



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

To the Chief Executive Department of Human Services

Opinion

I have audited the financial report of the Department of Human Services 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 of Human Services 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 policies 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
- a Schedule of Income and Expenses attributable to administered items for the year ended 30 June 2024
- notes, comprising material accounting policies and other explanatory information for administered items
- a Certificate from the Chief Executive and the Chief Financial 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 of Human Services. 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 of Human Services 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 of Human Services' 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 of Human Services

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

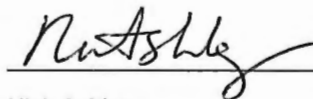
Department of Human Services
Certification of Financial Statements
for the year ended 30 June 2024

We certify that the:

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



Sandra Pitcher
Chief Executive
13 September 2024



Nick Ashley
Chief Financial Officer
13 September 2024

Department of Human Services
Statement of Comprehensive Income
for the year ended 30 June 2024

	Note	2024 \$'000	2023 \$'000
<u>Income</u>			
Appropriation	2.1	981 178	989 151
Fees and charges	2.2	8 044	7 131
Commonwealth-sourced grants and funding	2.3	120 591	116 073
SA Government grants, subsidies and transfers	2.4	41 400	37 910
Sales of goods and services	2.5	127 919	33 868
Resources received free of charge	2.6	6 128	5 700
Other income	2.7	4 172	5 115
Total income		1 289 432	1 194 948
<u>Expenses</u>			
Employee related expenses	3.3	292 877	301 656
Supplies and services	4.1	97 216	86 291
Grants and funded services	4.3	84 694	82 272
NDIS expenses	4.4	808 253	708 228
Net loss from disposal of assets	4.5	48	11
Depreciation and amortisation	5.1	6 403	6 441
Other expenses	4.6	845	599
Total expenses		1 290 336	1 185 498
Net result		(904)	9 450
<u>Other comprehensive income</u>			
Items that will not be reclassified to net result			
Changes in property, plant and equipment asset revaluation surplus		67 369	-
Total other comprehensive income		67 369	-
Total comprehensive result		66 465	9 450

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 of Human Services
Statement of Financial Position
as at 30 June 2024

	Note	2024 \$'000	2023 \$'000
<u>Current assets</u>			
Cash and cash equivalents	6.1	218 709	173 653
Receivables	6.2	43 498	92 869
Non-current assets held for sale	5.6	-	1 653
Inventories	5.7	253	196
Total current assets		262 460	268 371
<u>Non-current assets</u>			
Receivables	6.2	1 155	1 272
Property, plant and equipment	5.1	176 257	110 057
Capital works in progress	5.4	23 962	16 311
Intangible assets	5.5	313	1 024
Total non-current assets		201 687	128 664
Total assets		464 147	397 035
<u>Current liabilities</u>			
Payables	7.1	23 052	19 004
Financial liabilities	7.2	1 309	617
Employee related liabilities	3.4	45 362	43 438
Provisions	7.3	10 817	11 765
Other current liabilities	7.4	1 095	1 144
Total current liabilities		81 635	75 968
<u>Non-current liabilities</u>			
Financial liabilities	7.2	2 475	713
Employee related liabilities	3.4	35 193	32 879
Provisions	7.3	40 624	48 877
Other non-current liabilities	7.4	3 379	4 222
Total non-current liabilities		81 671	86 691
Total liabilities		163 306	162 659
Net assets		300 841	234 376
<u>Equity</u>			
Contributed capital		74 325	74 325
Retained earnings		140 441	141 345
Asset revaluation surplus		86 075	18 706
Total equity		300 841	234 376

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

Department of Human Services
Statement of Changes in Equity
for the year ended 30 June 2024

	Contributed capital \$'000	Asset revaluation surplus \$'000	Retained earnings \$'000	Total equity \$'000
Balance at 1 July 2022	74 325	18 706	131 895	224 926
Net result for 2022-23	-	-	9 450	9 450
Total comprehensive result for 2022-23	-	-	9 450	9 450
Balance at 30 June 2023	74 325	18 706	141 345	234 376
Net result for 2023-24	-	-	(904)	(904)
Gain/(loss) on revaluation of property, plant and equipment	-	67 369	-	67 369
Total comprehensive result for 2023-24	-	67 369	(904)	66 465
Balance at 30 June 2024	74 325	86 075	140 441	300 841

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

Department of Human Services
Statement of Cash Flows
for the year ended 30 June 2024

	Note	2024 \$'000	2023 \$'000
<u>Cash flows from operating activities</u>			
<i>Cash inflows</i>			
Appropriation		981 178	989 151
Fees and charges		7 563	8 091
Commonwealth-sourced grants and funding		120 591	119 196
SA Government grants, subsidies and transfers		41 400	37 910
Sales of goods and services		118 407	33 782
GST recovered from the ATO		24 765	17 780
Other receipts		4 145	5 107
Cash generated from operations		1 298 049	1 211 017
<i>Cash outflows</i>			
Employee related payments		(298 129)	(290 114)
Supplies and services		(103 216)	(107 488)
Grants and funded services		(97 755)	(82 153)
NDIS contributions		(747 166)	(712 027)
Other		(454)	(729)
Cash used in operations		(1 246 720)	(1 192 511)
Net cash provided by/(used in) operating activities	8.2	51 329	18 506
<u>Cash flows from investing activities</u>			
<i>Cash inflows</i>			
Proceeds from sale of assets		910	-
Cash generated from investing activities		910	-
<i>Cash outflows</i>			
Purchase of property, plant and equipment and intangible assets		(6 186)	(10 800)
Cash used in investing activities		(6 186)	(10 800)
Net cash provided by/(used in) investing activities		(5 276)	(10 800)
<u>Cash flows from financing activities</u>			
<i>Cash outflows</i>			
Repayment of leases		(997)	(485)
Cash used in financing activities		(997)	(485)
Net cash provided by/(used in) financing activities		(997)	(485)
Net increase/(decrease) in cash and cash equivalents		45 056	7 221
Cash and cash equivalents at the beginning of the period		173 653	166 432
Cash and cash equivalents at the end of the period	6.1	218 709	173 653

The accompanying notes form part of these financial statements.

Department of Human Services

Notes to and forming part of the financial statements

for the year ended 30 June 2024

1. About the Department of Human Services

The Department of Human Services (the department) is a government department of South Australia, established pursuant to the *Public Sector Act 2009* as an administrative unit acting on behalf of the Crown.

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

The department has administered activities and resources. Transactions and balances relating to administered items are presented in the administered financial statements separately.

1.1. Basis of preparation

These financial statements are general purpose financial statements prepared in accordance with:

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

Material accounting policies are set out throughout the notes.

No Australian Accounting Standards have been early adopted.

For the purposes of preparing the financial statements, the department is a not-for-profit entity. The financial statements are prepared based 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). 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.

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;
- 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 of Human Services
Notes to and forming part of the financial statements
for the year ended 30 June 2024

1.2. Objectives and Programs

Objectives

The department delivers strategies, programs and services that improve the wellbeing and safety of South Australians.

Program 1: Women, Equality and Domestic Violence Prevention

The Women, Equality and Domestic Violence Prevention program supports the full and equal participation of women in the social and economic life of the state. Priorities include implementing strategies to address and prevent family, domestic and sexual violence; striving for equality for women in every aspect of life; and increasing women's economic participation and leadership. The program provides cross government leadership on legislation that promotes gender equality, strategic oversight and coordination into the development of services that promote women's safety and funding and contract management of key initiatives including those with a focus on domestic and family violence responses and prevention. This program also provides statewide information and referral services through the Women's Information Service (WIS).

Program 2: Communities and Families

This program commissions, funds and delivers community and family services that improve the lives of individuals and families across South Australia. The program fosters inclusion, participation, safety, wellbeing and resilience across the South Australian community.

The program includes concessions and rebates, which increase financial resilience; investing in the community through grants and funding; intensive family services to keep children safe in their families and communities and connected to culture; interpreting and translating services; employment related screening services and the regulation of restrictive practices in NDIS services. It also includes strategies to support young South Australians and increase volunteering.

Program 3: Youth Justice

The Youth Justice program is responsible for supervising children and young people under community and custodial youth justice mandates.

Youth Justice supervision promotes community safety by building the capacity of children and young people, and their families.

Program 4: Disability

The Disability program includes strategies to advance the inclusion of people with a disability by working with Commonwealth and state government agencies, the National Disability Insurance Agency (NDIA), the non-government sector and the broader disability community. It includes state disability reform and national disability policy, as well as direct service provision including supported independent living services under the National Disability Insurance Scheme (NDIS).

The table on the following page presents income and expenses attributable to each program. Assets and liabilities are not disclosed as they cannot be reliably allocated across the programs.

Department of Human Services
Notes to and forming part of the financial statements
for the year ended 30 June 2024

1.2. Objectives and Programs (continued)

Expenses and Income by program

	Women, Equality and Domestic Violence Prevention		Communities and Families		Youth Justice		Disability		General / Not Attributable		Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<u>Income</u>												
Appropriation	-	-	-	-	-	-	-	-	981 178	989 151	981 178	989 151
Fees and charges	30	19	1 045	607	283	245	6 686	6 260	-	-	8 044	7 131
Commonwealth-sourced grants and funding	10 348	10 908	5 306	2 150	12	-	104 925	103 015	-	-	120 591	116 073
SA Government grants, subsidies and transfers	781	477	30 007	27 888	-	11	1 257	760	9 355	8 774	41 400	37 910
Sales of goods and services	-	1	19 138	16 919	-	-	108 781	16 948	-	-	127 919	33 868
Resources received free of charge	74	47	1 860	1 425	686	638	3 508	3 590	-	-	6 128	5 700
Other income	71	17	2 356	2 585	311	299	1 434	2 214	-	-	4 172	5 115
Total income	11 304	11 469	59 712	51 574	1 292	1 193	226 591	132 787	990 533	997 925	1 289 432	1 194 948
<u>Expenses</u>												
Employee related expenses	3 294	2 906	75 974	71 726	35 216	35 936	178 393	191 088	-	-	292 877	301 656
Supplies and services	1 311	1 100	38 121	30 782	8 915	8 671	48 869	45 738	-	-	97 216	86 291
Grants and funded services	16 382	10 159	66 649	70 425	1 041	975	622	713	-	-	84 694	82 272
NDIS expenses	-	-	-	-	-	-	808 253	708 228	-	-	808 253	708 228
Net loss from disposal of assets	-	-	2	1	-	1	46	9	-	-	48	11
Depreciation and amortisation	105	13	1 645	1 484	2 721	2 805	1 932	2 139	-	-	6 403	6 441
Other expenses	16	2	265	73	95	29	469	495	-	-	845	599
Total expenses	21 108	14 180	182 656	174 491	47 988	48 417	1 038 584	948 410	-	-	1 290 336	1 185 498
Net result	(9 804)	(2 711)	(122 944)	(122 917)	(46 696)	(47 224)	(811 993)	(815 623)	990 533	997 925	(904)	9 450

Department of Human Services
Notes to and forming part of the financial statements
for the year ended 30 June 2024

1.3. 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 controlled by the department. The budget amounts have not been adjusted to reflect revised budgets or administrative restructures. The budget process is not subject to audit.

Statement of Comprehensive Income	Note	Original budget 2024 \$'000	Actual 2024 \$'000	Variance \$'000
<u>Income</u>				
Appropriation		963 281	981 178	17 897
Fees and charges		12 314	8 044	(4 270)
Commonwealth-sourced grants and funding		109 418	120 591	11 173
SA Government grants, subsidies and transfers		27 728	41 400	13 672
Sales of goods and services	a.	27 375	127 919	100 544
Resources received free of charge		-	6 128	6 128
Other income		900	4 172	3 272
Total income		1 141 016	1 289 432	148 416
<u>Expenses</u>				
Employee related expenses		289 825	292 877	3 052
Supplies and services		61 016	97 216	36 200
Grants and funded services		91 798	84 694	(7 104)
NDIS expenses	b.	698 753	808 253	109 500
Net loss from disposal of assets		-	48	48
Depreciation and amortisation		8 374	6 403	(1 971)
Borrowing costs		48	-	(48)
Other expenses		-	845	845
Total expenses		1 149 814	1 290 336	140 522
Net result		(8 798)	(904)	7 894
<u>Other comprehensive income</u>				
Items that will not be reclassified to net result				
Changes in property, plant and equipment asset revaluation surplus		-	67 369	67 369
Total other comprehensive income		-	67 369	67 369
Total comprehensive result		(8 798)	66 465	75 263

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

- a. The variance from the Original Budget is primarily attributable to the conclusion of the NDIS in-kind arrangements for DHS disability services. The transition from in-kind to cash was approved during 2023-24 and reflected in the Revised Budget.
- b. As per above, the variance was due to timing of the approved transition from the NDIS in-kind arrangement to cash and was therefore reflected in the Revised Budget.

Department of Human Services
Notes to and forming part of the financial statements
for the year ended 30 June 2024

1.3 Budget performance (continued)

	Original budget	Actual	Variance
	2024	2024	\$'000
Investing expenditure summary	\$'000	\$'000	\$'000
Total new and existing projects	6 000	7 863	1 863
Total annual programs and leases	2 613	2 364	(249)
Total investing expenditure	8 613	10 227	1 614

Explanations are provided for variances where the variance exceeds the greater of 10% of the original budgeted amount and 5% of original budgeted total expenses. There are no variances in 2023-24 that exceed both thresholds.

1.4. Significant transactions with government related entities

Significant transactions with the SA Government are identifiable throughout this financial report, including:

- Note 2.4 SA Government grants, subsidies and transfers
- Note 4.1 Accommodation provided by the Department for Infrastructure and Transport.

Department of Human Services
Notes to and forming part of the financial statements
for the year ended 30 June 2024

2. Income

2.1. Appropriation

	2024 \$'000	2023 \$'000
Appropriation from Consolidated Account pursuant to the <i>Appropriation Act</i>	963 281	982 620
Appropriation from Governor's Appropriation Fund	17 897	6 531
Total appropriation	981 178	989 151
Net revenues from SA Government	981 178	989 151

Appropriation is recognised upon receipt.

Appropriation pursuant to the *Appropriation Act* (the Act) consists of \$963.281 million (\$982.620 million) used for operational funding, inclusive of \$8.613 million (\$17.411 million) for capital projects.

2.2. Fees and charges

	2024 \$'000	2023 \$'000
Client fees	5 232	4 801
Business services	1 453	1 139
Rent	1 188	767
Other fees and charges	171	424
Total fees and charges	8 044	7 131

Client fees relates to supported accommodation provided to DHS managed clients to help offset the cost of supporting the daily living needs, including provision of utilities, groceries, household consumables etc. Revenue is recognised at a point in time when the support is provided.

Business services are provided to the SA Housing Trust (SAHT) as per the Memorandum of Administrative Arrangements (MOAA), where revenue is recognised when services are provided.

All other fees and charges are recognised upon receipt.

Department of Human Services
Notes to and forming part of the financial statements
for the year ended 30 June 2024

2.3. Commonwealth-sourced grants and funding

	2024	2023
	\$'000	\$'000
DisabilityCare Australia Fund	83 430	80 608
Disability Support for Older Australians	17 990	19 806
Family, Domestic and Sexual Violence Response	10 347	10 908
Residential Aged Care	3 535	2 682
Remote Australia Strategies Programme	2 000	-
Safety and Wellbeing Programme	1 260	-
Living Safe Together Intervention Program Expansion	748	748
Other	1 281	1 321
Total Commonwealth-sourced grants and funding	120 591	116 073

Commonwealth-sourced grants and funding are recognised as income on receipt.

Income from the DisabilityCare Australia Fund and Family, Domestic and Sexual Violence Response is provided under national partnership agreements between the Commonwealth of Australia and the States and Territories. For accounting purposes, the performance obligations under the funding agreements lie with the State and not the department.

The Disability Support for Older Australians is funded under an agreement between the Commonwealth and the department. Income is recognised upon receipt as performance obligations are not specific.

2.4. SA Government grants, subsidies and transfers

	2024	2023
	\$'000	\$'000
National Education Reform Agreement	21 230	20 640
DTF Contingency Fund - Other	8 604	102
Community Development Fund	3 000	3 000
APY Lands Youth Programs and Family Services	2 676	2 532
Screening System Transformation	2 100	-
DTF Contingency Fund - TVSP reimbursement	751	8 672
Other grants from SA Government agencies	3 039	2 964
Total SA Government grants, subsidies and transfers	41 400	37 910

SA Government grants, subsidies and transfers are recognised as income on receipt. The funding arrangements either have no enforceable agreement or the performance obligations are not sufficiently specific.

Department of Human Services
Notes to and forming part of the financial statements
for the year ended 30 June 2024

2.5. Sales of goods and services

	2024	2023
	\$'000	\$'000
Provision of disability support services	108 781	16 951
Screening check fees	12 171	10 333
Interpreter and translator services	6 967	6 584
Total sales of goods and services	127 919	33 868

The department recognises revenue from the following major sources:

Provision of disability support services

Care is provided in group homes and facilities to provide assistance with daily personal care and community activities. This includes services such as supported independent living, community participation and support coordination. Revenue is recognised at a point in time which is when the support is provided. These services are billed in arrears.

Screening check fees

The department's screening unit provides checks of workers and volunteers to organisations, contributing to creating safe environments for children and other vulnerable people. Prices are set by the State Government, with volunteer checks provided free of charge.

Approximately 91% of requests are paid upon request and approximately 9% paid by account. Refunds may occasionally occur within a few days of the initial request, often due to a request relating to a current existing screening check.

After a request, the screening check is usually provided within three weeks, with the exception of a small number of checks that may require further investigation or are complex in nature. Revenue is recognised at a point in time that the screening check is requested.

Interpreter and translator services

The department's Interpreting and Translating Centre (ITC) provides interpreting and translating assignments to private and business clients from a wide range of cultural and linguistic backgrounds.

Base fee schedules are used to calculate each service request. In some instances, a service may change upon delivery. For example, an extension in translating is required at the time of providing the service and the quoted price may be adjusted. Revenue is recognised when the service is provided.

Department of Human Services
Notes to and forming part of the financial statements
for the year ended 30 June 2024

2.6. Resources received free of charge

	2024	2023
	\$'000	\$'000
Shared Services SA	4 291	4 166
Department of the Premier and Cabinet	1 837	1 534
Total resources received free of charge	6 128	5 700

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.

Following Cabinet's approval to cease intra-government charging, the department receives Financial Accounting, Taxation, Payroll, Accounts Payable and Accounts Receivable services from Shared Services SA valued at \$4.291 million (\$4.166 million). In addition, the Department of Premier and Cabinet (DPC) provides ICT services valued at \$1.791 million (\$1.489 million) and media monitoring services valued at \$0.046 million (\$0.045 million).

2.7. Other income

	2024	2023
	\$'000	\$'000
Recoveries	3 934	4 816
Other	238	299
Total other income	4 172	5 115

Recoveries mainly relate to the recovery of funds for grants, salaries and wages and goods and services.

Department of Human Services
Notes to and forming part of the financial statements
for the year ended 30 June 2024

3. Board, committees and employees

The Chief Executive is responsible to the Premier and the department's Minister for supporting the achievement of the Government's objectives, the effective management of the department and the general conduct of its employees. A performance agreement, developed between the Chief Executive and Minister, outlines key agency leadership priorities and indicators of success for the financial year.

The Executive Leadership Team (ELT) is the principal governance and management body of DHS. ELT supports the Chief Executive to set and effectively monitor the strategic agenda, direction, governance, performance and culture of the department.

DHS board and committees are tasked with providing oversight and leadership of specific department responsibilities. This includes the Risk Management and Audit Committee which is responsible for overseeing risk management, internal controls, financial reporting, auditing and monitoring compliance with laws, policies and relevant codes of conduct, and reports to the Chief Executive.

3.1. Key management personnel

Key management personnel of the department include the Minister, the Chief Executive and 7 executive positions.

The compensation disclosed in this note excludes salaries and other benefits the Minister for Human Services 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*. Refer to the administered financial statement for disclosures of the Minister's remuneration paid and recovered from the Consolidated Account.

	2024	2023
	\$'000	\$'000
Compensation		
Salaries and other short term employee related expenses	2 262	2 305
Post-employment benefits	260	239
Termination benefits	175	-
Total compensation	2 697	2 544

Transactions with key management personnel and other related parties

The department had no material transactions or balances and/or transactions outside normal day-to-day operations to disclose during the reporting period with key management personnel or their close family.

Department of Human Services
Notes to and forming part of the financial statements
for the year ended 30 June 2024

3.2. Board and committee members

Members during the 2023-24 financial year were:

Risk Management and Audit Committee

C Mitchell	Chair	Reappointed
N Ashley*	Member	Appointed
S Charlton*	Member	Resigned
E Moran	Member	
A Reid*	Member	
S Waters	Member	Appointed

Premier's Council for Women

F Dorman	Chair	Reappointed
K Briggs	Member	Reappointed
K Jamieson	Member	Reappointed
S Mapuvire	Member	Reappointed
I Marshall	Member	Reappointed
K Mundy	Member	Reappointed
N Saunders*	Member	Reappointed
M Smith	Member	Reappointed
N Wade	Member	

Grants SA Assessment Panel

L Albrecht	Member	
H de Anstiss	Member	Expired
C Bell	Member	
T Biddlecombe	Member	
I Bosio	Member	
R Cunningham	Member	
C Duncan	Member	
E Frankel	Member	
P Gale	Member	
K House	Member	
H Nguyen	Member	Expired
B Nolan	Member	
J Russo	Member	
S Ryan	Member	
J Stone	Member	
N Vassos	Member	
D Webb	Member	

Department of Human Services
Notes to and forming part of the financial statements
for the year ended 30 June 2024

3.2. Board and committee members (continued)

State Emergency Relief Fund Committee

R Ambler*	Chair	Reappointed
N Ashley*	Member	Reappointed
K Barr*	Member	
L Connell*	Member	
T Forde*	Member	
M Griffiths*	Member	Reappointed
N Keller*	Member	Resigned
S Paul*	Member	
N Schranz*	Member	Appointed

Disability Minister's Advisory Council

K Hawkins*	Chair (Ex Officio)	Expired
K Annear	Member	Expired
K Chia	Member	
N Cook*	Member (Ex Officio)	
S Crowley	Member	
E Fraser-Barbour	Member	
B Lambert	Member	
K Langton	Member	
S Maso	Member	
J Mcloughlin	Member	Reappointed
B Owen	Member	
S Philavong	Member	
A Shiell	Member	
M Taggart	Member	

LGBTIQA+ Minister's Advisory Council

K Hawkins*	Chair (Ex Officio)	Expired
J Anderson	Member	
O Balopitos	Member	Expired
M Barnes	Member	
L Brinsley	Member	Appointed
N Cook*	Member (Ex Officio)	
D Ford	Member	Expired
K Gbla	Member	Appointed
L Hackworth*	Member	
A Hawkins-Nicholls	Member	
S Henschke	Member	
M Hok*	Member	Expired
B Mcaloney	Member	
A Moffat	Member	Expired
S Moran	Member	
L Solonsch	Member	
Varo*	Member	
L Young	Member	Appointed
T Young	Member	Appointed

Department of Human Services
Notes to and forming part of the financial statements
for the year ended 30 June 2024

3.2. Board and committee members (continued)

Youth Minister's Advisory Council

K Hawkins*	Chair (Ex Officio)	Expired
J Bingham	Member	
L Boundey	Member	
A Burgos-Garabelli	Member	
A Cook	Member	
N Cook*	Member (Ex Officio)	
W Day	Member	
S Green	Member	
S Greenwood	Member	Expired
Z Leblond	Member	
J Munyonge	Member	
A Musarra	Member	
M Price	Member	Expired
S Richards	Member	
T Sanderson-Bromley	Member	Appointed
K Smith	Member	Expired

South Australian Gender Pay Gap Taskforce

I Pnevmatikos*	Chair	Resigned
S Andrews*	Chair	Appointed
O Bennell	Member	
N Brown	Member	
J Carney*	Member	
A Kay	Member	
A Kendall	Member	
C Kulik	Member	
M O'Callaghan	Member	
J Pickering	Member	
J Purdie	Member	
E Ranieri*	Member	
R Womersley	Member	
S Vas Dev*	Member (Ex Officio)	

* Government employees did not receive any remuneration for board/committee duties during the financial year in accordance with the Premier and Cabinet's Circular PC016 *Remuneration for Government Appointed Part-time Board and Committee*.

Department of Human Services
Notes to and forming part of the financial statements
for the year ended 30 June 2024

3.2. Board and committee members (continued)

Board and committee remuneration

Remuneration of members reflects all costs of performing board/committee member duties including sitting fees, superannuation contributions, salary sacrifice benefits, fringe benefits and any related fringe benefits tax paid.

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

	2024	2023
\$0 - \$19 999	94	98
Total number of members	94	98

The total remuneration received or receivable by members was \$0.074 million (\$0.057 million). Where a board or committee member has been appointed, resigned, retired or ceased their term during the year, this has been disclosed above.

3.3. Employee related expenses

	2024	2023
	\$'000	\$'000
Salaries and wages	218 891	207 115
Employee on-cost - superannuation	26 688	24 109
Annual leave	22 561	21 668
Employee on-cost - other	13 553	12 749
Long service leave	6 919	3 974
Workers compensation	1 211	21 730
Targeted voluntary separation packages	1 156	8 768
Skills and experience retention leave	914	897
Eligible termination payments	288	105
Board and committee fees	86	54
Other employee related expenses	610	487
Total employee related expenses	292 877	301 656

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

Superannuation employment on-cost charges represent the department's contributions to superannuation plans in respect of current services of current employees.

Department of Human Services
Notes to and forming part of the financial statements
for the year ended 30 June 2024

3.3. Employee related expenses (continued)

Remuneration of employees

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

	2024	2023
	No.	No.
\$160 808 to \$166 000*	n/a	8
\$166 001 to \$186 000	12	11
\$186 001 to \$206 000	5	4
\$206 001 to \$226 000	5	9
\$226 001 to \$246 000	10	3
\$246 001 to \$266 000	3	1
\$266 001 to \$286 000	2	1
\$286 001 to \$306 000	1	3
\$306 001 to \$326 000	-	2
\$326 001 to \$346 000	-	1
\$346 001 to \$366 000	2	-
\$366 001 to \$386 000	2	-
\$386 001 to \$406 000	1	-
\$466 001 to \$486 000	-	1
\$486 001 to \$506 000	1	-
Total	44	44

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

Total remuneration received by these employees for the year was \$10.471 million (\$9.486 million). Remuneration of employees reflects all costs of employment including salaries and wages, payments in lieu of leave, superannuation contributions, salary sacrifice benefits and any related fringe benefits tax paid.

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

Targeted voluntary separation packages (TVSPs)

The number of employees who received a TVSP during the reporting period was 12 (2023: 114).

	2024	2023
	\$'000	\$'000
Amounts paid to separated employees:		
Targeted voluntary separation packages	1 156	8 768
Leave paid to separated employees	674	3 424
Recovery from the Department of Treasury and Finance (DTF)	(751)	(8 672)
Net cost to the department	1 079	3 520

Department of Human Services
Notes to and forming part of the financial statements
for the year ended 30 June 2024

3.4. Employee related liabilities

	2024	2023
	\$'000	\$'000
<u>Current</u>		
Annual leave	26 574	25 550
Accrued salaries and wages	8 203	8 224
Long service leave	3 001	2 600
Skills and experience retention leave	1 239	1 196
Employment on-costs	6 345	5 868
Total current employee related liabilities	45 362	43 438
<u>Non-current</u>		
Long service leave	31 918	29 901
Employment on-costs	3 275	2 978
Total non-current employee related liabilities	35 193	32 879
Total employee related liabilities	80 555	76 317

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

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

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

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.

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

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 wages 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 at the discount rate in the measurement of the long service leave liability. The yield on long-term Commonwealth Government bonds has increased from 4.0% in 2023 to 4.25% in 2024.

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 salary inflation rate applied in the actuarial assessment performed by DTF for the long service leave liability increased from 2.5% in 2023 to 3.5% in 2024.

The net financial effect of the changes to actuarial assumptions in the current financial year is an increase in the long service leave liability and expense of \$1.670 million. The impact on future periods is impracticable to estimate as the long service leave liability is calculated using a number of assumptions.

The long service leave split between current and non-current is based on the department's analysis of leave taken which uses historical leave taken to determine an estimate for amounts to be paid within the next 12 months.

Department of Human Services
Notes to and forming part of the financial statements
for the year ended 30 June 2024

3.4 Employee related liabilities (continued)

Employment on-costs

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

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

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 44% in 2024. The average factor for the calculation of employer superannuation on-costs has changed from the 2023 rate 11.1% to 11.5% in 2024. These rates are used in the employment on-cost calculation. The net financial effect of the changes in the current financial year is an increase in the employment on-cost of \$0.358 million.

Department of Human Services
Notes to and forming part of the financial statements
for the year ended 30 June 2024

4. Expenses

4.1. Supplies and services

	2024	2023
	\$'000	\$'000
Contractors and agency staff	22 209	16 111
Information technology and communication charges	14 081	12 875
Accommodation	13 733	13 532
Brokerage care services	9 536	7 997
Client related expenses	6 769	6 813
Business services	6 544	6 741
Minor equipment	3 113	2 687
Crimtrac history check fees	3 078	2 703
Motor vehicles	2 848	2 912
Printing, stationery, postage and periodicals	1 619	1 376
Seminars courses and training	1 593	991
Repairs and maintenance	1 392	1 209
Travel and accommodation	1 367	951
Insurance	1 107	880
Consultants	315	237
Drugs and medical supplies	264	424
Short term leases	202	193
Low-value leases	66	74
Other	7 380	7 585
Total supplies and services	97 216	86 291

Accommodation

Most of the department's accommodation is provided by the Department for Infrastructure and Transport (DIT) under Memoranda of Administrative Arrangement (MoAA) issued in accordance with Government-wide accommodation policies. These arrangements do not meet the definition of a lease and accordingly are expensed.

Department of Human Services
Notes to and forming part of the financial statements
for the year ended 30 June 2024

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.

	2024 \$'000	Proportion SA and non-SA businesses
Total expenditure with South Australian businesses	116 190	86%
Total expenditure with non-South Australian businesses	18 248	14%
Total expenditure	134 438	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.

The disclosure includes funded services with not-for-profit organisations. These are procurements to provide goods and/or services on behalf of the department.

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 funded services

Grants and funded services by program	2024 \$'000	2023 \$'000
Child and Family Support Grants	29 859	21 311
Family, Domestic and Sexual Violence Response	13 548	7 481
Community Connections	11 935	22 023
Family and Community Development	9 864	15 483
Financial Hardship Programs	8 357	5 449
Aboriginal Community Benefit Grants	3 999	3 594
Youth Portfolio	766	844
Other	6 366	6 087
Total grants and funded services	84 694	82 272

Grants and funded services paid are usually subject to terms and conditions set out in the contract, correspondence or by legislation. Funded services are paid to not-for-profit organisations to provide goods and/or services on behalf of the department.

Department of Human Services
Notes to and forming part of the financial statements
for the year ended 30 June 2024

4.4. NDIS expenses

Total NDIS expenses for the year were \$808.253 million (\$708.228 million). The department makes payments to the NDIA for the NDIS pursuant to the *National Disability Insurance Act 2013* and in accordance with the Bilateral Agreement between the Commonwealth of Australia and the State of South Australia. South Australia's financial contribution is adjusted for transitional provisions including in-kind services that South Australia continue to provide to NDIS participants and invoice wash-up adjustments.

4.5. Net gain / (loss) from disposal of assets

	2024	2023
	\$'000	\$'000
<u>Assets held for sale</u>		
Proceeds from disposal	910	-
Less carrying amount of assets disposed	(931)	-
Net gain from disposal of asset held for sale	(21)	-
<u>Plant and equipment</u>		
Proceeds from disposal	-	-
Less carrying amount of assets disposed	(27)	(7)
Net gain/(loss) from disposal of plant and equipment	(27)	(7)
<u>Total disposal of assets</u>		
Total proceeds from disposal	910	-
Less total carrying amount of assets disposed	(958)	(7)
Net gain/(loss) from disposal of owned assets	(48)	(7)
Gain/(loss) on modification of right-of-use assets	-	(4)
Net gain/(loss) from disposal of assets	(48)	(11)

4.6. Other expenses

	2024	2023
	\$'000	\$'000
Impairment of receivables	393	36
Interest expense on lease liabilities	80	26
Other	372	537
Total other expenses	845	599

Other

Audit fees paid/payable to the Audit Office of South Australia of \$0.326 million (\$0.315 million) related to work performed under the *Public Finance and Audit Act 1987*.

Department of Human Services
Notes to and forming part of the financial statements
for the year ended 30 June 2024

5. Non-financial assets

5.1. Property, plant and equipment by asset class

Property, plant and equipment comprises owned and right-of-use (leased) tangible assets that do not meet the definition of investment property.

Reconciliation 2023-24

	Land	Buildings	Accommodation and leasehold improvements	Plant and equipment	ROU buildings	ROU vehicles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying amount at 1 July 2023	32 432	66 607	5 075	4 658	319	966	110 057
Prior period adjustment	-	-	(246)	-	-	-	(246)
Restated carrying amount at 1 July 2023	32 432	66 607	4 829	4 658	319	966	109 811
Additions	-	-	-	330	1 361	2 075	3 766
Disposals	-	-	-	(27)	-	-	(27)
Revaluation increment/(decrement)	41 433	25 936	-	-	-	-	67 369
Transfers (to)/from works in progress	-	-	-	308	-	-	308
Transfers (to)/from assets held for sale	695	27	-	-	-	-	722
Subtotal:	74 560	92 570	4 829	5 269	1 680	3 041	181 949
Gains/(losses) for the period recognised in net result:							
Depreciation and amortisation for the year	-	(2 958)	(679)	(1 005)	(198)	(852)	(5 692)
Subtotal:	-	(2 958)	(679)	(1 005)	(198)	(852)	(5 692)
Carrying amount at the end of the period	74 560	89 612	4 150	4 264	1 482	2 189	176 257
Gross carrying amount							
Gross carrying amount	74 560	89 612	8 630	10 275	1 798	3 142	188 017
Accumulated depreciation/amortisation	-	-	(4 480)	(6 011)	(316)	(953)	(11 760)
Carrying amount at the end of the period	74 560	89 612	4 150	4 264	1 482	2 189	176 257

All property, plant and equipment owned by the department are classified in the level 3 fair value hierarchy except for land valued at \$68.835 million and buildings valued at \$3.630 million are classified in level 2, with total depreciation of \$0.180 million also classified in level 2. Capital works in progress are not classified. Refer to note 10.1 for more information about the fair value hierarchy and note 7.2 for details about the lease liability for right-of-use assets and liabilities.

Department of Human Services
Notes to and forming part of the financial statements
for the year ended 30 June 2024

5.1 Property, plant and equipment by asset class (continued)

Reconciliation 2022-23

	Land \$'000	Buildings \$'000	Accommodation and leasehold improvements \$'000	Plant and equipment \$'000	ROU buildings \$'000	ROU vehicles \$'000	Total \$'000
Carrying amount at 1 July 2022	33 617	69 720	5 993	4 955	72	546	114 903
Additions	-	-	-	509	330	863	1 702
Disposals	-	-	-	(7)	-	(4)	(11)
Transfers (to)/from works in progress	-	38	-	415	-	-	453
Transfers (to)/from assets held for sale	(1 185)	(167)	(108)	(193)	-	-	(1 653)
Subtotal:	32 432	69 591	5 885	5 679	402	1 405	115 394
Gains/(losses) for the period recognised in net result:							
Depreciation and amortisation for the year	-	(2 984)	(810)	(1 021)	(83)	(439)	(5 337)
Subtotal:	-	(2 984)	(810)	(1 021)	(83)	(439)	(5 337)
Carrying amount at the end of the period	32 432	66 607	5 075	4 658	319	966	110 057
Gross carrying amount							
Gross carrying amount	32 432	72 515	8 920	9 858	438	1 615	125 778
Accumulated depreciation/amortisation	-	(5 908)	(3 845)	(5 200)	(119)	(649)	(15 721)
Carrying amount at the end of the period	32 432	66 607	5 075	4 658	319	966	110 057

All property, plant and equipment owned by the department are classified in the level 3 fair value hierarchy except for land valued at \$32.432 million, buildings at \$4.715 million and its depreciation for the year of \$0.025 million are classified in level 2. Refer to note 10.1 for more information about the fair value hierarchy and note 7.2 for details about the lease liability for right-of-use assets.

Department of Human Services
Notes to and forming part of the financial statements
for the year ended 30 June 2024

5.1 Property, plant and equipment by asset class (continued)

Depreciation expense

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

Useful life

Depreciation and amortisation are calculated on a straight-line basis over the estimated useful life as follows:

<i>Class of asset</i>	<i>Useful life (years)</i>
Buildings	4-35
Accommodation and leasehold improvements	2-50
Plant and equipment	3-15
Right-of-use vehicles	lease term (1-5 years)
Right-of-use buildings	lease term (1-8 years)
Computer software	3

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.

The department revalued its buildings as at 30 June 2024 which resulted in a change in useful lives and an increase in the fair value of the buildings. The impact of this on future depreciation expense is estimated to be \$0.408 million and \$1.456 million respectively.

5.2. Property, plant and equipment owned by the department

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. Property, plant and equipment owned by the department is recorded at fair value. The department's approach to fair value is set out in note 10.1.

Impairment

Property, plant and equipment owned by the department is assessed for impairment on an annual basis. A building in Woodville was determined to have structural damage caused by a combination of termites and wood rot. At 30 June 2024, the building could only be 30% occupied. The impairment was included in the desktop valuation results.

Department of Human Services
Notes to and forming part of the financial statements
for the year ended 30 June 2024

5.3. Property, plant and equipment leased by the department

Right-of-use (ROU) assets for property, plant and equipment leased by the department as lessee are measured at cost.

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 ROU 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:

- 201 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.
- One lease with DIT for a residential property in Ceduna, with rent paid monthly. No contingent rental provisions exist within the lease agreement and there is no right of renewal at the end of the lease.
- One lease with the Noarlunga Health Village for office accommodation as part of the Strong Start Program. Rent is paid six monthly. No contingent rental provisions exist within the lease agreement and there is no right of renewal at the end of its lease.
- One lease with TAFE SA for office accommodation at Whyalla campus with rent paid monthly. No contingent rental provisions exist within the lease agreement and there is an option to renew the lease at the end of its term.
- One lease with Townsend House Inc (Can:Do 4Kids) for office accommodation at Can:Do Group's Noarlunga facility with rent paid monthly. No contingent rental provisions exist within the lease agreement and there is no right of renewal at the end of its lease.
- One lease with Southern Adelaide Local Health Network Incorporated acting through Drug and Alcohol Services South Australia for office accommodation at Stepney. Rent will be invoiced on a quarterly basis and is payable in advance. No contingent rental provisions exist within the lease agreement and there is no right of renewal at the end of its lease.
- One lease with SAHT for property as part of the Community Lease Program. Rent is paid monthly in advance. No contingent rental provisions exist within the lease agreement and there is no right of renewal at the end of its lease.

The lease liabilities related to the ROU assets and the department's maturity analysis of its lease liabilities are disclosed in note 7.2. Expenses related to leases, including amortisation and interest expenses, are disclosed in note 5.1 and 4.6. Cash outflows related to leases are disclosed in note 8.2.

Impairment

Property, plant and equipment leased by the department has been assessed for impairment. There was no indication of impairment. No impairment loss or reversal of impairment loss was recognised.

Department of Human Services
Notes to and forming part of the financial statements
for the year ended 30 June 2024

5.4. Capital works in progress

	2024 \$'000	2023 \$'000
Property, plant and equipment in progress at cost	23 962	16 311
Total capital works in progress	23 962	16 311

The following table shows the movement of capital works in progress:

	2024 \$'000	2023 \$'000
Carrying amount at the beginning of the period	16 311	3 424
Purchases	7 959	14 070
Transfers to completed works	(308)	(1 183)
Carrying amount at the end of the period	23 962	16 311

Capital works in progress is not classified in the fair value hierarchy. Refer to note 10.1 for more information.

5.5. Intangible assets

The department has intangible assets relating to both internally developed and externally acquired computer software. Intangible assets are initially measured at cost and are tested for indications of impairment at each reporting date. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and any accumulated impairment losses.

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

All research and development costs that do not meet the capitalisation criteria outlined in AASB 138 *Intangible Assets* are expensed. There was no indication of impairment for intangible assets as at 30 June 2024.

The following table shows the movement of intangible assets:

	2024 \$'000	2023 \$'000
Carrying amount at the beginning of the period	1 024	1 398
Transfers (to)/from works in progress	-	730
Subtotal:	1 024	2 128
Gains/(losses) for the period recognised in net result:		
Amortisation	(711)	(1 104)
Carrying amount at the end of the period	313	1 024
Gross carrying amount		
Gross carrying amount	11 962	15 704
Accumulated amortisation	(11 649)	(14 680)
Carrying amount at the end of the period	313	1 024

Internally developed computer software has been fully depreciated. The above carrying amount at the end of the period relates to intangibles for externally acquired computer software.

Department of Human Services
Notes to and forming part of the financial statements
for the year ended 30 June 2024

5.6. Non-current asset held for sale

	2024	2023
	\$'000	\$'000
Land	-	1 185
Building	-	275
Plant and equipment	-	193
Total non-current assets classified as held for sale	-	1 653

The following table shows the movement of non-current assets:

	2024	2023
	\$'000	\$'000
Carrying amount at the beginning of the period	1 653	-
Disposals	(931)	-
Transfers (to)/from property, plant and equipment	(722)	1 653
Carrying amount at the end of the period	-	1 653

A property at Christies Beach was disposed of during 2023-24. The fair value hierarchy for non-current assets classified as held for sale is land classified at level 2 with buildings and plant and equipment in the level 3 classification.

5.7. Inventories

Total current inventories as at 30 June 2024 is \$0.253 million (2023: \$0.196 million).

Inventories held for distribution at no or nominal consideration are measured at cost and adjusted when applicable for any loss of service potential. Inventories held for sale are measured at the lower of cost or their net realisable value.

Cost for all other inventory is measured on the basis of the first-in, first-out method. Net realisable value is determined using the estimated sales proceeds less costs incurred in marketing, selling and distribution to customers.

Cost of inventories

The cost recognised as an expense for raw materials and consumables is \$0.057 million.

Department of Human Services
Notes to and forming part of the financial statements
for the year ended 30 June 2024

6. Financial assets

6.1. Cash and cash equivalents

	2024	2023
	\$'000	\$'000
Deposits with the Treasurer (special deposit accounts)		
Operating Account	217 084	172 324
Other deposits	1 525	1 229
Total deposits with the Treasurer (special deposit accounts)	218 609	173 553
Advance accounts	100	95
Cash on hand	-	5
Total cash and cash equivalents in the Statement of Financial Position	218 709	173 653
Total cash and cash equivalents in the Statement of Cash Flows	218 709	173 653

Deposits with the Treasurer

Special deposit accounts are established under section 8 of the *Public Finance and Audit Act 1987*. Special deposit accounts must be used in accordance with their approved purpose.

The department does not earn interest on its deposits with the Treasurer. Some of the department's appropriation is deposited into the 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 balance of the Accrual Appropriation Excess Fund account at 30 June is \$135.185 million (\$135.511 million).

Department of Human Services
Notes to and forming part of the financial statements
for the year ended 30 June 2024

6.2. Receivables

	2024 \$'000	2023 \$'000
Current		
<u>Contractual receivables</u>		
From SA government entities	1 113	1 905
From non-SA government entities	16 286	1 469
Less impairment loss on contractual receivables	(393)	(27)
Total contractual receivables	17 006	3 347
Recoveries for NDIS contributions	6 704	67 791
Accrued revenue	17 296	15 909
GST input tax recoverable	-	3 379
Prepayments	1 609	1 664
Overpaid salaries	618	619
Other receivables	265	160
Total current receivables	43 498	92 869
Non-current		
Other receivables - workers compensation	1 155	1 272
Total non-current receivables	1 155	1 272
Total receivables	44 653	94 141

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

It is not anticipated that counter-parties will fail to discharge their obligations, other than those recognised in the impairment loss of receivable. The carrying amount of contractual receivables approximates net fair value due to being receivable on demand.

There is no concentration of credit risk. Refer to note 10.2 for information on risk management.

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.

Impairment of contractual receivables

The department has adopted the simplified impairment approach under AASB 9 *Financial Instruments* and measured lifetime expected credit losses on all contractual receivables using an allowance matrix as a practical expedient to measure the impairment allowance.

Allowance for impairment loss on contractual receivables

	2024 \$'000	2023 \$'000
Carrying amount at the beginning of the period	27	252
Increase/(decrease) in allowance recognised in profit or loss	379	37
Amounts written off	(13)	(262)
Carrying amount at the end of the period	393	27

Impairment losses relate to receivables arising from contracts with customers that are external to SA Government. Refer to note 10.2 for details regarding credit risk and the methodology for determining impairment.

Department of Human Services
Notes to and forming part of the financial statements
for the year ended 30 June 2024

7. Liabilities

7.1. Payables

	2024	2023
	\$'000	\$'000
<u>Current</u>		
Trade payables	10 196	12 572
Accrued expenses	8 390	4 576
GST Payables	2 684	-
Other	1 782	1 856
Total current payables	23 052	19 004
Total payables	23 052	19 004

Payables and accruals are recognised for all amounts owed and unpaid. 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 approximate net fair value due to their short-term nature.

7.2. Financial liabilities

The department's financial liabilities are all lease liabilities of \$3.784 million (\$1.330 million), refer to note 5.3. The department measures these at discounted future lease payments using either the interest rate implicit in the lease (where it is readily determined) or DTFs incremental borrowing rate. There were no defaults or breaches throughout the year.

The interest expense associated with these lease liabilities was \$80,000 (\$26,000). The department does not capitalise borrowing costs.

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

	2024	2023
	\$'000	\$'000
Lease liabilities		
Within one year	1 389	627
Later than one year but not longer than five years	2 706	727
Later than five years	8	-
Total lease liabilities (undiscounted)	4 103	1 354

Department of Human Services
Notes to and forming part of the financial statements
for the year ended 30 June 2024

7.3. Provisions

	2024	2023
	\$'000	\$'000
<u>Current</u>		
Workers compensation	10 471	11 652
Insurance	346	113
Total current provisions	10 817	11 765
<u>Non-current</u>		
Workers compensation	40 624	48 877
Total non-current provisions	40 624	48 877
Total provisions	51 441	60 642

Reconciliation of workers compensation

	2024	2023
	\$'000	\$'000
Carrying amount at the beginning of the period	60 529	48 843
Increase/(Decrease) to provision due to revision of estimates	1 211	21 716
Reduction due to payments	(10 645)	(10 030)
Carrying amount at the end of the period	51 095	60 529

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

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

The additional compensation scheme provides continuing benefits to workers who have suffered eligible work-related injuries and whose entitlements have ceased under the statutory workers compensation scheme. Eligible injuries are nonserious injuries sustained in circumstances which involved, or appeared to involve, the commission of a criminal offence, or which arose from a dangerous situation.

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. The department is responsible for the payment of workers compensation claims.

Department of Human Services
Notes to and forming part of the financial statements
for the year ended 30 June 2024

7.3. Provisions (continued)

Reconciliation of insurance provision

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

	Public liability \$'000	Property \$'000	Total \$'000
Carrying amount at the beginning of the period	71	42	113
Increase to provision due to new claims	220	-	220
Reduction due to payments	-	(20)	(20)
Net revision of estimates	35	(2)	33
Carrying amount at the end of the period	326	20	346

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

	Public liability \$'000	Property \$'000	Total \$'000
Carrying amount at the beginning of the period	50	20	70
Net revision of estimates	21	22	43
Carrying amount at the end of the period	71	42	113

7.4. Other liabilities

	2024 \$'000	2023 \$'000
Current		
Accommodation incentive	654	683
Unclaimed monies	84	111
Other liabilities	357	350
Total current other liabilities	1 095	1 144
Non-current		
Accommodation incentive	3 379	4 222
Total non-current other liabilities	3 379	4 222
Total other liabilities	4 474	5 366

Accommodation incentive liabilities relate to arrangements with DIT for office accommodation. These arrangements do not comprise leases and the accommodation incentives do not comprise financial liabilities. DIT has provided incentives for fit out free of charge to the department. The benefit of these incentives are spread over the accommodation term so that each year reported accommodation expenses reflect the economic substance of the office accommodation arrangements and related benefits provided.

Department of Human Services
Notes to and forming part of the financial statements
for the year ended 30 June 2024

8. Other disclosures

8.1. Equity

The asset revaluation surplus is used to record increments and decrements in the fair value of property, plant and equipment to the extent that they offset one another.

8.2. Cash flow

Reconciliation of net result to cash flows from operating activities

	2024	2023
	\$'000	\$'000
<u>Reconciliation of net cash provided by operating activities to net result</u>		
Net cash provided by/(used in) operating activities	51 329	18 506
<u>Add / (less) non-cash Items</u>		
Depreciation and amortisation expense of non-current assets	(6 403)	(6 441)
Accommodation incentive amortisation	626	683
Gain/(loss) on sale or disposal of non-current assets	(48)	(11)
Capital accruals	2 103	3 779
<u>Movement in assets and liabilities</u>		
Increase/(decrease) in receivables	(49 488)	7 073
Increase/(decrease) in inventories	57	(126)
(Increase)/decrease in provisions	9 201	(11 729)
(Increase)/decrease in payables	(4 048)	(2 949)
(Increase)/decrease in employee related liabilities	(4 238)	667
(Increase)/decrease in other liabilities	5	(2)
Net result	(904)	9 450

Total cash outflows for leases were \$1.309 million (2023: \$0.824 million)

Department of Human Services
Notes to and forming part of the financial statements
for the year ended 30 June 2024

9. Outlook

9.1. Unrecognised contractual commitments

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

Contractual commitments to acquire property, plant and equipment

	2024 \$'000	2023 \$'000
Within one year	-	3 884
Total capital commitments	-	3 884

The 2022-23 capital commitments were for the Kurlana Tapa Youth Justice Consolidation project and minor capital works to various properties.

Other contractual commitments

	2024 \$'000	2023 \$'000
Within one year	7 492	7 381
Later than one year but not longer than five years	25 185	24 814
Later than five years	9 140	14 938
Total expenditure commitments	41 817	47 133

The department's other expenditure commitments primarily consist of MOAA with DIT for accommodation.

Grant commitments

	2024 \$'000	2023 \$'000
Within one year	70 945	64 475
Later than one year but not longer than five years	26 009	52 735
Total grant commitments	96 954	117 210

Grant commitments consists of fixed amounts specified in the grant contract.

Department of Human Services
Notes to and forming part of the financial statements
for the year ended 30 June 2024

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 has investigated and there are no contingent assets or liabilities that impact the department as at 30 June 2024.

9.3 Impact of standards not yet effective

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

9.4 Events after the reporting period

From 1 July 2024, as part of the Machinery of Government changes, DHS received two additional functions:

- Seniors and Ageing Well which transitioned the Office for Ageing Well from the Department for Health and Wellbeing. The office supports older people to remain active and engaged.
- Homelessness Services from the South Australian Housing Trust. Homelessness Services supports the needs of clients experiencing or at risk of homelessness across the State.

As announced in the 2024-25 Budget Papers, the former juvenile detention centre at Jonal Drive, Cavan will be transferred to the Department of Correctional Services to repurpose over four years and provide post release accommodation support services.

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 owned by the department are initially recorded at cost or at the value of any liabilities assumed, plus any incidental cost involved with the acquisition.

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

Department of Human Services
Notes to and forming part of the financial statements
for the year ended 30 June 2024

10.1 Fair value (continued)

Revaluation

Property, plant and equipment owned by the department are subsequently measured at fair value after allowing for accumulated depreciation.

The revaluation process is reviewed by the department each year.

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

A full site revaluation is undertaken on a regular cycle every six years. If at any time management considers that the carrying amount of an asset materially differs from its fair value, then the asset class 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.
- 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; there were no transfers of assets between level 1 and 2 fair value hierarchy levels. In 2024, \$5.725 million of land and \$2.620 million of buildings were transferred from level 2 to level 3 fair value hierarchy levels.

Land and buildings

The department's land and buildings were subject to a desktop revaluation as at 30 June 2024.

An independent valuation of land and buildings owned by the department was performed in June 2024 by a Certified Practising Valuer, Mr Tom Cooper from Jones Lang LaSalle Incorporated.

The results of the valuation were considered to have a material impact on the department's assets and were processed accordingly.

The majority of assets were valued using the direct comparison of sales approach. The valuation was based on recent market transactions for similar land in the area and includes adjustment for factors specific to the land such as size and location. For land classified as restricted in use, adjustments were applied to reflect the restriction. Where market inputs were not readily observable, the cost approach to valuation was adopted with current replacement cost. The current replacement cost considered the need for ongoing provision of government services, specialised nature and restricted use of the assets, their size, condition and location.

The valuation used estimates about construction materials that would be required to replace the buildings, information about current construction costs were derived from building costs guides/internal records such as recent tender documents, construction invoices etc. and the estimated useful life due to age and condition of the building.

Department of Human Services
Notes to and forming part of the financial statements
for the year ended 30 June 2024

10.1 Fair value (continued)

Plant and equipment

All items of plant and equipment had a fair value at the time of acquisition less than \$1.5 million or had an estimated useful life of less than three years. Plant and equipment have not been revalued in accordance with *APS 116.D*. The carrying values of these items are deemed to approximate fair value.

10.2 Financial instruments

Financial risk management

Departmental risk management policies are in accordance with the *Risk Management Guide* 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

The department is funded principally from appropriation by the SA Government. The department works with 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 and 7.2 for further information.

Credit risk

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

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

Impairment of financial assets

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

To measure the expected credit losses, receivables are grouped based on 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, where practicable 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.

Department of Human Services
Notes to and forming part of the financial statements
for the year ended 30 June 2024

10.2. Financial instruments (continued)

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

	Debtor gross carrying amount \$'000	Expected credit loss rate %	Expected losses \$'000
2024			
Current (not past due)	12 038	0.00%	-
1 - 30 days past due	102	2.20%	2
31 - 60 days past due	143	4.61%	7
61 - 90 days past due	37	7.84%	3
More than 90 days past due	3 966	9.60%	381
Total	16 286		393

Loss rates are based on actual history of credit loss. Impairment losses are presented as net impairment losses within net result, subsequent recoveries of amounts previously written off are credited against the same line item.

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

No receivables with a contractual amount was written off during the year.

Cash and debt instruments

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.

All of the department's debt instruments at amortised cost are considered to have low credit risk and the consideration of expected credit loss was limited to 12 months expected losses. The expected credit loss is nil.

Market risk

The department does not undertake any hedging in relation to interest or foreign currency risk and manages its risk as per the government's risk management strategy articulated in T1 23 *Management of Foreign Currency Exposures*.

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

Categorisation of financial instruments

Details of the material accounting policy information 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.

The carrying value less impairment provisions of receivables and payables is a reasonable approximation of their fair values due to the short-term nature of these balances (refer to note 6.2 and 7.1).

Classification of financial instruments

The department measures all financial instruments at amortised cost. All financial assets and liabilities carrying amounts equal their fair value as at 30 June 2024 and are expected to be settled within one year excluding lease liabilities. Maturity analysis for lease liabilities is presented in note 7.2.

Department of Human Services

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

Department of Human Services
Statement of Administered Comprehensive Income
for the year ended 30 June 2024

	Note	2024 \$'000	2023 \$'000
<u>Administered income</u>			
Appropriation	A2.1	334 574	233 251
Commonwealth funding for National Energy Bill Relief Plan		55 868	-
SA Government grants, subsidies and transfers		11 549	11 390
Fees and charges		415	486
Interest		933	612
Client Trust receipts	A6.2	8 335	8 315
Net gain from disposal of assets	A2.2	17 355	-
Other income		837	698
Total administered income		429 866	254 752
<u>Administered expenses</u>			
Employee related expenses		396	381
Supplies and services		3 174	3 794
Depreciation and amortisation	A4.1	-	1 447
Grants and funded services	A3.1	401 767	242 695
Client Trust payments	A6.2	9 527	7 596
Donations		49	22
Total administered expenses		414 913	255 935
Net result		14 953	(1 183)
Total comprehensive result		14 953	(1 183)

The accompanying notes form part of these financial statements.

Department of Human Services
Statement of Administered Financial Position
as at 30 June 2024

	Note	2024 \$'000	2023 \$'000
<u>Administered current assets</u>			
Cash and cash equivalents	A5.1	112 839	63 661
Receivables		111	99
Non-current assets held for sale	A4.2	-	24 697
Total current assets		112 950	88 457
<u>Administered non-current assets</u>			
Property, plant and equipment	A4.1	-	-
Investment property	A4.3	-	-
Total non-current assets		-	-
Total assets		112 950	88 457
<u>Administered current liabilities</u>			
Payables		48 773	39 233
Total current liabilities		48 773	39 233
Total liabilities		48 773	39 233
Net assets		64 177	49 224
<u>Administered equity</u>			
Retained earnings		64 177	11 775
Asset revaluation surplus		-	37 449
Total equity		64 177	49 224

The accompanying notes form part of these financial statements.

Department of Human Services
Statement of Administered Cash Flows
for the year ended 30 June 2024

	Note	2024 \$'000	2023 \$'000
<u>Cash flows from operating activities</u>			
<i>Cash inflows</i>			
Appropriation		334 574	233 251
Grants, subsidies and transfers		67 417	11 390
Fees and charges		428	527
Interest		908	567
Client Trust receipts		8 335	8 315
GST received on sale of property, plant and equipment		4 205	-
Other income		837	698
Cash generated from operations		416 704	254 748
<i>Cash outflows</i>			
Employee related payments		(409)	(378)
Supplies and services		(6 727)	(1 555)
Concessions		(361 491)	(199 327)
Grants and funded services		(31 370)	(33 013)
Client Trust payments		(9 527)	(7 596)
Donations paid		(49)	(22)
Other payments		(5)	(148)
Cash used in operations		(409 578)	(242 039)
Net cash provided by / (used in) operations	A6.1	7 126	12 709
<u>Cash flows from investing activities</u>			
<i>Cash inflows</i>			
Proceeds from the sale of property, plant and equipment		42 052	-
Cash generated from investing activities		42 052	-
Net cash provided by / (used in) investing activities		42 052	-
Net increase / (decrease) in cash and cash equivalents		49 178	12 709
Cash and cash equivalents at the beginning of the period		63 661	50 952
Cash and cash equivalents at the end of the period	A5.1	112 839	63 661

The accompanying notes form part of these financial statements.

Department of Human Services
Schedule of Income & Expense attributable to Administered Items

Administered income and expense by program	Client Trust Accounts		Charitable Social Welfare Fund		Community Service Obligations		Concessions	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
<u>Administered income</u>								
Appropriation	-	-	29	29	19 548	18 900	309 930	209 466
Commonwealth funding for National Energy Bill Relief Plan	-	-	-	-	-	-	55 868	-
SA Government grants subsidies and transfers	-	-	4 025	4 000	-	-	-	-
Fees and charges	-	-	28	2	-	-	-	1
Interest	598	401	-	-	-	-	-	-
Client Trust receipts	8 335	8 315	-	-	-	-	-	-
Net gain from disposal of assets	-	-	-	-	-	-	-	-
Other income	-	-	115	115	-	-	-	-
Total administered income	8 933	8 716	4 197	4 146	19 548	18 900	365 798	209 467
<u>Administered expenses</u>								
Employee related expenses	-	-	-	-	-	-	-	-
Supplies and services	-	-	220	176	-	-	2	-
Depreciation and amortisation	-	-	-	-	-	-	-	-
Grants and funded services	-	-	3 160	5 191	18 899	18 281	369 060	209 610
Client Trust payments	9 527	7 596	-	-	-	-	-	-
Donations	-	-	-	-	-	-	-	-
Total administered expenses	9 527	7 596	3 380	5 367	18 899	18 281	369 062	209 610
Net result	(594)	1 120	817	(1 221)	649	619	(3 264)	(143)

Department of Human Services
Schedule of Income & Expense attributable to Administered Items

Administered income and expense by program	Disability Services Donations and Bequests		Gambler's Rehabilitation Fund		Health and Aged Care Services Donations and Bequests		Home for Incurables Trust	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
<u>Administered income</u>								
Appropriation	-	-	750	740	-	-	-	-
Commonwealth funding for National Energy Bill Relief Plan	-	-	-	-	-	-	-	-
SA Government grants subsidies and transfers	-	-	7 524	7 390	-	-	-	-
Fees and charges	-	-	-	62	-	-	271	292
Interest	7	4	148	109	21	13	152	81
Client Trust receipts	-	-	-	-	-	-	-	-
Net gain from disposal of assets	-	-	-	-	-	-	17 355	-
Other income	-	-	715	576	-	-	-	-
Total administered income	7	4	9 137	8 877	21	13	17 778	373
<u>Administered expenses</u>								
Employee related expenses	-	-	-	-	-	-	-	-
Supplies and services	-	-	2 368	3 027	-	-	584	591
Depreciation and amortisation	-	-	-	-	-	-	-	1 447
Grants and funded services	-	-	6 876	5 934	-	-	-	-
Client Trust payments	-	-	-	-	-	-	-	-
Donations	1	8	-	-	8	14	-	-
Total administered expenses	1	8	9 244	8 961	8	14	584	2 038
Net result	6	(4)	(107)	(84)	13	(1)	17 194	(1 665)

Department of Human Services
Schedule of Income & Expense attributable to Administered Items

Administered income and expense by program	Minister's salary		Personal Alert SA		State Emergency Relief Fund		Supported Residential Facilities Indemnity Fund		Total	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
Administered income										
Appropriation	396	381	3 921	3 735	-	-	-	-	334 574	233 251
Commonwealth funding for National Energy Bill Relief Plan	-	-	-	-	-	-	-	-	55 868	-
SA Government grants subsidies and transfers	-	-	-	-	-	-	-	-	11 549	11 390
Fees and charges	-	-	116	129	-	-	-	-	415	486
Interest	-	-	-	-	5	3	2	1	933	612
Client Trust receipts	-	-	-	-	-	-	-	-	8 335	8 315
Net gain from disposal of assets	-	-	-	-	-	-	-	-	17 355	-
Other income	-	-	-	-	7	7	-	-	837	698
Total administered income	396	381	4 037	3 864	12	10	2	1	429 866	254 752
Administered expenses										
Employee related expenses	396	381	-	-	-	-	-	-	396	381
Supplies and services	-	-	-	-	-	-	-	-	3 174	3 794
Depreciation and amortisation	-	-	-	-	-	-	-	-	-	1 447
Grants and funded services	-	-	3 772	3 679	-	-	-	-	401 767	242 695
Client Trust payments	-	-	-	-	-	-	-	-	9 527	7 596
Donations	-	-	-	-	40	-	-	-	49	22
Total administered expenses	396	381	3 772	3 679	40	-	-	-	414 913	255 935
Net result	-	-	265	185	(28)	10	2	1	14 953	(1 183)

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

Department of Human Services
Notes to and forming part of the Administered financial statements
for the year ended 30 June 2024

A1. About the Department of Human Services

A1.1. Basis of preparation

The basis of preparation for the administered financial statements is the same as the basis outlined in note 1.1 of the department's 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.

A1.2. Objectives/activities of the department's administered items

The department's administered items are structured to contribute to the twelve main activities. These are:

- Client Trust Accounts
- Charitable and Social Welfare Fund
- Community Service Obligations
- Concessions
- Disability Services Donations and Bequests
- Gambler's Rehabilitation Fund
- Health and Aged Care Services Donations and Bequests
- Home for Incurables Trust
- Minister's Salary
- Personal Alert SA
- State Emergency Relief Fund
- Supported Residential Facilities Indemnity Fund

Department of Human Services
Notes to and forming part of the Administered financial statements
for the year ended 30 June 2024

A1.3. Budget performance

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

		Original budget 2024 \$'000	Actual 2024 \$'000	Variance \$'000
Statement of Administered Comprehensive Income				
<u>Administered Income</u>				
Appropriation	a	304 073	334 574	30 501
Commonwealth funding for National Energy Bill Relief Plan	b	95 400	55 868	(39 532)
SA Government grants subsidies and transfers		11 471	11 549	78
Fees and charges		-	415	415
Interest		402	933	531
Client Trust receipts		11 485	8 335	(3 150)
Net gain from disposal of assets		-	17 355	17 355
Other income		405	837	432
Total administered income		423 236	429 866	6 630
<u>Administered Expenses</u>				
Employee related expenses		388	396	8
Supplies and services		1 375	3 174	1 799
Depreciation and amortisation		2 171	-	(2 171)
Grants and funded services		411 650	401 767	(9 883)
Client Trust payments		11 681	9 527	(2 154)
Donations		-	49	49
Total administered expenses		427 265	414 913	(12 352)
Net result		(4 029)	14 953	18 982
Total comprehensive result		(4 029)	14 953	18 982

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

- a. Primarily reflects the decision taken as part of the 2024-25 Budget to provide an additional Cost of Living Concession payment in June 2024.
- b. Relates to lower receipts from the Commonwealth under the National Energy Bill Relief Plan, due to lower than anticipated demand.

Department of Human Services
Notes to and forming part of the Administered financial statements
for the year ended 30 June 2024

A2. Income

A2.1. Appropriation

	2024 \$'000	2023 \$'000
Appropriation from Consolidated Account pursuant to the Appropriation Act	304 081	231 543
Appropriation from Governor's Appropriation Fund	30 493	1 708
Total appropriation	334 574	233 251

Appropriation is recognised upon receipt.

A2.2. Net gain from disposal of assets

	2024 \$'000	2023 \$'000
<u>Assets held for sale</u>		
Proceeds from disposal	42 052	-
Less carrying amount of assets disposed	(24 697)	-
Net gain from disposal of assets held for sale	17 355	-
Net gain from disposal of assets	17 355	-

A3. Expenses

A3.1. Grants and funded services

	2024 \$'000	2023 \$'000
Concessions (refer to note A3.2)	369 060	209 610
Community Service Obligations	18 899	18 281
Gamblers Rehabilitation	6 876	5 934
Charitable Social Welfare Fund	3 160	5 191
Personal Alert SA	3 772	3 679
Total grants and funded services	401 767	242 695

Grants and funded services paid are usually subject to terms and conditions set out in the contract, correspondence or by legislation. Funded services are paid to not-for-profit organisations to provide goods and/or services on behalf of the department.

Department of Human Services
Notes to and forming part of the Administered financial statements
for the year ended 30 June 2024

A3.2. Concessions

	2024	2023
	\$'000	\$'000
Energy Bill Relief Fund	130 430	-
Water and sewerage rates	59 851	54 536
Energy	55 134	48 196
Cost of Living	94 800	79 383
Transport	26 506	25 333
Other	2 339	2 162
Total concessions	369 060	209 610

Energy Bill Relief Fund

The Energy Bill Relief Fund provides electricity bill rebates to households and eligible small business electricity customers to ease the cost of living pressures. The Fund is provided by the Australian Government and administered by State and Territory governments. Payments commenced on 1 July 2023 and continues in 2024-25.

Cost of Living

In response to the rising cost of living, the government made an additional Cost-of-Living Concession (COLC) payment in 2023-24.

Department of Human Services
Notes to and forming part of the Administered financial statements
for the year ended 30 June 2024

A3.3. 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.

	2024	Proportion
	\$'000	SA and non- SA businesses
Total expenditure with South Australian businesses	1 213	40%
Total expenditure with non-South Australian businesses	1 812	60%
Total expenditure	3 025	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.

The disclosure includes funded services with not-for-profit organisations. These are procurements to provide goods and/or services on behalf of the department.

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 of Human Services
Notes to and forming part of the Administered financial statements
for the year ended 30 June 2024

A4. Non-financial assets

A4.1. Property, plant and equipment owned by the department

2023-24

There was no administered property, plant and equipment held by the department in 2023-24.

2022-23

The following table shows the movement of land, buildings and improvements and plant and equipment in 2022-23:

	Land \$'000	Buildings and improvements \$'000	Plant and equipment \$'000	Total \$'000
Carrying amount at the beginning of the period	15 950	5 700	1 344	22 994
Transfers (to)/from assets held for sale	(15 950)	(4 433)	(1 164)	(21 547)
Subtotal:	-	1 267	180	1 447
Gains/(losses) for the period recognised in net result:				
Depreciation and amortisation	-	(1 267)	(180)	(1 447)
Subtotal:	-	(1 267)	(180)	(1 447)
Carrying amount at the end of the period	-	-	-	-
Gross carrying amount				
Gross carrying amount	-	-	-	-
Accumulated depreciation/amortisation	-	-	-	-
Carrying amount at the end of the period	-	-	-	-

Department of Human Services
Notes to and forming part of the Administered financial statements
for the year ended 30 June 2024

A4.2. Non-current assets classified as held for sale

	2024	2023
	\$'000	\$'000
Land (including Investment land)	-	19 100
Building	-	4 433
Plant and equipment	-	1 164
Total non-current assets classified as held for sale	-	24 697

The following table shows the movement of non-current assets held for sale:

	2024	2023
	\$'000	\$'000
Carrying amount at the beginning of the period	24 697	-
Transfers (to)/from property, plant and equipment	-	24 697
Disposals	(24 697)	-
Carrying amount at the end of the period	-	24 697

Non-current assets classified as held for sale are all classified as level 3 except for land that is classified at level 2.

Highgate Park was sold in June 2024. This property was previously used by the department to support people with disability, with the last resident moving out in April 2020.

A4.3. Investment property

The investment property was held to earn rental income and/or for capital appreciation. The investment property was initially recognised at cost. Costs incurred subsequent to initial acquisition are capitalised when it is probable that future economic benefits in excess of the originally assessed performance of the asset will flow to the department.

2023-24

There was no administered investment property held by the department in 2023-24.

2022-23

The following table shows the movement of investment land during 2022-23:

	Investment land	Total
	\$'000	\$'000
Carrying amount at the beginning of the period	3 150	3 150
Transfers (to)/from assets held for sale	(3 150)	(3 150)
Carrying amount at the end of the period	-	-

Department of Human Services
Notes to and forming part of the Administered financial statements
for the year ended 30 June 2024

A5. Financial assets

A5.1. Cash and cash equivalents

	2024	2023
	\$'000	\$'000
Special deposit account with the Treasurer	49 293	45 599
Deposit account with SAFA	62 569	16 542
Other deposits	977	1 520
Total deposits with the Treasurer (special deposit accounts)	112 839	63 661
Total cash and cash equivalents in the Statement of Financial Position	112 839	63 661
Total cash and cash equivalents in the Statement of Cash Flows	112 839	63 661

A6. Other disclosures

A6.1. Cash flow reconciliation

	2024	2023
	\$'000	\$'000
<u>Reconciliation of net cash provided by / (used in) operating activities to net result</u>		
Net cash provided by/(used in) operating activities	7 126	12 709
<u>Add / (less) non-cash items</u>		
Depreciation and amortisation	-	(1 447)
Gain/(loss) on sale or disposal of non-current assets	17 355	-
<u>Movement in assets and liabilities</u>		
Increase/(decrease) in receivables	12	4
(Increase)/decrease in payables	(9 540)	(12 449)
Net result	14 953	(1 183)

A6.2. Client Trust accounts

The department acts as trustee of client trust accounts, including clients of the former Intellectual Disability Services Council Incorporated (IDSC) and the former Julia Farr Services (JFS). These amounts cannot be used by the department to achieve its own objectives, and accordingly are not included in the controlled financial statements. Client trust receipts include interest revenue of \$0.597 million (2023: \$0.401 million).

	2024	2023
	\$'000	\$'000
Opening balance at the beginning of the period	15 586	14 466
Add receipts	8 933	8 716
Less expenses	(9 527)	(7 596)
Closing balance at the end of the period	14 992	15 586

Department of Human Services
Notes to and forming part of the Administered financial statements
for the year ended 30 June 2024

A6.3. Disability Services donations and bequests

The department receives and administers donations and bequests held by Disability Services. Both donations and bequests must be used to benefit the community and public and cannot be used by the department to achieve its own objectives.

	2024 \$'000	2023 \$'000
Opening balance at the beginning of the period	168	172
Add receipts	7	4
Less expenses	(1)	(8)
Closing balance at the end of the period	<u>174</u>	<u>168</u>

A6.4. Health and Aged Care Services donations and bequests

Donations and bequests must be used to benefit the community and public and cannot be used by the department to achieve its own objectives.

	2024 \$'000	2023 \$'000
Opening balance at the beginning of the period	517	518
Add receipts	21	13
Less expenses	(8)	(14)
Closing balance at the end of the period	<u>530</u>	<u>517</u>

A6.5. State Emergency Relief Fund

The State Emergency Relief Fund (the Fund) is established as part of the *Emergency Management Act 2004*. The Fund's main purpose is to provide financial support for the relief of persons who suffer injury, loss or damage as a result of a declared emergency within South Australia.

	2024 \$'000	2023 \$'000
Opening balance at the beginning of the period	116	106
Add receipts	12	10
Less expenses	(40)	-
Closing balance at the end of the period	<u>88</u>	<u>116</u>

In February 2023, the Fund was activated to administer the receipt and distribution of monies donated by the community to assist people affected by the SA River Murray Floods. Donations closed in December 2023 and \$40 000 was distributed in 2023-24 to four councils affected by the floods.

Department of Human Services
Notes to and forming part of the Administered financial statements
for the year ended 30 June 2024

A6.6. Supported Residential Facilities Indemnity Fund

This note has been prepared to meet the requirements of section 56 (11) of the *Supported Residential Facilities Act 1992* in reporting upon the operations of the Supported Residential Facilities Indemnity Fund.

	2024	2023
	\$'000	\$'000
Opening balance at the beginning of the period	53	52
Add receipts	2	1
Closing balance at the end of the period	<u>55</u>	<u>53</u>

A7. Outlook

A7.1. Contingent assets and liabilities

The department has investigated and there are no contingent assets or liabilities that impact the department's administered items.

A8. Measurement and risk

A8.1. Fair value

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

Fair value measurements recognised in the Statement of Financial Position are categorised into three levels.

The department had no valuations categorised into level 1.

The department's policy is to recognise transfers into and out of fair value hierarchy levels as at the end of the reporting period. There were no transfers between hierarchy levels in 2022-23 or 2023-24. All property, plant and equipment, including non-current assets classified as held for sale, are classified at the level 3 except for land classified in level 2. Investment property is classified as level 2. Refer to note A4.1, A4.2 and A4.3 for asset movements between classifications.

Valuation techniques and inputs

There were no changes in valuation techniques during 2023-24.

Department of Human Services
Notes to and forming part of the Administered financial statements
for the year ended 30 June 2024

A9. Home for Incurables Trust

As part of wide-ranging reforms relating to the delivery of disability services by the department, effective 1 July 2007, JFS was dissolved and all assets and liabilities vested in or held by JFS were transferred or assigned or vested with the Minister for Human Services. Certain assets held by the former JFS are subject to the terms and conditions of the Home for Incurables Trust. The original Trust was established in June 1879 and was varied by the Supreme Court on 7 November 1997.

The former Board of JFS was trustee of the Home for Incurables Trust and on dissolution, the Board of JFS resolved to resign as trustee of the Home for Incurables Trust. The Minister for Human Services is the trustee for the Home for Incurables Trust.

The role of the Trust is "*... to apply property vested in it for the purpose of providing for persons whose ability to live independently is temporarily or permanently impaired or in jeopardy as a consequence of an acquired brain injury or degenerative neurological condition or a physical condition resulting in disability including but not limiting the foregoing in any way whatsoever, the following services and facilities;*

(a) by providing for them, in a variety of residential, centre and community-based settings

(i) accommodation

(ii) nursing, medical, allied health and attendant care service

(iii) personal and community support services

(iv) technical and personal support aids

(v) rehabilitation, respite and recreational services

(vi) out-patient and day care services

(vii) measures and services to enhance their quality of life

(b) by providing facilities for education research with respect to such persons

(c) by providing any services and facilities ancillary or in relation to the foregoing or by providing additional services and facilities that may be appropriate from time to time."

Department of Human Services
Notes to and forming part of the Administered financial statements
for the year ended 30 June 2024

A9. Home for Incurables Trust (continued)

The following income, expenses, assets and liabilities of the Home for Incurables Trust have been included in the administered items financial statements but are separately disclosed in the following schedules in accordance with the governance requirements of the Trust.

Schedule of Income and Expenses for the year ended 30 June 2024	2024 \$'000	2023 \$'000
<u>Income</u>		
Fees and charges	271	292
Interest	152	81
Net gain from disposal of assets	17 355	-
Total income	17 778	373
<u>Expenses</u>		
Supplies and services	584	591
Depreciation and amortisation	-	1 447
Total expenses	584	2 038
Net result	17 194	(1 665)
Total comprehensive result	17 194	(1 665)
Schedule of Financial Position as at 30 June 2024	2024 \$'000	2023 \$'000
<u>Current assets</u>		
Special deposits with the Treasurer	64	85
Deposits with SAFA	48 605	2 523
Receivables	30	9
Non-current assets held for sale	-	24 697
Total current assets	48 699	27 314
Total assets	48 699	27 314
<u>Current liabilities</u>		
Payables	4 211	20
Total current liabilities	4 211	20
Total liabilities	4 211	20
Net assets	44 488	27 294

Department of Human Services
Notes to and forming part of the Administered financial statements
for the year ended 30 June 2024

A9. Home for Incurables Trust (continued)

Schedule of Changes in Equity for the year ended 30 June 2024	Asset revaluation surplus \$'000	Retained earnings \$'000	Total equity \$'000
Balance at 30 June 2022	37 449	(8 490)	28 959
Net result for 2022-23	-	(1 665)	(1 665)
Total comprehensive result for 2022-23	-	(1 665)	(1 665)
Balance at 30 June 2023	37 449	(10 155)	27 294
Net result for 2023-24	-	17 194	17 194
Total comprehensive result for 2023-24	-	17 194	17 194
Transfer between equity components	(37 449)	37 449	-
Balance at 30 June 2024	-	44 488	44 488

Schedule of Administered Cash Flows for the year ended 30 June 2024	2024 \$'000	2023 \$'000
<u>Cash flows from operating activities</u>		
<i>Cash inflows</i>		
Interest	152	78
Fees and charges	250	292
GST received on sale of property, plant and equipment	4 205	-
Cash generated from operations	4 607	370
<i>Cash outflows</i>		
Supplies and services	(598)	(571)
Cash used in operations	(598)	(571)
Net cash provided by / (used in) operating activities	4 009	(201)
<u>Cash flows from investing activities</u>		
<i>Cash inflows</i>		
Proceeds from sale of assets	42 052	-
Cash generated from investing activities	42 052	-
Net cash provided by / (used in) investing activities	42 052	-
Net increase / (decrease) in cash and cash equivalents	46 061	(201)
Cash and cash equivalents at the beginning of the reporting period	2 608	2 809
Cash and cash equivalents at the end of the reporting period	48 669	2 608

Department of Human Services
Notes to and forming part of the Administered financial statements
for the year ended 30 June 2024

A.9 Home for Incurables Trust (continued)

Accounting policies

Cash and cash equivalents

Cash and cash equivalents are reported in the Schedule of Assets and Liabilities - Home for Incurables Trust. This includes cash on hand, deposits held at call and other short-term, highly liquid investments with maturities of three months or less that are readily convertible to cash and which are subject to insignificant risk of changes in value. Cash is measured at nominal value.

Property, plant and equipment

2023-24

There was no administered property, plant and equipment held by Homes for Incurables Trust in 2023-24.

2022-23

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

	Land	Buildings and improvements	Plant and equipment	Total
	\$'000	\$'000	\$'000	\$'000
Carrying amount at the beginning of the period	15 950	5 700	1 344	22 994
Depreciation and amortisation	-	(1 267)	(180)	(1 447)
Transfers (to)/from assets held for sale	(15 950)	(4 433)	(1 164)	(21 547)
Carrying amount at the end of the period	-	-	-	-

Investment property

The following table shows the movement of investment property:

	2024	2023
	\$'000	\$'000
<u>Investment land</u>		
Carrying amount at the beginning of the period	-	3 150
Transfers (to)/from assets held for sale	-	(3 150)
Fair value at the end of the period	-	-
Total investment property at the end of the period	-	-