



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 Presiding Officer South Australian Fire and Emergency Services Commission

### Qualified opinion

I have audited the financial report of the South Australian Fire and Emergency Services Commission and the consolidated entity comprising the South Australian Fire and Emergency Services Commission and its controlled entities for the financial year ended 30 June 2024.

In my opinion, except for the possible effects of the matter described in the 'Basis for qualified opinion' section of my report, the accompanying financial report gives a true and fair view of the financial position of the South Australian Fire and Emergency Services Commission and its controlled entities as at 30 June 2024, their financial performance and their cash flows for the year then ended in accordance with relevant Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards.

The financial report comprises:

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

## **Basis for qualified opinion**

### *Procurement reporting disclosure*

The South Australian Fire and Emergency Services Commission and its controlled entities were required by the Treasurer's Instructions (Accounting Policy Statements) to include a disclosure reporting the value of procurement with South Australian and non-South Australian businesses for 2023-24.

This requirement uses a framework established by the Treasurer's Instructions (Accounting Policy Statements) and definitions within Treasurer's Instruction 18 *Procurement*.

The South Australian Fire and Emergency Services Commission and its controlled entities included that disclosure in note 4.1 to the financial report.

My review of the processes used by the South Australian Fire and Emergency Services Commission and its controlled entities identified that it did not have an effective process to meet the requirements of the framework which has been established for procurement reporting under the Treasurer's Instructions.

As such, I am not able to obtain sufficient appropriate audit evidence for the amounts disclosed in note 4.1.

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 South Australian Fire and Emergency Services Commission and its controlled entities. 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 qualified opinion.

## **Responsibilities of the Chief Executive and members of the South Australian Fire and Emergency Services Commission Board 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 South Australian Fire and Emergency Services Commission's and consolidated entities' 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.

The South Australian Fire and Emergency Services Commission Board is responsible for overseeing the South Australian Fire and Emergency Services Commission's and consolidated entities' financial reporting process.

### **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* and section 21(2) of the *Fire and Emergency Services Act 2005*, I have audited the financial report of the South Australian Fire and Emergency Services Commission and its controlled entities for the financial year ended 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 South Australian Fire and Emergency Services Commission's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Chief Executive

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

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

I communicate with the Chief Executive and the South Australian Fire and Emergency Services Commission Board 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**

20 September 2024

OFFICIAL

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

**Financial Statements**

For the year ended 30 June 2024

**South Australian Fire and Emergency Services Commission**  
**Statement of Comprehensive Income**  
*for the year ended 30 June 2024*

	Note	Consolidated		SAFECOM Entity	
		2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
<b>Income</b>					
Contributions from the Community Emergency Services Fund	2.1	325 512	316 406	19 255	20 133
Appropriation	2.2	26 063	28 725	500	-
Fees and charges	2.3	8 796	7 011	-	-
Grants and contributions	2.4	29 429	13 877	24 352	8 800
SA Government grants, subsidies and transfers	2.5	11 547	20 542	1 690	8 333
Interest revenues	2.6	1 577	635	1 117	334
Net gain from disposal of non-current assets	2.7	1 289	-	-	-
Other income	2.8	3 979	3 256	738	844
<b>Total income</b>		<b>408 192</b>	<b>390 452</b>	<b>47 652</b>	<b>38 444</b>
<b>Expenses</b>					
Employee related expenses	3.3	233 117	232 953	11 339	10 678
Supplies and services	4.1	124 675	133 896	10 256	19 662
Depreciation and amortisation	5.1, 5.4	26 252	26 380	1 655	1 672
Grants and subsidies	4.2	11 236	4 044	10 563	3 574
Borrowing costs		234	198	2	1
Net loss from disposal of non-current assets	2.7	-	1 351	-	-
Other expenses	4.3	3 233	27	98	-
<b>Total expenses</b>		<b>398 747</b>	<b>398 849</b>	<b>33 913</b>	<b>35 587</b>
<b>Net result</b>		<b>9 445</b>	<b>(8 397)</b>	<b>13 739</b>	<b>2 857</b>
<b>Other comprehensive income</b>					
<i>Items that will not be reclassified to net result</i>					
Gain on revaluation of land and buildings		38 399	272	-	-
<i>Items that will be reclassified to net result when specific conditions are met</i>					
Gains or losses recognised directly in equity		5	12	-	-
<b>Total other comprehensive income</b>		<b>38 404</b>	<b>284</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive result</b>		<b>47 849</b>	<b>(8 113)</b>	<b>13 739</b>	<b>2 857</b>

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

**South Australian Fire and Emergency Services Commission**  
**Statement of Financial Position**  
*as at 30 June 2024*

	Note	Consolidated		SAFECOM Entity	
		2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
<b>Current assets</b>					
Cash and cash equivalents	6.1	51 821	38 839	35 089	20 233
Receivables	6.2	6 346	9 233	1 353	1 899
Other financial assets	6.3	3 520	2 950	-	-
Non-current assets classified as held for sale	5.6	-	656	-	-
<b>Total current assets</b>		<b>61 687</b>	<b>51 678</b>	<b>36 442</b>	<b>22 132</b>
<b>Non-current assets</b>					
Property, plant and equipment	5.1	453 187	421 576	10 860	11 772
Intangible assets	5.4	719	1 401	556	1 165
Capital works in progress	5.5	66 662	44 328	910	40
<b>Total non-current assets</b>		<b>520 568</b>	<b>467 305</b>	<b>12 326</b>	<b>12 977</b>
<b>Total assets</b>		<b>582 255</b>	<b>518 983</b>	<b>48 768</b>	<b>35 109</b>
<b>Current liabilities</b>					
Payables	7.1	14 686	11 783	3 283	2 554
Employee related liabilities	3.4	31 826	30 455	1 580	1 532
Financial liabilities	7.2	1 903	1 752	27	27
Provisions	7.3	16 033	9 397	72	68
Other liabilities	7.4	886	886	886	886
<b>Total current liabilities</b>		<b>65 334</b>	<b>54 273</b>	<b>5 848</b>	<b>5 067</b>
<b>Non-current liabilities</b>					
Employee related liabilities	3.4	32 637	31 612	2 020	1 864
Financial liabilities	7.2	9 458	9 397	10	34
Provisions	7.3	70 053	65 997	295	402
Other liabilities	7.4	10 110	10 996	10 110	10 996
<b>Total non-current liabilities</b>		<b>122 258</b>	<b>118 002</b>	<b>12 435</b>	<b>13 296</b>
<b>Total liabilities</b>		<b>187 592</b>	<b>172 275</b>	<b>18 283</b>	<b>18 363</b>
<b>Net assets</b>		<b>394 663</b>	<b>346 708</b>	<b>30 485</b>	<b>16 746</b>
<b>Equity</b>					
Retained earnings		140 826	131 187	30 464	16 611
Asset revaluation surplus		253 821	215 510	21	135
Investment market value reserve		16	11	-	-
<b>Total equity</b>		<b>394 663</b>	<b>346 708</b>	<b>30 485</b>	<b>16 746</b>

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

**South Australian Fire and Emergency Services Commission**  
**Statement of Changes in Equity**  
*for the year ended 30 June 2024*

<b>Consolidated</b>				
	<b>Investment market value reserve</b>	<b>Asset Revaluation surplus</b>	<b>Retained earnings</b>	<b>Total equity</b>
<b>Note</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Balance at 1 July 2022</b>	(1)	219 815	165 178	384 992
Prior period adjustments	1.5	-	(28 028)	(30 171)
<b>Restated balance as 1 July 2022</b>	<b>(1)</b>	<b>217 672</b>	<b>137 150</b>	<b>354 821</b>
<b>Net result for 2022-23</b>	-	-	(8 397)	(8 397)
Gain on revaluation of land and buildings during 2022-23	-	272	-	272
Gains or losses recognised directly in equity	12	-	-	12
Transfers between equity	-	(2 434)	2 434	-
<b>Total comprehensive result for 2022-23</b>	<b>12</b>	<b>(2 162)</b>	<b>(5 963)</b>	<b>(8 113)</b>
Transfer between equity components	-	-	-	-
<b>Balance at 30 June 2023</b>	<b>11</b>	<b>215 510</b>	<b>131 187</b>	<b>346 708</b>
Prior period adjustments	-	-	106	106
<b>Net result for 2023-24</b>	-	-	9 445	9 445
Gain on revaluation of land during 2023-24	5.1	38 399	-	38 399
Gains or losses recognised directly in equity	8.1	5	-	5
Transfers between equity	-	(88)	88	-
<b>Total comprehensive result for 2023-2024</b>	<b>5</b>	<b>38 311</b>	<b>9 533</b>	<b>47 849</b>
<b>Balance at 30 June 2024</b>	<b>16</b>	<b>253 821</b>	<b>140 826</b>	<b>394 663</b>
<b>SAFECOM Entity</b>				
	<b>Investment market value reserve</b>	<b>Asset Revaluation surplus</b>	<b>Retained earnings</b>	<b>Total equity</b>
<b>Note</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Balance at 1 July 2022</b>	-	135	14 017	14 152
Prior period adjustments	-	-	(263)	(263)
<b>Restated balance at 1 July 2022</b>	<b>-</b>	<b>135</b>	<b>13 754</b>	<b>13 889</b>
<b>Net result for 2022-23</b>	-	-	2 857	2 857
<b>Total comprehensive result for 2022-23</b>	<b>-</b>	<b>-</b>	<b>2 857</b>	<b>2 857</b>
<b>Balance at 30 June 2023</b>	<b>-</b>	<b>135</b>	<b>16 611</b>	<b>16 746</b>
<b>Total comprehensive result for 2023-2024</b>	<b>-</b>	<b>-</b>	<b>13 739</b>	<b>13 739</b>
Transfer between equity components	-	(114)	114	-
<b>Balance at 30 June 2024</b>	<b>-</b>	<b>21</b>	<b>30 464</b>	<b>30 485</b>

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



**South Australian Fire and Emergency Services Commission**  
**Statement of Cash Flows**  
*for the year ended 30 June 2024*

	Note	Consolidated		SAFECOM Entity	
		2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
<b>Cash flows from operating activities</b>					
<b>Cash inflows</b>					
Contributions from the Community Emergency Services Fund		325 512	316 406	19 255	20 133
Appropriation		26 063	28 725	500	-
SA Government grants, subsidies and transfers		11 992	16 286	1 846	4 059
Receipts from fees and charges		12 375	12 495	199	5 411
Receipts from grants and contributions		29 880	11 121	24 161	8 802
Investment and interest received		1 577	635	1 117	334
GST recovered from the ATO		15 647	16 961	4 267	4 199
Other receipts		3 614	9 919	750	6 899
<b>Cash generated from operations</b>		<b>426 660</b>	<b>412 548</b>	<b>52 095</b>	<b>49 837</b>
<b>Cash outflows</b>					
Employee related payments		(219 909)	(218 850)	(11 220)	(10 053)
Payments for supplies and services		(140 389)	(152 761)	(14 270)	(25 348)
Payments of grants and subsidies		(11 236)	(4 044)	(10 563)	(3 574)
Interest paid		(234)	(198)	(2)	(1)
<b>Cash used in operations</b>		<b>(371 768)</b>	<b>(375 853)</b>	<b>(36 055)</b>	<b>(38 976)</b>
<b>Net cash provided by operating activities</b>	8.2	<b>54 892</b>	<b>36 695</b>	<b>16 040</b>	<b>10 861</b>
<b>Cash flows from investing activities</b>					
<b>Cash inflows</b>					
Proceeds from the sale of property, plant and equipment	2.7	2 159	1 932	-	-
Receipt of proceeds from financial assets held-to-maturity		124	1	-	45
<b>Cash generated from investing activities</b>		<b>2 283</b>	<b>1 933</b>	<b>-</b>	<b>45</b>
<b>Cash outflows</b>					
Purchase of property, plant and equipment		(41 446)	(32 446)	(1 159)	(131)
Payments for financial assets held-to-maturity		(688)	(894)	-	(45)
Payments for the disposal of property		(35)	(59)	-	-
<b>Cash used in investing activities</b>		<b>(42 169)</b>	<b>(33 399)</b>	<b>(1 159)</b>	<b>(176)</b>
<b>Net cash used in investing activities</b>		<b>(39 886)</b>	<b>(31 466)</b>	<b>(1 159)</b>	<b>(131)</b>
<b>Cash outflows</b>					
Repayment of principal portion of lease liabilities		(2 024)	(1 938)	(25)	(22)
<b>Cash used by financing activities</b>		<b>(2 024)</b>	<b>(1 938)</b>	<b>(25)</b>	<b>(22)</b>
<b>Net cash used in financing activities</b>		<b>(2 024)</b>	<b>(1 938)</b>	<b>(25)</b>	<b>(22)</b>
<b>Net increase in cash and cash equivalents</b>		<b>12 982</b>	<b>3 291</b>	<b>14 856</b>	<b>10 708</b>
Cash and cash equivalents at the beginning of the reporting period		38 839	35 548	20 233	9 525
<b>Cash and cash equivalents at the end of the reporting period</b>	6.1	<b>51 821</b>	<b>38 839</b>	<b>35 089</b>	<b>20 233</b>

The accompanying notes form part of these financial statements.

**South Australian Fire and Emergency Services Commission**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2024*

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**Notes to the financial statements**

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**South Australian Fire and Emergency Services Commission**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2024*

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**1. About the Emergency Services Sector**

**The Consolidated Entity – Emergency Services Sector**

The not for profit Consolidated Entity known as the Emergency Services Sector (ESS), consists of the following controlled entities:

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

with transactions occurring between these entities.

The ESS operates within the *Fire and Emergency Services Act 2005 (the Act)*.

*Section 21 of the Act* requires the Commission to have consolidated statements of account for the ESS to be prepared in respect of each financial year.

The consolidated financial statements have been prepared in accordance with AASB 10 *Consolidated Financial Statements* and incorporate the assets and liabilities of all entities comprising the ESS as at 30 June 2024 and the results of these entities for the year then ended. The effects of all transactions between entities in the consolidated entity are eliminated in full. The ESS does not control any other entity and has no interest in unconsolidated structured entities.

**South Australian Fire and Emergency Services Commission (SAFECOM) - Parent Entity**

The South Australian Fire and Emergency Services Commission (SAFECOM) is established under the Act. SAFECOM is a not-for-profit body corporate and agency of the Crown, established under the Act.

*Administered items*

SAFECOM has administered activities and resources. As administered, the activities of the Community Emergency Services Fund (the Fund) items are significant in relation to SAFECOM's overall financial performance and position and therefore are disclosed in the administered financial statements (schedule of administered items) at the back of the controlled general purpose financial statements. Except as otherwise disclosed, administered items are accounted for on the same basis and using the same accounting policies as for SAFECOM and the ESS.

**1.1. Objectives and Activities**

**Objectives**

SAFECOM has the following objectives:

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

## South Australian Fire and Emergency Services Commission

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

for the year ended 30 June 2024

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#### 1.1. Objectives and Activities (continued)

##### Activities of SAFECOM

In achieving its objectives, SAFECOM provides strategic and corporate support services to the SACFS, SAMFS, SASES and emergency management initiatives across the state, administering a range of joint state and Commonwealth Government grant funded initiatives. These services are classified under one activity titled "Fire and Emergency Services Strategic Services and Business Support".

##### Objectives and activities of the Consolidated Entity

The ESS has the objectives of ensuring safer communities and protecting life, property, the environment and economy from fire and other emergencies whilst safeguarding the health and wellbeing of the sector's workforce. In achieving its objectives, the ESS provides support to the community through a workforce consisting of dedicated volunteers and paid staff to deliver professional fire and rescue services to metropolitan, outer metropolitan, regional and rural South Australia and responding to extreme weather and flooding events, road crash, marine, swift water, vertical and confined space rescues.

#### 1.2. Basis of preparation

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

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

The financial statements have been prepared based on a 12-month 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 on a different basis.

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 ESS is liable for Payroll Tax, Fringe Benefits Tax (FBT) and Goods and Services Tax (GST).

Material accounting policy information is set out in the notes of the financial statements.

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 GST is recognised as part of the cost of acquisition of the asset or as part of the expense item applicable; and
- receivables and payables, which are stated with the amount of GST included.

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

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

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

**South Australian Fire and Emergency Services Commission**  
**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 SAFECOM'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.

Statement of Comprehensive Income	Note	Original	SAFECOM	Variance
		budget	Actual	
		2024	2024	2024
		\$'000	\$'000	\$'000
<b>Income</b>				
Contribution from the Community Emergency Services Fund		19 061	19 255	194
Appropriation		500	500	-
Fees and charges		735	-	(735)
Grants and contributions	a	1 670	24 352	22 682
SA Government grants, subsidies and transfers		-	1 690	1 690
Interest		101	1 117	1 016
Other		167	738	571
<b>Total income</b>		<b>22 234</b>	<b>47 652</b>	<b>25 418</b>
<b>Expenses</b>				
Employee related expenses		9 602	11 339	1 737
Supplies and services	b	13 222	10 256	(2 966)
Depreciation and amortisation		1 750	1 655	(95)
Grants and subsidies	c	16 253	10 563	(5 690)
Borrowing costs		1	2	1
Other		132	98	(34)
<b>Total expenses</b>		<b>40 960</b>	<b>33 913</b>	<b>(7 047)</b>
<b>Net result</b>		<b>(18 726)</b>	<b>13 739</b>	<b>32 465</b>
<b>Total comprehensive result</b>		<b>(18 726)</b>	<b>13 739</b>	<b>32 465</b>

The following are brief explanations of variances between original budget and actual amounts. Explanations are provided for variances where the variance exceeds the greater of 10% of the original budgeted amount and 5% of original budgeted total expenses.

- (a) Primarily relates to funding for the Commonwealth Disaster Ready Fund.
- (b) Primarily relates to delayed expenditure for the ESO ICT Tenancy project and expenditure for the development of the Alert SA App which has been reclassified to investing.
- (c) Primarily due to the Commonwealth grant payments for Coastal Estuarine Risk Mitigation and the Commonwealth Disaster Risk Reduction which have been carried forward to reflect project milestones.

**South Australian Fire and Emergency Services Commission**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2024*

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**1.3. Budget performance (continued)**

		Original budget 2024 \$'000	SAFECOM Actual 2024 \$'000	Variance 2024 \$'000
	Note			
<b>Investing expenditure summary</b>				
Total existing projects	d	323	1 101	778
<b>Total investing expenditure</b>		<b>323</b>	<b>1 101</b>	<b>778</b>

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

- (d) Primarily relates to development of the Alert SA App and enhancement of the sector's Emerald system which were reallocated from operating to investing.

**1.4. Significant transactions with government entities**

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

The following transactions were significant for the ESS:

- Contributions from the Fund of \$325.5 million (refer to note 2.1).
- Payments to the Attorney-General's Department for the government radio network of \$20.3 million (refer to note 4.1).

The following transactions were significant for SAFECOM:

- Contributions from the Fund of \$ 19.3 million (refer to note 2.1).

**South Australian Fire and Emergency Services Commission**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2024*

**1.5. Prior period adjustments**

*Asset Accounting Policies*

In 2023-24 ESS voluntarily changed two accounting policies that are applicable when recognising property, plant and equipment:

1. Increasing the individual asset capitalisation value threshold from \$10,000 to \$15,000.
2. Removing the option to capitalise group assets that are individually less than the ESS capitalisation threshold. For example, group radios are individually less than the \$15,000 capitalisation threshold, but as a collective group exceed this threshold. The previous accounting policy allowed for these same assets to be grouped and capitalised.

These changes were initiated as a result of the ESS review of the Fixed Asset Accounting Policy to ensure the policy was relevant and contemporary with accounting standards and government accounting frameworks. These changes have been adjusted retrospectively.

*Peppercorn leases*

In 2023-24 the ESS also reviewed the accounting treatment applied to peppercorn leases. These are leases where the corresponding payments do not reflect the fair value of the property being leased. ESS's peppercorn land leases were not transferred to right-of-use assets on transition to AASB 16 Leases on 1 July 2019. Instead, they were incorrectly recognised as finance leases (original treatment) and at their previously revalued amounts. As a result, these land assets have not been amortised since 1 July 2019 and no expense has been recognised. This accounting recognition error dates from 1 July 2019.

*Intangible assets*

In 2023-24 SAFECOM reviewed the ESS's software licensing arrangements and found that some previously capitalised intangible assets should have been recognised as a software-as-a-service arrangement (SaaS) and expensed. SaaS arrangements are ones where the main method of software delivery and access is via a paid subscription service, rather than being bought and installed on ESS terminals. This accounting recognition error dates from 2021-22 and 2022-23.

The financial reporting impact of these adjustments is detailed below:

**Statement of Financial Position**

	Note	Consolidated			SAFECOM Entity		
		Original	Restated	Change	Original	Restated	Change
		opening	opening		opening	opening	
		balance	balance	balance	balance	balance	balance
		2023	2023		2023	2023	
		\$'000	\$'000	\$'000	\$'000	\$'000	
<b>Statement of Financial Position</b>							
Property, plant and equipment	5.1						
Land		83 295	76 606	(6 689)	-	-	
Buildings		133 558	133 146	(412)	-	-	
Vehicles		166 203	164 607	(1 596)	-	-	
Plant and equipment		22 826	7 426	(15 400)	500	278	
ROU land		64	3 394	3 330	-	-	
Capital works in progress	5.5	62 565	53 175	(9 390)	76	35	
Asset revaluation reserve	8.1	219 815	217 672	(2 143)	135	135	
Retained earnings	8.1	165 178	137 150	(28 028)	14 017	13 754	

**South Australian Fire and Emergency Services Commission**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2024*

**1.5. Prior period adjustments (continued)**

**Statement of Comprehensive Income**

	Note	Consolidated			SAFECOM Entity		
		Original balance 2023	Restated balance 2023	Change	Original balance 2023	Restated balance 2023	Change
<b>Statement of Comprehensive Income</b>		<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Supplies and services	4.1	131 963	133 896	1 933	19 594	19 662	68
Depreciation and amortisation	5.1,5.4	28 858	26 380	(2 478)	1 720	1 672	(48)

Adjustments relating to periods prior to 2023 have been reflected in the asset revaluation surplus and retained earnings opening balances as detailed below:

	Consolidated		SAFECOM entity
	Asset revaluation surplus	Retained earnings	Retained earnings
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Balance at 1 July 2022</b>	<b>219 815</b>	<b>165 178</b>	<b>14 017</b>
Prior period adjustment relating to 2021-22 depreciation expense	-	(193)	-
Prior period adjustment relating to WIP intangibles 2021-22	-	(263)	-
Prior period adjustments relating to peppercorn leases from 2019-20 to 2021-22	(2 143)	(951)	-
Prior period adjustments relating to asset accounting policy changes	-	(26 621)	(263)
<b>Total prior period adjustments</b>	<b>(2 143)</b>	<b>(28 028)</b>	<b>(263)</b>
<b>Restated balance at 1 July 2022</b>	<b>217 672</b>	<b>137 150</b>	<b>13 754</b>



**South Australian Fire and Emergency Services Commission**  
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## 2. Income

### 2.1. Contributions from the Community Emergency Services Fund

Contributions from the fund are recognised as revenue when the ESS obtains control over the funding. Control over contributions is normally obtained upon receipt. Total contributions for the year were ESS \$325.512 million (2023: \$316.406 million) and SAFECOM \$19.255 million (2023: \$20.133 million).

### 2.2. Appropriation

	Consolidated		SAFECOM Entity	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Appropriation from Consolidated Account pursuant to the <i>Appropriation Act</i>	5 063	5 500	500	-
Appropriations from Governor's Appropriation Fund	21 000	23 225	-	-
<b>Total appropriation</b>	<b>26 063</b>	<b>28 725</b>	<b>500</b>	<b>-</b>

Appropriation is recognised on receipt.

Appropriation consists of \$22.063 million (2023: \$24.725 million) for operational funding and \$4.0 million (2023: \$4.0 million) for capital projects for the sector.

### 2.3. Fees and charges

	Consolidated		SAFECOM Entity	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Fire alarm attendance fees	3 492	3 097	-	-
Fire alarm monitoring fees	3 214	3 000	-	-
Incident cost recoveries	1 313	163	-	-
Facilities hire fees	108	90	-	-
Fire safety fees	669	661	-	-
<b>Total fees and charges</b>	<b>8 796</b>	<b>7 011</b>	<b>-</b>	<b>-</b>

All revenue from fees and charges is revenue recognised from contracts with customers.

Fees and charges revenue is recognised at a point in time when ESS satisfies performance obligations by transferring the promised goods or services to its customers.

The ESS recognises revenue (contracts with customers) from the following major sources:

#### Fire alarm attendance and fire safety fees

The ESS provides a range of fire alarm attendance and fire safety services to customers and charge prescribed fees for these services as regulated under the Act. Revenue for these services is recognised in arrears once the relevant deliverables have been provided to the customer in line with the ESS legislated responsibilities and internal policies.

The ESS is a referral agency under the *Planning, Development and Infrastructure Regulations 2017* and receive revenue from customers for undertaking development assessments in designated bushfire prone areas under the Planning and Design Code.

**South Australian Fire and Emergency Services Commission**  
**Notes to and forming part of the financial statements**  
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### 2.3 Revenues from fees and charges (continued)

#### Fire alarm attendance and fire safety fees (continued)

Payments for development assessments are received in advance upon referral of the development application to the ESS from the AGD or direct from the customer. The ESS is required to undertake an assessment of the development and provide statutory advice to the relevant parties. Revenue is recognised in arrears once statutory advice has been provided.

#### Fire alarm monitoring fees

The ESS undertakes fire alarm monitoring services for customers and charge prescribed fees for these services as regulated under the Act. Customers are charged an annual fee for this service and generally pay upfront in the first quarter of the financial year. Revenue is recognised for monitoring services over the time services are provided, with all services delivered by 30 June at the end of the financial year.

#### Incident cost recoveries

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

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

### 2.4. Grants and contributions

	Consolidated		SAFECOM Entity	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Commonwealth Government	26 256	10 285	24 352	8 800
Private industry and local government	3 173	3 592	-	-
<b>Total grants and contributions</b>	<b>29 429</b>	<b>13 877</b>	<b>24 352</b>	<b>8 800</b>

Commonwealth Government grants and funding are recognised as income on receipt.

Commonwealth grants and funding are usually subject to terms and conditions set out in the contract correspondence or legislation however there were no sufficiently specific performance obligations.

SAFECOM Commonwealth Government grant funding relates to the Commonwealth Disaster Ready Fund (DRF) Round One and the Commonwealth National Partnership on Disaster Risk Reduction (DRR).

ESS Commonwealth Government grant funding primarily relates to the Commonwealth Disaster Ready Fund (DRF), Commonwealth Disaster Risk Reduction (DRR), and cost of providing fire and emergency services to Commonwealth properties under the Memorandum of Understanding for the Provision of Fire Services.

Private industry and local government funding for the ESS mainly relates to contributions towards aerial firefighting costs which are recognised as income on receipt.

**South Australian Fire and Emergency Services Commission**  
**Notes to and forming part of the financial statements**  
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**2.5. SA Government grants, subsidies and transfers**

	Consolidated		SAFECOM Entity	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Contingency funding provided by the Department of Treasury and Finance	1 502	13 195	1 471	1 418
Intra-government transfers	9 867	753	219	1 073
COVID 19 Support - SA Health	-	5 842	-	5 842
COVID 19 Support - SAPOL	-	439	-	-
Embedded BOM Meteorologist	178	175	-	-
Intra agency grants	-	138	-	-
<b>Total SA Government grants subsidies and transfers</b>	<b>11 547</b>	<b>20 542</b>	<b>1 690</b>	<b>8 333</b>

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

**2.6. Interest**

	Consolidated		SAFECOM Entity	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Dividend income	5	6	-	-
Interest on deposit accounts	1 572	629	1 117	334
<b>Total interest revenues</b>	<b>1 577</b>	<b>635</b>	<b>1 117</b>	<b>334</b>

**South Australian Fire and Emergency Services Commission**  
**Notes to and forming part of the financial statements**  
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**2.7. Net gain / (loss) from disposal of non-current assets**

	Consolidated		SAFECOM Entity	
	2024 \$'000	2023 \$'000	2024 \$'000	2023 \$'000
<b>Assets held for sale</b>				
Proceeds from disposal	745	692	-	-
Costs of disposal	(11)	-	-	-
Less net book value of assets disposed	(656)	(509)	-	-
<b>Net gain / (loss) from disposal of assets held for sale</b>	<b>78</b>	<b>183</b>	-	-
<b>Land and buildings</b>				
Proceeds from disposal	190	-	-	-
Costs of disposal	(24)	(59)	-	-
Less net book value of assets disposed	(130)	(114)	-	-
<b>Net gain / (loss) from disposal of land and buildings</b>	<b>36</b>	<b>(173)</b>	-	-
<b>Vehicles</b>				
Proceeds from disposal	1 205	1 222	-	-
Less net book value of assets disposed	(49)	(1 255)	-	-
<b>Net gain / (loss) from disposal of vehicles</b>	<b>1 156</b>	<b>(33)</b>	-	-
<b>Plant and equipment</b>				
Proceeds from disposal	19	18	-	-
Less net book value of assets disposed	-	(1 346)	-	-
<b>Net gain / (loss) from disposal of plant and equipment</b>	<b>19</b>	<b>(1 328)</b>	-	-
<b>Total assets</b>				
Proceeds from disposal	2 159	1 932	-	-
Costs of disposal	(35)	(59)	-	-
Less net book value of assets disposed	(835)	(3 224)	-	-
<b>Net gain / (loss) on disposal of owned assets</b>	<b>1 289</b>	<b>(1 351)</b>	-	-
<b>Net gain / (loss) from disposal of non-current assets</b>	<b>1 289</b>	<b>(1 351)</b>	-	-

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

**South Australian Fire and Emergency Services Commission**  
**Notes to and forming part of the financial statements**  
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**2.8. Other income**

	Consolidated		SAFECOM Entity	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Sundry revenues	146	601	-	1
Salary recoveries	1 221	1 612	736	727
Insurance recoveries	44	50	-	-
Donations	537	37	1	-
Groups/Brigades/Units fundraising	1 126	181	-	-
Property income	666	497	-	-
Recoveries from legal cases	6	132	-	115
Other recoveries	-	21	-	-
Resources received free of charge	137	-	-	-
Other	96	125	1	1
<b>Total other income</b>	<b>3 979</b>	<b>3 256</b>	<b>738</b>	<b>844</b>

Other income is generally recorded as income on receipt, except for rental income. Sundry revenue is mainly comprised of reimbursements which are recognised on receipt.

Rental income consists of operating lease income as lessor. The ESS receives revenue from long term lease agreements with tenants for land controlled by the Minister for Police, Emergency Services and Correctional Services (the Minister). Payment is made by the tenant on a monthly basis in advance and revenue is recognised on a time proportionate basis over the lease period.

Contribution of services are recognised only when fair value can be determined reliably, and the services would be purchased if they had not been donated. Although not recognised, SASES and SACFS volunteer members contribute a significant number of hours providing front line emergency response services to the community and in other support roles.

**South Australian Fire and Emergency Services Commission**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2024*

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### 3. Board, committees and employees

#### 3.1. Key Management Personnel

The ESS key management personnel includes the Minister, the Chief Executive of SAFECOM, the members of the SAFECOM Board, the Chief Officers of SAMFS, SACFS and SASES, and six members of the Executive Teams, who have responsibility for the strategic direction and management of the ESS.

Key management personnel of SAFECOM include the Minister, the members of the SAFECOM Board and the Chief Executive, who have responsibility for the strategic direction and management of the ESS.

The compensation detailed below for the ESS includes salaries and other benefits for all key management personnel paid by SAFECOM, SAMFS, SACFS and SASES. The compensation detailed below for SAFECOM includes salaries and other benefits for the Chief Executive of SAFECOM and non-government Board members paid by SAFECOM.

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

	Consolidated		SAFECOM Entity	
	2024	2023	2024	2023
Compensation	\$'000	\$'000	\$'000	\$'000
Salaries and other short-term employee benefits	2 573	2 276	1 229	1 193
Post-employment benefits	289	244	133	129
Other long-term employment benefits	285	-	285	-
<b>Total compensation</b>	<b>3 147</b>	<b>2 520</b>	<b>1 647</b>	<b>1 322</b>

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

The ESS and SAFECOM did not enter into any transactions with key management personnel or their close family during the reporting period that were not consistent with normal procurement arrangements.

**South Australian Fire and Emergency Services Commission**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2024*

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**3.2. Board and committee members**

Members of boards and committees during 2023-24 were:

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

M Adlam  
 C J Beattie\*  
 S J Caracoussis  
 P J de Cure  
 M J Morgan\*  
 S St Alban  
 J M Waddington-Powell\*  
 B Loughlin\*  
 E L Connell\*  
 G C Cornish\*  
 P M Fletcher\*  
 W A Hicks\*  
 J D Lindner  
 C S Thomas\*  
 A Tsentidis\*  
 J Swann\*  
 M Stratton\*

**South Australian Fire and Emergency Services Commission Risk and Performance Committee**

P J de Cure  
 A L Chia

**South Australian Metropolitan Fire Service Disciplinary Committee**

L D P Holland  
 S J Smithson\*  
 G S Uren\*  
 A J Caire\*

**State Bushfire Coordination Committee**

B Loughlin\* (Ex Officio)  
 C Devey\*  
 K M Egan  
 M Ashley  
 K Bevan  
 R A Cadd  
 F J Gill\*  
 J Formston\*  
 A Glavinic\*  
 J B Drew\*  
 L Bruce\*  
 M J Blason  
 M J Garrod\*  
 J Moyle  
 P Yeomans  
 S Reachill\*  
 M Henderson  
 J Ferguson  
 T A Fountain\*  
 S L Elding\*  
 P R White  
 S Maddocks  
 P Button\*  
 S V McLean\*  
 Vlora Dzeladini  
 B A Swaffer  
 C De Leiu\*

T J Forde\*  
 A May\*  
 M Anolak  
 J R Fischer  
 T N B Roberts  
 J D Lindner  
 D Ezis\*  
 D M Kowalski\*  
 K Lee-Jones\*  
 E G Petrenas\*  
 P Merry  
 J L Clark\*  
 W J Durack\*  
 H L Greaves  
 M S Martin\*  
 G R Grieger\*  
 T Vaughan  
 R K Hardy\*  
 J W Sewart\*  
 D S Gilbertson  
 B J Browne  
 P Kilsby\*  
 J De Candia\*  
 A Walsh  
 L M Brooks  
 J S Crocker

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

**South Australian Fire and Emergency Services Commission**  
**Notes to and forming part of the financial statements**  
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**3.2. Board and committee members (continued)**

**Board and committee remuneration**

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

	Consolidated		SAFECOM Entity	
	2024	2023	2024	2023
The number of members whose remuneration received/receivable falls within the following bands:	Number of members	Number of members	Number of members	Number of members
\$0 - \$19 999	69	62	14	14
\$20 000 - \$39 999	3	3	3	3
\$40 000 - \$59 999	1	1	1	1
<b>Total number of members</b>	<b>73</b>	<b>66</b>	<b>18</b>	<b>18</b>

The total remuneration received or receivable by members was ESS \$142 000 (2023: \$151 000) and SAFECOM \$133 000 (2023: \$146 000). Remuneration of members reflects all costs of performing board/committee member duties including sitting fees, superannuation contributions, salary sacrifice benefits and fringe benefits and any related fringe benefits tax paid.

**3.3. Employee related expenses**

	Consolidated		SAFECOM Entity	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Salaries and wages	156 615	155 605	8 341	7 567
Workers compensation	11 548	17 235	181	91
Employment on-costs - superannuation	22 381	22 452	1 068	969
Additional compensation	5 674	2 820	(249)	50
Annual leave	16 863	17 712	781	938
Payroll tax	10 075	9 964	505	468
Long service leave	7 413	5 060	527	403
Skills and experience retention leave	1 371	1 462	54	54
Board fees	127	136	119	132
Other employment related expenses	1 050	507	12	6
<b>Total employee related expenses</b>	<b>233 117</b>	<b>232 953</b>	<b>11 339</b>	<b>10 678</b>

The ESS's staff are employed under various parts of Act.

The superannuation employment on-cost charge represents the ESS' contribution to superannuation plans in respect of current services of current staff. There are no liabilities for payments to beneficiaries recognised by the ESS as the DTF centrally recognises the superannuation liability in the whole-of-government financial statements.



**South Australian Fire and Emergency Services Commission**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2024*

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

**Employee remuneration**

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

	Consolidated		SAFECOM Entity	
	2024	2023	2024	2023
	Number	Number	Number	Number
\$160 001 to \$166 000 *	n/a	48	n/a	n/a
\$166 001 to \$186 000	116	144	2	1
\$186 001 to \$206 000	89	107	1	1
\$206 001 to \$226 000	53	50	-	-
\$226 001 to \$246 000	28	11	-	-
\$246 001 to \$266 000	2	2	-	-
\$266 001 to \$286 000	3	2	-	-
\$286 001 to \$306 000	-	2	-	-
\$306 001 to \$326 000	2	1	1	1
\$326 001 to \$346 000	1	1	-	-
\$346 001 to \$366 000	1	-	-	-
\$446,001 to \$466,000	1	-	-	-
<b>Total</b>	<b>296</b>	<b>368</b>	<b>4</b>	<b>3</b>

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

The table includes all employees who received remuneration equal to or greater than the base executive remuneration level during the year. Remuneration of employees reflects all costs of employment including salaries and wages, payments in lieu of leave, superannuation contributions, salary sacrifice benefits and any related fringe benefits tax paid. The total remuneration received by these employees for the year was ESS \$58.802 million (2023: \$69.543 million) and SAFECOM \$0.877 million (2023: \$0.679 million).

The number of employees included in the ESS banding for 2024 has decreased from 2023 predominantly due to backpay received in 2023 from the introduction of the new MFS enterprise bargaining agreement.

**South Australian Fire and Emergency Services Commission**  
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*for the year ended 30 June 2024*

**3.4. Employee related liabilities**

	Consolidated		SAFECOM Entity	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Accrued salaries and wages	674	-	-	-
Annual leave	17 875	18 135	1 001	1 017
Skills and experience retention leave	2 495	2 401	73	73
Long service leave	4 886	4 057	256	188
Employment on-costs	5 896	5 862	250	254
<b>Total current employee related liabilities</b>	<b>31 826</b>	<b>30 455</b>	<b>1 580</b>	<b>1 532</b>
<b>Non-current</b>				
Long service leave	27 940	26 971	1 832	1 695
Employment on-costs	4 697	4 641	188	169
<b>Total non-current employee related liabilities</b>	<b>32 637</b>	<b>31 612</b>	<b>2 020</b>	<b>1 864</b>
<b>Total employee related liabilities</b>	<b>64 463</b>	<b>62 067</b>	<b>3 600</b>	<b>3 396</b>

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

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

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

The annual leave liability and the skills and experience retention leave liability is expected to be payable within 12 months and is measured at the undiscounted amount expected to be paid. The salary inflation rate applied to the annual leave and SERL liabilities increased to 2.4% in 2024 from 2% in 2023.

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

**Long service leave**

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

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 wage levels, experience of employee departures and periods of service. These assumptions are based on employee data over the police and the ESS.

The discount rate used in measuring the liability is reflective of the yield on long-term Commonwealth Government bonds as the discount rate in the measurement of the long service leave liability. The yield on long-term Commonwealth Government bonds has increased from 4% 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 an overall decrease in the reported long service leave liability.

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

**Long service leave (continued)**

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 employee benefits expense of \$1.831m (SAFECOM \$0.105m). The impact on future periods is impracticable to estimate as the long service leave liability is calculated using a number of demographical and financial assumptions - including the long-term discount rate.

The actuarial assessment performed by DTF increased the salary inflation rate to 3.5% (2023: 2.5%) for long service leave liability. As a result, there is an increase in net financial effect resulting from changes in the salary inflation rate.

The unconditional portion of the long service leave provision is classified as current as the ESS does not have an unconditional right to defer settlement of the liability for at least 12 months after reporting date. The unconditional portion of long service leave relates to an unconditional legal entitlement to payment arising after 7 years of service.

**Employment on-costs**

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

The ESS 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 scheme. The only liability outstanding at reporting date relates to any contributions due but not yet paid to State Government and externally managed superannuation schemes.

As a result of the actuarial assessment performed by the DTF, the portion of long service leave taken as leave has increased to 44% from 43% in 2023, except for SAMFS which decreased to 84.17%% from 89.28% in 2023. SAMFS portion of long service leave taken is calculated as the actual percentage of leave taken during the last three years. The average factor for the calculation of employer superannuation on-costs has changed to 11.5% from 11.1% in 2023, except for SAMFS employer superannuation on cost rate has changed to 15.5% (2023: 15.1%). These rates are used in the employment on-cost calculation. The net financial effect of the changes in the current financial year is not material. The estimated impact on future periods is not expected to be materially different to the effect on the current period as shown above.

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#### 4. Expenses

##### 4.1. Supplies and services

	Consolidated		SAFECOM Entity	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Government radio network	20 334	19 833	-	-
Aerial support costs	25 268	16 090	-	-
Vehicles	13 246	12 503	73	107
Operational costs	8 277	17 930	728	4 083
Consultancy, contractor and legal fees	7 977	14 606	990	5 934
Property Costs	8 466	8 967	315	306
Travel and training	3 575	4 905	132	173
Computing costs	9 129	9 069	3 895	4 815
Communications	6 737	6 217	1 491	1 460
Uniforms and protective clothing	7 035	4 537	6	15
Accommodation	4 164	4 454	73	139
Postage and freight	269	4 523	5	24
Shared Services SA fees	2 212	2 224	2 114	2 092
Insurance premiums	1 262	1 233	12	12
Short term leases	427	468	-	18
Low-value leases	310	334	52	30
Other expenses	5 987	6 003	370	454
<b>Total supplies and services</b>	<b>124 675</b>	<b>133 896</b>	<b>10 256</b>	<b>19 662</b>

##### Accommodation

A part of the ESS's accommodation is provided by DIT under MoAA issued in accordance with Government wide accommodation policies. These arrangements do not meet the definition of a lease and accordingly are expensed (disclosed within in 'Accommodation").

##### Leases

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

##### Other

Includes audit fees paid/payable to the Audit Office of South Australia relating to work performed under the *Public Finance and Audit Act 1987* of the ESS \$274 700 (2023: \$313 000) and SAFECOM \$97 000 (2023: \$140 000). No other services were provided by the Audit Office of South Australia.

##### Consultants

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

	Consolidated				SAFECOM Entity			
	2024	2024	2023	2023	2024	2024	2023	2023
	No.	\$'000	No.	\$'000	No.	\$'000	No.	\$'000
Below \$10 000	9	29	20	76	4	8	2	13
\$10 000 or above	7	2 108	16	1 456	-	-	2	109
<b>Total consultancies paid / payable</b>	<b>16</b>	<b>2 137</b>	<b>36</b>	<b>1 532</b>	<b>4</b>	<b>8</b>	<b>4</b>	<b>122</b>

**South Australian Fire and Emergency Services Commission**  
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**4.1. Supplies and services (continued)**

**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. Arrangements between public authorities and arrangements with other governments are not included.

Expenditure is inclusive of non-recoverable GST.

	Consolidated		SAFECOM Entity	
	2024	Proportion of SA and non-SA businesses	2024	Proportion of SA and non-SA businesses
	\$'000	%	\$'000	%
Total expenditure with South Australian businesses	56 324	78.38%	816	19.25%
Total expenditure with non-South Australian businesses	15 533	21.62%	3 422	80.75%
	<b>71 857</b>	<b>100%</b>	<b>4 238</b>	<b>100%</b>

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

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

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

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

**4.2. Grants and subsidies**

Grants and subsidies expense mainly relates to payments under the Disaster Recover Program, the Disaster Risk Reduction and Regional Capability Community Fund. Payments are made by SAFECOM upon receipt of milestone completion.

**4.3. Other expenses**

	Consolidated		SAFECOM Entity	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Donated assets	24	-	-	-
Unit fundraising	10	27	-	-
Derecognition of assets	3 199	-	98	-
<b>Total other expenses</b>	<b>3 233</b>	<b>27</b>	<b>98</b>	<b>-</b>

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**5. Non-financial assets**

**5.1. Property, plant and equipment**

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

**Reconciliation of property, plant and equipment during 2023-24**

<b>Consolidated - ESS</b>	<b>Land</b>	<b>Buildings</b>	<b>Vehicles</b>	<b>Plant &amp; equipment</b>	<b>ESS HQ</b>	<b>Right of use</b>	<b>Right of use</b>	<b>Right of use</b>	<b>Right of use</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>Fitout</b>	<b>land</b>	<b>buildings</b>	<b>vehicles</b>	<b>plant and equipment</b>	<b>\$'000</b>
<b>Carrying amount at 1 July 2023</b>	<b>76 606</b>	<b>141 049</b>	<b>172 929</b>	<b>5 529</b>	<b>11 496</b>	<b>3 099</b>	<b>2 651</b>	<b>1 198</b>	<b>7 019</b>	<b>421 576</b>
Acquisitions	-	209	48	-	-	-	165	1 713	-	2 135
Disposals	(130)	-	(49)	-	-	-	-	-	-	(179)
Transfers from capital WIP <sup>(1)</sup>	14	5 936	12 900	409	-	-	-	-	-	19 259
Assets received free of charge	135	-	-	-	-	-	-	-	-	135
Revaluation increment	38 399	-	-	-	-	-	-	-	-	38 399
Derecognition of assets	-	(759)	(2 056)	(216)	-	-	-	-	-	(3 031)
Transfers between classes	-	-	(49)	49	-	-	-	-	-	-
Donated assets	-	-	(24)	-	-	-	-	-	-	(24)
Remeasurement	-	-	-	-	-	-	358	-	-	358
<b>Subtotal:</b>	<b>115 024</b>	<b>146 435</b>	<b>183 699</b>	<b>5 771</b>	<b>11 496</b>	<b>3 099</b>	<b>3 174</b>	<b>2 911</b>	<b>7 019</b>	<b>478 628</b>
<b>Gains/(losses) for the period recognised in net result:</b>										
Depreciation	-	(7 169)	(14 144)	(927)	(856)	(207)	(774)	(783)	(581)	(25 441)
<b>Subtotal:</b>	<b>-</b>	<b>(7 169)</b>	<b>(14 144)</b>	<b>(927)</b>	<b>(856)</b>	<b>(207)</b>	<b>(774)</b>	<b>(783)</b>	<b>(581)</b>	<b>(25 441)</b>
<b>Carrying amount at the end of the period</b>	<b>115 024</b>	<b>139 266</b>	<b>169 555</b>	<b>4 844</b>	<b>10 640</b>	<b>2 892</b>	<b>2 400</b>	<b>2 128</b>	<b>6 438</b>	<b>453 187</b>
<b>Gross carrying amount</b>										
Gross carrying amount	115 024	171 178	231 121	8 491	12 852	4 272	5 621	3 804	8 587	560 950
Accumulated depreciation	-	(31 912)	(61 566)	(3 647)	(2 212)	(1 380)	(3 221)	(1 676)	(2 149)	(107 763)
<b>Carrying amount at the end of the period</b>	<b>115 024</b>	<b>139 266</b>	<b>169 555</b>	<b>4 844</b>	<b>10 640</b>	<b>2 892</b>	<b>2 400</b>	<b>2 128</b>	<b>6 438</b>	<b>453 187</b>

\*All property, plant and equipment are classified in the level 3 fair value hierarchy except for land valued at \$1.650 million (classified as level 2). Refer to note 7.2 for details about the lease liability for right-of-use assets.

<sup>(1)</sup> Refer to note 5.5.

**South Australian Fire and Emergency Services Commission**  
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**5.1. Property, plant and equipment (continued)**

**Reconciliation of property, plant and equipment during 2022-23**

Consolidated - ESS	Land \$'000	Buildings \$'000	Surplus land and building \$'000	Vehicles \$'000	Plant & equipment \$'000	ESS HQ Fitout \$'000	Right of use land \$'000	Right of use buildings \$'000	Right of use vehicles \$'000	Right of use plant and equipment \$'000	Total \$'000
<b>Carrying amount 1 July 2022</b>	83 278	133 558	-	166 203	22 826	12 353	64	2 660	1 022	7 085	429 049
Prior period adjustments	(6 689)	(412)	-	(1 596)	(15 400)	-	3 330	-	-	-	(20 767)
<b>Restated carrying amount at 1 July 2022</b>	<b>76 589</b>	<b>133 146</b>	<b>-</b>	<b>164 607</b>	<b>7 426</b>	<b>12 353</b>	<b>3 394</b>	<b>2 660</b>	<b>1 022</b>	<b>7 085</b>	<b>408 282</b>
Acquisitions	101	-	-	-	-	-	-	300	863	-	1 264
Disposals	(9)	(105)	-	(1 255)	(1 346)	-	-	-	-	-	(2 715)
Transfers from capital WIP <sup>(1)</sup>	275	15 045	-	23 643	843	-	-	-	-	-	39 806
Revaluation increment	-	-	272	-	-	-	-	-	-	-	272
Transfers between asset classes	(350)	(34)	384	-	-	-	-	-	-	-	-
Transfer out to held for sale	-	-	(656)	-	-	-	-	-	-	-	(656)
Remeasurement	-	-	-	-	-	-	(27)	408	-	476	857
<b>Subtotal:</b>	<b>76 606</b>	<b>148 052</b>	<b>-</b>	<b>186 995</b>	<b>6 923</b>	<b>12 353</b>	<b>3 367</b>	<b>3 368</b>	<b>1 885</b>	<b>7 561</b>	<b>447 110</b>
<b>Gains/(losses) for the period recognised in net result:</b>											
Depreciation	-	(7 003)	-	(14 066)	(1 394)	(857)	(268)	(717)	(687)	(542)	(25 534)
<b>Subtotal:</b>	<b>-</b>	<b>(7 003)</b>	<b>-</b>	<b>(14 066)</b>	<b>(1 394)</b>	<b>(857)</b>	<b>(268)</b>	<b>(717)</b>	<b>(687)</b>	<b>(542)</b>	<b>(25 534)</b>
<b>Carrying amount at the end of the period</b>	<b>76 606</b>	<b>141 049</b>	<b>-</b>	<b>172 929</b>	<b>5 529</b>	<b>11 496</b>	<b>3 099</b>	<b>2 651</b>	<b>1 198</b>	<b>7 019</b>	<b>421 576</b>
<b>Gross carrying amount</b>											
Gross carrying amount	76 606	165 981	-	221 496	8 591	12 853	4 272	5 295	3 020	8 588	506 702
Accumulated depreciation	-	(24 932)	-	(48 567)	(3 062)	(1 357)	(1 173)	(2 644)	(1 822)	(1 569)	(85 126)
<b>Carrying amount at the end of the period</b>	<b>76 606</b>	<b>141 049</b>	<b>-</b>	<b>172 929</b>	<b>5 529</b>	<b>11 496</b>	<b>3 099</b>	<b>2 651</b>	<b>1 198</b>	<b>7 019</b>	<b>421 576</b>

\*All property, plant and equipment are classified in the level 3 fair value hierarchy except for land valued at \$1.202 million (classified as level 2). Refer to note 7.2 for details about the lease liability for right-of-use assets.

<sup>(1)</sup> Refer to note 5.5.

**South Australian Fire and Emergency Services Commission**  
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**5.1. Property, plant and equipment (continued)**

**Reconciliation of property, plant and equipment during 2023-24**

Parent - SAFECOM	Plant & equipment \$'000	ESS HQ Fitout \$'000	Right of use vehicles \$'000	Total \$'000
<b>Carrying amount 1 July 2023</b>	<b>215</b>	<b>11 496</b>	<b>61</b>	<b>11 772</b>
Acquisitions	-	-	1	1
Transfers from capital WIP <sup>(1)</sup>	40	-	-	40
<b>Subtotal:</b>	<b>255</b>	<b>11 496</b>	<b>62</b>	<b>11 813</b>
<b>Gains/(losses) for the period recognised in net result:</b>				
Depreciation	(69)	(856)	(28)	(953)
<b>Subtotal:</b>	<b>(69)</b>	<b>(856)</b>	<b>(28)</b>	<b>(953)</b>
<b>Carrying amount at the end of the period</b>	<b>186</b>	<b>10 640</b>	<b>34</b>	<b>10 860</b>
<b>Gross carrying amount</b>				
Gross carrying amount	419	12 852	90	13 361
Accumulated depreciation	(233)	(2 212)	(56)	(2 501)
<b>Carrying amount at the end of the period</b>	<b>186</b>	<b>10 640</b>	<b>34</b>	<b>10 860</b>

\*All property, plant and equipment are classified in the level 3 fair value hierarchy. Refer to note 7.2 for details about the lease liability for right-of-use assets.

<sup>(1)</sup> Refer to note 5.5.



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

**Reconciliation of property, plant and equipment during 2022-23**

Parent - SAFECOM	Plant & equipment \$'000	ESS HQ Fitout \$'000	Right of use vehicles \$'000	Total \$'000
<b>Carrying amount 1 July 2022</b>	<b>500</b>	<b>12 353</b>	<b>21</b>	<b>12 874</b>
Prior period adjustments	(222)	-	-	(222)
<b>Restated carrying amount as at 1 July 2022</b>	<b>278</b>	<b>12 353</b>	<b>21</b>	<b>12 652</b>
Acquisitions	-	-	62	62
<b>Subtotal:</b>	<b>278</b>	<b>12 353</b>	<b>83</b>	<b>12 714</b>
<b>Gains/(losses) for the period recognised in net result:</b>				
Depreciation	(63)	(857)	(22)	(942)
<b>Subtotal:</b>	<b>(63)</b>	<b>(857)</b>	<b>(22)</b>	<b>(942)</b>
<b>Carrying amount at the end of the period</b>	<b>215</b>	<b>11 496</b>	<b>61</b>	<b>11 772</b>
<b>Gross carrying amount</b>				
Gross carrying amount	378	12 853	89	13 320
Accumulated depreciation	(163)	(1 357)	(28)	(1 548)
<b>Carrying amount at the end of the period</b>	<b>215</b>	<b>11 496</b>	<b>61</b>	<b>11 772</b>

\*All property, plant and equipment are classified in the level 3 fair value hierarchy. Refer to note 7.2 for details about the lease liability for right-of-use assets.

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### 5.1 Property, plant and equipment (continued)

#### Depreciation expense

All non-current assets, having a limited useful life, are systematically depreciated over their useful lives in a manner that reflects the consumption of their service potential.

#### Useful life

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

Class of asset	Consolidated Useful life (years)	SAFECOM Entity Useful life (years)
Buildings	1-60	n/a
Vehicles	1-30	n/a
Plant and equipment	1-20	1-8
ESS HQ Fitout	15	15
ROU Land	1-77	n/a
ROU Buildings	2-77	n/a
ROU Vehicles	3-5	3-5
ROU Plant and equipment	15	n/a

#### Review of accounting estimates

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

SAFECOM revalued its vehicles and buildings as at 1 November 2019.

### 5.2. Property, plant and equipment owned by the ESS

Property, plant and equipment with a value equal to or in excess of \$15 000 is capitalised.

Property, plant and equipment is recorded at fair value. Detail about the ESS's approach to fair value is set out in note 10.1.

#### Impairment

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

Revaluation of property, plant and equipment is undertaken on a regular cycle as detailed in note 10.1. If at any time management considers that the carrying amount of an asset materially differs from its fair value, then the asset will be revalued regardless of when the last valuation took place.

The previous Christies Beach SAMFS station was decommissioned in January 2023 when operations were moved to new premises in Noarlunga. The site at Christies Beach has subsequently remained vacant while the impact of per-and polyfluoroalkyl substances (PFAS) contamination issues are being investigated with the consequence that the property has incurred some damage due to vandalism. At 30 June 2024, the impact on fair value from PFAS contamination and other damage could not be reliably measured, therefore the fair value of this property has remained unchanged.

**South Australian Fire and Emergency Services Commission**  
**Notes to and forming part of the financial statements**  
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### **5.3. Property, plant and equipment leased by the ESS**

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

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

The ESS has a limited number of leases:

- 169 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.
- 12 Commercial leases for land and buildings used for the purpose of operational and administrative activities.
- The SACFS holds a commercial lease over plant used for PFAS remediation purposes.

One new lease was entered into in 2023-24 year.

The lease liabilities related to the ROU assets, the related maturity analysis and the interest expense are disclosed in note 7.2. Cash outflows related to leases are disclosed in note 8.2. The ESS has not committed to any lease arrangements that have not commenced from 1 July.

#### ***Concessionary (peppercorn) leases***

The ESS has a number of leases over land with significantly below market terms. These leases are entered into with the principal aim of enabling the ESS to further its objectives and are all of a similar nature. The lease terms vary from 1 to 99 years with annual rental of \$0 or \$1.

There are 65 leases that were previously recognised as finance leases under AASB 117 and have been reclassified to right-of-use land in line with AASB 16. The carrying amount as at 1 July 2019 of these assets is the deemed cost in line with AASB 16 transitional provisions. These right-of-use assets are amortised over the lease term. Refer to note 1.5 for prior period adjustments relating to these assets.

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**5.4. Intangible assets**

Computer software	Consolidated		SAFECOM Entity	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Carrying amount at the beginning of the period	1 401	1 925	1 165	1 727
Prior period adjustments	106	(30)	-	-
<b>Restated carrying amount at the beginning of the period</b>	<b>1 507</b>	<b>1 895</b>	<b>1 165</b>	<b>1 727</b>
Transfers from capital WIP <sup>(1)</sup>	191	352	191	168
Derecognition of assets	(168)	-	(98)	-
<b>Subtotal:</b>	<b>1 530</b>	<b>2 247</b>	<b>1 258</b>	<b>1 895</b>
<b>Gains/(losses) for the period recognised in net result:</b>				
Amortisation	(811)	(846)	(702)	(730)
<b>Subtotal:</b>	<b>(811)</b>	<b>(846)</b>	<b>(702)</b>	<b>(730)</b>
<b>Carrying amount at the end of the period</b>	<b>719</b>	<b>1 401</b>	<b>556</b>	<b>1 165</b>
<b>Gross carrying amount</b>				
Gross carrying amount	6 550	6 846	5 705	5 842
Accumulated amortisation	(5 831)	(5 445)	(5 149)	(4 677)
<b>Carrying amount at the end of the period</b>	<b>719</b>	<b>1 401</b>	<b>556</b>	<b>1 165</b>

<sup>(1)</sup> Refer to note 5.5

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

Amortisation of computer software is calculated on a straight-line basis over the estimated useful life of 5 years for both the ESS and SAFECOM.

The amortisation period and the amortisation method for intangible assets is reviewed on an annual basis. The acquisition of or internal development of software is capitalised only when the expenditure meets the definition and recognition criteria and when the amount of expenditure is greater than or equal to \$15 000.

All research and development costs that do not meet the capitalisation criteria outlined in AASB 138 *Intangible Assets* are expensed.

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**5.5. Capital works in progress**

	Consolidated		SAFECOM Entity	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
<b>Carrying amount 1 July 2023</b>	<b>44 328</b>	<b>62 565</b>	<b>40</b>	<b>76</b>
Prior period adjustment		(9 390)	-	(41)
<b>Restated carrying amount at 1 July 2023</b>	<b>44 328</b>	<b>53 175</b>	<b>40</b>	<b>35</b>
Acquisitions	41 940	31 402	1 101	207
Transfers to property, plant and equipment	(19 259)	(39 806)	(40)	-
Transfers to intangible assets	(191)	(352)	(191)	(168)
CWIP write off	(156)	(91)	-	(34)
<b>Carrying amount at the end of the period</b>	<b>66 662</b>	<b>44 328</b>	<b>910</b>	<b>40</b>

Capital works in progress are recognised as the cumulative costs of capital projects to balance date. Projects completed during the year have been recognised as property, plant and equipment (refer to note 5.1) or intangible assets (refer to note 5.4) and are valued at cost.

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

	Consolidated		SAFECOM Entity	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Land	-	548	-	-
Buildings	-	108	-	-
<b>Total non-current assets classified as held for sale</b>	<b>-</b>	<b>656</b>	<b>-</b>	<b>-</b>

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

	Consolidated		SAFECOM Entity	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
<b>Land</b>				
Carrying amount at the beginning of the period	548	221	-	-
Asset disposals	(548)	(221)	-	-
Assets reclassified to/(from) assets held for sale	-	548	-	-
<b>Carrying amount at the end of the period</b>	<b>-</b>	<b>548</b>	<b>-</b>	<b>-</b>
<b>Buildings</b>				
Carrying amount at the beginning of the period	108	288	-	-
Asset disposals	(108)	(288)	-	-
Assets reclassified to/(from) assets held for sale	-	108	-	-
<b>Carrying amount at the end of the period</b>	<b>-</b>	<b>108</b>	<b>-</b>	<b>-</b>
<b>Total non-current assets classified as held for sale</b>	<b>-</b>	<b>656</b>	<b>-</b>	<b>-</b>

SASES property at Strathalbyn (2023: \$656 000) were sold on 14 December 2023.

Non-current assets (or disposal groups) are classified as held for sale and recognised at the lower of their carrying amount and fair value less costs to sell if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable, and the asset's sale is expected to be completed one year from the date of classification.

The ESS has measured the land and buildings held for sale at fair value less costs to sell.

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**6. Financial assets**

**6.1. Cash and cash equivalents**

	Consolidated		SAFECOM Entity	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Operating account with the Treasurer	44 117	31 698	35 089	20 233
Cash on hand	10	10	-	-
Cash at bank	8	8	-	-
Cash at bank - Groups/Brigades/Units	5 830	6 000	-	-
Short-term deposits - Groups/Brigades/Units	1 706	986	-	-
Short-term deposits	150	137	-	-
<b>Total cash and cash equivalents in the Statement of Financial Position</b>	<b>51 821</b>	<b>38 839</b>	<b>35 089</b>	<b>20 233</b>
<b>Total cash and cash equivalents in the Statement of Cash Flows</b>	<b>51 821</b>	<b>38 839</b>	<b>35 089</b>	<b>20 233</b>

Cash is measured at nominal amounts.

**Deposits with the Treasurer**

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

The ESS has one operating account held with the Treasurer. This account is interest bearing.

**Cash at bank – Groups/Brigades/Units**

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

**Short term deposits**

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

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**6.2. Receivables**

	Consolidated		SAFECOM Entity	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
<b>Current</b>				
Receivables	2 779	5 345	835	805
Less impairment loss on receivables	(11)	(35)	-	(1)
Total fees, charges and other receivables	<b>2 768</b>	<b>5 310</b>	<b>835</b>	<b>804</b>
Prepayments	893	906	176	177
Accrued revenues	162	785	-	208
GST input tax recoverable	2 523	2 232	342	710
<b>Total current receivables</b>	<b>6 346</b>	<b>9 233</b>	<b>1 353</b>	<b>1 899</b>
<b>Total receivables</b>	<b>6 346</b>	<b>9 233</b>	<b>1 353</b>	<b>1 899</b>

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

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

Refer to note 10.2 for further information on risk management.

The ESS has adopted the simplified impairment approach under AASB 9 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**

	Consolidated		SAFECOM Entity	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Carrying amount at the beginning of the period	35	16	1	3
(Decrease) / increase in the allowance recognised in profit or loss	(24)	19	(1)	(2)
<b>Carrying amount at the end of the period</b>	<b>11</b>	<b>35</b>	<b>-</b>	<b>1</b>

Impairment losses relate to receivables arising from contracts with customers that are external to the SA Government.

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



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**6.3. Other financial assets**

	Consolidated		SAFECOM Entity	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
<b>Current</b>				
Medium Term Deposits - Groups/Brigades/Units	3 405	2 840	-	-
<i>Investments</i>				
Listed equity instruments	115	110	-	-
<b>Total current financial assets</b>	<b>3 520</b>	<b>2 950</b>	-	-
<b>Total other financial assets</b>	<b>3 520</b>	<b>2 950</b>	-	-

Medium-term deposits are made for varying periods of between three and twelve months. Because of their maturity dates exceeding three months, these funds are not reported within Cash and Cash Equivalents or the Statement of Cash Flows. The deposits are lodged with various financial institutions at their respective medium-term deposit rates.

The equity instruments are carried at fair value.

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

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

For further information on risk management refer to note 10.2.

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## 7. Liabilities

### 7.1. Payables

	Consolidated		SAFECOM Entity	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
<b>Current</b>				
Creditors	2 363	2 095	160	291
Accrued expenses	12 312	9 685	3 119	2 261
Paid parental leave scheme payable	11	3	4	2
<b>Total current payables</b>	<b>14 686</b>	<b>11 783</b>	<b>3 283</b>	<b>2 554</b>
<b>Total payables</b>	<b>14 686</b>	<b>11 783</b>	<b>3 283</b>	<b>2 554</b>

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

### 7.2. Financial liabilities

The ESS measures financial liabilities at amortised cost. Lease liabilities have been measured via discounting future lease payments using either the interest rate implicit in the lease or the DTF's incremental borrowing rate. There were no defaults or breaches throughout the year.

Interest expense paid on lease liabilities during 2023-24 was \$234 000 (2023: \$198 000). The ESS does not capitalise borrowing costs.

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

	Consolidated	
	2024	2023
	\$'000	\$'000
<b>Lease liabilities</b>		
within 1 year	2 129	1 955
1 to 5 years	5 612	4 801
More than 5 years	4 796	5 569
<b>Total lease liabilities (undiscounted)</b>	<b>12 537</b>	<b>12 325</b>

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### 7.3. Provisions

	Consolidated		SAFECOM Entity	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
<b>Current</b>				
Provision for workers compensation	14 183	7 522	71	62
Additional compensation	1 850	1 875	1	6
<b>Total current provisions</b>	<b>16 033</b>	<b>9 397</b>	<b>72</b>	<b>68</b>
<b>Non-current</b>				
Provision for workers compensation	39 917	41 481	275	137
Additional compensation	30 136	24 516	20	265
<b>Total non-current provisions</b>	<b>70 053</b>	<b>65 997</b>	<b>295</b>	<b>402</b>
<b>Total provisions</b>	<b>86 086</b>	<b>75 394</b>	<b>367</b>	<b>470</b>

#### Movement in workers compensation provisions

	Consolidated		SAFECOM Entity	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
<b>Workers compensation</b>				
Carrying amount at the beginning of the period	49 003	43 189	199	155
Reductions arising from payments	(6 230)	(5 251)	(35)	(25)
Changes from remeasurement	(2 172)	2 560	92	11
New accident liability	13 499	8 505	90	58
<b>Carrying amount at the end of the period</b>	<b>54 100</b>	<b>49 003</b>	<b>346</b>	<b>199</b>

#### Additional compensation

	Consolidated		SAFECOM Entity	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
<b>Carrying amount at the beginning of the period</b>				
Carrying amount at the beginning of the period	26 391	23 607	271	220
Reductions arising from payments	(2 024)	(1 733)	-	-
Changes from remeasurement	4 441	1 152	(254)	(11)
New accident liability	3 178	3 365	4	62
<b>Carrying amount at the end of the period</b>	<b>31 986</b>	<b>26 391</b>	<b>21</b>	<b>271</b>

#### Workers Compensation provision (statutory and additional compensation schemes)

The ESS is an exempt employer under the *Return to Work Act 2014*. Under a scheme arrangement, the ESS 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.

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### 7.3. Provisions (continued)

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 non-serious 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.

In addition to these uncertainties, the additional compensation scheme is impacted by the limited claims history and the evolving nature of the interpretation of, and evidence required to meeting, eligibility criteria. Given these uncertainties, the actual cost of additional compensation claims may differ materially from the estimate.

### 7.4. Other liabilities

	Consolidated		SAFECOM Entity	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
<b>Current</b>				
Accommodation incentive	886	886	886	886
<b>Total current other liabilities</b>	<b>886</b>	<b>886</b>	<b>886</b>	<b>886</b>
<b>Non-current</b>				
Accommodation incentive	10 110	10 996	10 110	10 996
<b>Total non-current other liabilities</b>	<b>10 110</b>	<b>10 996</b>	<b>10 110</b>	<b>10 996</b>
<b>Total other liabilities</b>	<b>10 996</b>	<b>11 882</b>	<b>10 996</b>	<b>11 882</b>

The MoAA between DIT and SAFECOM for the ESS HQ includes an incentive of \$13.284 million under the lease terms and conditions. The accommodation incentive liability is being amortised over the term of the MoAA (15 years) and the asset depreciated over the same period. The incentive liability is amortised against the accommodation expense being paid to DIT (refer note 4.1).

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## 8. Other disclosures

### 8.1. Equity

#### Asset revaluation surplus

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

#### Investment market value reserve

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

### 8.2. Cash flow reconciliation

	Consolidated		SAFECOM Entity	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
<b>Reconciliation of net cash provided by operating activities to net cost of providing services</b>				
Net cash provided by / (used in) operating activities	54 892	36 695	16 040	10 861
<b>Add / (less) non-cash items</b>				
Depreciation and amortisation	(26 252)	(26 380)	(1 655)	(1 672)
Donated assets	(24)	-	-	-
Resources received free of charge	137	-	-	-
Other non cash expenses	(2)	-	-	-
CWIP write off	(156)	(91)	-	(34)
Net gain/(loss) from disposal of non-current assets	1 289	(1 351)	-	-
Incentive amortisation	886	885	886	885
Derecognition of assets	(3 199)	-	(98)	-
Capital accruals	752	(959)	(58)	76
<b>Movement in assets and liabilities</b>				
Increase/(decrease) in receivables	(2 887)	(6 034)	(546)	(7 109)
(Increase)/decrease in payables	(2 903)	(439)	(729)	324
(Increase)/decrease in employee benefits	(2 396)	(2 125)	(204)	(379)
(Increase)/decrease in provisions	(10 692)	(8 598)	103	(95)
<b>Net result</b>	<b>9 445</b>	<b>(8 397)</b>	<b>13 739</b>	<b>2 857</b>

Total cash outflows for leases for the ESS \$2.995 million (2023: \$2 938 million) and SAFECOM was \$79 000 (2023: \$71 000).

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**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**

	Consolidated		SAFECOM Entity	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Within one year	5 861	9 894	-	143
<b>Total contractual commitments to acquire property, plant and equipment</b>	<b>5 861</b>	<b>9 894</b>	<b>-</b>	<b>143</b>

These contractual commitments to acquire property, plant and equipment are for Fraser fire and rescue build appliances, aerial appliances, property and vehicles.

**Other contractual commitments**

	Consolidated		SAFECOM Entity	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Within one year	16 199	16 210	6 258	7 694
Later than one year but not later than five years	24 269	27 574	6 881	10 729
Later than five years	38 544	43 559	9 884	11 119
<b>Total other contractual commitments</b>	<b>79 012</b>	<b>87 343</b>	<b>23 023</b>	<b>29 542</b>

The ESS's other contractual commitments relate primarily to accommodation, aerial firefighting (SACFS), Emergency Alert national emergency warning system (SAFECOM), National Flood mitigation infrastructure program (SAFECOM), and protective firefighting equipment (SAMFS).

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## 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 ESS is not aware of any contingent assets as at reporting date.

At 30 June 2024, the ESS have a contingent liability relating to the historical use of per- and polyfluoroalkyl substances (PFAS) firefighting foams across sites in South Australia.

PFAS contamination has been identified at three SACFS and seven SAMFS sites, which are now subject to s83a Notices of Site Contamination under the *Environment Protection Act 1993*. It is expected that future sites may be identified as PFAS contaminated in the future.

The ESS is continuing to work through the cost implications of PFAS contamination which is expected to include costs to remediate contaminated land and dispose of contaminated materials.

## 9.3. Impact of standards not yet implemented

The ESS assessed *Australian Accounting Standards and Interpretations* that first applied in 2023-24 and determined that they did not have a material impact on its financial statements. No new *Australian Accounting Standards or Interpretations* have been early adopted.

## 9.4. Trust funds

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

Transactions and balances relating to the trust assets are not recognised as SASES's income, expenses, assets and liabilities, but are disclosed in the table below.

	Consolidated		SAFECOM Entity	
	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
Cash at bank	281	249	-	-
Receivables	21	21	-	-
<b>Total trust funds</b>	<b>302</b>	<b>270</b>	-	-

The trust funds represent funds held by the Australian Council of State Emergency Services. The funds will be utilised to meet expenses incurred by each of the State Emergency Services Headquarters in Australia. The SASES will administer these funds until they are fully expended. In 2023-24, total income earned by the Council was \$31 900 (2023: \$27 300) and no expenses incurred (2023: \$0).

## 9.5. Events after the reporting period

All events occurring after financial statement balance date, and for which the financial reporting framework requires adjustment or disclosure, have been adjusted or disclosed.

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**10. Measurement and risk**

**10.1. Fair value**

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

**Initial recognition**

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

Where assets are acquired at no value, or minimal value, they are recorded at fair value in the Statement of Financial Position.

**Revaluation**

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

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

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

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



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### 10.1. Fair Value (continued)

#### Fair value hierarchy

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

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

The ESS'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 ESS had no valuations categorised into level 1; there were no transfers of assets between level 1 and 2 fair value hierarchy levels and there were no changes in valuation technique.

#### Land, buildings and vehicles

ESS undertook an internal exercise to determine whether the carrying amounts of land and buildings assets recognised under the revaluation model, were materially different from their fair values. This 2023-24 exercise was jointly undertaken by SAFECOM Finance, Shared Services South Australia (SSSA) and operational staff.

After undertaking this review, ESS elected to process a revaluation increment for ESS land assets effective as of 30 June 2024. The increment was based on the average increase in land values within the state since the last independent valuation.

An independent valuation of land, vehicles and buildings was last performed by Liquid Pacific Pty Ltd (Certified Practising Valuer) in 2019. The buildings values at revaluation were considered relevant for 30 June 2024.

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

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

The next independent valuation of land, vehicles and buildings will occur in 2024-25.

#### Plant and equipment

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

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## **10.2. Financial Instruments**

### **Financial risk management**

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

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

### **Liquidity risk**

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

Refer to notes 1.1 and 2.1 for further information.

### **Credit risk**

The ESS has minimal concentration of credit risk. The ESS has policies and procedures in place to ensure that transactions occur with customers with appropriate credit history. No collateral is held as security and no credit enhancements relate to financial assets held by the ESS.

### **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 ESS uses an allowance matrix to measure the expected credit loss of receivables from non-government debtors which comprise a large number of small balances.

To measure the expected credit losses, receivables are grouped based on shared risks characteristics and the days past due. When estimating expected credit loss, the ESS 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 ESS's historical experience and informed credit assessment, including forward-looking information.

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

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

The expected credit loss for government debtors for the ESS is nil. The expected credit loss for government debtors for SAFECOM is nil. This is based on the external credit ratings and nature of the counterparties.

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

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

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

**South Australian Fire and Emergency Services Commission**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2024*

**10.2. Financial instruments (continued)**

**Impairment of financial assets (continued)**

<b>2024</b>	<b>Debtor gross carrying amount \$'000</b>	<b>Loss %</b>	<b>Lifetime expected losses \$'000</b>
Current (not past due)	253	0.39%	1
1-30 days past due	93	0.21%	-
31-60 days past due	44	0.63%	-
61-90 days past due	55	2.72%	1
More than 90 days past due	284	3.17%	9
<b>Loss allowance</b>	<b>729</b>		<b>11</b>

**Cash and debt instruments**

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

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

**Categorisation of financial instruments**

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

**Classification of financial assets and liabilities**

The ESS measures all financial instruments at amortised cost other than lease liabilities which are measured at the present value of expected future cash payments. All financial assets and liabilities carrying amount equals their fair value as at 30 June 2024 and are expected to be settled within one year excluding financial liabilities. Maturity analysis for financial liabilities is presented in note 7.2.

**Community Emergency Services Fund  
(The Fund)**

**Administered Financial Statements**

For the year ended 30 June 2024

**Community Emergency Services Fund**  
**Statement of Administered Comprehensive Income**  
*for the year ended 30 June 2024*

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	<b>Note</b>	<b>2024</b>	<b>2023</b>
		<b>\$'000</b>	<b>\$'000</b>
<b>Administered income</b>			
Levy sources	A2.1	381 036	365 118
Fees and charges	A2.2	507	508
Interest		4 200	3 027
<b>Total administered income</b>		<b>385 743</b>	<b>368 653</b>
<b>Administered expenses</b>			
Contributions to SA Government administrative units	A3.1	366 795	356 843
Grants and subsidies	A3.2	4 556	6 532
Other	A3.3	9 023	8 840
<b>Total administered expenses</b>		<b>380 374</b>	<b>372 215</b>
<b>Net result</b>		<b>5 369</b>	<b>(3 562)</b>
<b>Total comprehensive result</b>		<b>5 369</b>	<b>(3 562)</b>

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

**Community Emergency Services Fund**  
**Statement of Administered Financial Position**  
*as at 30 June 2024*

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	Note	2024 \$'000	2023 \$'000
<b>Administered current assets</b>			
Cash and cash equivalents	A4.1	21 544	17 158
Receivables from SA Government		1 669	1 403
<b>Total current assets</b>		<u>23 213</u>	<u>18 561</u>
<b>Administered current liabilities</b>			
Payables		1 391	2 108
<b>Total current liabilities</b>		<u>1 391</u>	<u>2 108</u>
<b>Net assets</b>		<u>21 822</u>	<u>16 453</u>
<b>Administered equity</b>			
Retained earnings		21 822	16 453
<b>Total equity</b>		<u>21 822</u>	<u>16 453</u>

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

**Community Emergency Services Fund**  
**Statement of Administered Cash Flows**  
*for the year ended 30 June 2024*

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		<b>2024</b>	<b>2023</b>
	<b>Note</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Cash flows from operating activities</b>			
<b>Cash inflows</b>			
Receipts from levy sources		380 764	364 920
Fees and charges		507	509
Interest received		4 206	3 018
<b>Cash generated from operations</b>		<b>385 477</b>	<b>368 447</b>
<b>Cash outflows</b>			
Payments to SA Government administrative units		(366 795)	(356 843)
Payments of grants and subsidies		(5 200)	(5 115)
Other payments		(9 096)	(8 751)
<b>Cash used in operations</b>		<b>(381 091)</b>	<b>(370 709)</b>
<b>Net cash (used in) provided by operations</b>	A5.1	<b>4 386</b>	<b>(2 262)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>4 386</b>	<b>(2 262)</b>
<b>Cash and cash equivalents at the beginning of the period</b>		<b>17 158</b>	<b>19 420</b>
<b>Cash and cash equivalents at the end of the period</b>	A4.1	<b>21 544</b>	<b>17 158</b>

The accompanying notes form part of these financial statements.

**Community Emergency Services Fund**  
**Notes to and forming part of the financial statements**  
*For the year ended 30 June 2024*

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**Notes to the financial statements**

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**Community Emergency Services Fund**  
**Notes to and forming part of the financial statements**  
*For the year ended 30 June 2024*

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**A1. About the Community Emergency Services Fund**

**A1.1. Basis of preparation and accounting policies**

The basis of preparation for the Community Emergency Services Fund (the Fund) is the same as outlined in SA Fire and Emergency Services Commission's (SAFECOM) financial statements. The Fund applies the same accounting policies as set out in the notes of SAFECOM's financial statements.

**A1.2. Establishment, objectives and funding arrangements**

**Establishment**

The Fund was established pursuant to the *Emergency Services Funding Act 1998* (the Act).

**Objectives**

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

**Funding arrangements**

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

**Community Emergency Services Fund**  
**Notes to and forming part of the financial statements**  
*For the year ended 30 June 2024*

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**A1.3. Budget performance**

The budget performance table compares the Fund'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
<b>Statement of Comprehensive Income</b>			
<b>Income</b>			
Levy sources	377 176	381 036	3 860
Fees and charges	457	507	50
Interest	1 725	4 200	2 475
<b>Total administered income</b>	<b>379 358</b>	<b>385 743</b>	<b>6 385</b>
<b>Expenses</b>			
Contributions to SA Government administrative units	366 027	366 795	768
Grants and subsidies	5 513	4 556	(957)
Other	9 022	9 023	1
<b>Total administered expenses</b>	<b>380 562</b>	<b>380 374</b>	<b>(188)</b>
<b>Net result</b>	<b>(1 204)</b>	<b>5 369</b>	<b>6 573</b>
<b>Total comprehensive result</b>	<b>(1 204)</b>	<b>5 369</b>	<b>6 573</b>

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

In 2023-24 there were no variances that exceeded the greater of 10% of the original budget amount and 5% of original budgeted total expenses.

**Community Emergency Services Fund**  
**Notes to and forming part of the financial statements**  
*For the year ended 30 June 2024*

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**A2. Income**

**A2.1. Levy sources**

	2024	2023
	\$'000	\$'000
Fixed property collections	194 184	178 907
Fixed property remissions	127 906	128 055
Mobile collections	49 178	48 511
Government concessions	6 687	6 574
Mobile remissions	3 081	3 071
<b>Total revenues from levy sources</b>	<b>381 036</b>	<b>365 118</b>

Various SA Government entities administer revenue from levy sources on behalf of the Fund, remitting revenue to the Fund once collected. The Fund recognises revenue when it obtains the right to receive which is generally when the revenue has been collected by the administering entity.

**A2.2. Fees and charges**

Revenue SA administers certificate sales on behalf of the Fund, remitting revenue to the Fund once collected. The Fund recognises revenue when it obtains the right to receive which is generally when the revenue has been collected by the administering entity \$507 000 (2023: \$508 000).

**Community Emergency Services Fund**  
**Notes to and forming part of the financial statements**  
*For the year ended 30 June 2024*

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**A3. Expenses**

**A3.1. Contributions to SA Government administrative units**

	2024	2023
	\$'000	\$'000
South Australian Metropolitan Fire Service	178 312	168 126
South Australian Country Fire Service	101 622	93 617
South Australian State Emergency Service	26 323	34 530
South Australian Police	25 050	24 439
South Australian Fire and Emergency Services Commission	19 255	20 133
Department for Environment and Water	12 974	12 818
South Australian Ambulance Service	1 345	1 312
South Australian Police - Government radio network	858	837
Attorney-General's Department - State Rescue Helicopter Service	797	778
South Australian Ambulance Service - Government radio network	259	253
<b>Total contributions to SA Government administrative units</b>	<b>366 795</b>	<b>356 843</b>

**A3.2. Grants and subsidies**

	2024	2023
	\$'000	\$'000
Surf Life Saving South Australia	2 664	4 699
Volunteer Marine Rescue	1 394	1 360
Shark Beach Patrol	498	473
<b>Total grants and subsidies</b>	<b>4 556</b>	<b>6 532</b>

**A3.3. Other expenses**

	2024	2023
	\$'000	\$'000
Revenue SA - collection costs	7 280	7 139
Department of Infrastructure and Transport - collection costs	1 005	981
Administration costs	738	720
<b>Total other expenses</b>	<b>9 023</b>	<b>8 840</b>

**Community Emergency Services Fund**  
**Notes to and forming part of the financial statements**  
*For the year ended 30 June 2024*

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**A4. Financial assets**

**A4.1. Cash and cash equivalents**

The Fund consists of one operating account held with the Treasurer of \$21.544 million (2023: \$17.158 million). This account is interest bearing.

**A5. Other disclosures**

**A5.1. Cash flow reconciliation**

	<b>2024</b>	<b>2023</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Reconciliation of cash and cash equivalents at the end of the reporting period</b>		
Cash and cash equivalents disclosed in the Statement of Financial Position	21 544	17 158
Balance as per the Statement of Cash Flows	21 544	17 158
<b>Reconciliation of net cash provided by / (used in) operating activities to net result</b>		
Net cash provided by/(used in) operating activities	4 386	(2 262)
<b>Movement in assets and liabilities</b>		
Increase/(decrease) in receivables	266	206
(Increase)/decrease in payables	717	(1 506)
<b>Net result</b>	<b>5 369</b>	<b>(3 562)</b>

# **Community Emergency Services Fund**

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

*For the year ended 30 June 2024*

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### **A6. Measurement and risk**

#### **A6.1. Financial instruments**

##### **Financial risk management**

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

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

##### **Liquidity risk**

The Fund is funded principally from ESL contributions, government concessions and remissions, and interest. The payments from the Fund are referred by the Economic and Finance Committee, pursuant to the Act, and approved by the Minister for Police, Emergency Services and Correctional Services. The Fund is an Administered item and cash flows associated with its approved payments and budgeted receipts are managed to ensure funding is available to meet the expected cash flows.

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

##### **Credit risk**

The Fund has minimal concentration of credit risk. The Fund is dependent on funds collected through the ESL (fixed and mobile property). The Fund does not engage in high risk hedging for its financial assets. No collateral is held as security and no credit enhancements relate to financial assets held by the Fund.

##### **Impairment of financial assets**

All of the Fund's debtors at balance date were government debtors. The expected credit loss of government debtors is considered to be nil based on the external credit ratings and nature of the counterparties. The expected credit loss is nil.

##### **Market risk**

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

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

##### **Categorisation of financial instruments**

Details of the significant accounting policies and methods adopted including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised with respect to each class of financial asset, financial liability and equity instrument are disclosed in note A1.1.

The Fund's financial assets and liabilities, receivables and payables are held at cost therefore their carrying is a reasonable approximation of their fair values due to the short-term nature of these.

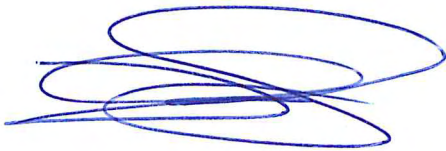
All financial assets and liabilities are expected to be settled within 1 year.

**South Australian Fire and Emergency Services Commission**  
**Certification of Financial Statements**  
*for the year ended 30 June 2024*

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We certify that the:

- financial statements of the South Australian Fire and Emergency Services Commission:
  - are in accordance with the accounts and records of the South Australian Fire and Emergency Services Commission;
  - comply with relevant Treasurer's Instructions;
  - comply with relevant accounting standards; and
  - present a true and fair view of the financial position of the South Australian Fire and Emergency Services Commission 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 South Australian Fire and Emergency Services Commission for the financial year over its financial reporting and its preparation of financial statements have been effective.



Julia Waddington-Powell  
Chief Executive  
South Australian Fire and Emergency Services  
Commission  
13 September 2024



Julie Best  
Director Finance, Chief Financial Officer  
13 September 2024



Peter de Cure  
Presiding Officer  
South Australian Fire and Emergency Services  
Commission Board  
13 September 2024