</b>	<b>35 752</b>	<b>(27 784)</b>
<b>Total comprehensive result</b>		<b>43 408</b>	<b>(20 128)</b>	<b>63 536</b>	<b>35 752</b>	<b>(27 784)</b>

Explanations are provided for variances where the variance exceeds the greater of 10 per cent of the original budgeted amount and 5 per cent of original budgeted total expenses, or where the department consider that provision of a variation explanation assists with interpretation and understanding of the financial statements.

- a) Fees and charges were higher than the original budget mainly due to a revision of the regulatory fees collected under the *Real Property Act 1886*.
- b) Unbudgeted Office of the Registrar General interest.
- c) Payments to Consolidated Account were higher than the original budget due to a revision of the regulatory fees.

**Department for Trade and Investment**  
**Notes to and forming part of the administered financial statements**  
*For the year ended 30 June 2024*

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**A1.3. Change to the reporting entity**

*Transferred in 2022-23*

As a result of an administrative arrangement outlined in the Government Gazette on 30 June 2022 the ministerial responsibilities of Planning and Land Services, Office of the Registrar-General and Office of Valuer-General were transferred to the Department for Trade and Investment (DTI). The effective date of the transfer was 1 July 2022.

Net assets assumed by the department as a result of these transfers were recognised at their carrying amount. Net assets transferred were treated as a contribution by the government as owner.

**The following assets and liabilities for Planning and Land Use Services were transferred to the department:**

	\$'000
Cash	1 533
<b>Total assets</b>	<b>1 533</b>
Payables	258
<b>Total liabilities</b>	<b>258</b>
<b>Total net assets transferred</b>	<b>1 275</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.

**The following assets and liabilities for the Office of the Registrar-General were transferred to the department:**

	\$'000
Cash	41 090
Receivables	250
<b>Total assets</b>	<b>41 340</b>
Contract liabilities	1 436 808
Payables	34 905
Other liabilities	553
<b>Total liabilities</b>	<b>1 472 266</b>
<b>Total net assets transferred</b>	<b>(1 430 926)</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 Trade and Investment**  
**Notes to and forming part of the administered financial statements**  
*For the year ended 30 June 2024*

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**A1.3. Change to the reporting entity (continued)**

The following assets and liabilities for the Office of the Valuer-General were transferred to the department:

	\$'000
Cash	21
Receivables	1
<b>Total assets</b>	<b>22</b>
Employee related liabilities	27
Payables	33
<b>Total liabilities</b>	<b>60</b>
<b>Total net assets transferred</b>	<b>(38)</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 Trade and Investment**  
**Notes to and forming part of the administered financial statements**  
*For the year ended 30 June 2024*

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**A2. Income**

**A2.1. Fees and charges**

	2024	2023
	\$'000	\$'000
Regulatory Fees - Land Services	378 889	335 816
Regulatory Fees - PLUS	24 489	24 910
Other	3	10
<b>Total fees and charges</b>	<b>403 381</b>	<b>360 736</b>

Fees and charges are recognised on receipt.

**A2.2. Appropriation**

	2024	2023
	\$'000	\$'000
Appropriation from Consolidated Account pursuant to the <i>Appropriation Act</i>	1 799	2 074
<b>Total revenues from appropriation</b>	<b>1 799</b>	<b>2 074</b>

Appropriations are recognised on receipt.

Total revenues from appropriation consist of \$1.799 million (2023: \$2.074 million) for operational funding. There were no material variations between the amount appropriated and the expenditure associated with this appropriation. Refer to notes A3.1, A4.1 to A4.3 for details on the expenditure.

**A2.3. SA Government grants, subsidies and transfers**

	2024	2023
	\$'000	\$'000
SA government grants	441	276
<b>Total SA Government grants, subsidies and transfers</b>	<b>441</b>	<b>276</b>

**A2.4. Interest and investment revenues**

	2024	2023
	\$'000	\$'000
Royalties	766	618
Interest	339	226
<b>Total interest revenues</b>	<b>1 105</b>	<b>844</b>

**Department for Trade and Investment**  
**Notes to and forming part of the administered financial statements**  
*For the year ended 30 June 2024*

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**A2.5. Recoveries and other income**

	2024	2023
	\$'000	\$'000
Land Services commercialisation	34 210	34 210
Movement in trade receivable allowance	120	-
Other	59	48
<b>Total recoveries and other income</b>	<b>34 389</b>	<b>34 258</b>

Recoveries and other income are recognised on receipt.

Land Services commercialisation of \$34.2 million (2023: \$34.2 million) reflects the straight-line apportionment of the total commercialisation price. The remaining commercialisation price is recognised as unearned revenue, refer to Note A6.2.

**A3. Board, committees and employees**

**A3.1. Employee related expenses**

	2024	2023
	\$'000	\$'000
Salaries and wages	1 033	828
Employment on-costs - superannuation	47	69
Annual leave	22	30
Long service leave	22	10
Employment on-costs - other	15	31
Other employment related expense	2	-
<b>Total employee related expenses</b>	<b>1 141</b>	<b>968</b>

The department disburses salaries and allowances pursuant to the *Valuation of Land Act 1971*, *Agent-General Act 1901* and the *Parliamentary Remuneration Act 1990* on behalf of the State Government.

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 officers whose remuneration received or receivable falls within the following bands:

	2024	2023
	Number	Number
\$246 001 to \$266 000	-	1
\$266 001 to \$286 000	-	1
\$286 001 to \$306 000	1	-
\$366 001 to \$386 000	1	-
<b>Total number of officers</b>	<b>2</b>	<b>2</b>

**Department for Trade and Investment**  
**Notes to and forming part of the administered financial statements**  
*For the year ended 30 June 2024*

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**A3.1. Employee related expenses (continued)**

Total remuneration received or receivable by these officers for the year was \$0.668 million (2023: \$0.532 million).

The Minister's banding is disclosed in the Department of Treasury and Finance statements.

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

**A3.2. Employee related liability**

	2024 \$'000	2023 \$'000
<b><u>Current</u></b>		
Annual leave	17	15
Employment on-costs	3	3
Long service leave	2	1
<b>Total current employee related liabilities</b>	<b>22</b>	<b>19</b>
<b><u>Non-current</u></b>		
Long service leave	35	22
Employment on-costs	4	2
<b>Total non-current employee related liabilities</b>	<b>39</b>	<b>24</b>
<b>Total employee related liabilities</b>	<b>61</b>	<b>43</b>

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

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

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

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

The salary inflation rate for annual leave and skills, experience and retention leave liability has changed from 2.0% (2023) to 2.4% (2024).

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.

**Department for Trade and Investment**  
**Notes to and forming part of the administered financial statements**  
*For the year ended 30 June 2024*

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**A3.2. Employee related liability (continued)**

**Long service leave - 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 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.

The current portion of employee related liabilities reflects the amount for which the department does not have right to defer settlement for at least 12 months after reporting date. For long service leave, the amount relates to leave approved before year end that will be taken within 12 months, expected amount of leave to be approved and taken by eligible employees within 12 months, and expected amount of leave to be paid on termination to eligible employees within 12 months.

**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 is discharged.

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.

As a result of an actuarial assessment performed by the Department of Treasury and Finance the proportion of long service leave taken as leave has changed from the 2023 rate of 43% to 44%. The average factor for the calculation of employer superannuation on-costs has changed to 11.5% (2023: 11.1%). These rates are used in the employment on-cost calculation. The net financial effect of the changes in the current financial year on employment on-costs and employee related expense is immaterial.

**Department for Trade and Investment**  
**Notes to and forming part of the administered financial statements**  
*For the year ended 30 June 2024*

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**A4. Expenses**

**A4.1. Payment to Consolidated Account**

	2024	2023
	\$'000	\$'000
Payments to Consolidated Account	378 056	336 129
<b>Total payments to Consolidated Account</b>	<b>378 056</b>	<b>336 129</b>

Payments to the SA Government include fees and charges paid directly to the Consolidated Account.

**A4.2. Intra-government transfers**

	2024	2023
	\$'000	\$'000
West Beach Trust - tax equivalent regime	1 047	1 034
<b>Total intra-government transfers</b>	<b>1 047</b>	<b>1 034</b>

**A4.3. Other expenses**

	2024	2023
	\$'000	\$'000
Planning Fees	24 829	25 215
Short term leases	104	-
Promotions and publications	70	64
Office expenses	59	50
Contractors	26	-
Claims	17	25
Other expenses	14	4
Movement in trade receivable allowance	-	297
<b>Total other expenses</b>	<b>25 119</b>	<b>25 655</b>



**Department for Trade and Investment**  
**Notes to and forming part of the administered financial statements**  
*For the year ended 30 June 2024*

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**A4.4. Expenditure – SA Business and Non-SA 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.

	<b>2024</b>	<b>Proportion SA and non-SA businesses</b>
	<b>\$'000</b>	
Total expenditure with South Australian businesses	369	68%
Total expenditure with non-South Australian businesses	171	32%
		<hr/> 100%

Classification of 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.

TI 18 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.

**Department for Trade and Investment**  
**Notes to and forming part of the administered financial statements**  
*For the year ended 30 June 2024*

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**A5. Financial assets**

**A5.1. Cash and cash equivalents**

	2024	2023
	\$'000	\$'000
Deposits with the Treasurer	46 659	38 179
<b>Total cash and cash equivalents in the Statement of Administered Financial Position</b>	<b>46 659</b>	<b>38 179</b>
<b>Total cash and cash equivalents in the Statement of Administered Cash Flows</b>	<b>46 659</b>	<b>38 179</b>

Cash is measured at nominal amounts.

**Interest rate risk**

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

Cash includes \$0.888 million (2023: \$0.541 million) for the Worker's Liens Trust Account liability.

**A5.2. Receivables**

	2024	2023
	\$'000	\$'000
<b><u>Current</u></b>		
Receivables	3 772	2 103
Accrued revenue	425	349
Less allowance for doubtful debts	(175)	(296)
<b>Total receivables</b>	<b>4 022</b>	<b>2 156</b>

Receivables are raised for all goods and services provided for which payment has not been received. Receivables are normally settled within 30 days. Receivables, prepayments and accrued revenues are non-interest bearing. Receivables are held with the objective of collecting the contractual cash flows and they are measured at amortised cost.

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

**Department for Trade and Investment**  
**Notes to and forming part of the administered financial statements**  
*For the year ended 30 June 2024*

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**A6. Liabilities**

**A6.1. Payables**

	2024	2023
	\$'000	\$'000
<b><u>Current</u></b>		
Consolidated account	40 124	31 621
Other current payables	362	67
Accrued expenses	160	482
Creditors	-	38
<b>Total payables</b>	<b>40 646</b>	<b>32 208</b>

Payables are measured at nominal amounts.

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

Refer to note A9.1 for further information on risk management.

**A6.2. Contract liabilities**

	2024	2023
	\$'000	\$'000
<b><u>Current</u></b>		
Contract liabilities	34 210	34 210
<b>Total current contract liabilities</b>	<b>34 210</b>	<b>34 210</b>
<b><u>Non-current</u></b>		
Contract liabilities	1 334 179	1 368 389
<b>Total non-current contract liabilities</b>	<b>1 334 179</b>	<b>1 368 389</b>
<b>Total contract liabilities</b>	<b>1 368 389</b>	<b>1 402 599</b>

The department has recognised a liability of the unearned revenue arising from the consideration received for the commercialisation of the State's land services operation. The recognition of the unearned revenue is calculated on a straight-line basis over the term of the contract, reducing the liability. The contract liabilities are measured at amortised cost.

**A6.3. Other liabilities**

	2024	2023
	\$'000	\$'000
<b><u>Current</u></b>		
Worker's Liens Trust Account	889	541
<b>Total other liabilities</b>	<b>889</b>	<b>541</b>

**Department for Trade and Investment**  
**Notes to and forming part of the administered financial statements**  
*For the year ended 30 June 2024*

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**A7. Other disclosures**

**A7.1. Cash flow reconciliation**

	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Reconciliation of net cash provided by / (used in) operating activities to net result</b>		
Net cash provided by / (used in) operating activities	8 480	(4 679)
<b>Add / (less) non-cash items</b>		
Land services commercialisation income	34 210	34 210
Bad and doubtful debts expense	120	(296)
Net transfers from administrative restructures	-	1 472 333
<b>Movement in assets and liabilities</b>		
Increase in receivables	1 746	2 435
(Increase) in payables	(8 438)	(32 213)
(Increase) in employee related liabilities	(18)	(38)
(Increase) in other liabilities	(348)	(541)
(Increase) in contract liabilities	-	(1 436 809)
<b>Net result</b>	<b>35 752</b>	<b>34 402</b>

**Department for Trade and Investment**  
**Notes to and forming part of the administered financial statements**  
*For the year ended 30 June 2024*

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**A8. Outlook**

**A8.1. 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.

The Crown Solicitor's Office has confirmed to the Deputy Registrar-General that a claim has been lodged for \$485, 000 due to a Notice of default being served and a main residence being sold to third parties by mortgagee in possession. It is not known whether the claimant will be successful in seeking damages.

There are no known contingent assets as at 30 June 2024.

**A8.2. 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 implemented and changes to the Accounting Policy Statements issued by the Treasurer as minimal.

**A8.3. Events after the reporting period**

The title of the Department for Trade and Investment is altered to the Department for Housing and Urban Development effective 1 July 2024.

As proclaimed on 27 June 2024 and in accordance with section 9(1) of the *Public Sector Act 2009*, effective from 1 July 2024 the Office of the Agent-General within the Department for Trade and Investment will be transferred to the Department of State Development.

**Department for Trade and Investment**  
**Notes to and forming part of the administered financial statements**  
*For the year ended 30 June 2024*

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**A9. Measurement and risk**

**A9.1. Financial instruments**

**Financial risk management**

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

The department'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**

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

**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.

**Market risk**

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

**Categorisation of financial instruments**

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

**Classification of financial instruments**

The department measures all financial instruments at amortised cost.

**Department for Trade and Investment**  
**Certification of the Administered Financial Statement**  
*for the year ended 30 June 2024*

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We certify that the:

- financial statements for the Minister for Department for Trade and Investment:
  - are in accordance with the accounts and records of the Department for Trade and Investment;
  - 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 for Trade and Investment at the end of the financial year and the result of its operation and cash flows for the financial year.
- internal controls employed by the Minister for Department for Trade and Investment for the financial year over its financial reporting and its preparation of financial statements have been effective.



David Reynolds  
Chief Executive

12 September 2024



Jane Burton  
Acting Chief Operating Officer

12 September 2024