



**Government
of South Australia**

SA Ambulance Service Inc

2018-19 Annual Report

SA Ambulance Service

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To:

Hon Stephen Wade MLC

Minister for Health and Wellbeing

This annual report will be presented to Parliament to meet the statutory reporting requirements of *Public Sector Act 2009*, the *Public Finance Audit Act 1987* and the requirements of Premier and Cabinet Circular *PC013 Annual Reporting*.

This report is verified to be accurate for the purposes of annual reporting to the Parliament of South Australia.

Submitted on behalf of SA Ambulance Service by:

David Place

Chief Executive Officer

Date 25 · 09 · 19

Signature 

From the Chief Executive



Year in Review – Highlights from the Chief Executive Officer

On 1 December 2018 Paramedics became a nationally registered profession. All eligible staff within SA Ambulance Service had their applications in by this closing date. This is an enormous milestone for the profession. Paramedics must now meet the Paramedicine Board of Australia's Standards in order to practice in Australia which is regulated by the Australian Health Practitioner Regulation Agency (AHPRA).

In 2018/19 the Out of Hospital Cardiac Arrest (OHCA) Conferences continued to be delivered throughout the year with approximately 65 OHCA education sessions delivered. The focus of these sessions has been to improve OHCA outcomes by training in a contemporary high-performance approach facilitated by a pit-crew model. The majority of the operational workforce had successfully completed the workshops by June 2019. There was overwhelming enthusiasm and buy-in from clinical staff who thoroughly enjoyed these educational conferences.

In the year of 2018/19 SAAS has seen many achievements across the organisation which highlight the constant work staff are doing to support the changing needs of our people, patients, partners and enablers.

SAAS continued the regional Community Paramedic Programs in Robe and Ceduna. These programs engage and support the local communities, managing chronic conditions to keep people out of hospital. In Ceduna the Community Paramedics work focus on relationship building and healthcare predominantly amongst the Aboriginal population. The Robe Community Paramedics support the access to healthcare on the Limestone Coast and management of chronic and acute conditions particularly among elderly people.

SAAS is committed to supporting and creating a better understanding about the challenges Aboriginal and Torres Strait Islander people face. During 2018/19, six full time Patient Transport Officer Positions were allocated under the Patient Transport Services Aboriginal Cadetship. SAAS continued to implement its Reconciliation Action Plan (RAP) showing its organisational commitment to Reconciliation. Throughout the last year SAAS has delivered educational sessions on the RAP to the wider workforce, ensuring awareness of the plan and the vision for the future. SAAS's vision for reconciliation is to foster cross cultural awareness and respect among staff, open up meaningful conversations with staff across the organisation to address racism, empower staff to build relationships with Aboriginal people and to develop culturally responsive health services.

SAAS's RAP committee members attended and supported a number of NAIDOC (National Aborigines and Islanders Day Observance Committee) events across the metropolitan and country regions including awareness marches, fun days and community ceremonies.

In May 2019, the refurbishment of the Jamestown ambulance station was completed. This infrastructure investment was partly funded by the community group The Jamestown Friends of Ambulance Trust through the Mid North Health Care Trust and partly by the Government of South Australia. The past year also saw the exciting opening of two brand new metropolitan ambulance stations at Glengowrie and Parafield.

The Minister for Health and Wellbeing announced a further \$3.6 million investment in October 2018 to continue to support volunteer training over the next three years. This funding will also support four clinical support staff until June 2021 to develop course content, enhance our e-learning system and provide 22 education kits, including manikins, monitor simulations, dummy drug products and a suite of iPads so that volunteers can train locally.

In 2019 SAAS is celebrating the 10 year anniversary of MedSTAR (Medical State-wide Trauma/Transport Advice Retrievals) working as part of SAAS. This important division provides rescue, retrieval and specialist medical care to patients across the state. It consists of highly trained doctors, nurses and paramedic teams which are available 24/7.

The Special Operations Team who work closely with SAAS MedSTAR, responded interstate in early December 2018 to work on the firefighting strike teams in Queensland to help protect the local communities and properties.

The last financial year has also seen a number of other achievements across our workforce. On 26 October 2018, the first SAAS Staff Appreciation Day was celebrated, an opportunity for the community to show its appreciation for the hard work of staff and volunteers.

Our Corporate Communications team developed the new SAASnet mobile app, enabling our workforce to access clinical guidelines and other documents all through their smart phone while on shift. SAAS also saw its highest year on year growth with 54.62% increase in participation in the Emergency Services Blood Challenge, donating blood and plasma to help save lives across South Australia.

A total of 75 new paramedic recruits joined SAAS through the Paramedic Graduate Internship program. The organisation saw its first two 'super groups' each consisting of 30 new interns, the largest number of paramedic interns to start on the same day in history.

SAAS and SA Health saw an early spike in the flu season prompting the early distribution of the flu vaccination. As of the 30 June 2019 77% of employees had received the vaccination which is a 10% increase to the 2018 period.

November 2018 saw the introduction of the first Staff Engagement Forum. This forum was introduced to increase openness and transparency across the organisation, enabling any staff member to attend or tune in remotely to learn about the organisations activities, plans and vision. All executive staff members attend and there is an opportunity for staff to ask questions.

SAAS has continued its excellent efforts in providing emergency medical assistance, treatment and transport, non-urgent patient transport and high-quality patient care to the people of South Australia. There has been a great deal achieved over the last year and our staff work tirelessly to provide outstanding care to the community. It is paramount that we continue to work together to support one another and strive towards ongoing excellent pre-hospital emergency care.

David Place

Chief Executive Officer

SA Ambulance Service

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Overview: about the agency

Our strategic focus

As the principal provider of ambulance services across South Australia, SA Ambulance Service (SAAS) delivers:

- Triple Zero (000) call receipt and patient triage
- Pre-hospital emergency and urgent care, treatment and/or transport
- Non-emergency patient care and transport
- Emergency and major event management
- Rescue and emergency medical retrieval services.

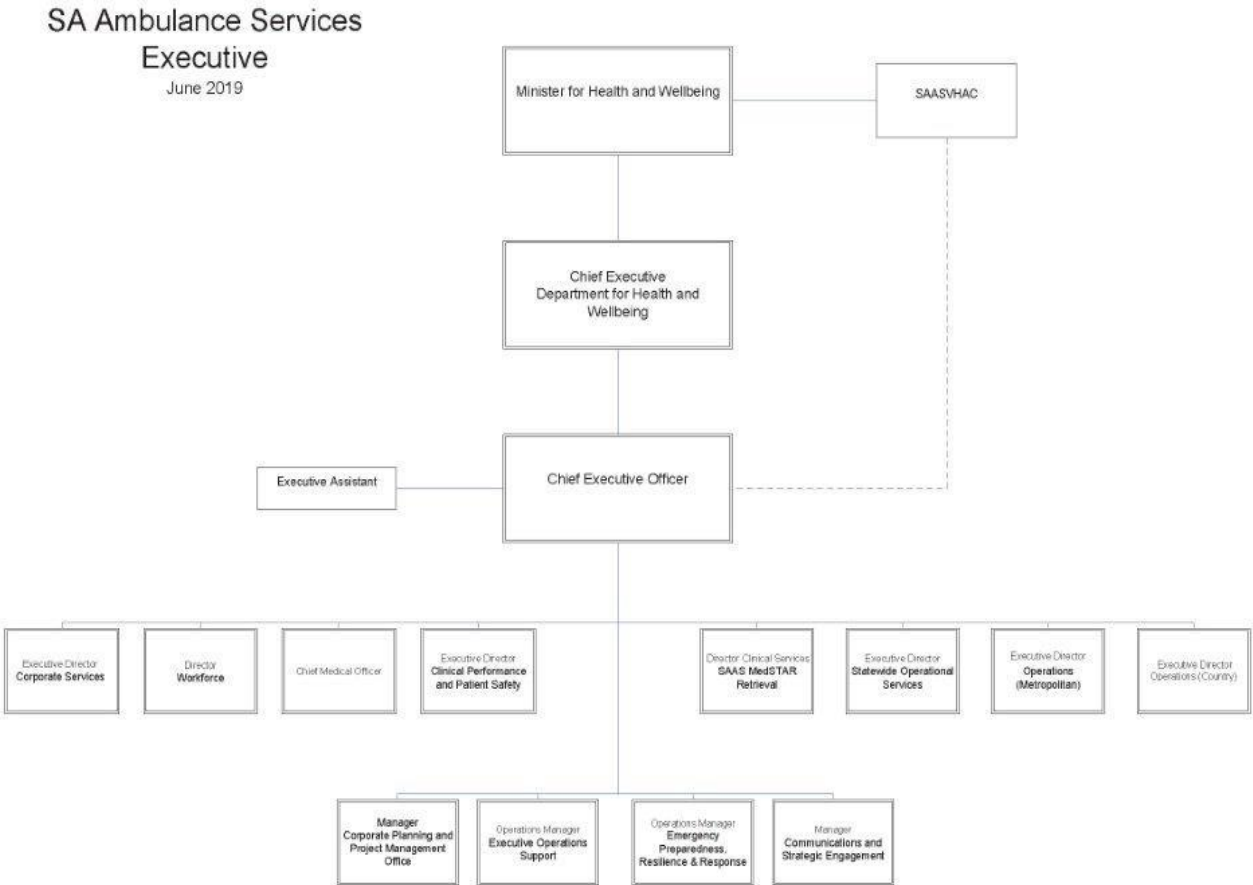
SAAS also provides the following services:

- Coordination of State Rescue Helicopter Services, via the SAAS Emergency Operations Centre
- Management of the Royal Flying Doctor Service contract for fixed-wing inter-hospital air transfers
- Collaboration with Flinders University to deliver the Bachelor of Paramedic Science, the Master of Health Services (Pre-Hospital and Emergency Care), the Graduate Diploma in Intensive Care Paramedic Studies, and the Master of Retrieval Practitioner degree courses
- Collaboration with James Cook University to deliver the Postgraduate Certificate in Aeromedical Retrieval and Master of Public Health degree courses
- Provision, as a registered training organisation, of in-house, nationally accredited training to SAAS staff
- Provision and administration of the Ambulance Cover subscription scheme
- Management of Call Direct, a 24-hour personal monitoring emergency service.

SAAS is committed to saving lives, reduce suffering and enhance quality of life, through the provision of accessible and responsive quality patient care and transport.

To ensure all patients receive the right care, some patients will be transported to the most appropriate hospital, which may not always be the closest one, or the one they have been treated at before. Patients will be transported to the hospital that provides the best clinical care for their condition.

Our organisational structure



SAAS reports to the Minister for Health and Wellbeing through the Chief Executive, Department for Health and Wellbeing. SAAS's executive structure in 2018-19 was as follows:

Chief Executive Officer

Executive Director, Corporate Services

Director Workforce

Chief Medical Officer

Executive Director, Clinical Performance and Patient Safety

Executive Director Operations (Country)

Executive Director Operations (Metropolitan)

Executive Director Statewide Operational Services

Director Clinical Services MedSTAR

The SAAS Volunteer Health Advisory Council (SAASVHAC), advocates for, and provides advice to the Minister for Health and Wellbeing and the SAAS Chief Executive Officer on matters pertaining to the volunteer sector.

Changes to the agency

During 2018-19 there were no changes to the agency's structure and objectives as a result of internal reviews or machinery of government changes.

Our Minister



Hon Stephen Wade MLC is the Minister for Health and Wellbeing in South Australia.

The Minister oversees health, wellbeing, SA Ambulance Service, mental health, ageing well, substance abuse and suicide prevention.

Our Executive team

SAAS is led by David Place, Chief Executive Officer and a team of eight Executive Directors.

A robust Governance structure with a number of committees are in place and report to the Chief Executive Officer.

Legislation administered by the agency

Relevant provisions in *Health Care Act 2008*

Other related agencies (within the Minister's area/s of responsibility)

Department of Health and Wellbeing

Central Adelaide Local Health Network

Country Health Local Health Network

Northern Adelaide Local Health Network

Southern Adelaide Local Health Network

Women's and Children's Local Health Network

Office for Ageing Well

The agency's performance

Performance at a glance

On any day, on average

636 Triple Zero (000) calls were received.

233 non-emergency calls were received.

SAAS staff responded to **837** incidents transporting **717** patients. **93** patients were looked after through the See and Treat process.

MedSTAR and Special Operations Team responded to **14** incidents.

22 incidents were attended by Extended Care Paramedics.

60 jobs were responded to by volunteers.

SPRINT (Single Paramedic Response Intervention Team) responded to **41** cases.

Agency contribution to Whole of Government objectives

Key objective	Agency's contribution
More jobs	<p>SAAS recruited 43 qualified paramedics. During 2018/19, SAAS had three Graduate groups commence which comprised of 75 paramedic interns out of 78 places.</p> <p>Six full time Patient Transport Officer positions were allocated during 2018/19. Five new employees commenced.</p>
Lower costs	<p>SAAS works within its budget as allocated by the Department of Treasury and Finance.</p>
Better Services	<p>SAAS developed an operational model with the intention to assist Local Health Networks to manage patient flow by reducing Emergency Department presentations and support the management of patients outside of a hospital environment in line with proposed Health alternative pathways.</p> <p><u>Community Paramedics</u></p> <p>SAAS formally secured funding from Country SA Primary Health Network and Country Health SA Local Health Networks to extend the successful Community Paramedic programs in Robe and Ceduna.</p> <p><u>See and Treat</u></p> <p>During 2018, SAAS introduced a revised clinical response model which utilised an increase of single responders to create a more clinically targeted 'See and Treat' model where complex patients could be assessed and treated, referred to alternative care pathways or transport by lower clinical level crews.</p> <p><u>GP Locum Service</u></p> <p>SAAS also commenced referring patients to its new locum service National Home Doctor Service (NHDS). As at 30 June 2019, SAAS referred a total of 150 patients, of which 122 were accepted.</p>

Better Services	<p><u>Infrastructure:</u></p> <p>The Government of South Australia invested \$12 million for two new ambulance stations in the western and northern suburbs.</p> <p>The new \$6.4 million western station, located at 88b Morphett Road, Glengowrie became fully operational in August 2018. The station included provisions for operational staff, seven ambulances and two light fleet vehicles.</p> <p>The new \$5.8 million northern stations, located off Kings Road at Parafield became operational in September 2018. The new station includes provision and accommodation for operational staff, nine ambulances and three light fleet vehicles.</p> <p>In May 2019, the Jamestown ambulance station completed its \$240,000 refurbishment in May 2019. The Jamestown Friends of Ambulance Trust advocated for the provision of \$100,000 from the Mid North Health Care Trust with the South Australian Government funding the remaining \$140,000.</p> <p>During 2018/19, SAAS invested in a roll-out of infrastructure upgrades such as NBN across eight country ambulance stations which were earmarked to trial the administration of intranasal fentanyl by qualified (volunteer) ambulance officers at Certificate IV level.</p>
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Agency specific objectives and performance

Our strategic plan has been in place since 2017. Our four key themes provide the primary objectives and focus for SAAS and are:

1. Our Patients – At the centre of everything we do:
 - Assign the right resource first time, every time.
 - Offer integrated and flexible care options.
 - Prepare for professional registration.
 - Provide tailored safe evidence based clinical practice relevant to patient and community needs.
2. Our People – are our most important asset:
 - Enhance the capability and capacity of our people.
 - Offer best in class education for our people.
 - Develop a SAAS skills escalator.
 - Streamline business processes.

3. Our Partners – work together for better care:

- Develop collaborative partnerships across the health system.
- Build community relationships with patients and hard to reach patient groups.
- Improve cross directorate relationships and foster shared ownership.
- Enhance cooperation with emergency service partners.

4. Our Enablers – a sustainable future for our business.

- Improve technology and infrastructure.
- Enhance the role of SAAS as a state-wide service and system provider.
- Provide greater access to information.
- Provide a long term sustainable fiscal strategy.

Agency objectives	Indicators			Performance
Our Patients – at the centre of everything we do.	Response times	2018-19		SAAS reached South Australia’s most seriously ill and injured patients within eight minutes on 71.7% occasions. This financial year, SAAS exceeded the KPI for responding to Priority 1 events with an increase in performance against this target since 2017/18 of around 1%. SAAS reached 82.3% of its Priority 2 cases. SAAS reached 52.1% of its Priority 3 cases.
	Priority	Performance	Target	
	1 (Life threatening)	71.7% within 8 minutes	60% within 8 minutes	
	2 (Potentially life threatening)	82.3% within 16 minutes	95% within 16 minutes	
	3 (urgent but non-life threatening)	52.1% within 30 minutes	92% within 30 minutes	
	Although SAAS did not reach its target in Priority 2 and Priority 3, all three priority targets are challenging by national standards and are ambitious in their aim.			
	Whilst this reflects a slight decrease in performance against Priority 2 and Priority 3 from 2017/18, SAAS is performing well considering the sustained growth in emergency workload.			
Transports		2018/19	% since 2017/18	
Transported patients		261,840	5.30%	
Treat Not Transport		23,244	-1.10	

	<table border="1"> <tr> <th>Incidents</th><th>2018/19</th><th>% since 2017/18</th></tr> <tr> <td>Emergency Incidents (P1-5)*</td><td>256,475</td><td>5.60%</td></tr> </table> <p>* An incident is an event that resulted in a demand for ambulance services to response. This includes growth in calls, incidents, responses, and in transport.</p> <table border="1"> <tr> <th>Transports</th><th>2018/19</th><th>%since 2017/18</th></tr> <tr> <td>Non-Emergency Transports</td><td>25,320</td><td>8%</td></tr> </table>	Incidents	2018/19	% since 2017/18	Emergency Incidents (P1-5)*	256,475	5.60%	Transports	2018/19	%since 2017/18	Non-Emergency Transports	25,320	8%	
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<p>Our Patients – at the centre of everything we do.</p>	<p><u>Triple Zero (000)</u></p> <p>SAAS has set a target of answering 95% of Triple Zero (000) calls within 10 seconds.</p> <p>As well as having a timeliness target for answering Triple Zero (000) calls, SAAS is also required to triage the calls according to a prescribed standard.</p> <p>The International Academy of Medical Dispatch recognised SAAS as an Accredited Centre of Excellence in Emergency Medical Dispatch for demonstrating compliance to the highest level of standards.</p> <p>Accreditation was granted on 12 March 2018 and is valid until 29 December 2020.</p>	<p>During 2018/19 SAAS answered 93.67% within 10 seconds, with the final quarter reaching 94.7% following an increase to resources. It is anticipated based on current trends that this target will continue to improve despite an increase in call volume.</p> <p>232,429 Triple Zero (000) calls were answered which is an increase of 14,642 calls (6.7%) compared to the last financial year.</p> <p>Of the 232,429 calls, SAAS answered 217,716 of the total number of Triple Zero (000) calls within 10 seconds – an increase of 8% compared to the</p>												

		<p>previous financial year.</p> <p>Additionally, SAAS also answered a total of 85,188 non-emergency calls.</p>																																						
<p>Our Patients - at the centre of everything we do</p>	<p><u>SAAS MedSTAR retrievals</u></p> <table><tr><th>Retrieval missions</th><th>2018-19</th><th>% change 2017/18 to 18/19</th><th>2017-18</th></tr><tr><td>Adults</td><td>1802</td><td>0.5%</td><td>1793</td></tr><tr><td>Paediatric (inc neonatal)</td><td>884</td><td>1.5%</td><td>871</td></tr><tr><td>Total</td><td>2686</td><td>0.8%</td><td>2664</td></tr></table> <table><tr><th colspan="2">Retrievals by Transport Mode</th></tr><tr><td>Road</td><td>941</td></tr><tr><td>Helicopter</td><td>664</td></tr><tr><td>Plane</td><td>609</td></tr></table>	Retrieval missions	2018-19	% change 2017/18 to 18/19	2017-18	Adults	1802	0.5%	1793	Paediatric (inc neonatal)	884	1.5%	871	Total	2686	0.8%	2664	Retrievals by Transport Mode		Road	941	Helicopter	664	Plane	609	<table><tr><th>Patient Outcome</th><th></th></tr><tr><td>Retrieved or transferred</td><td>2206</td></tr><tr><td>Stood down</td><td>390</td></tr><tr><td>Treat no Transfer</td><td>52</td></tr><tr><td>Patient Death</td><td>34</td></tr><tr><td>Palliation</td><td>4</td></tr><tr><td>Total</td><td>2686</td></tr></table>	Patient Outcome		Retrieved or transferred	2206	Stood down	390	Treat no Transfer	52	Patient Death	34	Palliation	4	Total	2686
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Our Patients - at the centre of everything we do	<p><u>GP Locum Service</u></p> <p>On 9 August 2018, SAAS commenced referring a small cohort of patients who contact Triple Zero (000) and who are assessed as not requiring an emergency ambulance to a new locum service through the National Home Doctor Service (NHDS).</p>	As at 30 June 2019, SAAS referred a total of 150 patients, of which 122 were accepted.
Our People – are our most important asset	<p><u>Paramedic Registration</u></p> <p>Paramedicine became a regulated profession as at 1 December 2018.</p> <p>Registered paramedics will be recognised in all Australian states and territories and their names will be listed on a public register of practitioners, managed by the Australian Health Practitioners Regulation Agency (AHPRA).</p> <p>As such, SAAS paramedics are now required to be registered with AHPRA to perform their role, including attending cases and treating patients.</p>	During 2018-19, a coordinated and strategic approach was successfully applied throughout the organisation via an internal communication plan with all eligible staff having applications in by the closing date.
Our People – are our most important asset	<p><u>Our volunteers</u></p> <p>As at June 2019, SAAS had a total of</p> <ul style="list-style-type: none"> • 1,307 operational volunteers • 218 non-operational volunteers • 75 volunteer stations in regional South Australia. <p>In 2018/19, the Government of South Australia allocated \$6.613 million to support our country ambulance volunteers specifically for the volunteer station operating costs, the volunteer support unit and other centrally managed volunteer activities.</p>	In 2018/19 volunteer ambulance officers responded to approximately 21,238 cases across the state.

	<p>This included a \$3.6 million investment to enable SAAS to expand its volunteer training program to allow volunteer ambulance recruits to be on the road sooner.</p> <p>The \$3.6 million over three years will sustain four clinical support staff until June 2021 to develop course content and provide 22 education kits, including manikins, monitor simulations, dummy drug products and a suite of iPads so that volunteers can train locally.</p>	
Our Partners – working together for better care	<p><u>Country Health SA Local Health Network (LHN)</u></p> <p>During 2018/19 SAAS has been working with Country Health SA LHN to develop broad and long term strategies to address rural workforce challenges in the areas of indigenous health, technology, allied health and GP shortages.</p> <p>SAAS also worked with Country Health SA LHN to support the locally driven trial for a Community Paramedics program in Robe and Ceduna. The program saw five Full Time Employee Intensive Care Paramedics being embedded in Ceduna and Robe.</p> <p>The \$862,000 per year program has been extended until December 2019 following a trial period, which was initially due to come to an end on 30 September 2018.</p>	<p>SAAS formed an internal working group to develop a Country Clinical Risk map to identify country resourcing requirements.</p> <p>The program has been highly successful. And well received by the communities. The clinicians live in the community and work closely with local Health Care.</p> <p>Professionals to coordinate community care options that link vulnerable people living in the community with appropriate care teams.</p>

<p>Our Partners – working together for better care</p>	<p><u>Royal Flying Doctor's Service (RFDS)</u></p> <p>SAAS has held an Inter Hospital Transfer contract with RFDS for seven years that covers the cost of all patients transferring from country hospitals to metropolitan hospitals or from country to country.</p> <p>SAAS has been experiencing increased demand for use of the RFDS transport numbers from country to metropolitan which has been rising each year.</p> <p>A \$320,000 investment in 23 Stryker stretchers for the RFDS was announced in April 2019.</p>	<p>In 2018-19, the number of patients transported by RFDS from country to metropolitan was 5,120 as compared to 5,055 from the previous financial year.</p>
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<p>Our Partners – working together for better care</p>	<p><u>Other Emergency Services</u></p> <p>Under the <i>SA Emergency Management Act</i> (2004) and the <i>State Emergency Management Plan</i> (SEMP), SAAS must demonstrate that it plans for and can deal with a wide range of major incidents that may affect our communities</p> <p>During times of emergencies such as motor vehicle accidents and extreme weather events, SAAS works alongside other emergency services including SA Metropolitan Fire Service, Country Fire Service, State Emergency Service and SA Police.</p>	<p>SAAS emergency preparedness plans were put to the test through several exercises, and through involvement in a number of major incidents summarised below:</p> <ul style="list-style-type: none"> • Level 1 Incidents (casualty or non-casualty requiring local resources): 20 incidents • Level 2 incidents (casualty or non-casualty requiring regional resources): 5 incidents
<p>Our Enablers – A sustainable future for our business</p>	<p><u>Ambulance Cover Electronic Invoicing</u></p> <p>Ambulance cover electronic invoicing will digitally transform and modernise the way SAAS interacts with its customers in addition to reducing our carbon footprint. It will enable SAAS members to view and pay their ambulance cover renewal online using a securelink with reminder notices sent as an SMS or email to ensure customers never miss paying their renewal.</p> <p>The new system will also assist in streamlining payment processes by reducing errors and improving payment turnaround times.</p>	<p>Work and planning between SAAS and Fuji Xerox commenced during 2018/19 and is underway.</p>

Corporate performance summary

On average, SAAS's year-on-year workload increases by approximately 2.6 percent. This financial year, overall workload increased by just over 2 percent.

Emergency and urgent activity has grown over the last five years averaging 4.3 percent per annum. For 2018/19 financial year, there was a 5.7 percent increase in activity; this percentage increase translates to an average of 9,388 incidents per year.

In 2018/19, SAAS response rate to Priority 1 cases was 71.7 percent - exceeding its target to respond to 60 percent of incidents in less than 8 minutes.

All other levels of priority saw a decrease in performance. Although SAAS did not meet its target in Priority 2 and Priority 3, all three priority targets are challenging by national standards and are ambitious in their aim. Whilst this reflects a slight decrease in performance against Priority 2 and Priority 3 from 2017/18, SAAS is performing well considering sustained growth in workload.

In 2018/19 SAAS transported 261,802 patients and provided treatment to 34,099 patients via 'See and Treat'.

The usual surges seen during the peak demand period of July to September have increased by 8.9 percent. For example, during winter 2018 some days had 32 percent more activity than the same day in the previous year.

The increase in demand is likely to continue as the population grows at a rate of 0.9 percent, but more importantly as the population ages.

There is a demonstrable correlation in increased demand and increased hospital handover times, resulting in heightened ambulance utilisation rates which impacts upon response times. There has been a lot of activity to improve patient flow in Local Hospital Networks over the past year. It was important for SAAS to keep the spotlight of hospital flow, as when it works well, response times improve.

SAAS's current service delivery model is based on a traditional model in which a high proportion of patients are transported to an Emergency Department (ED). A revised Service Delivery Model continues to be developed to reduce ED attendances and increase alternative pathway options.

According to the 2019 Productivity Commission Report into Government Services, SAAS has a higher rate of transport per 1,000 people than the national average at 161.71 compared to 141.5.

SAAS is also experiencing increased demand for use of the Royal Flying Doctor Service (RFDS). The number of patients being transported by RFDS from Country to Metro was 5,055 in 2017/18 rising to 5,120 for 2018/19.

SAAS strives to ensure that its service delivery can consistently meet the needs of regional communities, has the flexibility to adapt to changing regional environments, and supports the needs and welfare of staff.

Employment opportunity programs

Program name	Performance
Patient Transport Services Aboriginal Cadetship	Six full time Patient Transport Officer positions were allocated during 2018/19. Five new employees commenced.
Graduate Paramedic Internship	Graduate Paramedics work with emergency ambulance providers to complete a period of practice to gain an Authority to Practice as a paramedic. In 2018/19, SAAS had three Graduate groups commence which comprised of 75 Paramedic Interns out of 78 places.
Skilling SA	SAAS engaged an apprentice mechanic in October 2018 who is completing the Certificate III in Light Vehicle Mechanics.

Agency performance management and development systems

Performance management and development system	Performance
<p>The Performance Review and Development (PR&D) process is an organisation wide process designed to enable managers and their staff to discuss current performance and opportunities that may contribute to future performance.</p> <p>Managers complete a PR&D form, the date of which is then recorded in the HR system CHRIS21.</p> <p>Monthly reporting on PR&D numbers is reported to senior managers to enable them to monitor compliance.</p>	<p>In July 2018, a review of the Performance Review and Development (PR&D) tools and resources was undertaken following feedback regarding the complexity of the PR&D form. The release of the simpler form and an increased focus on recording completion of PR&D discussions has resulted in increased completion compliance.</p> <p>In 2018-19, there were 904 PR&D discussions recorded. Further analysis shows:</p> <ul style="list-style-type: none"> • Within the past six months 24% of the workforce has completed the PR&D process. • 27% of the workforce has completed the PR&D process within the past 6-12 months.

Work health, safety and return to work programs

Program name	Performance
<p>Program 1: Governance and Accountability</p>	<p>The SAAS Work Health Safety (WHS) Governance Committee (Service Delivery Committee) monitor data trends and identify, review and approve WHS strategies to address identified risks.</p> <p>The WHS Group (Consultative Committee) review data trends and develop prevention strategies to mitigate risks to staff, patients and the community. All strategies are developed in consultation with staff and approved by the WHS Governance Committee (Service Delivery Committee).</p> <p>13 regional WHS Zone forums monitor local level data and develop local level prevention strategies where required and escalate through the governance channels where issues cannot be resolved locally.</p> <p>SAAS achieved the highest rating of Safety Leader for the WHS Controlled Self-Assessment (CSA) undertaken by Deloitte on behalf of the Office of the Commissioner of the Public Sector. The CSA and verification system was used to assess safety systems implemented at both the strategic and operational level.</p>
<p>Program 2: Hazard and Risk Management</p>	<p>SAAS achieved the SA Health Target of 90% for annual worksite inspections completed. Risk treatment plans to monitor corrective actions were established within the designated timeframe.</p> <p>6 out of 7 eligible Health and Safety Representatives have completed the Workplace Health and Safety Mental Health First Aid Training as required under Section 19.6 of the <i>South Australian Modern Public Sector Enterprise Agreement: Salaried 2017</i>.</p> <p>SAAS implemented a Vaccine Preventable Diseases (VPD) program to ensure employees and volunteers engaged in clinical contact positions are adequately protected.</p>

<p>Program 3: Incident reporting and Investigation</p>	<p>894 incidents were reported in 2018/19</p> <ul style="list-style-type: none"> • 87% were investigated with 2 days • 437 new corrective actions were identified • 674 corrective actions were completed and closed (this includes corrective actions carried over from 2017/18) • 27 hazards were reported • 37 new corrective actions identified • 36 corrective actions have been completed and closed.
<p>Program 4: Fitness for Work</p>	<p>Processes have been designed and implemented to guide Medical Practitioners when assessing the physical capacity of interstate or international candidates to undertake operational roles in SAAS. This allows for assessment and identification of risk factors within the candidate's home state or country of residence prior to engagement.</p> <p>Review of the physical demands profile for ambulance officers and paramedics following implementation of the powered Stryker stretcher, has resulted in a reduction of the static lifting and push force requirements in physical capacity testing for pre-employment and post injury return to work assessments.</p> <p>By utilising the Job Analysis Management System (JAMS), Job demand analyses have been completed for all operational roles within SAAS. Job Capacity statements are now incorporated into job packs to allow potential candidates to assess their own capacity prior to applying for a role.</p>
<p>Program 5: Injury Management</p>	<p>266 claims were formally assessed for "return to work" services as part of SAAS's early intervention strategy.</p> <p>In 2018/19, SAAS's Return to Work Consultants have supported 90 injured workers to return to pre-injury or alternative duties. Of the 266 claims submitted, 139 are currently open.</p>

Workplace injury claims	2018-19	2017-18	% Change (+ / -)
Total new workplace injury claims	266	217	+22.6%
Fatalities	0	0	0.0%
Seriously injured workers*	0	0	0.0%
Significant injuries (where lost time exceeds a working week, expressed as frequency rate per 1000 FTE)	83.10	61.49	+35.1%

*number of claimants assessed during the reporting period as having a whole person impairment of 30% or more under the Return to Work Act 2014 (Part 2 Division 5)

Work health and safety regulations	2018-19	2017-18	% Change (+ / -)
Number of notifiable incidents (<i>Work Health and Safety Act 2012, Part 3</i>)	5	9	-44.4%
Number of provisional improvement, improvement and prohibition notices (<i>Work Health and Safety Act 2012 Sections 90, 191 and 195</i>)	1	1	0.0%

Return to work costs**	2018-19	2017-18	% Change (+ / -)
Total gross workers compensation expenditure (\$)	\$4,867,428	\$2,942,447	+65.4%
Income support payments – gross (\$)	\$3,158,746	\$1,856,706	+70.1%

**before third party recovery

Data for previous years is available at:

<https://data.sa.gov.au/data/organization/sa-health>

Executive Employment in the Agency

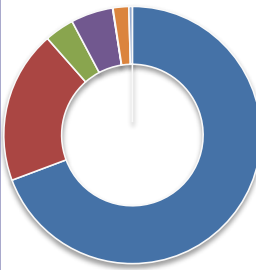
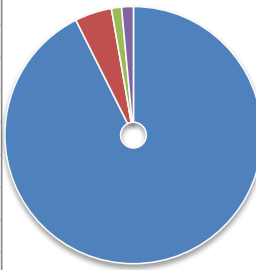
Executive classification	Number of executives
Executive Level A	0
Executive Level B	0
Executive Level C	0
Executive Level D	0
SAES Level 1	4
SAES Level 2	1

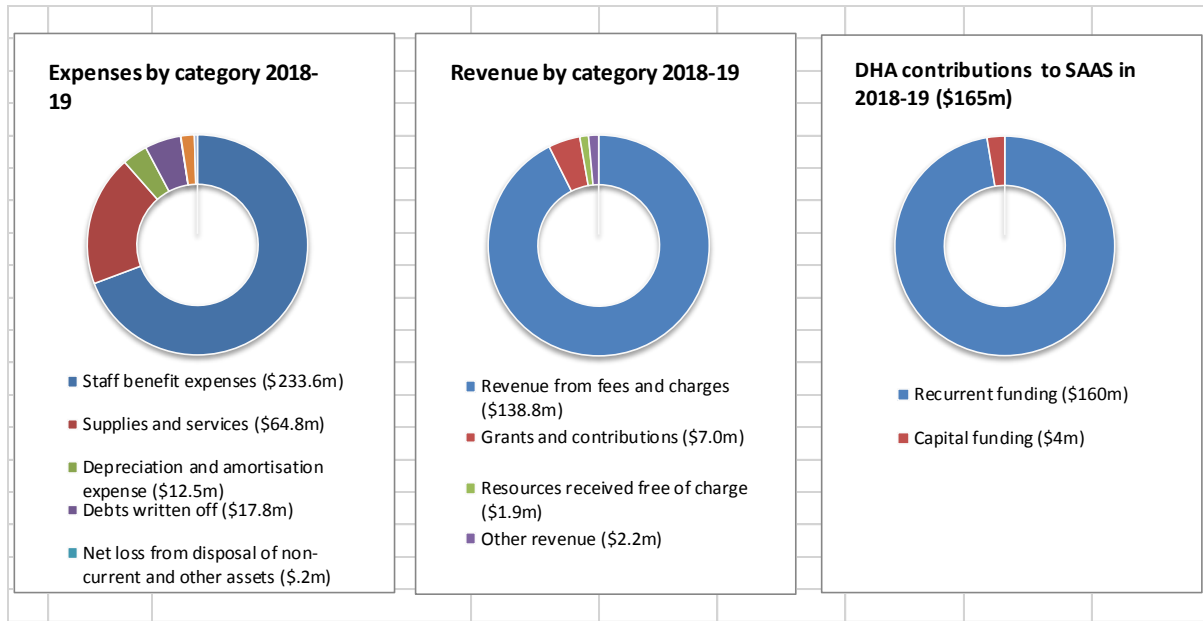
Data for previous years is available at: <https://data.sa.gov.au/data/dataset/f8948c42-d04c-47f9-949f-89ddc3d5b173>

The [Office of the Commissioner for Public Sector Employment](#) has a [workforce information](#) page that provides further information on the breakdown of executive gender, salary and tenure by agency <https://data.sa.gov.au/data/organization/sa-health>

Financial performance

Financial performance at a glance

Financial performance							
Financial overview							
During 2018-19, SAAS commissioned the new Western and Northern Ambulance stations at Glengowrie and Parafield.							
The following table and charts provide a brief summary of the overall financial performance of SAAS. Audited financial statements for 2018-19 are attached to this report. The 2018-19 financial statements reflect the first time adoption of AASB 9 <i>Financial Instruments</i> , noting that the new Leasing Standard (AASB 16) and Revenue Standards (AASB 15 and AASB 1058) becomes effective next year.							
SAAS three-year financial summary							
Three-year financial summary (\$000)							
		2018–19	%	2017–18	%	2016–17	%
			↑↓		↑↓		↑↓
Total expenses		337 093	↑ 7.0%	315 027	↑ 6.5%	295 881	↑ 20.1%
Total income		149 952	↑ 6.8%	140 412	↑ 3.9%	135 158	↑ 15.6%
Net cost of providing services		187 141	↑ 7.2%	174 615	↑ 8.6%	160 723	↑ 24.1%
Revenues from/Payments to SA Government		164 730	↓ -0.2%	165 043	↑ 10.4%	149 449	↑ 17.5%
Net result for the period		(22 411)	↓ -134.1%	(9 572)	↑ 15.1%	(11 274)	↑ 391.0%
Net cash provided by operating activities		3 864	↓ -72.6%	14 118	↑ 706.3%	1 751	↓ -85.1%
Total assets		172 647	↑ 0.7%	171 485	↑ 28.0%	133 979	↑ 15.7%
Total liabilities		166 868	↑ 25.8%	132 631	↑ 14.4%	115 907	↑ 25.1%
Net assets		5 779	↓ -85.1%	38 854	↓ -115.0%	18 072	↓ -22.0%
Expenses by category 2018-19				Revenue by category 2018-19			
							
<ul style="list-style-type: none">Staff benefit expenses (\$233.6m)Supplies and services (\$64.8m)Depreciation and amortisation expense (\$12.5m)Debts written off (\$17.8m)Net loss from disposal of non-current and other assets (\$0.2m)Impairment loss on receivables (\$6.6m)Other expenses (\$1.5m)				<ul style="list-style-type: none">Revenue from fees and charges (\$138.8m)Grants and contributions (\$7.0m)Resources received free of charge (\$1.9m)Other revenue (\$2.2m)			



Consultants disclosure

The following is a summary of external consultants that have been engaged by the agency, the nature of work undertaken, and the actual payments made for the work undertaken during the financial year.

Consultancies with a contract value below \$10,000 each

Consultancies	Purpose	\$ Actual payment
All consultancies below \$10,000 each – combined	Various	Combined total of all actual payments to consultants under \$10,000 \$ 6,250

Consultancies with a contract value above \$10,000 each

Consultancies	Purpose	\$ Actual payment
KPMG	Development of an Activity Costing Model	\$ 15,367
Operational Research in Health Limited	To support SAAS in modelling the outcomes of the SAAS Statewide Strategic Working Group (SSWG)	\$ 97,425
Peter Hibbert Family Trust	Systems Factors related to SAAS Safety Incidents in 2018 report (data analysis, presentations, communications)	\$ 22,230
Mercer Consulting Pty Ltd	Employee Benefits Actuarial Valuation as at 30 June 2019	\$ 18,000
	Total	\$ 153,022

Data for previous years is available at: <https://data.sa.gov.au/data/dataset/ac1909b3-3c28-4b46-883a-56d9ede16cba>

See also the [Consolidated Financial Report of the Department of Treasury and Finance](#) for total value of consultancy contracts across the South Australian Public Sector.

Contractors disclosure

The following is a summary of external contractors that have been engaged by the agency, the nature of work undertaken, and the actual payments made for work undertaken during the financial year.

Contractors with a contract value below \$10,000

Contractors	Purpose	\$ Actual payment
All contractors below \$10,000 each - combined	Various	Combined total of all actual payments to contractors under \$10,000 \$60,274

Contractors with a contract value above \$10,000 each

Contractors	Purpose	\$ Actual payment
Bentleys (SA) Pty Ltd	Advisory services	\$347,712
J Magliaro Pty Ltd	Counselling Services (Psychologist)	\$163,609
Frances Corcoran	SAAS MedSTAR - EMET	\$75,734
DXC Technology Australia Pty Ltd	IT Services	\$74,610
Ali Rinaldi Pty Ltd	Consultation services (Clinical Psychologist)	\$69,842
RM Psychology Administration Services P/L	Employee Assistance Program	\$55,018
Shannon Architects	Consulting services	\$28,177
Chua Medical Services	SAAS MedSTAR - EMET	\$16,800
Julmar Nominees Pty Ltd	SAAS MedSTAR - EMET	\$15,120
Andrew Perry	SAAS MedSTAR - EMET	\$10,080
	Total	\$856,702

Data for previous years is available at:

<https://data.sa.gov.au/data/organization/sa-health>

The details of the Government of South Australia's-awarded contracts for goods, services, and works are displayed on the SA Tenders and Contracts website. [View the agency list of contracts.](#)

The website also provides details of [across government contracts.](#)

Other financial information

Nil to report

Other information

These financial results for SAAS include the support and operating costs associated with volunteers who provide ambulance services throughout many regional areas of South Australia. The SAAS Volunteers Health Advisory Council (SAASVHAC) provides advice to the Chief Executive Officer, SAAS, and the Minister for Health and Wellbeing on volunteer related ambulance matters and advocating on behalf of volunteers. Whilst SAASVHAC does not have any financial assets or transactions they do provide a separate Annual Report on their operations.

Risk management

Risk and audit at a glance

Fraud detected in the agency

Category/nature of fraud	Number of instances
Reimbursement Claim	1
False application for Leave/Reason for absence	2
Dishonest completion of mandatory per-employment questions	3
Possession of SAAS property without authorisation	1
Gaining personal reward for business purposes	1
Falsified Patient Care Record	1

NB: Fraud reported includes actual and reasonably suspected incidents of fraud.

Strategies implemented to control and prevent fraud

SAAS is committed to the principles of integrity, respect and accountability in accordance with the Public Sector Act 2009, the Public Sector (Honesty and Accountability) Act 1995 and the Code of Ethics for the South Australian Public Sector which includes the prevention, detection and control of fraud in the workplace. Furthermore, SAAS developed a Code of Ethics and Conduct for Volunteers which complemented the Public Sector code and provided SAAS volunteers with guidance for performance and professional conduct.

All employees comply with reporting obligations to the Office for Public Integrity in accordance with the *Independent Commissioner Against Corruption Act 2012*. In addition, SAAS is required to comply with SA Health's Fraud and Corruption Control Policy Directive. Members and attendees of SAAS's Committees are required to complete a Conflict of Interest Declaration Form which reinforces responsibilities in relation to business practices and ethical behaviour.

Four key areas of potential fraud risk have been identified and recorded in SAAS's Risk Register. Along with strategic and operational risks, these fraud risks are monitored and reviewed by SAAS's Executive Leadership Team and Risk Management and Audit Committee as part of the overall risk management program.

All instances of suspected fraudulent behaviour will be reported by SAAS to SA Health's Fraud Control Coordinator. All allegations of fraud will be thoroughly investigated in a confidential and discreet manner unless disclosure and reporting are required by legislative obligations. SAAS will take appropriate disciplinary action where allegations of fraud and corruption have been substantiated.

SAAS's zero tolerance approach to fraud matches the embedding of internal controls into the organisation's decision making culture and practices. Specific examples of fraud related internal controls include (this is an indicative list rather than an exhaustive list:

- Fraud and Corruption Control Policy and Plan
- Education and training
- Risk assessments / workshops
- Instrument of financial delegation authorisation
- Gifts and benefits register
- Pre-employment screening checks and relevant risk assessment
- Pre-employment recruitment questions and relevant risk assessment
- Procurement contract management system with related controls and procedures
- Whistle-blower policy
- Internal and external audits
- Management and initiated audits, reviews and investigations
- Budget, forecasting and variance analyses of financial expenditure
- Suite of policies and procedures on accountability over drugs and controlled substances which have been approved by the Clinical Governance Committee
- Controlled substance register
- Stock reconciliations
- Physical security and access control

Data for previous years is available at: <https://data.sa.gov.au/data/dataset/fraud-sa-ambulance>

Whistle-blowers disclosure

Number of occasions on which public interest information has been disclosed to a responsible officer of the agency under the *Whistleblowers Protection Act 1993*:

Zero (0)

Data for previous years is available at: <https://data.sa.gov.au/data/organization/sa-health>

Reporting required under any other act or regulation

Nil to report

Reporting required under the *Carers' Recognition Act 2005*

The *Carers' Recognition Act 2005* is deemed applicable for the following:
Department of Human Services, Department for Education, Department for Health and Wellbeing, Department of State Development, Department of Planning, Transport and Infrastructure, South Australia Police and TAFE SA.

Section 7: Compliance or non-compliance with section 6 of the Carers Recognition Act 2005 and (b) if a person or body provides relevant services under a contract with the organisation (other than a contract of employment), that person's or body's compliance or non-compliance with section 6.

Public complaints

A whole of SA Health response is provided in the 2018-19 Department for Health and Wellbeing Annual Report, which can be accessed on the [SA Health website](#).

Number of public complaints reported

Complaint categories	Sub-categories	Example	Number of Complaints 2018-19
Professional behaviour	Staff attitude	Failure to demonstrate values such as empathy, respect, fairness, courtesy, extra mile; cultural competency	N/A
Professional behaviour	Staff competency	Failure to action service request; poorly informed decisions; incorrect or incomplete service provided	N/A
Professional behaviour	Staff knowledge	Lack of service specific knowledge; incomplete or out-of-date knowledge	N/A
Communication	Communication quality	Inadequate, delayed or absent communication with customer	N/A
Communication	Confidentiality	Customer's confidentiality or privacy not respected; information shared incorrectly	N/A
Service delivery	Systems/technology	System offline; inaccessible to customer; incorrect result/information provided; poor system design	N/A
Service delivery	Access to services	Service difficult to find; location poor; facilities/ environment poor standard; not accessible to customers with disabilities	N/A
Service delivery	Process	Processing error; incorrect process used; delay in processing application; process not customer responsive	N/A
Policy	Policy application	Incorrect policy interpretation; incorrect	N/A

Complaint categories	Sub-categories	Example	Number of Complaints 2018-19
		policy applied; conflicting policy advice given	
Policy	Policy content	Policy content difficult to understand; policy unreasonable or disadvantages customer	N/A
Service quality	Information	Incorrect, incomplete, out dated or inadequate information; not fit for purpose	N/A
Service quality	Access to information	Information difficult to understand, hard to find or difficult to use; not plain English	N/A
Service quality	Timeliness	Lack of staff punctuality; excessive waiting times (outside of service standard); timelines not met	N/A
Service quality	Safety	Maintenance; personal or family safety; duty of care not shown; poor security service/ premises; poor cleanliness	N/A
Service quality	Service responsiveness	Service design doesn't meet customer needs; poor service fit with customer expectations	N/A
No case to answer	No case to answer	Third party; customer misunderstanding; redirected to another agency; insufficient information to investigate	N/A
		Total	N/A

Additional Metrics	Total
Number of positive feedback comments	N/A
Number of negative feedback comments	N/A
Total number of feedback comments	N/A
% complaints resolved within policy timeframes	*N/A

Data for previous years is available at:

<https://data.sa.gov.au/data/dataset/departments-for-health-and-wellbeing>

Service improvements for period

Service improvements that responded to customer complaints or feedback

Key complaints and feedback for SAAS include professional behaviour, costs, service delivery and quality.

Professional behaviour

Service improvements by SAAS for professional behaviour have included regular Staff Engagement Forums, internal communications and the introduction of Paramedic Registration in December 2019. On a case by case basis, SAAS officers liaise with complainants and investigate their concerns.

November 2018 saw the introduction of the first Staff Engagement Forum. This forum was introduced to increase openness and transparency across the organisation, enabling any staff member to attend or tune in remotely to find more out about the organisations activities, plans and vision. All executive staff members attend and there is an opportunity for staff to ask questions.

Ambulance transport costs

The funding mechanism operated by and in support of SAAS remains under review to ensure we continue to offer the most effective means of delivering the state's emergency ambulance service.

SAAS also remained committed to providing assistance to those who find they are unable to afford the cost of ambulance transport fees. SAAS has in place a procedure for cases of financial hardship where no cover exists and a transport fee is payable. SAAS continues to operate a Customer Service Centre with trained staff to assist customers.

Service Delivery and quality

In response to the increased workload during 2018-19, SAAS continued to re-evaluate its Service Delivery Model and how it can best respond to community healthcare needs. The following services were introduced:

SAAS commenced referring a small cohort of patients who contact Triple Zero (000) and who are assessed as not requiring an emergency ambulance to a new locum service National Home Doctor Service (NHDS). There was also a revised clinical response model utilising an increased use of single responders to create a more clinically targeted 'See and Treat' model where complex patients can be assessed and treated, referred to alternative care pathways or transport by lower clinical level crews.

A six week Mental Health response trial pilot was launched between March and April 2019. A paramedic and mental health professional responded to low and medium acuity mental health presentations in the Central Adelaide Local Health Network area in a SAAS light fleet. The aim of the trial was to provide alternative pathways, improve patient outcomes and reduce the number of hospital ED presentations.

SAAS recruited 43 qualified paramedics and 75 paramedic interns in 2018/19 to boost its workforce.

SAAS introduced a new volunteer recruitment campaign and launched a graduated training pathway providing more flexible entry and training options to attract more recruits.

In 2018/19 the Out of Hospital Cardiac Arrest (OHCA) Conferences continued to be delivered throughout the year with approximately 65 OHCA education sessions delivered to the majority of the operational workforce.

These initiatives will assist Local Health Networks to manage patient flow by reducing ED presentations and support the management of patients outside of a hospital.

Appendix: Audited financial statements 2018-19



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To the Chief Executive Officer SA Ambulance Service Inc

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987* and section 55(2) of the *Health Care Act 2008*, I have audited the financial report of the SA Ambulance Service Inc for the financial year ended 30 June 2019.

Opinion

In my opinion, the accompanying financial report gives a true and fair view of the financial position of the SA Ambulance Service Inc as at 30 June 2019, its financial performance and its cash flows for the year then ended in accordance with the 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 2019
- a Statement of Financial Position as at 30 June 2019
- a Statement of Changes in Equity for the year ended 30 June 2019
- a Statement of Cash Flows for the year ended 30 June 2019
- notes, comprising significant accounting policies and other explanatory information
- a Certificate from the Chief Executive Officer and the Chief Finance Officer.

Basis for opinion

I conducted the audit in accordance with the *Public Finance and Audit Act 1987* and Australian Auditing Standards. My responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial report' section of my report. I am independent of the SA Ambulance Service Inc. 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* have been met.

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

Responsibilities of the Chief Executive Officer for the financial report

The Chief Executive Officer is responsible for the preparation of the financial report that gives a true and fair view in accordance with the Treasurer's Instructions issues under the provisions of the *Public Finance and Audit Act 1987* and the 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 is free from material misstatement, whether due to fraud or error.

Auditor's responsibilities for the audit of the financial report

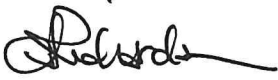
My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an 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 SA Ambulance Service Inc's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Chief Executive Officer
- 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 Officer 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.

A handwritten signature in black ink, appearing to read 'Andrew Richardson', with a stylized, flowing script.

Andrew Richardson

Auditor-General

20 September 2019

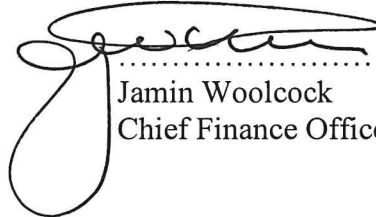
Certification of the financial statements

We certify that the:

- financial statements of the SA Ambulance Service Inc.:
 - are in accordance with the accounts and records of the authority; and
 - comply with relevant Treasurer's instructions; and
 - comply with relevant accounting standards; and
 - present a true and fair view of the financial position of the authority 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 SA Ambulance Service Inc. over its financial reporting and its preparation of the financial statements have been effective throughout the financial year.



.....
David Place
Chief Executive Officer



.....
Jamin Woolcock
Chief Finance Officer

Date 13-09-2019
.....

SA AMBULANCE SERVICE INC
STATEMENT OF COMPREHENSIVE INCOME
For the year ended 30 June 2019

	Note	2019	2018
		\$'000	\$'000
Expenses			
Staff benefits expenses	3	233,572	220,090
Supplies and services	4	64,802	62,844
Depreciation and amortisation expense	18,19	12,539	12,921
Net loss from disposal of non-current and other assets	10	203	-
Impairment loss on receivables	15	6,630	1,334
Debts written off		17,844	16,430
Other expenses	5	1,503	1,408
Total expenses		337,093	315,027
Income			
Revenues from fees and charges	6	138,835	129,174
Grants and contributions	7	6,954	6,464
Interest revenues	8	39	41
Resources received free of charge	9	1,907	1,551
Net gain from disposal of non-current and other assets	10	-	493
Other revenues/income	11	2,217	2,689
Total income		149,952	140,412
Net cost of providing services		187,141	174,615
Revenues from SA Government			
Revenues from SA Government	12	164,730	165,043
Total revenues from SA Government		164,730	165,043
Net result		(22,411)	(9,572)
Other Comprehensive Income			
Items that will not be reclassified to net result			
Changes in property, plant and equipment asset revaluation surplus		-	28,263
Items that will be reclassified subsequently to net result when specific conditions are met			
Gains or losses recognised directly in equity		(14,372)	2,091
Total other comprehensive income		(14,372)	30,354
Total comprehensive result		(36,783)	20,782

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

SA AMBULANCE SERVICE INC
STATEMENT OF FINANCIAL POSITION
For the year ended 30 June 2019

	Note	2019	2018
		\$'000	\$'000
Current assets			
Cash and cash equivalents	14	10,674	10,584
Receivables	15	31,881	22,823
Inventories	16	437	416
Other assets		188	26
Total current assets		43,180	33,849
Non-current assets			
Receivables	15	1,949	1,223
Property, plant and equipment	18	127,481	136,355
Intangible assets	19	37	58
Total non-current assets		129,467	137,636
Total assets		172,647	171,485
Current liabilities			
Payables	21	10,192	9,585
Staff benefits	22	64,961	50,156
Provisions	23	2,135	1,710
Other liabilities	24	2,642	2,267
Total current liabilities		79,930	63,718
Non-current liabilities			
Payables	21	1,456	2,043
Staff benefits	22	68,170	53,562
Provisions	23	17,312	13,308
Total non-current liabilities		86,938	68,913
Total liabilities		166,868	132,631
Net assets		5,779	38,854
Equity			
Asset revaluation surplus		40,320	40,321
Other reserves		31,161	45,533
Retained earnings		(65,702)	(47,000)
Total equity		5,779	38,854

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

SA AMBULANCE SERVICE INC
STATEMENT OF CHANGES IN EQUITY
For the year ended 30 June 2019

	Note	Asset revaluation surplus \$ '000	Other reserves \$ '000	Retained earnings \$ '000	Total equity \$ '000
Balance at 30 June 2017		12,058	43,442	(37,428)	18,072
Net result for 2017-18		-	-	(9,572)	(9,572)
Gain/(loss) on revaluation of land and buildings		28,263	-	-	28,263
Gain/(loss) on revaluation of defined benefit fund liability		-	2,091	-	2,091
Total comprehensive result for 2017-18		28,263	2,091	(9,572)	20,782
Balance at 30 June 2018		40,321	45,533	(47,000)	38,854
Adjustments on initial adoption of Accounting Standards		-	-	3,708	3,708
Adjusted balance at 1 July 2018		40,321	45,533	(43,292)	42,562
Net result for 2018-19		-	-	(22,411)	(22,411)
Gain/(loss) on revaluation of defined benefit fund liability		-	(14,372)	-	(14,372)
Total comprehensive result for 2018-19		-	(14,372)	(22,411)	(36,783)
Balance at 30 June 2019		40,321	31,161	(65,703)	5,779

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

SA AMBULANCE INC
STATEMENT OF CASH FLOWS
For the year ended 30 June 2019

	Note	2019 \$'000	2018 \$'000
Cash flows from operating activities			
Cash outflows			
Staff benefits payments		(213,609)	(199,546)
Payments for supplies and services		(56,053)	(54,514)
Payments of grants and subsidies		-	(770)
Other payments		(1,587)	(1,496)
Cash used in operations		(271,249)	(256,326)
Cash inflows			
Fees and charges		76,923	80,668
Grants and contributions		6,968	6,478
Interest received		39	41
GST recovered from ATO		3,300	4,428
Other receipts		2,733	3,281
Cash generated from operations		89,963	94,896
Cash flows from SA Government			
Receipts from SA Government		185,150	175,548
Cash generated from SA Government		185,150	175,548
Net cash provided by operating activities		3,864	14,118
Cash flows from investing activities			
Cash outflows			
Purchase of property, plant and equipment		(4,262)	(14,411)
Purchase of intangibles		-	(59)
Cash used in investing activities		(4,262)	(14,470)
Cash inflows			
Proceeds from sale of property, plant and equipment		488	810
Cash generated from investing activities		488	810
Net cash provided by/(used in) investing activities		(3,774)	(13,660)
Net increase/(decrease) in cash and cash equivalents		90	458
Cash and cash equivalents at the beginning of the period		10,584	10,126
Cash and cash equivalents at the end of the period	25	10,674	10,584
Non-cash transactions	25		

The accompanying notes form part of these financial statements.

SA AMBULANCE SERVICE INC
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the year ended 30 June 2019

1. Basis of financial statements

1.1 Reporting entity

SA Ambulance Service Inc (SAAS) is a not-for-profit entity incorporated under section 49 of the *Health Care Act 2008*. The financial statements and accompanying notes include all the controlled activities of SAAS. This includes SAAS and SA Ambulance Development Fund. SAAS does not control any other entity and has no interests in unconsolidated structured entities.

The SA Ambulance Development Fund is a Charitable Trust administered by SAAS pursuant to a Declaration of Trust. The fund receives donations, gifts and bequests from the public which are applied by the Trustee to improve the services offered by SAAS. The funds cannot be used for the day to day operating expenses of SAAS.

1.2 Statement of compliance

These financial statements are general purpose financial statements prepared in compliance with;

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

1.3 Basis of preparation

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). Any transactions in foreign currency are translated into Australian dollars at the exchange rates at the date the transaction occurs.

The historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item measured on a different basis.

Assets and liabilities that are to be sold, consumed or realised as part of the normal operating cycle even when they are not expected to be realised within 12 months after the reporting date have been classified as current assets or current liabilities. All other assets and liabilities are classified as non-current.

Significant accounting policies are set out throughout the notes.

1.4 Taxation

SAAS is not subject to income tax. SAAS is liable for fringe benefits tax (FBT) and goods and services tax (GST).

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

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

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

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

1.5 Continuity of Operations

As at 30 June 2019, SAAS had working capital deficiency of \$36.750 million (\$29.869 million deficiency). The SA Government is committed and has consistently demonstrated a commitment to the ongoing funding of SAAS to enable it to perform its functions.

1.6 Equity

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

Other reserves include Branch Reserves, Country Capital Reserves and Defined Benefit Fund Remeasurement.

1.7 Change in accounting policy

On 22 March 2019, pursuant to the *Public Finance and Audit Act 1987*, the Treasurer issued *Treasurer's Instructions (Accounting Policy Statements)* and revoked all previously issued Accounting Policy Statements. The new Accounting Policy Statements have largely been prepared on a no-policy change basis. The changes below do not impact the amounts reported in the financial statements:

- Removal of the requirement to report transactions with the SA Government.
- Removal of the requirement to report a statement of equity for administered items.
- Increase in bands from \$10,000 to \$20,000 for employee, board and committee member reporting.

SA AMBULANCE SERVICE INC
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For the year ended 30 June 2019

AASB 9 Financial Instruments

The adoption of AASB 9 from 1 July 2018 resulted in changes in accounting policies and adjustments to the amounts recognised in the financial statements.

AASB 9 replaces the provisions of AASB 139 *Financial Instruments: Recognition and Measurement* that relate to recognition, classification, impairment and measurement of the SAAS's financial assets.

Under AASB 9, financial assets are subsequently measured at amortised cost, fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVPL). The classification is based on two criteria; the SAAS's business model for managing the assets; and whether the assets' contractual cash flows represent 'solely payments of principal and interest' (SPPI) on the principal amount outstanding.

As part of the adoption of AASB 9, SAAS adopted consequential amendments to other accounting standards and the *Treasurer's Instructions (Accounting Policy Statements)* arising from the issue of AASB 9 as follows:

- AASB 101 *Presentation of Financial Statements* requires the impairment of financial assets to be presented in a separate line item in the statement of comprehensive income. In prior years, this information was presented as part of other expenses.
- AASB 7 *Financial Instruments: Disclosures* requires amended disclosures due to changes arising from AASB 9, these disclosures have been included in the financial statements.
- APS requires adoption of AASB 9 without restating comparative information for classification and measurement requirements (i.e. continues to be reported under AASB 139). All adjustments are recognised in retained earnings at 1 July 2018.

The total impact on SAAS's retained earnings as at 1 July 2018 is as follows:

	\$'000
Closing retained earnings 30 June 2018 – AASB 139	(47,000)
Decrease in provision for trade receivables (decrease in impairment allowance for receivables) *	3,708
Opening retained earnings 1 July 2018 – AASB 9	(43,292)

*this relates to applying the new expected credit loss (ECL) model rather than incurred loss model.

The assessment of the SAAS's business model was made as of the date of initial application, 1 July 2018. The assessment of whether contractual cash flows on the financial assets are solely comprised of principal and interest was made based on the facts and circumstances as at the initial recognition of the assets.

In summary, the impact of adoption of AASB 9 on the carrying amount was an increase in the carrying amount of receivables under AASB 139 as a result of decrease in impairment allowance at 1 July 2018. Refer to note 15 for information on impairment of receivables.

The following are the changes in the classification and measurement of financial assets:

- Trade receivables and loans, being debt instruments, remain measured at amortised costs, similar to the previous classification of loans and receivables under AASB 139.
- Term deposits are now classified as SPPI and remain measured at amortised cost, similar to the previous classification of 'held to maturity'.

Adoption of AASB 9 has not had an impact on the recognition, measurement and classification on the SAAS's financial liabilities.

2. Objectives and activities

2.1 Objectives

SAAS is committed to save lives, reduce suffering and enhance quality of life, through the provision of accessible and responsive quality patient care and transport. SAAS is the principal provider of ambulance services in South Australia, is part of SA Health and is responsible to the Minister for Health and Wellbeing.

SAAS works in partnership with their health and emergency service colleagues, and other government agencies to ensure the best outcomes for all South Australians. SAAS is structured to contribute to the outcomes for which the portfolio is responsible by providing pre-hospital medical emergency care and patient transport.

The Chief Executive Officer administers and manages SAAS under delegation from the Chief Executive of the Department for Health and Wellbeing (the Department) and is accountable to the Chief Executive of the Department.

The SA Ambulance Service Volunteer Health Advisory Council (SAASVHAC) was established pursuant to the *Health Care Act 2008*. The role of the Council is to provide advice and advocacy on SAAS volunteer related matters to the Minister for Health and Wellbeing and the Chief Executive Officer and management of SAAS. The Council has no powers to direct or make decisions with respect to the management and administration of SAAS.

SA AMBULANCE SERVICE INC
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the year ended 30 June 2019

3. Staff benefits expenses

	2019	2018
	\$'000	\$'000
Salaries and wages	164,345	157,535
Long Service Leave	11,193	9,575
Annual leave	25,177	23,726
Skills and Experience Retention Leave	894	786
Staff on-costs - superannuation*	22,468	20,251
Workers compensation	8,930	8,367
Board and committee fees	11	13
Other staff related expenses	554	(163)
Total staff benefits expenses	233,572	220,090

* The superannuation employment on-cost charge represents SAAS's contribution to superannuation plans in respect of current services of employees. The Department of Treasury and Finance (DTF) centrally recognises the superannuation liability in the whole-of-government financial statements except for SAAS staff who are members of the SAAS defined benefit scheme.

Expenses recognised in profit and loss for SAAS in respect of the defined benefit scheme was \$9.975 million (\$9.595 million), comprising current service cost of \$9.456 million (\$9.070 million) and interest cost of \$0.519 million (\$0.525 million).

3.1 Key Management Personnel

Key management personnel (KMP) of SAAS includes the Minister, the Chief Executive of the Department and the Chief Executive Officer of SAAS and the eight (nine) members of the Executive management Group who have responsibility for the strategic direction and management of SAAS.

The compensation detailed below excludes salaries and other benefits received by the Minister for Health and Wellbeing. The Minister's remuneration and allowances are set by the *Parliamentary Remuneration Act 1990* and the Remuneration Tribunal of South Australia, respectively, and are payable from the Consolidated Account (via DTF) under section 6 of the *Parliamentary Remuneration Act 1990*.

	2019	2018
	\$'000	\$'000
Compensation		
Salaries and other short term employee benefits	1,999	1,847
Other long term employment benefits	-	67
Post-employment benefits	315	229
Total	2,314	2,143

SAAS 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.

3.2 Remuneration of Board and Committee members

	2019	2018
\$0	7	7
\$1 - \$20,000	2	3
Total	9	10

Remuneration of members reflects all costs of performing board/committee member duties including sitting fees, superannuation contributions, salary sacrifice benefits and fringe benefits and any fringe benefits tax paid or payable in respect of those benefits. The total remuneration received or receivable by members was \$0.011 million (\$0.013 million).

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

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

Refer to note 32 for members of boards/committees that served for all or part of the financial year and were entitled to receive income from membership in accordance with APS 124.B.

SA AMBULANCE SERVICE INC
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
For the year ended 30 June 2019

3.3 Remuneration of staff

	2019	2018
	Number	Number
The number of staff whose remuneration received or receivable falls within the following bands:		
\$149,000 - \$151,000*	na	19
\$151,001 - \$171,000	155	147
\$171,001 - \$191,000	96	85
\$191,001 - \$211,000	77	83
\$211,001 - \$231,000	35	22
\$231,001 - \$251,000	5	13
\$251,001 - \$271,000	9	5
\$271,001 - \$291,000	6	3
\$291,001 - \$311,000	4	4
\$311,001 - \$331,000	-	2
\$331,001 - \$351,000	2	1
\$351,001 - \$371,000	-	1
\$371,001 - \$391,000	-	2
\$391,001 - \$411,000	-	1
\$431,001 - \$451,000	1	-
\$451,001 - \$471,000	1	-
Total	391	388

*This band has been included for the purposes of reporting comparative figures based on the executive base level remuneration rate for 2017-18.

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

3.4 Remuneration of employees by classification

The total remuneration received by these employees, included above:

	2019		2018	
	No.	\$'000	No.	\$'000
Executive remuneration	5	1,077	8	1,661
Medical (excluding Nursing) remuneration	19	5,166	20	5,002
Non-medical (i.e. administration) remuneration	2	316	4	653
Nursing	17	2,887	-	-
Operational remuneration	348	63,867	356	65,049
Total	391	73,313	388	72,365

4. Supplies and services

	2019	2018
	\$'000	\$'000
Administration	278	239
Advertising	351	505
Communication	3,423	3,388
Computing	3,011	2,690
Consultants	159	104
Contract of services	235	234
Contractors	917	467
Contractors - agency staff	4,422	5,243
Cost of goods sold	158	198
Drug supplies	535	553
Electricity, gas and fuel	1,134	1,055
Fee for service	4	-
Food supplies	53	49
Housekeeping	1,829	1,719
Insurance	1,625	1,584
Internal SA Health SLA payments	742	1,225
Legal	130	82
Medical, surgical and laboratory supplies	4,049	3,707
Minor equipment	1,661	1,140
Motor vehicle expenses	4,556	4,878
Occupancy rent and rates	2,453	2,553
Patient transport	19,963	17,883
Services from Shared Services SA	1,733	1,678
Postage	752	798

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Printing and stationery	722	782
Rental expense on operating lease	1,557	1,961
Repairs and maintenance	2,431	2,159
Security	87	29
Staff training and development	756	1,012
Staff travel expenses	2,617	2,429
Other supplies and services	2,459	2,500
Total supplies and services	64,802	62,844

Operating Leases

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. The aggregate benefit of lease incentives received by SAAS in respect of operating leases have been recorded as a reduction of rental expense over the lease term, on a straight-line basis

Professional indemnity and general public insurance

Professional indemnity and general public liability claims arising from SAAS's operations are managed as part of the State Government Insurance Program. SAAS pays an annual premium to the Department. The Department and the SA Government Financing Authority, SAICORP Division are responsible for meeting the cost of any claims. Consequently, no provision for these claims is recognised in SAAS's financial statements.

Consultants

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

	2019		2018	
	No.	\$'000	No.	\$'000
Below \$10,000	1	6	1	5
Above \$10,000	4	153	3	99
Total	5	159	4	104

5. Other expenses

	2019	2018
	\$'000	\$'000
Bank fees and charges	108	100
Other*	1,395	1,308
Total other expenses	1,503	1,408

*Includes Audit fees paid or payable to the Auditor-General's Department relating to work performed under the *Public Finance and Audit Act 1987* of \$0.118 million (\$0.102 million). No other services were provided by the Auditor-General's Department.

6. Revenues from fees and charges

	2019	2018
	\$'000	\$'000
Ambulance cover	28,244	26,953
Ambulance transport	102,512	94,147
Call Direct	1,092	1,156
Insurance recoveries	3	-
Recoveries	4,319	4,680
Other user charges and fees	2,665	2,238
Total revenues from fees and charges	138,835	129,174

Ambulance cover revenue

SAAS operates the Ambulance cover scheme whereby members pay a subscription to cover themselves against the cost of ambulance transport. Ambulance cover revenue is recognised on a time proportionate basis over the membership period.

Ambulance transport revenue

Ambulance transport revenue comprises revenue earned from the provision of patient transport, and is recognised when the service is provided or when the fee in respect of services provided is receivable.

Call direct revenue

Call Direct revenue comprises the sale of alarm monitoring units, accessories and monitoring income. Units and accessories revenue are recognised at point of sale. Monitoring income is brought to account as services are provided.

SA AMBULANCE SERVICE INC
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Ambulance transport	2019	2018
	\$'000	\$'000
Fees raised	218,519	198,242
Less:		
Ambulance cover concessions	66,542	59,640
Pensioner concessions	49,465	44,455
Ambulance transport	102,512	94,147

7. Grants and contributions

	2019	2018
	\$'000	\$'000
Other SA Government grants and contributions	6,300	6,300
Private sector grants and contributions	654	164
Total grants and contributions	6,954	6,464

The grants received are usually subject to terms and conditions set out in the contract, correspondence, or by legislation.

8. Interest revenues

	2019	2018
	\$'000	\$'000
Interest on Special Purpose Funds	39	41
Total interest revenues	39	41

9. Resources received free of charge

	2019	2018
	\$'000	\$'000
Plant and equipment	207	-
Services	1,700	1,551
Total resources received free of charge	1,907	1,551

SAAS receives Payroll, Accounts Payable and Accounts Receivable services from Shared Services SA free of charge, following Cabinet's approval to cease intra-government charging. Contribution of services are recognised only when a fair value can be determined reliably and the services would be purchased if they had not been donated.

10. Net gain/(loss) from disposal of non-current and other assets

Land and buildings:	2019	2018
	\$'000	\$'000
Proceeds from disposal	-	-
Less net book value of assets disposed	(478)	(48)
Net gain/(loss) from disposal of land and buildings	(478)	(48)

Plant and equipment:		
Proceeds from disposal	536	937
Less net book value of assets disposed	(213)	(269)
Less other costs of disposal	(48)	(127)
Net gain/(loss) from disposal of plant and equipment	275	541

Non-current assets held for sale:		
Less other costs of disposal	-	-
Net gain/(loss) from disposal of non-current assets held for sale	-	-

Total assets:		
Total proceeds from disposal	536	937
Less total value of assets disposed	(691)	(317)
Less other costs of disposal	(48)	(127)
Total net gain/(loss) from disposal of non-current and other assets	(203)	493

Gains or losses on disposal are recognised at the date control of the asset is passed from SAAS and are determined after deducting the net book value of the asset from the proceeds at that time. When revalued assets are disposed, the revaluation surplus is transferred to retained earnings.

SA AMBULANCE SERVICE INC
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11. Other revenues/income

	2019	2018
	\$'000	\$'000
Commissions revenue	15	22
Training revenue	480	539
Donations	93	333
Emergency Services Levy	1,419	1,384
Other	210	411
Total other revenues/income	2,217	2,689

12. Revenues from SA Government

	2019	2018
	\$'000	\$'000
Recurrent funding	160,438	137,313
Capital funding	4,292	27,730
Total revenues from Department for Health and Wellbeing	164,730	165,043

The Department provides recurrent and capital funding under a service level agreement to SAAS for the provision of general health services. Contributions from the Department are recognised upon receipt.

13. Unexpended funding commitments

SAAS is engaged in a variety of funding programs involving State Government and private entities who provide monies to SAAS on the premise that these funds are expended in a manner consistent with the terms of the program. SAAS had outstanding funding commitments to the following programs:

	2019	2018
	\$'000	\$'000
Emergency Medical Education and Training Program	110	45
Total unexpended funding commitments	110	45

14. Cash and cash equivalents

	2019	2018
	\$'000	\$'000
Cash at bank or on hand	237	270
Deposits with Treasurer	10,437	10,314
Total cash	10,674	10,584

Cash is measured at nominal amounts. SAAS receives specific purpose funds from various sources including government, private sector and individuals. The amounts are controlled by SAAS, and are used to help achieve SAAS objectives, notwithstanding that specific uses can be determined by the grantor or donor. Accordingly, the amounts are treated as revenue at the time they are earned or at the time control passes to SAAS.

Deposits with the Treasurer

SAAS operates through the Department's two deposit accounts held with the Treasurer, one general operating account and one special purpose deposit account. SAAS earns interest on the special deposit account and does not earn interest on the general operating account held with the Treasurer.

15. Receivables

		2019	2018
		\$'000	\$'000
Current	Note		
Debtors		30,995	31,132
Less: allowance for impairment of receivables	15.1	(23,650)	(20,728)
Prepayments		6,848	5,919
Workers compensation provision recoverable		818	571
Sundry receivables and accrued revenue		16,740	5,821
GST input tax recoverable		130	108
Total current receivables		31,881	22,823

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Non-current

Debtors	494	128
Workers compensation provision recoverable	1,455	1,095
Total non-current receivables	1,949	1,223

Total receivables	33,830	24,046
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Receivables arise in the normal course of selling goods and services to other agencies and to the public. SAAS's trading terms for receivables are generally 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 of 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.

15.1 Impairment of receivables

AASB 9 replaces the incurred loss model in AASB 139 with an expected credit loss model. The new impairment requirements result in a provision being applied to all receivables (expected loss) rather than only on those receivables that are credit impaired (incurred loss). The Department has adopted the simplified impairment approach under AASB 9 and measured lifetime expected credit losses on all trade receivables using a provision matrix as a practical expedient to measure the impairment provision. This results in a decrease of the loss allowance on 1 July 2018 for trade receivables external to State, Territory or Commonwealth Government (due to the Governments' high quality credit rating).

In the comparative period, the impairment of receivables was assessed based on the incurred loss model. The allowance was recognised when there was objective evidence that a receivable was impaired. The allowance for impairment was recognised in other expenses for specific debtors and debtors assessed on a collective basis for which such evidence existed.

Movement in the allowance for impairment of receivables:

	2019	2018
	\$'000	\$'000
Balance at 30 June under AASB 139	20,728	19,395
Adjustments on initial adoption of AASB 9	(3,708)	-
Carrying amount at the beginning of the period	17,020	19,395
Increase/(Decrease) in allowance recognised in profit or loss	6,630	1,333
Carrying amount at the end of the period	23,650	20,728

Refer to note 30 for details regarding credit risk and the methodology for determining impairment

16. Inventories

	2019	2018
	\$'000	\$'000
Inventory imprest stock	437	416
Total current inventories - held for distribution	437	416

Inventories held for distribution at no or nominal consideration and are measured at the lower of average weighted cost and replacement cost. The amount of any inventory write-down to net realisable value/replacement cost or inventory losses are recognised as an expense in the period the write-down or loss occurred. Any write-down reversals are also recognised as an expense reduction.

17. Property, plant and equipment and intangible assets

17.1 Acquisition and recognition of non-current assets

Non-current assets are initially recorded at cost or at the value of any liabilities assumed, plus any incidental cost involved with the acquisition. Non-current assets are subsequently measured at fair value after allowing for accumulated depreciation. Where assets are acquired at no value, or minimal value, they are recorded at their fair value in the Statement of Financial Position. Where assets are acquired at no or nominal value as part of a restructure of administrative arrangements, the assets are recorded at the value held by the transferor public authority prior to the restructure.

SAAS capitalises all non-current tangible property, plant and equipment and intangible assets that it controls valued at or greater than \$10,000. Assets recorded as works in progress represent projects physically incomplete as at the reporting date. Componentisation of complex assets is generally performed when the complex asset's fair value at the time of acquisition is equal to or greater than \$5 million for infrastructure assets and \$1 million for other assets.

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17.2 Depreciation and amortisation of non-current assets

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

The useful lives, depreciation and amortisation methods of all major assets held by SAAS are reassessed on an annual basis. Changes in 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.

Land and non-current assets held for sale are not depreciated.

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

Depreciation/amortisation is calculated on a straight line basis over the estimated or revised remaining useful life of the following classes of assets as follows:

<u>Class of asset</u>	<u>Useful life</u> <u>(years)</u>
Buildings and improvements	40 - 80
Leasehold improvements	Life of lease
Plant and equipment:	
• Medical, surgical, dental and biomedical equipment and furniture	5 - 15
• Computing equipment and software	3 - 5
• Vehicles	2 - 25
• Other plant and equipment	3 - 25
Intangibles	5 - 10

17.3 Revaluation

All non-current tangible assets are valued at fair value after allowing for accumulated depreciation (written down current cost).

SAAS revalues all land, buildings and site improvements on a regular cycle via a Certified Practicing Valuer. The revaluation of non-current assets by a Certified Practicing Valuer is only performed when the assets fair value at the time of acquisition is greater than \$1 million, and the estimated useful life exceeds three years. If at any time, management considers that the carrying amount of an asset greater than \$1 million materially differs from its fair value, then the asset will be revalued regardless of when the last valuation took place.

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

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

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

17.4 Impairment

SAAS holds its property, plant and equipment and intangible assets for their service potential (value in use). All non-current tangible assets are valued at fair value. Specialised assets would rarely be sold and typically any costs of disposal would be negligible, accordingly the recoverable amount will be closer to or greater than fair value. Where there is an indication of impairment, the recoverable amount is estimated. For revalued assets, an impairment loss is offset against the revaluation surplus for that class of assets, to the extent that the impairment loss does not exceed the amount in the respective asset revaluation surplus.

There were no indications of impairment of property, plant and equipment or intangibles as at 30 June 2019.

17.5 Intangible assets

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

The amortisation period and the amortisation method for intangible assets with finite useful lives are reviewed on an annual basis. SAAS has intangibles with indefinite useful lives, amortisation is not recognised against these intangible assets.

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

Capitalised software is amortised over the useful life of the asset.

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17.6 Valuation of land and buildings

An independent valuation of land and buildings, including site improvements, was performed in March 2018 by a Certified Practicing Valuer from AssetVal (JLT) Pty Ltd, as at 1 June 2018.

The valuers arrived at the fair value of unrestricted land using the market approach. The valuation was based on recent market transactions for similar land and buildings (non-specialised) in the area and includes adjustment for factors specific to the land and buildings being valued such as size, location and current use.

The valuers used depreciated replacement cost for specialised land and buildings, due to there not being an active market for such land and buildings. The depreciated replacement cost considered the need for ongoing provision of government services; specialised nature of the assets, including the restricted use of the assets; and the size, condition, location and current use of the assets. The valuation was based on a combination of internal records, specialised knowledge and acquisitions/transfer costs.

17.7 Valuation of plant and equipment

All items of plant and equipment that had a fair value at the time of acquisition less than \$1 million have not been revalued in accordance with Accounting Policy Statements. The carrying value of these items are deemed to approximate fair value. These assets are classified in Level 3 as there has been no subsequent adjustments to their value, except for management assumptions about the asset condition and remaining useful life.

SAAS's plant and equipment assets with a fair value greater than \$1 million were revalued using the fair value methodology, as at 1 June 2018, based on independent valuations performed by a Certified Practicing Valuer from Jones Lang Lasalle Pty Ltd.

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18 Reconciliation of property, plant and equipment

The following table shows the movement:

2018-19

2018-19

	Land and buildings:			Plant and equipment:				
	Land \$'000	Buildings \$'000	Capital works in progress land and buildings \$'000	Leasehold improve- ments \$'000	Medical/ surgical/ dental/ biomedical \$'000	Other plant and equipment \$'000	Capital works in progress plant and equipment \$'000	Total \$'000
Carrying amount at the beginning of the period	16,962	68,477	7,227	9,598	11,537	15,943	6,611	136,355
Additions	31	13	1,937	-	58	-	2,089	4,128
Assets received free of charge	-	-	-	-	207	-	-	207
Disposals	-	-	-	(478)	(127)	(86)	-	(691)
Transfers between asset classes	-	8,513	(8,908)	203	2,185	6,579	(8,572)	-
Subtotal:	16,993	77,003	256	9,323	13,860	22,436	128	139,999
Gains/(losses) for the period recognised in net result:								
Depreciation and amortisation	-	(2,014)	-	(1,113)	(3,094)	(6,297)	-	(12,518)
Subtotal:	-	(2,014)	-	(1,113)	(3,094)	(6,297)	-	(12,518)
Carrying amount at the end of the period	16,993	74,989	256	8,210	10,766	16,139	128	127,481
Gross carrying amount								
Gross carrying amount	16,993	77,130	256	12,938	21,836	46,906	128	176,187
Accumulated depreciation / amortisation	-	(2,141)	-	(4,728)	(11,070)	(30,767)	-	(48,706)
Carrying amount at the end of the period	16,993	74,989	256	8,210	10,766	16,139	128	127,481

All property, plant and equipment are classified in the level 3 fair value hierarchy except for capital works in progress (not classified).

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2017-18

	Land and buildings:			Plant and equipment:				Total \$'000
	Land \$'000	Buildings \$'000	Capital works in progress land and buildings \$'000	Leasehold improve- ments \$'000	Medical/ surgical/ dental/ biomedical \$'000	Other plant and equipment \$'000	Capital works in progress plant and equipment \$'000	
Carrying amount at the beginning of the period	19,284	26,889	7,993	10,143	8,441	15,108	6,700	94,558
Additions	-	46	11,885	-	362	290	13,427	26,010
Disposals	-	-	-	(48)	-	(269)	-	(317)
Transfers between asset classes	-	12,673	(12,651)	(55)	6,108	7,441	(13,516)	-
Other movements	-	-	-	-	-	-	-	-
Subtotal:	19,284	39,608	7,227	10,040	14,911	22,570	6,611	120,251
Gains/(losses) for the period recognised in net result:								
Depreciation and amortisation	-	(1,716)	-	(442)	(3,374)	(6,627)	-	(12,159)
Subtotal:	-	(1,716)	-	(442)	(3,374)	(6,627)	-	(12,159)
Gains/(losses) for the period recognised in other comprehensive income:								
Revaluation increment / (decrement)	(2,322)	30,585	-	-	-	-	-	28,263
Subtotal:	(2,322)	30,585	-	-	-	-	-	28,263
Carrying amount at the end of the period	16,962	68,477	7,227	9,598	11,537	15,943	6,611	136,355
Gross carrying amount								
Gross carrying amount	16,962	68,605	7,227	13,371	19,636	43,833	6,611	176,245
Accumulated depreciation / amortisation	-	(128)	-	(3,773)	(8,099)	(27,890)	-	(39,890)
Carrying amount at the end of the period	16,962	68,477	7,227	9,598	11,537	15,943	6,611	136,355

All property, plant and equipment are classified in the level 3 fair value hierarchy except for land (classified as level 2) and capital works in progress (not classified).

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19. Reconciliation of intangible assets
The following table shows the movement:

	2018-19		2017-18	
	Computer software \$'000	Capital works in progress intangibles \$'000	Computer software \$'000	Capital works in progress intangibles \$'000
				Total \$'000
Carrying amount at the beginning of the period	58	-	761	761
Additions	-	-	59	59
Amortisation	(21)	-	(762)	(762)
Transfers between asset classes	2	(2)	-	-
Carrying amount at the end of the period	39	(2)	58	58
Gross carrying amount				
Gross carrying amount	5,615	(2)	5,612	5,612
Accumulated amortisation	(5,576)	-	(5,554)	(5,554)
Carrying amount at the end of the period	39	(2)	58	58

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20. Fair value measurement

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.

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

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

In determining fair value, SAAS has taken into account the characteristic of the asset (e.g. condition and location of the asset and any restrictions on the sale or use of the asset); and the asset's highest and best use (that is physically possible, legally permissible and financially feasible).

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

The carrying amount of non-financial assets with a fair value at the time of acquisition that was less than \$1 million or an estimated useful life that was less than three years are deemed to approximate fair value.

Refer to notes 17 and 20.2 for disclosure regarding fair value measurement techniques and inputs used to develop fair value measurements for non-financial assets.

20.1 Fair Value Hierarchy

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

Fair value measurements at 30 June 2019

	Level 2 \$'000	Level 3 \$'000	Total \$'000
Recurring fair value measurements (Note 18)			
Land	1,120	15,873	16,993
Buildings and improvements	5,117	69,872	74,989
Leasehold improvements	-	8,210	8,210
Plant and equipment	-	26,905	26,905
Total recurring fair value measurements	6,237	120,860	127,097

Fair value measurements at 30 June 2018

	Level 2 \$'000	Level 3 \$'000	Total \$'000
Recurring fair value measurements (Note 18)			
Land	1,120	15,842	16,962
Buildings and improvements	5,117	63,360	68,477
Leasehold improvements	-	9,598	9,598
Plant and equipment	-	27,480	27,480
Total recurring fair value measurements	6,237	116,280	122,517

There are no non-recurring fair value measurements.

SAAS's policy is to recognise transfers into and out of fair value hierarchy levels as at the end of the reporting period. Valuation techniques and inputs used to derive Level 2 and 3 fair values are at note 17 and 20.

During 2019 and 2018, SAAS had no valuations categorised into Level 1.

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In 2018 all land, excluding land at the Hauteville Terrace carpark and Greenhill Road site, was transferred from level 2 to level 3 as the extent of unobservable inputs and professional judgement required in valuing these assets is significant, and as such they are deemed to have been valued using Level 3 valuation inputs.

Buildings and improvements at the Hauteville Terrace carpark and Greenhill Road site have been categorised as Level 2 as there are recent market transactions for similar properties and the valuations are based on the amounts for which the properties could be exchanged between willing parties in an arm's length transactions, based on current prices in the active market for similar properties.

20.2 Valuation techniques and inputs

The Hauteville Terrace carpark and Greenhill Road land have been valued using the market approach based on direct comparison with market data, adjusted for key attributes such as property size and zoning. These properties are classified as having been valued using level 2 valuation inputs.

Other land values were derived by using the replacement cost approach, being recent sales transactions of other similar land holdings within the region (or adjacent regions where limited sales evidence was available), adjusted for differences in key attributes such as property size, zoning and any restrictions on use, and then adjusted with a discount factor. For this reason they are deemed to have been valued using Level 3 valuation inputs.

Due to the predominantly specialised nature of health service assets, the majority of building valuations have been undertaken using a cost approach (depreciated replacement cost), an accepted valuation methodology under AASB 13. The extent of unobservable inputs and professional judgement required in valuing these assets is significant, and as such they are deemed to have been valued using Level 3 valuation inputs.

Unobservable inputs used to arrive at final valuation figures included:

- Estimated remaining useful life, which is an economic estimate and by definition, is subject to economic influences;
- Cost rate, which is the estimated cost to replace an asset with the same service potential as the asset undergoing valuation (allowing for over-capacity), and based on a combination of internal records including: refurbishment and upgrade costs, historical construction costs, functional utility users, industry construction guides, specialised knowledge and estimated acquisition/transfer costs;
- Characteristics of the asset, including condition, location, any restrictions on sale or use and the need for ongoing provision of Government services;
- Effective life, being the expected life of the asset assuming general maintenance is undertaken to enable functionality but no upgrades are incorporated which extend the technical life or functional capacity of the asset; and
- Depreciation methodology, noting that AASB 13 dictates that regardless of the depreciation methodology adopted, the exit price should remain unchanged.

21. Payables

	2019	2018
	\$'000	\$'000
Current		
Creditors and accrued expenses	5,495	5,510
Paid Parental Leave Scheme	1	18
Staff on-costs*	4,420	3,751
Other payables	276	306
Total current payables	10,192	9,585
Non-current		
Staff on-costs*	1,456	2,043
Total non-current payables	1,456	2,043
Total payables	11,648	11,628

Payables are measured at nominal amounts. Creditors and accruals are raised for all amounts owed and unpaid. Sundry creditors are normally settled within 30 days from the date the invoice is first received. Employee on-costs are settled when the respective employee benefits that they relate to are discharged. All payables are non-interest bearing. The carrying amount of payables approximates net fair value due to their short term nature.

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

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As a result of an actuarial assessment performed by the DTF, the portion of long service leave taken as leave has decreased from the 2018 rate 35% to 29%. The average factor for the calculation of employer superannuation cost on-costs has decreased from the 2018 rate of 13.23% to 9.80% these rates are used in the employment on-cost calculation. The net financial effect of the changes in the current financial year is a decrease in the employee benefit expense and employment on-cost liability of \$0.954 million. The impact on future periods is impracticable to estimate as the long service leave liability is calculated using a number of assumptions.

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

Refer to note 30 for information on risk management.

22. Staff benefits

	2019	2018
	\$'000	\$'000
Current		
Annual leave	30,139	28,264
Long service leave	4,502	1,608
Accrued salaries and wages	1,394	1,020
Skills and experience retention leave	1,595	1,493
Superannuation - defined benefit scheme	27,320	17,768
Other	11	3
Total current staff benefits	64,961	50,156
Non-current		
Long service leave	48,777	43,532
Superannuation - defined benefit scheme	19,393	10,030
Total non-current staff benefits	68,170	53,562
Total staff benefits	133,131	103,718

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

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

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

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

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

22.2 Long service leave

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

AASB 119 *Employee Benefits* contains the calculation methodology for long service leave liability. The actuarial assessment performed by the Department of Treasury and Finance has provided a basis for the measurement of long service leave and is based on actuarial assumptions on expected future salary and wage levels, experience of employee departures and periods of service. These assumptions are based on employee data over SA Government entities and the health sector.

AASB 119 requires the use of the yield on long-term Commonwealth Government bonds as the discount rate in the measurement of the long service leave liability. The yield on long-term Commonwealth Government bonds has decreased from 2018 (2.57%) to 2019 (1.25%). This decrease in the bond yield, which is used as the rate to discount future long service leave cash flows, results in an increase in the reported long service leave liability.

The net financial effect of the changes in the bond yield and actuarial assumptions, including experience profile of employee promotion and departures in the current year is an increase in the long service leave liability of \$3.234 million, payable (employee on-costs) of \$0.097 million and staff benefits expense of \$3.331 million. The impact on the future periods is impracticable to estimate as the long service leave liability is calculated using a number of assumptions - a key assumption being the long-term discount rate.

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The actuarial assessment performed by DTF left the salary inflation rate at 4.00% for long service leave liability and decreased the salary inflation rate from 3.00% to 2.20% for annual leave and skills, experience and retention leave liability. The net financial effect of the change in the salary inflation in the current financial year is a decrease in the annual leave liability of \$0.236 million, skills and experience retention leave liability of \$0.012 million, payable (employee on-costs) of \$0.025 million and employee benefit expense of \$0.273 million.

22.3 Superannuation funds

A number of SAAS employees are members of the SA Ambulance Service Superannuation Scheme (the "Scheme"). These staff are eligible to receive a benefit from the Scheme. A benefit is payable on retirement, death, disablement or leaving SAAS in accordance with the Scheme's trust deed and rules. The Scheme provides lump sum benefits based on a combination of defined benefits which depend on years of service and final salary and accumulation benefits which depend on the accumulation of member and employer contributions adjusted for appropriate earnings and expenses. The liability for this Scheme has been determined via an actuarial valuation by Mercer Investment Nominees Limited using the projected unit credit method.

The expected payment to settle the obligation has been determined using national government bond market yields with terms and conditions that match, as closely as possible, to estimated cash outflows.

Actuarial gains and losses are recognised in other comprehensive income in the Statement of Comprehensive Income, in the period in which they occur. The superannuation expense comprising interest cost and other costs of the defined benefit plan is measured in accordance with AASB 119 and is recognised as and when contributions fall due.

The South Australian Superannuation Board was appointed Trustee of the Scheme effective 1 July 2006. The Scheme was closed to new members as at 30 June 2008. For those staff who are not members of the Scheme, SAAS pays contributions in accordance with the relevant award or contract of employment to other nominated Superannuation funds in compliance with the superannuation guarantee legislation. Contributions are charged as expenditure as they are made. Members are not required to make contributions to these funds.

The defined benefit liability has been recognised in the Statement of Financial Position in accordance with AASB 119 and is held in SAAS.

Defined benefit superannuation scheme	2019	2018
Reconciliation of the present value of the defined benefit obligation:	\$'000	\$'000
Opening balance of defined benefit obligation	284,259	273,198
Current service cost	9,456	9,070
Interest cost	6,758	6,588
Contributions by scheme participants	5,707	5,008
Actuarial (gains)/losses	27,837	9,514
Benefits paid	(9,152)	(17,523)
Taxes, premiums and expenses paid	(1,838)	(1,872)
Transfers in	621	276
Closing balance of defined benefit obligation	323,648	284,259
Reconciliation of fair value of scheme assets:	2019	2018
	\$'000	\$'000
Opening balance of scheme assets	256,461	245,890
Interest Income	6,239	6,063
Actual return on scheme assets less Interest Income	13,465	11,605
Contributions from the employer	5,432	7,014
Contributions by scheme participants	5,707	5,008
Benefits paid	(9,152)	(17,523)
Taxes, premiums and expenses paid	(1,838)	(1,872)
Transfers in	621	276
Closing balance of scheme assets	276,935	256,461
The amount included in the Statement of Financial Position arising from SAAS's obligations in respect of its defined benefit scheme is as follows:	2019	2018
	\$'000	\$'000
Present value of defined benefit obligations	323,648	284,259
Fair value of scheme assets	(276,935)	(256,461)
Net liability arising from defined benefit obligations	46,713	27,798
Included in the Statement of Financial Position:	2019	2018
	\$'000	\$'000
Current provision for employee benefits - defined benefit obligations	27,320	17,768
Non-current provision for employee benefits - defined benefit obligations	19,393	10,030
Closing balance of defined benefit obligation	46,713	27,798

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	2019	2018
	% pa	% pa
Australian equity	27	27
International equity	24	24
Fixed income	19	19
Property	12	12
Alternatives/Other	16	16
Cash	2	2
Total	100	100

The percentage invested in each asset class as at 30 June 2018 is adjusted to be comparable to 30 June 2019. This adjustment is made to align with the new approach where it is assumed that the diversified strategies growth B is 50% Australian equities and 50% International equities, and diversified strategies income is Alternatives/Other.

In accordance with the revised AASB 119 the discount rate assumption is used to determine interest income and the expected return on assets assumption is no longer used. The actual return on scheme assets was a gain of \$19.704 million (\$17.668 million). Employer contributions of \$5.388 million are expected to be paid to the scheme for the year ending 30 June 2020. Expected employer contributions reflect the current 12.00% of salary contributions.

	2019	2018
	% pa	% pa
Principal actuarial assumptions used (and expressed as weighted averages):		
Discount rate (Defined benefit cost)	2.6	2.7
Expected rate of salary increase (Defined benefit cost)	4.0	3.5
Discount rate (Defined benefit obligation)	1.3	2.6
Expected rate of salary increase (Defined benefit obligation)	4.0	4.0

	2019	2018
	\$'000	\$'000
Movement in net defined benefit liability		
Net defined benefit liability at start of year	27,798	27,308
Defined benefit cost	9,975	9,595
Remeasurements	14,372	(2,091)
Employer contributions	(5,432)	(7,014)
Net defined liability at end of year	46,713	27,798

The net financial effect of the changes in the discount rate in the current year is an increase in the superannuation – defined benefits scheme liability and other comprehensive income expense item of \$26.626 million. The impact on future periods is impracticable to estimate as the superannuation – defined benefits scheme liability is calculated using a number of assumptions – a key assumption being the long-term discount rate.

Sensitivity analysis

The defined benefit obligation as at 30 June 2019 under several scenarios is presented below.

Scenarios A and B relate to discount rate sensitivity. Scenarios C and D relate to salary increase rate sensitivity.

Scenario A: 0.5% p.a. lower discount rate assumption

Scenario B: 0.5% p.a. higher discount rate assumption

Scenario C: 0.5% p.a. lower salary increase rate assumption

Scenario D: 0.5% p.a. higher salary increase rate assumption

	Base Case	Scenario A	Scenario B	Scenario C	Scenario D
		-0.5% pa discount rate	+0.5% pa discount rate	-0.5% pa salary increase rate	+0.5% pa salary increase rate
Discount Rate	1.3%	0.8%	1.8%	1.3%	1.3%
Salary increase rate	4.0%	4.0%	4.0%	3.5%	4.5%
Defined benefit obligation (\$'000)	323,648	335,343	312,799	314,162	333,741

Description of the regulatory framework

The scheme operates in accordance with its Trust Deed. The scheme is considered to be an exempt public sector scheme.

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Description of other entities' responsibilities for the governance of the Scheme

The scheme's trustee (South Australian Superannuation Board) is responsible for the governance of the scheme. The trustee has a legal obligation to act solely in the best interests of scheme beneficiaries. The trustee has the following roles:

- administration of the scheme and payment to the beneficiaries from scheme assets when required in accordance with the scheme rules;
- management and investment of the scheme assets; and
- compliance with superannuation law and other applicable regulations.

Description of risks

There are a number of risks to which the Scheme exposes the employer. The more significant risks relating to the defined benefits are:

Investment risk

The risk that investment returns will be lower than assumed and the employer will need to increase contributions to offset this shortfall.

Salary growth risk

The risk that wages or salaries (on which future benefit amounts will be based) will rise more rapidly than assumed, increasing defined benefit amounts and thereby requiring additional employer contributions.

Legislative risk

The risk that legislative changes could be made which increase the cost of providing the defined benefits.

The scheme assets are invested in the Funds SA Balanced Investment option. The assets are diversified within this investment option and therefore the Scheme has no significant concentration of investment risk.

Funding arrangements

The financing objective adopted at the 30 June 2017 actuarial investigation of the scheme in a report dated 5 June 2018, is to maintain the value of the scheme's assets at least equal to:

- 100% of accumulation account balances, plus
- 105% of Defined Benefit Vested Benefits.

In that valuation, it was recommended that the employer contribute to the scheme as follows:

- Defined Benefit members:
 - 12.00% of salary for all defined benefit members until 30 June 2018, then
 - 9.50% of salary for all defined benefit members after 1 July 2018, plus
 - Any additional employer contributions agreed between the employer and a member.
- Accumulation members:
 - 9.50% of ordinary time earnings, plus
 - Any additional employer contributions agreed between the employer and a member.

Maturity profile of defined benefit obligation

The weighted average duration of the defined benefit obligation as at 30 June 2019 is eight years.

23. Provisions

		2019	2018
Current	Note	\$'000	\$'000
Workers compensation	23.1	2,135	1,710
Total current provisions		2,135	1,710
Non-current			
Workers compensation	23.1	17,312	13,308
Total non-current provisions		17,312	13,308
Total provisions		19,447	15,018

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23.1 Workers Compensation

Workers compensation statutory provision

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

Although the Department provides funds to SAAS for the settlement of lump sum and redemption payments, the cost of these claims, together with other claim costs, are met directly by SAAS, and are thus reflected as an expense from ordinary activities in the Statement of Comprehensive Income.

The workers compensation provision is an actuarial estimate of the outstanding liability as at 30 June 2019 provided by a consulting actuary engaged through the Office of the Commissioner for Public Sector Employment. The provision is for the estimated cost of ongoing payments to staff as required under current legislation. There is a high level of uncertainty as to the valuation of the liability (including future claim costs). The liability covers claims incurred but not yet paid, incurred but not reported and the anticipated direct and indirect costs of settling these claims. The liability for outstanding claims is measured as the present value of the expected future payments reflecting the fact that all claims do not have to be paid in the immediate future.

Workers compensation non-statutory provision

Additional insurance/compensation arrangements for certain work related injuries have been introduced for most public sector staff through various enterprise bargaining agreements and industrial awards. This insurance/compensation is intended to provide continuing benefits to non-seriously injured workers who have suffered eligible work-related injuries and whose entitlements have ceased under the statutory workers compensation scheme.

The workers compensation non-statutory provision is an actuarial assessment of the outstanding claims liability provided by a consulting actuary engaged through the Office of the Commissioner for Public Sector Employment. There is a high level of uncertainty as to the valuation of the liability (including future claim costs), this is largely due to the enterprise bargaining agreements and industrial awards being in place for a short period of time and the emerging experience is unstable. The average claim size has been estimated based on applications to date and this may change as more applications are made. As at 30 June 2019 SAAS recognised a workers compensation non-statutory provision of \$7.591 million (\$9.030 million).

Reconciliation of workers compensation (statutory and non-statutory)

	2019	2018
	\$'000	\$'000
Carrying amount at the beginning of the period	15,018	9,718
Increase in provisions recognised	4,573	5,447
Reductions arising from payments/other sacrifices of future economic benefits	(418)	(147)
Reductions resulting from re-measurement or settlement without cost	274	-
Carrying amount at the end of the period	19,447	15,018

24. Other liabilities

	2019	2018
	\$'000	\$'000
Current		
Unclaimed monies	-	4
Unearned revenue	274	171
Ambulance Cover Membership	2,368	2,085
Other	-	7
Total current other liabilities	2,642	2,267
Total other liabilities	2,642	2,267

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25. Cash flow reconciliation

Reconciliation of cash and cash equivalents at the end of the reporting period:	2019	2018
	\$'000	\$'000
Cash and cash equivalents disclosed in the Statement of Financial Position	10,674	10,584
Cash as per Statement of Financial Position	10,674	10,584
Balance as per Statement of Cash Flows	10,674	10,584
Reconciliation of net cash provided by operating activities to net cost of providing services:		
Net cash provided by (used in) operating activities	3,864	14,118
Revenues from SA Government	(164,730)	(165,043)
Add/less non-cash items		
Capital revenues	-	11,567
Depreciation and amortisation expense of non-current assets	(12,539)	(12,921)
Gain/(loss) on sale or disposal of non-current assets	(203)	493
Gain/(loss) on valuation of defined benefits	14,372	(2,091)
Net effect of the adoption of new Accounting Standard	(3,708)	-
Resources received free of charge	218	-
Movement in assets and liabilities		
Increase/(decrease) in receivables	9,784	(4,174)
Increase/(decrease) in inventories	21	115
Increase/(decrease) in other current assets	162	13
(Increase)/decrease in staff benefits	(29,425)	(11,977)
(Increase)/decrease in payables and provisions	(4,583)	(4,281)
(Increase)/decrease in other liabilities	(374)	(434)
Net cost of providing service	(187,141)	(174,615)

Cash and cash equivalents in the Statement of Cash Flows consist of cash and cash equivalents as per the Statement of Financial Position.

26. Unrecognised contractual commitments

Commitments include operating, capital and outsourcing arrangements arising from contractual or statutory sources, and are disclosed at their nominal value. Unrecognised contractual commitments are disclosed net of the amount of GST recoverable from, or payable to, the ATO. If GST is not recoverable or payable, the commitments are disclosed on a gross basis.

26.1 Operating lease expenditure commitments

	2019	2018
	\$'000	\$'000
Commitments in relation to operating leases contracted for at the reporting date but not recognised as liabilities are payable as follows:		
Within one year	2,272	2,244
Later than one year but not longer than five years	3,823	3,845
Later than five years	2,303	2,290
Total operating lease commitments	8,398	8,379
Representing:		
Non-cancellable operating leases	8,398	8,379
Total operating lease commitments	8,398	8,379

SAAS has a number of lease agreements. Lease terms vary in length. Each lease agreement has renewal options for a determined period, exercisable by both the lessor and lessee.

The majority of the operating lease arrangements are for the use of properties. The major commitments are for the properties at Eastwood, Parkside, Bedford Park, Ashford Hospital, Netley, Port Adelaide, Aldgate, Angaston, Gepps Cross and Edwardstown. SAAS has a number of other operating leases for the use of property. The value of these leases is immaterial.

Motor vehicles are leased from South Australian Government Financing Authority (SAFA) through their agent LeasePlan Australia. The leases are non-cancellable and the vehicles are leased for a specified time period or a specified number of kilometres, whichever occurs first.

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26.2 Expenditure commitments

26.2.1 Capital commitments

	2019	2018
	\$'000	\$'000
Capital commitments		
Capital expenditure contracted for at the reporting date but are not recognised as liabilities in the financial report, are payable as follows:		
Within one year	459	1,037
Total capital commitments	459	1,037

SAAS's capital commitments are for plant and equipment ordered but not received and capital works.

26.2.2 Other expenditure commitments

	2019	2018
	\$'000	\$'000
Other expenditure commitments		
Within one year	552	204
Total other expenditure commitments	552	204

SAAS expenditure commitments are for agreements for goods and services ordered but not received.

SAAS also has commitments to provide funding to various non-government organisations in accordance with negotiated service agreements. The value of these commitments as at 30 June 2019 has not been quantified.

27. Contingent assets and liabilities

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

27.1 Contingent Assets

SAAS is not aware of any contingent assets.

27.2 Contingent Liabilities

The current Enterprise Bargaining agreement has a preserved date of 30 November 2018 for the effective date of any subsequent Agreement to apply. The Agreement negotiations have commenced and any increase will be back dated to 30 November 2018.

27.3 Guarantees

SAAS has made no guarantees.

28. Events after balance date

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

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

SAAS is not aware of any material events occurring between the end of the reporting period and when the financial statements were authorised.

29. Impact of Standards and Statements not yet implemented

SAAS has assessed the impact of the new and amended Australian Accounting Standards and Interpretations not yet implemented and changes to the Accounting Policy Statements issued by the Treasurer. There are no Accounting Policy Statements that are not yet effective. The material impacts on SAAS are outlined below.

AASB 15 Revenue from Contracts with Customers and AASB 1058 Income of Not-for-Profit Entities

SAAS will adopt these standards from 1 July 2019.

AASB 15 establishes a comprehensive framework for determining the nature, amount and timing of revenue arising from contracts with customers. The objective of AASB 15 is for revenue recognition to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which an entity expects to be entitled in exchange for those goods and services. This standard replaces AASB 111 *Construction Contracts* and AASB 118 *Revenue*.

AASB 1058 clarifies and simplifies the income recognition requirements that apply to not-for-profit entities, in conjunction with AASB 15. This standard replaces parts of AASB 1004 *Contributions*.

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Adopting AASB 15 and AASB 1058 is expected to have an immaterial impact on the timing and recognition of revenue of the SAAS.

SAAS has completed an extensive review of all revenue streams to ensure compliance with AASB 15 and AASB 1058, and assessed the impact on the nature, amount and timing of revenue recognition as:

- Revenues from SA Government (54.3%) will continue to be recognized as income when SAAS obtains control of the funds (i.e. upon receipt).
- Interest income will continue to be recognised via AASB 9.
- Resources received free of charge (0.5%) relates to contributed services and contributed assets. Material contributed services will continue to be recognised where they would have been purchased if they were not donated via AASB 1058 (previously AASB 1004). Where contributed assets do not have sufficiently specific performance obligations these will continue to be accounted for as a donation via AASB 1058 (previously AASB 1004) e.g. donated equipment.
- All material Commonwealth revenues and other grants (2.3%) have been assessed, and will continue to be recognised as service/performance obligations are satisfied, or alternatively where there are no service performance obligations upon receipt. There are no material changes to amount or the timing of grant income recognition.
- All material Fees and Charges (42.2%) have been assessed and revenue will continue to be recognised as the service/performance obligations are satisfied.
- Taxes, rates and fines will continue to be recognised as income when the taxable event occurs.
- Peppercorn lease arrangements will continue to be recognised at nominal amounts until the AASB develops valuation guidance.

Revenue earned in prior periods but not yet receivable will be recorded as a contract asset (currently recorded as an accrual) in the Statement of Financial Position. Revenue received in prior periods but not yet earned will be recorded as a contract liability (currently recorded as unearned revenue) in the Statement of Financial Position. It is expected that adoption of AASB 15 and AASB 1058 will have an immaterial impact on the Statement of Financial Position.

As per the Accounting Policy Statements, SAAS will apply AASB 15 and AASB 1058 retrospectively with the cumulative effect of initially applying the standard recognised at 1 July 2019 (comparatives will not be restated); not apply the completed contract expedient; and not recognise volunteer services when the services would not have been purchased if they had not been donated.

AASB 16 Leases

SAAS will adopt this standard from 1 July 2019. This standard replaces AASB 117 *Leases and Interpretations 4, 115 and 127*.

AASB 16 largely retains the current lessor accounting model but introduces a single lessee accounting model. It requires a lessee to recognise assets (representing rights to use the underlying leased asset) and liabilities (representing the obligation to make lease payments) for all leases with a term of more than 12 months, unless the underlying asset value is low. In effect, the majority of leases presently classified as operating leases will be recognised in the Statement of Financial Position.

The right of use asset will initially be recognised at cost and will give rise to a depreciation expense. The lease liability will initially be recognised as the present value of the lease payments during the term of the lease. Current operating lease rental payments will no longer be expensed in the Statement of Comprehensive Income. These payments will now reduce the recognised liability over time and the finance charge component recognised as an expense.

SAAS has assessed the impact on the Statement of Financial Position of adopting AASB 16 with the transition requirements outlined in the Accounting Policy Statements. As per the Accounting Policy Statements, SAAS will apply AASB 16's transition approach only to those leases already identified as a lease under AASB 117, and apply incremental borrowing rates based on SAFA's rates for principal and interest loans to SA Government agencies for 1 July 2019 (as at 4 February 2019).

AASB 16 will have a material impact on the Statement of Financial Position. The estimated impact of this change and the results as at 1 July 2019 are set out below:

	\$'000
Assets	
Right of Use Assets	5,504
Liabilities	
Lease Liabilities	5,504
Net impact on Equity	Nil

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AASB 16 will also impact the Statement of Comprehensive Income. The impact is largely a reclassification between supplies and services expenses and depreciation and interest expenses, as set out below:

	\$'000
Depreciation and Amortisation	1,989
Supplies and Services	(2,066)
Borrowing Costs	127
Net impact on Net cost of providing services	50

As per the Accounting Policy Statements, SAAS will apply AASB 16 retrospectively with the cumulative effect of initially applying the standard recognised at 1 July 2019 (comparatives will not be restated); not apply AASB 16 to contracts that were not previously identified as containing a lease under AASB 117; not transition operating leases for which the lease term ends before 30 June 2020.

In addition, SAAS will not apply AASB 16 to intangible assets; will adopt a \$15,000 threshold for determining whether an underlying asset is a low value asset, will apply the short term lease recognition exemption; separate non-lease components from lease components; will adopt the revaluation model where permitted; will apply the relevant lessee's incremental borrowing rate published by DTF; and not record at fair value leases that have significantly below-market terms and conditions.

30. Financial instruments/financial risk management

30.1 Financial risk management

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

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

Liquidity Risk

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

Refer to note 14 for further information.

Credit risk

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

Refer to notes 15 for further information.

Market risk

SAAS does not engage in high risk hedging for its financial assets. Exposure to interest rate risk may arise through interest bearing liabilities, including borrowings. SAAS's interest bearing liabilities are managed through SAFA and any movement in interest rates are monitored on a daily basis. There is no exposure to foreign currency or other price risks.

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

30.2 Categorisation of financial instruments

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

Classification applicable until 30 June 2018 under AASB 139

The carrying amounts of financial assets and liabilities were categorised as: held-to-maturity investments; loan and receivables; and financial liabilities measured at cost.

SAAS did not recognise any financial assets or financial liabilities at fair value, except as disclosed in the notes. All of the resulting fair value estimates are included in Level 2 as all significant inputs required are observable.

- The carrying value less impairment provisions of receivables and payables is a reasonable approximation of their fair values due to the short-term nature of these (refer notes 15 and 21).

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Classification applicable from 1 July 2018 under AASB 9

The carrying amounts of each of the following categories of financial assets and liabilities: financial assets measured at amortised cost; financial assets measured at fair value through profit or loss; financial assets measured at fair value through other comprehensive income; and financial liabilities measured at amortised cost are detailed below. All of the resulting fair value estimates are included in Level 2 as all significant inputs required are observable.

A financial asset is measured at amortised cost if:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest only on the principal amount outstanding.

Category of financial asset and financial liability	Notes	2019 Carrying amount/ Fair value \$'000	2018 Carrying amount/ Fair value \$'000
Financial assets			
Cash and equivalent			
Cash and cash equivalents	14,25	10,674	10,584
Amortised Cost			
Receivables ⁽¹⁾⁽²⁾	15	24,579	16,339
Total financial assets		35,253	26,923
Financial liabilities			
Financial liabilities at amortised cost			
Payables ⁽¹⁾	21	5,600	5,521
Other liabilities	24	-	11
Total financial liabilities		5,600	5,532

Comparative amounts shown above reflect reclassification in accordance with AASB 9, refer to note 1.7 for categories under AASB 139.

- ⁽¹⁾ Receivable and payable amounts disclosed here exclude amounts relating to statutory receivables and payables (e.g. Commonwealth taxes; Auditor-General's Department audit fees etc.). In government, certain rights to receive or pay cash may not be contractual and therefore in these situations, the requirements will not apply. Where rights or obligations have their source in legislation such as levies, tax and equivalents etc. they would be excluded from the disclosure. The standard defines contract as enforceable by law. All amounts recorded are carried at cost (not materially different from amortised cost).
- ⁽²⁾ Receivables amount disclosed here excludes prepayments. Prepayments are presented in note 15 as trade and other receivables in accordance with paragraph 78(b) of AASB 101. However, prepayments are not financial assets as defined in AASB 132 as the future economic benefit of these assets is the receipt of goods and services rather than the right to receive cash or another financial asset.

30.3 Credit risk exposure and impairment of financial assets

Loss allowances for receivables are measured at an amount equal to lifetime expected credit loss using the simplified approach in AASB 9. A provision matrix is used to measure the ECL of receivables from non-government debtors. The ECL of government debtors is considered to be nil based on the external credit ratings and nature of the counterparties. Impairment losses are presented as net impairment losses within net result.

The carrying amount of receivables approximates net fair value due to being receivable on demand. Receivables are written off when there is no reasonable expectation of recovery and not subject to enforcement activity. Indicators that there is no reasonable expectation of recovery include the failure of a debtor to enter into a payment plan with SAAS.

To measure the ECL, receivables are grouped based on days past due and debtor types that have similar risk characteristics and loss patterns (i.e. by patient and sundry and ambulance transport). The provision matrix is initially based on the SAAS's historical observed default rates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. SAAS considers reasonable and supportable information that is relevant and available without undue cost or effort; about past events, current conditions and forecasts of future economic conditions.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. SAAS's historical credit loss experience and forecast of economic conditions may also not be representative of customers' actual default in the future.

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Loss rates are calculated based on the probability of a receivable progressing through stages to write off based on the common risk characteristics of the transaction and debtor. The following table provides information about the credit risk exposure and ECL for non-government debtors:

	30 June 2019			1 July 2018 (remeasurement)		
	Expected credit loss rate(s) %	Gross carrying amount \$'000	Expected credit losses \$'000	Expected credit loss rate(s) %	Gross carrying amount \$'000	Expected credit losses \$'000
Days past due						
Current	0.6%-25.3%	23,553	5,941	0.5%-19.0%	10,573	1,910
<30 days	1.1%- 28.8%	2,326	657	1.0%- 34.8%	2,929	990
31-60 days	2.5%- 48.1%	1,634	784	2.1%- 47.0%	1,682	784
61-90 days	3.7%- 59.6%	1,823	1,084	3.2%- 51.5%	1,816	898
91-120 days	4.5%- 65.7%	1,774	1,161	3.8%- 54.3%	2,267	1,229
121-180 days	5.2%- 74.7%	1,645	1,227	4.3%- 61.9%	1,773	1,096
181-360 days	6.6%- 94.0%	9,944	9,298	4.8%- 70.1%	13,658	9,535
361-540 days	26.9%- 100.0%	3,259	3,224	25.1%- 98.8%	158	156
>540 days	36.1%- 100.0%	297	274	33.3%- 100.0%	422	422
Total		46,255	23,650		35,278	17,020

31. Significant transactions with government related entities

SAAS is controlled by the SA Government.

Related parties of SAAS include all key management personnel and their close family members; all Cabinet Ministers and their close family members; and all public authorities that are controlled and consolidated into the whole of government financial statements and other interests of the Government.

Significant transactions with the SA Government are identifiable throughout this financial report. SAAS received funding from the SA Government via the Department (note 12), and incurred expenditure via the Department for medical, surgical and laboratory supplies, computing and insurance (note 4). The Department transferred capital works in progress of \$0.970 million (\$11.568 million) to SAAS.

In addition, SAAS has lease arrangements (both as lessee and as lessor) with other SA Government controlled entities. The premises are provided/received at nil or nominal rental with outgoings such as utilities being paid by the lessee.

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32. Board and committee members

Members of boards/committees that served for all or part of the financial year and were entitled to receive income from membership in accordance with APS 124.B were:

Board/Committee name:	Government	
	employee members	Other members
Finance Committee	7	
Risk Management and Audit Committee	-	Beilby J Professor, Sneddon Y (Chair)

Refer to note 3.2 for remuneration of board and committee members