



**Government
of South Australia**

Department of Planning,
Transport and Infrastructure

Department of Planning, Transport and Infrastructure

2016-17 Annual Report

Department of Planning, Transport and Infrastructure

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To: Hon Stephen Mullighan MP
Minister for Transport and Infrastructure

This annual report is presented to Parliament to meet the statutory reporting requirements of the *Public Sector Act 2009*, *Public Finance and Audit Act 1987* and other relevant Acts. Incorporated in this document is annual reporting by the Commissioner of Highways under the provision of the *Highways Act 1926* and by the Rail Commissioner under the provision of the *Rail Commissioner Act 2009* and meets 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 the Department of Planning, Transport and Infrastructure by:

Michael Deegan

Chief Executive


Signature _____ Date 28-9-17

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Section A: Reporting required under the *Public Sector Act 2009*, the *Public Sector Regulations 2010* and the *Public Finance and Audit Act 1987*

Agency purpose or role

Working together to connect the people and places of South Australia

The Department of Planning, Transport and Infrastructure works as part of the community to deliver effective planning policy, efficient transport, and valuable social and economic infrastructure. By harnessing the diversity of our purposes and people we strive to achieve positive outcomes that will improve the lifestyles of all South Australians every day.

Objectives

- Growth and job creation
- Enhanced liveability and connectivity between people and places, business and markets
- Community-focused and customer focused services
- Maximised use and return on infrastructure
- Optimised, safe and effective operations and workforce

Link to the department Strategic Plan
<https://www.dpti.sa.gov.au/dpti-strategic-plan>

Key strategies and their relationship to SA Government objectives

Key strategy	SA Government objective
Growth and Job Creation	Creating a vibrant city Growing advanced manufacturing Realising the benefits of the mining boom for all Premium food and wine from our clean environment SASP Target 1 – Urban Spaces SASP Target 33 – Government Planning Decisions
Customer Experience	Creating a vibrant city An affordable place to live SASP Target 56 Strategic Infrastructure SASP Target 63 Use of Public Transport SASP Target 68 Urban development SASP Target 83 Recreation and Sport
Safe Travel	Safe communities, healthy neighbourhoods Creating a vibrant city SASP Target 2 Cycling SASP Target 22 Road Safety

Key strategy	SA Government objective
Healthy Neighbourhoods, Active Communities	An affordable place to live Safe communities, healthy neighbourhoods Premium food and wine from our clean environment SASP Target 68 Urban development SASP Target 2 Cycling
Effective and Sustainable Infrastructure	Creating a vibrant city Safe communities, healthy neighbourhoods Every chance for every child SASP Target 56 Strategic Infrastructure

Agency programs and initiatives and their effectiveness and efficiency

Program name	Indicators of performance/effectiveness/efficiency	Comments
Integrated Public Transport	Metropolitan public passenger services, Total Boardings (2016-17): <ul style="list-style-type: none"> 74.8 million Performance against 2016-17 target (75.6 million): -1.1 % On-time running (arrivals within 4 minutes and 59 seconds of schedule): <ul style="list-style-type: none"> Bus: 92% (target 91%) Train: 94% (target 94%) Tram: 98% (target 99%) 	Through balancing new infrastructure, new services and customer service, DPTI drives demand for public transport and enhances Adelaide's vibrancy.
Moving Freight	Continued major works on the North-South Corridor, the Torrens Road to River Torrens project, opened new Outer Harbor rail overpass over South Road and commenced major works on the Northern Connector and Darlington projects. Last Mile Freight Access Highlights: <ul style="list-style-type: none"> Approved Northern Expressway, Gawler Bypass link and Horrocks Hwy for 36.5m road trains from Roseworthy - Port Adelaide Approved 26m B-double along OD5 Rd and 36.5m road train access to Jamestown Saleyards from RM Williams Way 	Moving Freight drives major road and marine projects for a more resilient transport system to move freight to places, businesses and markets.

Program name	Indicators of performance/effectiveness/efficiency	Comments
Transport Network Optimisation	<p>Number of road fatalities (preliminary result):</p> <ul style="list-style-type: none"> • 86 (target ≤ 86) <p>Number of serious injuries (preliminary result):</p> <ul style="list-style-type: none"> • 732 (target ≤ 600) <p>Resurfacing / reseal works 2016-17:</p> <ul style="list-style-type: none"> • Metro – 109 lane kilometres • Rural – 541 lane kilometres 	South Australia optimises a high performing multi-modal transport network to provide safe and reliable journeys, informed travel choices, sustainable road access and improved customer experience.
Safe Communities, Healthy Neighbourhoods	<p>Children participating in sport or active recreation (number of Sports Vouchers redeemed 2016-17)</p> <ul style="list-style-type: none"> • 58 432 (target: 58 300; 2015-16 result 50 685) <p>30 Year Plan for Greater Adelaide updated and published.</p> <p>Planning Reform - Enacted transitional legislation for the <i>Planning, Development and Infrastructure Act 2016</i> and commenced implementation of new planning and development system.</p>	Safe communities and healthy neighbourhoods are created by promoting cycling, walking and public life to engage citizens actively and safely in their surrounds.
Government Infrastructure	<p>Value of building construction projects managed (excludes individual projects >\$300m in value)</p> <ul style="list-style-type: none"> • \$2531m (target \$2300m) <p>Client satisfaction (DPTI facilities/buildings only)</p> <ul style="list-style-type: none"> • 92% (target 92%) 	DPTI delivers infrastructure for other government agencies, utilising skills in project management, procurement and collaboration to build South Australia.

Legislation administered by the agency

As at 30 June 2017, the department was responsible for administering the following legislation:

Minister for Transport and Infrastructure

Adelaide Oval Redevelopment and Management Act 2011

Adelaide Railway Station Development Act 1984

Aerodrome Fees Act 1998

Air Navigation Act 1937

Air Transport (Route Licensing—Passenger Services) Act 2002

Alice Springs to Darwin Railway Act 1997

AustralAsia Railway (Third Party Access) Act 1999

Civil Aviation (Carriers' Liability) Act 1962

Commissioner of Public Works Incorporation Act 1917

General Tramways Act 1884

Geographical Names Act 1991

Golden Grove (Indenture Ratification) Act 1984

Government House Precinct Land Dedication Act 2016

Harbors and Navigation Act 1993

Heavy Vehicle National Law (South Australia) Act 2013

Highways Act 1926

Marine Safety (Domestic Commercial Vessel) National Law (Application) Act 2013

Maritime Services (Access) Act 2000

Metropolitan Adelaide Road Widening Plan Act 1972

Mile End Underpass Act 2005

Mobil Lubricating Oil Refinery (Indenture) Act 1976

**Morphett Street Bridge Act 1964*

Motor Vehicles Act 1959

National Soldiers Memorial Act 1949

Non-Metropolitan Railways (Transfer) Act 1997

North Haven Development Act 1972

North Haven (Miscellaneous Provisions) Act 1986

Oil Refinery (Hundred of Noarlunga) Indenture Act 1958

Passenger Transport Act 1994

Proof of Sunrise and Sunset Act 1923

Protection of Marine Waters (Prevention of Pollution from Ships) Act 1987

Public Employees Housing Act 1987

Rail Commissioner Act 2009

Rail Safety National Law (South Australia) Act 2012

Rail Transport Facilitation Fund Act 2001

Railways (Operations and Access) Act 1997

Railways (Transfer Agreement) Act 1975

Roads (Opening and Closing) Act 1991

Road Traffic Act 1961

South Australian Ports (Bulk Handling Facilities) Act 1996

South Australian Ports (Disposal of Maritime Assets) Act 2000

**Steamtown Peterborough (Vesting of Property) Act 1986*

Survey Act 1992

**Tarcoola to Alice Springs Railway Agreement Act 1974*

Terrorism (Surface Transport Security) Act 2011

Valuation of Land Act 1971

Victoria Square Act 2005

West Lakes Development Act 1969

Minister for Planning

Adelaide Cemeteries Authority Act 2001
Adelaide Show Grounds (Regulations and By-Laws) Act 1929
Character Preservation (Barossa Valley) Act 2012
Character Preservation (McLaren Vale) Act 2012
Commissioner for Kangaroo Island Act 2014
Development Act 1993
Linear Parks Act 2006
Planning, Development and Infrastructure Act 2016
Private Parking Areas Act 1986
West Beach Recreation Reserve Act 1987

Minister for Housing and Urban Development

Architectural Practice Act 2009

Minister for Road Safety

Nil

Minister for Recreation and Sport

Boxing and Martial Arts Act 2000
Recreational Greenways Act 2000
Recreation Grounds (Joint Schemes) Act 1947
Recreation Grounds Rates and Taxes Exemption Act 1981
Sports Drug Testing Act 2000

Minister for Racing

Racing (Proprietary Business Licensing) Act 2000
**Port Pirie Racecourse Site Act 1946*

Minister for Local Government

Local Government Act 1999
Local Government (Elections) Act 1999
Local Government (Implementation) Act 1999
Outback Communities (Administration and Management) Act 2009
South Australian Local Government Grants Commission Act 1992

Attorney-General - administered by the department

Bills of Sale Act 1886
Community Titles Act 1996
Electronic Conveyancing National Law (South Australia) Act 2013
Liens on Fruit Act 1923
Real Property Act 1886
Real Property (Registration of Titles) Act 1945
Registration of Deeds Act 1935
Strata Titles Act 1988
Stock Mortgages and Wool Liens Act 1924
Worker's Lien Act 1893

*Denotes Act of limited application

Organisation of the agency

Office of the Chief Executive – encompasses Portfolio Governance and Reform, Principal Cultural Advisor, and the Office of the Commissioner for Kangaroo Island.

People and Business Division - brings together our people and financial strengths.

- Customer and Information Services
- Investment Services
- Planning and Transport Policy
- People and Performance
- Commercial and Legal
- Portfolio Management Office
- Enterprise Information Management.

Safety and Service Division - puts safety and service at the forefront of everything we do and brings together our project development and building management skills.

- Asset Management
- Transport Operations
- Infrastructure Delivery
- Regulation.

Development Division– focuses on the economic opportunities that need to be realised to bring investment and employment to the State.

- Planning and Development
- Architecture and Built Environment
- Property
- Office of Recreation and Sport.

Employment opportunity programs

Program name	Result of the program
<p>Work experience* Seven secondary students (5 males and 2 females) from across years 10, 11 and 12 participated in an unpaid work placement for up to five business days this year.</p>	<p>The work experience program was reviewed at the end of 2016, during this time, applications were still processed if a request was received. Applications reopened on 1 May 2017.</p>
<p>Internships The department hosted ten (recorded*) university students (7 males and 3 females) who undertook an unpaid placement in a variety of undergraduate and postgraduate discipline areas.</p>	<p>In the 2016-17 financial year the Internship program hosted 10 (recorded*) Interns (7 male and 3 female) in a variety of undergraduate and postgraduate discipline areas, including; Mechanical, Electrical and Civil/Structural Engineering, Psychology, Human Resources and Urban and Regional Planning, among others.</p> <p>The department is in the process of reviewing the program in order to improve and promote (internally and externally) a streamlined and desirable program.</p>
<p>Undergraduate Vacation Employment Over the 2016-2017 summer break, 47 undergraduates (37 males and 10 females) from six Institutes across Australia worked on projects in a range of disciplines.</p>	<p>The majority of projects (62 per cent) were in the Safety and Service Division. Successful candidates were recruited from 6 Institutes across Australia, with the majority submitted by students from the University of SA (UniSA).</p>
<p>Graduate Program Approximately 76 Graduates (49 males and 27 females) were employed from a wide range of discipline areas as a result of the Jobs4Youth initiative.</p>	<p>No data is available on the results on this program.</p>

Note: *These figures are estimates only

Agency performance management and development systems

Performance management and development system	Assessment of effectiveness and efficiency
<p>DPTI Operating Procedure 008: Managing our People outlines requirements for Performance, Development and Recognition - Developing our People.</p> <p>Data is entered into the CHRIS 21 Human Resource Management system and compliance reported bi-annually to the Office for the Public Sector.</p>	<p>78.09 per cent of employees (including managers and executives) participated in formal performance management reviews as at 20 June 2017.</p> <p>Effectiveness and efficiency not assessed in this reporting period.</p>

Performance management and development system	Assessment of effectiveness and efficiency
Executive Performance Management Program	The program incorporates the core competencies outlined in the South Australian Executive Service Competency Framework. It includes a Performance and Learning Agreement and is used to assess performance.

Occupational health, safety and rehabilitation programs of the agency and their effectiveness

Occupational health, safety and rehabilitation programs	Effectiveness
<p>Drug and Alcohol Management Program</p> <p>Under the <i>Rail Safety National Law Act 2012</i> a rail transport operator is required to have a drug and alcohol program to assist with managing workers fitness for work. The Rail Commissioner is required to have a drug and alcohol management program in place that complies with legislative requirements and provides information around drug and alcohol provisions.</p>	<p>During the 2016-17 period, 5177 alcohol tests and 837 drug tests were completed. To date, the program has randomly tested approximately 700 rail safety workers during the span of the financial year.</p>
<p>Health and Fitness Management Program</p> <p>To assist with managing the risks posed by the ill-health of rail safety workers. The National Standard for Health Assessment of Rail Safety Workers provides guidance for rail transport operators to meet these obligations.</p>	<p>The frequency of periodic health assessments of rail safety workers is based on risk of ill-health determined by age and safety critical level of the role.</p> <p>During 2016-17, a total of 284 people participated in the health monitoring tests and assessments:</p> <ul style="list-style-type: none"> • Category 1: Safety Critical = 198 • Category 2: Safety Critical = 66 • Category 3: Non-safety Critical = 20.
<p>Influenza Vaccination Program</p> <p>The department provides a yearly Voluntary Influenza vaccination program to employees. The program is run across 22 worksites and captures CBD, metro and regional locations.</p>	<p>On average the program uptake each year has been about 33 per cent of the total workforce. However, over the last four years there has been a steady increase in the participation rate up to 37 per cent, with the number of worksite increasing from 17 to 22. 40 per cent of the worksites involved in the program are regional locations.</p>

Occupational health, safety and rehabilitation programs	Effectiveness
<p>Employee Assistance Program The department offers employees and their immediate family members a short term counselling service for both work and personal related issues. The program also provides critical incident response as well as a specific manager assist program. A unique part of the department's Employee Assistance Program is that it offers an onsite walk and talk service. This service has traditionally been utilised by our field workers in both metro and regional locations.</p>	<p>The number of worksites utilising the onsite walk and talk service has increased from 12 locations to 17 locations in the last 12 months. The traditional face to face service has a consistent usage rate. The effectiveness of the program is based on feedback received through customer satisfaction surveys. 83 per cent of respondents to the client survey indicate they are satisfied with the service provided.</p>
<p>Rehabilitation Programs Generic workforce health/safety programs for injury management/prevention across the agency – i.e. manual handling. Individual Rehabilitation Programs tailored for individuals in relation to their injury and their work function – i.e. an Occupational Therapist undertaking a job analysis (which entails assessing work functions and providing recommendations about modifications to support the worker). This service is externally engaged.</p>	<p>The department achieved a significant reduction in new workplace injuries with 23 per cent fewer compared to the previous year. Workers compensation costs also reduced in the 2015 - 16 financial year.</p>

Fraud detected in the agency

Category/nature of fraud	Number of instances
Confirmed fraudulent activity	1

Strategies implemented to control and prevent fraud

- Continue to implement and continuously improve fraud and corruption control strategies in line with Australian Standard 8001-2008 Fraud and Corruption Control.
- Development of an online Fraud and Corruption Control training tool to be mandated in the department.
- Continue to develop relationships between the Fraud and Corruption Control Officer and other business units to develop and plan projects and resources that mitigate any potential risks.
- Assess and test controls relating to fraud as part of internal audit processes.
- Continue to promote behaviour in line with Code of Ethics for the South Australian Public Sector.

Data for the past five years is available at: <https://data.sa.gov.au/data/dataset/fraud-detected-in-the-department-of-planning-transport-and-infrastructure>.

Whistle-blowers' disclosure

Number of occasions on which public interest information has been disclosed to a responsible officer of the agency under the *Whistle-blowers' Protection Act 1993* Nil

Data for the past five years is available at: <https://data.sa.gov.au/data/dataset/whistle-blowers-disclosure-for-the-department-of-planning-transport-and-infrastructure>.

Executive employment in the agency

Executive classification	Number of executives
EXEC	3
SAES	38

Data for the past five years is available at: <https://data.sa.gov.au/data/dataset/executive-employment-in-the-department-for-planning-transport-and-infrastructure>.

For further information, the [Office for the Public Sector](#) has a [data dashboard](#) on the breakdown of executive gender, salary and tenure by agency.

Consultants

The following is a summary of external consultants that have been engaged by the agency, the nature of work undertaken and the total cost of the work undertaken.

Consultants	Purpose	Value
All consultancies below \$10 000 each	Nil	00
Consultancies above \$10 000 each		
Halcrow Pty Ltd	3000/3100 Class Railcar Structural	146 540
Ernst & Young	Work Value Assessments - Tram operators	93 286
Total all consultancies	2	239 826

Data for the past five years is available at: <https://data.sa.gov.au/data/dataset/consultants-engaged-by-the-department-of-planning-transport-and-infrastructure>.

See also <https://www.tenders.sa.gov.au/tenders/index.do> for a list of all external consultancies, including nature of work and value. See also the Consolidated Financial Report of the Department of Treasury and Finance <http://treasury.sa.gov.au/> for total value of consultancy contracts across the SA Public Sector.

Financial performance of the agency

The following is a brief summary of the overall financial position of the agency. The information is unaudited. Full audited financial statements for 2016-17 are attached to this report.

The department received \$639.570 million in the budget, this is a 66 per cent increase on the previous year. This increase is predominately due to significant capital projects being undertaken.

In addition the department received:

- \$625.167 million in fees and charges, which was consistent with the previous year.
- \$557.025 million in Commonwealth funding to undertake significant capital projects, a significant increase from the previous year.

Overall total expenses was higher than budget expectations by 6 per cent due to:

- assets donated to other government agencies
- depreciation costs on assets previously classified as assets held for sale.

The department has assets worth \$28.635 billion. This consists mainly of network, land and building assets and Deposits at call with the Treasurer. The department has total liabilities of \$495.280 million. This mainly consists of employee entitlements and expenses due but not yet paid on supplies and services and capital projects.

Section B: Reporting required under any other Act or Regulation

Air Transport (Route Licensing-Passenger Services) Act 2002

Part 5 Section 19—Annual reports

(1) The administrative unit of the Public Service that is, under the Minister, responsible for the administration of this Act must, on or before 30 September in each year, present a report to the Minister on the operation and administration of this Act during the previous financial year.

(2) A report required under this section may be incorporated in the annual report of the relevant administrative unit.

(3) The Minister must, within 12 sitting days after receipt of a report under this section, cause copies of the report to be laid before each House of Parliament.

Reporting against the *Air Transport (Route Licensing-Passenger Services) Act 2002*

The following report is provided pursuant to section 19 of the *Air Transport (Route Licensing-Passenger Services) Act 2002*.

Operation and Administration of the Act in 2016-17

Adelaide - Port Augusta

Adelaide – Port Augusta was the only route subject to a Route Service Licence during the 2016-17 Financial Year.

The Licence expired on 31 December 2016 and Sharp Aviation Ltd, trading as Sharp Airlines committed to operate, under new licence conditions, for another three years to 31 December 2019. However, due to the declining patronage and revenues in both the regular Public Transport (RPT) and mining charters Sharp Airlines decided to exit the route on 30 May 2017 in accordance with the Licence agreement.

Subsequently, the department advertised nationwide for Expressions Of Interest (EOI) from qualified operators to fly the route in accordance with s5(3) of the *Air Transport (Route Licensing-Passenger Services) Act 2002*, “...to encourage an operator or operators of air services to establish, maintain, re-establish, increase or improve scheduled air services on the route.”

As at 27 June 2017 the department had received one EOI from a qualified operator.

A Route Licence was awarded to Regional Express Holdings Ltd (Rex) in early July 2017. The start date for air services is early September 2017, commencing no later than eight weeks from the date of commencement of the Licence.

Harbors and Navigation Act 1993

Part 2 Section 10—Annual report

(1) The CE must, on or before 31 October in each year, report on the administration of this Act during the preceding financial year.

(2) The Minister must, within six sitting days after receiving the report, cause copies to be laid before both Houses of Parliament.

Report on the administration of the *Harbors and Navigation Act 1993*

The following report is provided in accordance with Section 10 of the *Harbors and Navigation Act 1993* (the Act).

Registration and licences

Section 47 of the Act prohibits the operation of a motor boat unless the operator is the holder of a motor boat operator's licence or other qualification approved by the Chief Executive.

A range of training providers exist in South Australia providing boating safety courses with a mix of practical and/or theoretical assessment, to enable persons to obtain a boat operators licence from the department. The qualifications gained through these providers may be recognised by the CE in lieu of a formal examination.

During 2016-17 a review of the recognised boating safety training providers was conducted to ensure currency of the curriculum, and to provide the opportunity for new organisations to provide courses to facilitate the licensing of new boat operators.

Service SA Customer Service Centres and the District Council of Ceduna also provide the opportunity for boat operator licence examinations for intending boaters.

Currently there are 280 386 recreational boating licence holders and 1657 special permit holders in South Australia.

While 93 per cent of the approximately 60 000 total recreational boating fleet qualify for the six month registration option, only 24 per cent of the fleet took advantage of the opportunity. The remaining 76 per cent of the fleet have continued to use the 12 month option.

Canoes and kayaks

Canoes and Kayaks which are fitted with a small electric auxiliary motor are classified as a motor vessel and so must be registered, and the operator must be licensed. Many paddlers use small electric motors to provide a mantle of safety during outings, but find the registration and licensing requirement onerous. A pilot scheme to provide exemptions for these craft was commenced in 2014.

In 2016-17, 71 new exemptions were provided for these craft, and 16 annual renewals.

Boating safety

Safety strategies

The department facilitates an annual summer safety strategy which focuses on identified issues of safety and compliance in the boating community.

The 2016-17 summer focus was aimed at highlighting the benefit of wearing lifejackets when on the water, particularly for children.

Education and safety programs commenced during October 2016 to coincide with the traditional start of the SA boating season. A range of key messages and publications are used to convey boating safety information to the boating community.

Publications

The SA Recreational Boating Safety Handbook was reviewed and substantially updated to ensure currency and printed for distribution to marine resellers and Customer Service

Centres. Additional educational materials were created for distribution at boat shows and public events to convey key safety messages.

Marine Safety Officers attended displays at boat shows and public information sessions to engage with the boating community, provide advice and to answer questions.

Development Applications

Marine Operations provide expert advice to councils and the Department of Environment, Water and Natural Resources relating to potential hazards to navigation safety which may be created by riverfront developments, jetties and landings on the River Murray and aquaculture along the coast.

Australia New Zealand Safe Boating Education Group

Australia New Zealand Safe Boating Education Group (ANZSBEG) is a cross jurisdictional forum which brings together those responsible for the implementation of government policy on boating safety, those with a responsibility for the implementation of national/international training standards, small craft search and rescue and those that have direct communication links with the recreational boater.

The department hosted a conference in Adelaide where delegates discussed common issues of boating safety and shared ideas on educational programs and initiatives.

Lifejacket upgrade exchange program

The department has carried out extensive research and costings in preparation for the proposed lifejacket upgrade wearing campaign and education programs for the 2017-18 summer season.

Aquatic Activity Licences

Legislation provides for the granting of a licence to an organisation to use any waters within South Australia for the purpose of an aquatic sport or activity or other purpose. The department consults with the community and government stakeholders prior to the issue of any licence, and sets conditions to ensure the safe conduct of the activity.

Exemptions

Applications for exemptions from legislation are assessed and may be granted, to enable variation to safety equipment requirements, speed limits or other special needs to ensure the success of community events or works on the State's waterways.

During 2016-17, 110 Aquatic Activity Licenses and 42 exemptions were issued for such events as races, exhibitions, fireworks displays, special works and construction.

Safe operation of vessels

The department employs a team of Marine Safety Officers who conduct routine and targeted patrols by land and by water to observe boating behaviours and to inspect vessels for compliance with safety equipment, registration and licensing requirements.

Approximately 4000 recreational and commercial vessels were inspected during 2016-17.

Of those inspected, 347 expiation notices were issued to the owners or operators for a range of offences, mostly related to the failure to carry items of safety equipment, or for operating whilst unlicensed or unregistered.

23 vessel accident reports were received by the department, of which 17 involved recreational vessels and 6 for commercial vessels.

Two fatalities occurred on the State's water ways in the past year from boating related incidents.

In April 2017 the Port Augusta City Council advised of safety concerns with regard to the old Great Western Bridge across the Northern Spencer Gulf. The department's Marine Operations installed buoyage to exclude vessel traffic beneath and within 40 metres of the bridge, under ministerial emergency powers to ensure the safety of boaters travelling the waterway.

Marine facilities

The State Government has contributed approximately \$2m towards boating facility upgrades in regional areas of South Australia that are owned and managed by Local Councils.

Works that have been completed include:

- Replacement of a timber structure with a pontoon system at Donovan's Landing
- Sealing of the carpark at the Beachport boat ramp
- Removal of the offshore breakwater at Baudin Beach (stage 1)
- Upgrade of the Solomontown boat ramp.

Works that are near completion include:

- Construction of a boat ramp, fixed platform and manoeuvring area at Weeroona Island
- Upgrade of the Port Hughes boat ramp, which includes a relocation of the launching ramps at Port Hughes and the construction of a concrete wharf
- Carpark extensions to the Encounter Bay boat ramp.

Thirty-four new lit beacons were installed and four existing beacons were upgraded to mark the navigation channels at Streaky Bay, Venus Bay and near Thevenard.

The South Australian Boating Facilities Strategic Plan was released by the Minister for Transport and Infrastructure on 30 June 2017 at the Boating Industry of Australia Boat Show breakfast. The Plan will be used to assess and prioritise new boating facility projects to ensure that maximum benefits are achieved for the community.

Legislation review

The department continued to explore options to vary legislation with regard to the wearing of lifejackets, with the intent to make wearing of lifejackets in specific circumstances mandatory by December 2017.

A 4 knot speed restriction on the waters of the River Murray at Long Island near Murray Bridge was revoked to enable the safe and unrestricted operation of vessels. The restriction was approved by Cabinet in 2009 in response to concerns regarding riverbank collapse during the low water conditions on the River Murray, but restoration of river levels in recent years has seen a reduction in risk resulting in the revocation of the restriction.

Two new restricted areas have been enacted in coastal areas of Adelaide during 2016-17.

Powerboats are now prohibited from operating within 200 metres of the shoreline at Henley Beach during daylight hours, from 1 December to 31 March each year. This was introduced at the request of the City of Charles Sturt and community action group Western Adelaide Coastal Residents Association.

A 4 knot speed limit for all traffic in the St Kilda entrance channel has been imposed to ensure the safe operation of vessels using the St Kilda boating marina and launching ramp.

Passenger Transport Act 1994

Part 3 Section 24A—Annual report

(1) The administrative unit of the Public Service that is, under the Minister, responsible for the administration of this Act must, on or before 30 September in each year, prepare a report on the operation and administration of this Act for the financial year ending on the preceding 30 June.

(2) The report must include specific reports on the following matters for the relevant financial year:

(a) levels of public utilisation of passenger transport services within the State;

(b) issues affecting the accessibility and utilisation of public transport within the State;

(c) the number and nature of complaints, compliments and submissions made to the Minister by members of the public under any centralised system established for the purpose under this Act;

(d) the general availability of taxis on taxi-stands in Metropolitan Adelaide, and response times to bookings within the taxi industry, and must also include any other information required by this Act.

(3) A report under this section may be incorporated into the annual report of the relevant administrative unit.

(4) The Minister must cause a copy of the report to be laid before both Houses of Parliament within 12 sitting days after the report is prepared.

Reporting against the *Passenger Transport Act 1994*

The department administers the *Passenger Transport Act 1994* (the PT Act) and Passenger Transport Regulations 2009 by planning, regulating and funding public transport services (bus, train and tram, taxi and hire car) across South Australia. Pursuant to section 24A of the PT Act the following report is provided.

Public transport bus services across metropolitan Adelaide are provided by three private bus providers, operating as SouthLink, Torrens Transit and Light-City Buses.

All metropolitan rail and tram services are operated by the department through the Rail Commissioner entity which has accreditation under the PT Act. Public transport services in regional South Australia are also administered by the department. These include regular route services (country bus services), provincial city services, integrated transport plans, special medical-related services and dial-a-ride services.

The department supports community passenger networks across regional South Australia and within metropolitan Adelaide. This program is established to facilitate access to transport for people who are transport disadvantaged. The program is jointly funded by the Commonwealth Home Support Program and the Department for Communities and Social Inclusion.

The department is committed to continually improving public transport services and infrastructure and making public transport more accessible and easier to use for all users. The bus fleet is now 90 per cent accessible (not including the rail substitute bus fleet made up of older buses kept in reserve for major rail works) compared to approximately 31 per cent in 2002.

The department's Station Upgrade Program continues to upgrade selected stations along metropolitan passenger rail lines to provide safer and more efficient services for train customers, with all improvements focusing on accessibility in line with the *Disability Discrimination Act 2002* for public transport services. Improved facilities for commuters include new shelters, improved lighting, platform furniture, additional cover, improved access, pedestrian crossings, bike enclosures, additional CCTV camera, new access paths and ramps, along with new car parking facilities.

Platform signage displays "If you need assistance to board a train, please notify staff at the accessible gate or wait near the first door of the leading train carriage." This message is also being displayed randomly on the station monitors. Department officers at the Adelaide Railway Station that monitor accessibility gates also provide 'sighted guide' assistance to passengers to board trains if needed. Information regarding accessible journeys is also published on the Adelaide Metro website.

Adelaide Metro boardings 2016-17 (millions)

The total patronage on the public transport system decreased by 0.1 per cent for the 2016-17 financial year. This decrease was largely due to line closures associated with the Torrens Road to Torrens River and Torrens Junction projects.

Total patronage by mode

Bus	Tram	Train	Total Patronage*
51.123	9.258	14.381	74.763

Total patronage by passenger type

Regular	Concession	Student	Seniors	Free Events	Special Passes	Total Patronage*
21.506	24.072	12.359	7.737	8.665	0.425	74.763

Total patronage by ticket type

Metrocard	Single trip	Daytrip	Free travel	Other	Total Patronage*
57.325	7.555	1.219	8.665	-	74.763

Note: *The figures listed above include free travel data.

Special event services

On 23 October 2014, an amendment to the *Passenger Transport Act 1994* was enacted with respect to the management and funding of public transport for special events. The aim of the legislation is to facilitate the successful planning of special events in metropolitan Adelaide by requiring mandatory notification of major events and also to provide a mechanism for the costs of additional public transport services required for the event to be recovered where the event is considered a “commercial event”.

The key elements of the legislation include the requirement for venue managers to notify the department six months in advance (or as soon as the event is known) of any event expected to attract more than 5000 patrons and, where additional public transport services are required, that commercial events contribute to the cost of these extra services.

Events are classified as one of two different categories of event for the purposes of the legislation. The two categories are:

- **Commercial Events** – organised for profit where there is a fee for participants either in the form of a ticket or an indirect fee i.e. membership of a club or association; or
- **Community Events** – organised as not for profit, the event is open to the community and attendance is free or a voluntary donation from attendees may be sought.

Based on the information provided in the notification form, the department will make a determination regarding the need for additional or special public transport services to cater for the event and, where extra services are required, events categorised as “commercial” will be required to fund the services.

Integrated ticketing arrangements and funding contributions were successfully negotiated for a number of events, including the World Cup qualifier Socceroo’s v Saudi Arabia and the Adele concert at Adelaide Oval. Successful negotiations have been completed for the 2017-18 year including the Ed Sheeran concert at Adelaide Oval.

For the 2016-17 year, 50 per cent of the crowd for three AFL matches were carried on public transport services and a record 56 per cent for round 13 - Port Adelaide v Brisbane Lions.

The Adele concert at Adelaide Oval attracted a record crowd of 70 000 patrons, with 46 per cent of the crowd carried on public transport services.

Adelaide free services

The free City Connector service was introduced in the CBD and North Adelaide during January 2014 as a result of the integration of the City Free service funded by the department and the Adelaide Connector service operated by the Adelaide City Council. This integration enabled service and frequency improvements over previous services. Operating under contract with the Minister for Transport and Infrastructure, the City Connector has two dedicated routes. Additional late night services were provided during the Fringe Festival to encourage greater use of public transport within the City. A survey undertaken in March 2017 shows a weekly average of 22 946 passengers, nearly 2000 additional weekly passengers when compared to March 2016.

Regional services

The department regulates and contributes to funding transport services in some regional areas.

Regular route services operate across regional South Australia and link major centres to Adelaide. Services operate in the Barossa Valley, Murray Mallee, Mid North, Upper North, Far North, Riverland, Eyre, South East and Fleurieu regions.

Integrated transport services operate in the Coorong District Council, Karoonda East District Council, Murray District Council, Southern Mallee District Council, Mid Murray District Council, Southern Yorke Peninsula, Tatiara District Council, Eastern Riverland, Upper North, Mid North, Adelaide Hills, Victor Harbor and on Kangaroo Island.

Dial-a-Ride door to door services are provided in Gawler, Victor Harbor, Port Lincoln, Murray Bridge, the Copper Coast and Barossa Valley. These supplement regular timetabled services and extend the range of public transport options for these communities.

Based on data provided by country bus operators, country bus patronage in 2016-2017 was recorded as 745 398, a decrease of 3 per cent from the previous year.

The decrease in patronage has in part been attributed to cheaper regional airfares, internet banking/services/shopping and people generally choosing to use cars rather than travelling long distances on buses.

Provincial city bus services

Regular passenger services operate in South Australia's provincial cities of Port Lincoln, Port Pirie, Whyalla, Port Augusta, Murray Bridge and Mount Gambier. Provincial city services are a combination of town and school services.

Based on data provided by provincial city bus operators, patronage in 2016-17 was recorded as 425 940, unchanged from the previous year.

Complaints, commendations and submissions

Feedback on public transport

Feedback from customers about passenger transport services is welcomed as it provides the ability to improve and assess existing services and practices. Customers are presented with multiple opportunities to provide their feedback through the Adelaide Metro website, Adelaide Metro Infoline and InfoCentres, as well as social media such as Facebook and Twitter. Complaints represented approximately 0.01 per cent of total public

transport patronage (initial boardings and transfers) in the 2016-17 reporting year, with a reduction of 801 (an 8 per cent reduction) compared to the previous year.

The table below shows Feedback information on public transport

Feedback	2015-16	2016-17
Commendations	797	790
Suggestions	902	843
Complaints		
Service changes and service quality	6 141	5 508
Punctuality	2 218	2 409
Fares and ticketing	953	737
Passenger comfort	899	775
Other	377	358
Total complaints	10 588	9 787

Feedback on taxi and small passenger vehicle (spv) services

The department receives complaints and commendations regarding taxis and small passenger vehicles. Complaints may lead to disciplinary action if a breach of the regulations under the Act is found to have occurred. Taxi complaints represented less than 0.01 per cent of the estimated eight million journeys provided in 2016-17.

The table below shows feedback information on taxis and small passenger vehicles

Feedback	2015-16	2016-17
Commendations	6	5
Complaints	375	318

Waiting times

The taxi centralised booking services reported that the average waiting time for general taxis in metropolitan Adelaide for 2016-17 was 8.5 minutes during the day (6am to 6pm), and 9.3 minutes at night (6pm to 6am). The figures include waiting times for phone-booked, hailed and taxi rank trips and meet the prescribed waiting time of 12 minutes, as stated in the conditions for accreditation.

There were 1035 general licenses in metropolitan Adelaide in 2016-17.

Access taxis

The taxi centralised booking services reported that the average waiting time for access taxis in metropolitan Adelaide for 2016-17 was 8.6 minutes during the day (6am to 6pm), and 9 minutes at night (6pm to 6am).

There are 102 general licenses with special conditions (Access Taxis).

Passenger Transport Standards Committee

The Passenger Transport Standards Committee (PTSC) is a statutory committee, established under the Act, responsible for exercising disciplinary powers under Part 4, Division 5 of the Act and for exercising or performing such other powers or functions as may be conferred on the PTSC by the Minister from time to time.

In 2016-17, the PTSC sat on 87 occasions and considered 338 matters including:

- 250 accreditation applications
- 88 disciplinary matters.

Of the 88 disciplinary matters, the PTSC:

- suspended the accreditation of 24 accredited persons for a period of time
- revoked the accreditation of 12 accredited persons and disqualified them for a period of time
- permanently disqualified one person from holding accreditation under the Act.

After holding an enquiry, the PTSC found no cause for disciplinary action against four accredited persons, while the remaining accredited persons were fined, required to undertake re-training or reprimanded.

The PTSC also determined that a country passenger transport operator undergo an audit by departmental officers on its business practices.

Reporting required under the *Carers' Recognition Act 2005*

The *Carers' Recognition Act* is deemed applicable for the following: Department for Communities and Social Inclusion, Department for Education and Child Development, Department for Health and Ageing, 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.

The principles of the Carers' Charter are incorporated into the department's strategic human resource framework, online training and corporate induction programs. Operating procedures set out the responsibilities of managers to assist employees to meet their caring responsibilities and provide a range of options to employees, including family carers' leave, flexible hours, flexible leave arrangements and access to special leave.

South Australians with severe and permanent disabilities which limit their capacity to use public transport independently are able to apply for transport assistance such as the Plus One Free Companion card and the South Australian Transport Subsidy Scheme. The Plus One Free Companion card provides assistance to people who cannot travel independently due to mobility, cognitive, sensory or communication impairments. Companion/carers accompanying Plus One Free Companion card holders travel on all Adelaide Metro bus, train and tram services free of charge.

The department also provides specific public transport information for carers via adelaidemetro.com.au, as well as the Adelaide Metro InfoLine and InfoCentres.

Section C: Reporting of public complaints as requested by the Ombudsman

Summary of complaints by subject

Public complaints received by DPTI on Public Transport services	
Category of complaints by subject	Number of instances
Service changes and service quality	5 508
Punctuality	2 409
Fares and ticketing	737
Passenger comfort	775
Taxi and small passenger vehicle (spv) services	318
Other	358

Public complaints received by DPTI for other areas	
Category of complaints by subject	Number of instances
Service quality/delivery	547
Behaviour of staff	72
Service access/processes/procedures	73
Other complaints	95

Data for the past two years is available at: <https://data.sa.gov.au/data/dataset/public-complaints-received-by-the-department-of-planning-transport-and-infrastructure>.

Complaint outcomes

Nature of complaint or suggestion	Services improved or changes as a result of complaints or consumer suggestions
No announcements or showing on screens for Tonsley Trains on AFL game days	Rectified and now displaying on screens and being announced on all game days.
Store owners wishing to become Metrocard Agents with limited eligibility	Store owners can now become a Metrocard agent at any location once relevant fees have been paid.

Appendix: Audited financial statements 2016-17



Our ref: A17/177

21 September 2017

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Mr M Deegan
Chief Executive
Department of Planning, Transport and Infrastructure
DX 171 ADELAIDE

Dear Mr Deegan

**Audit of Department of Planning, Transport and Infrastructure
for the year to 30 June 2017**

We have completed the audit of your accounts for the year ended 30 June 2017. Three key outcomes from the audit are the:

- 1 Independent Auditor's Report on your agency's financial report
- 2 opinion on your financial controls
- 3 audit management letters recommending you address identified weaknesses.

1 Independent Auditor's Report

We are returning the financial statements for Department of Planning, Transport and Infrastructure, with the Independent Auditor's Report. This report is unmodified.

My annual report to Parliament indicates that we have issued an unmodified Independent Auditor's Report on your financial statements.

2 Opinion on financial controls

In my opinion, the controls exercised by Department of Planning, Transport and Infrastructure in relation to the receipt, expenditure and investment of money, the acquisition and disposal of property and the incurring of liabilities, except for:

- procurement and contract management
- project delivery and governance
- across government facilities management arrangements
- risk management
- legal compliance management framework

For official use only

- payroll controls
- managing construction projects for other SA Government agencies
- land services user access
- management of government office accommodation.

are sufficient to provide reasonable assurance that the financial transactions of Department of Planning, Transport and Infrastructure have been conducted properly and in accordance with law.

3 Audit management letters

During the year, we sent the agency an audit management letters detailing the weaknesses we noted and improvements we considered you need to make.

We have received responses to these matters and we will follow these up in the 2017-18 audit.

I have also included summary comments about these matters in my annual report. These identify areas we assessed as not meeting a sufficient standard of financial management, accounting and control.

What the audit covered

Our audit covered the principal areas of the agency's financial operations and included test reviews of systems, processes, internal controls and financial transactions. Some notable areas were:

- accounts payable
- payroll
- bus contract payments
- grants and subsidies
- fees and charges, including motor registrations, driver licences, land services and Metrotickets
- income and expenditure for maintenance, property rental and building construction services
- accounts receivable
- Commonwealth revenues
- bank reconciliations
- general ledger
- governance, including risk management and legal compliance
- fixed assets including, capital works, network assets, land buildings and facilities and plant and equipment
- project delivery, procurement and contract management

Our audits meet statutory audit responsibilities under the *Public Finance and Audit Act 1987* and the Australian Auditing Standards.

For official use only

I would like to thank the staff and management of your agency for their assistance during this year's audit.

Yours sincerely

A handwritten signature in black ink, appearing to read "Richardson", with a long horizontal flourish extending to the right.

Andrew Richardson
Auditor-General

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To the Chief Executive Department of Planning, Transport and Infrastructure

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987*, I have audited the financial report of the Department of Planning, Transport and Infrastructure for the financial year ended 30 June 2017.

Opinion

In my opinion, the accompanying financial report gives a true and fair view of the financial position of the Department of Planning, Transport and Infrastructure as at 30 June 2017, its financial performance and its cash flows for the year then ended in accordance with the Treasurer's Instructions promulgated 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 2017
- a Statement of Financial Position as at 30 June 2017
- a Statement of Changes in Equity for the year ended 30 June 2017
- a Statement of Cash Flows for the year ended 30 June 2017
- Disaggregated Disclosures – Expenses and Income for the year ended 30 June 2017
- Disaggregated Disclosures – Assets and Liabilities as at 30 June 2017
- notes, comprising significant accounting policies and other explanatory information
- a Statement of Administered Comprehensive Income for the year ended 30 June 2017
- a Statement of Administered Financial Position as at 30 June 2017
- a Statement of Administered Changes in Equity for the year ended 30 June 2017
- a Statement of Administered Cash Flows for the year ended 30 June 2017
- a Schedule of Expenses and Income attributable to administered activities for the year ended 30 June 2017
- notes, comprising significant accounting policies and other explanatory information for administered items
- a Certificate from the Chief Executive and the Acting 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 Department of Planning, Transport and Infrastructure. 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 for the financial report

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

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

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Chief Executive
- 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 regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during the audit.



Andrew Richardson

Auditor-General

21 September 2017

Certification of the financial statements

We certify that the:

- financial statements of the Department of Planning, Transport and Infrastructure:
 - are in accordance with the accounts and records of the Department; 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 Department at the end of the financial year and the result of its operations and cash flows for the financial year.
- Internal controls employed by the Department of Planning, Transport and Infrastructure over its financial reporting and its preparation of the financial statements have been effective throughout the financial year.



Michael Deegan
Chief Executive

14 September 2017



Ben Seidel
A/Chief Finance Officer

14 September 2017

Department of Planning, Transport and Infrastructure

Financial Statements

for the year ended 30 June 2017

Department of Planning, Transport and Infrastructure
STATEMENT OF COMPREHENSIVE INCOME
for the year ended 30 June 2017

	Note No	2017 \$'000	2016 \$'000
EXPENSES			
Employee benefit expenses	6	222,256	229,748
Supplies and services	7	891,374	833,768
Depreciation and amortisation expense	8	428,894	397,279
Net loss from the disposal of non-current assets	18	286	-
Grants and subsidies	9	131,521	108,556
Borrowing costs	10	914	939
Other expenses	11	73,730	40,846
Total Expenses		1,748,975	1,611,136
INCOME			
Fees and charges	12	625,167	614,150
Commonwealth revenues	13	557,025	243,747
Sale of goods and services	14	151,391	142,491
Rental income	15	214,010	214,922
Grants and subsidies	16	57,640	57,984
Interest	17	1,758	2,134
Net gain from the disposal of non-current assets	18	-	1,691
Resources received free of charge	19	22,105	3,418
Other income	20	71,133	54,981
Total Income		1,700,229	1,335,518
NET REVENUE FROM / (COST OF) PROVIDING SERVICES		(48,746)	(275,618)
REVENUES FROM (PAYMENTS TO) SA GOVERNMENT:			
Revenues from SA Government	21	1,604,382	875,190
Payments to SA Government	21	(61,415)	(5,600)
Net Revenues from (payments to) SA Government		1,542,967	869,590
Net result		1,494,221	593,972
OTHER COMPREHENSIVE INCOME			
<i>Items that will not be reclassified to net result</i>			
Changes in property, network assets and plant and equipment asset revaluation surplus		100,753	43,856
Total Other Comprehensive Income		100,753	43,856
TOTAL COMPREHENSIVE RESULT		1,594,974	637,828

The net result and total comprehensive result are attributable to the SA Government as owner.

Department of Planning, Transport and Infrastructure
STATEMENT OF FINANCIAL POSITION
as at 30 June 2017

	Note No	2017 \$'000	2016 \$'000
ASSETS:			
CURRENT ASSETS:			
Cash and cash equivalents	22	3,263,659	2,125,707
Receivables	23	206,524	168,416
Inventories	24	10,878	10,949
Other assets	25	57,017	45,552
Non-current assets classified as held for sale	26	13,281	140,157
Total Current Assets		3,551,359	2,490,781
NON-CURRENT ASSETS:			
Receivables	23	6,981	7,636
Other assets	25	39,602	44,244
Land, buildings and facilities	27	2,709,715	2,598,012
Plant and equipment	28	670,006	724,564
Network assets	29	20,225,290	20,228,798
Capital works in progress	30	1,400,625	713,867
Intangible assets	31	31,828	33,597
Total Non-Current Assets		25,084,047	24,350,718
Total Assets		28,635,406	26,841,499
LIABILITIES:			
CURRENT LIABILITIES:			
Payables	33	265,996	230,167
Borrowings	34	2,265	2,273
Employee benefits	35	32,908	30,921
Provisions	36	13,476	9,446
Other liabilities	37	24,290	22,283
Total Current Liabilities		338,935	295,090
NON-CURRENT LIABILITIES:			
Payables	33	25,232	25,129
Borrowings	34	12,213	12,773
Employee benefits	35	66,190	67,379
Provisions	36	10,098	15,608
Other liabilities	37	42,612	48,038
Total Non-Current Liabilities		156,345	168,927
Total Liabilities		495,280	464,017
NET ASSETS		28,140,126	26,377,482
EQUITY:			
Retained earnings		10,139,922	8,644,738
Asset revaluation surplus		14,695,736	14,597,659
Contributed capital		3,304,468	3,135,085
Total Equity		28,140,126	26,377,482

Total equity is attributable to the SA Government as owner.

Unrecognised contractual commitments	40
Contingent assets and liabilities	41

Department of Planning, Transport and Infrastructure
STATEMENT OF CHANGES IN EQUITY
for the year ended 30 June 2017

	Note No	Contributed Capital \$'000	Asset Revaluation Surplus \$'000	Retained Earnings \$'000	Total Equity \$'000
Balance at 30 June 2015		2,836,896	14,540,197	8,074,132	25,451,225
Prior Period - error corrections identified in 2016-17		-	-	(6,028)	(6,028)
Prior Period - error corrections identified in 2015-16	38	-	-	(2,031)	(2,031)
Restated Balance at 30 June 2015		2,836,896	14,540,197	8,066,073	25,443,166
Net result for 2015-16		-	-	593,972	593,972
Gain (loss) on Revaluation of Property during 2015-16		-	(306,667)	-	(306,667)
Gain (loss) on Revaluation of Network Assets during 2015-16		-	342,332	-	342,332
Gain (loss) on Revaluation of Plant and Equipment during 2015-16		-	8,191	-	8,191
Total Comprehensive Result for 2015-16		-	43,856	593,972	637,828
Transfer between equity components					
Equity transfer on asset disposals		-	13,606	(13,606)	-
Other		-	-	5	5
Transactions with SA Government as Owner					
Equity Contribution Received		298,189	-	-	298,189
Dividends Paid		-	-	(1,706)	(1,706)
Balance at 30 June 2016		3,135,085	14,597,659	8,644,738	26,377,482
Net result for 2016-17		-	-	1,494,221	1,494,221
Gain (loss) on Revaluation of Property during 2016-17		-	2,773	-	2,773
Gain (loss) on Revaluation of Network Assets during 2016-17		-	102,572	-	102,572
Gain (loss) on Revaluation of Plant and Equipment during 2016-17		-	(4,592)	-	(4,592)
Total Comprehensive Result for 2016-17		-	100,753	1,494,221	1,594,974
Transfer between equity components					
Equity transfer on asset disposals		-	(2,676)	2,676	-
Other		-	-	(7)	(7)
Transactions with SA Government as Owner					
Equity Contribution Received		169,383	-	-	169,383
Dividends Paid		-	-	(1,706)	(1,706)
Balance at 30 June 2017		3,304,468	14,695,736	10,139,922	28,140,126

All changes in equity are attributable to the SA Government as owner.

Department of Planning, Transport and Infrastructure
STATEMENT OF CASH FLOWS
for the year ended 30 June 2017

	Note No	2017 \$'000 Inflows (Outflows)	2016 \$'000 Inflows (Outflows)
CASH FLOWS FROM OPERATING ACTIVITIES:			
CASH OUTFLOWS:			
Employee benefit payments		(222,867)	(233,915)
Payments for supplies and services		(1,335,666)	(1,115,044)
Payments of grants and subsidies		(130,384)	(106,676)
Interest paid		(914)	(939)
Construction work payments		(373,561)	(266,669)
Lease incentives		(742)	(1,119)
Other payments		(26,077)	(41,154)
Cash used in Operations		(2,090,211)	(1,765,516)
CASH INFLOWS:			
Fees and charges		625,167	610,033
Receipts from Commonwealth		557,035	243,791
Rental income		259,836	248,368
Sale of goods and services		385,922	368,561
Grants and subsidies		57,640	58,403
Interest received		2,450	2,512
Construction work reimbursements		397,134	253,757
GST received from the ATO		127,149	81,636
Lease incentives		-	1,467
Other receipts		91,804	84,643
Cash generated from Operations		2,504,137	1,953,171
CASH FLOWS FROM SA GOVERNMENT:			
Receipts from SA Government		1,604,382	875,190
Payments to SA Government		(61,415)	(5,600)
Cash Generated from SA Government		1,542,967	869,590
Net Cash provided by (used in) Operating Activities	42	1,956,893	1,057,245
CASH FLOWS FROM INVESTING ACTIVITIES			
CASH OUTFLOWS:			
Purchase of property, plant and equipment		(271,686)	(313,063)
Purchase of network assets		(719,881)	(361,161)
Cash Used in Investing Activities		(991,567)	(674,224)
CASH INFLOWS:			
Proceeds from sale of property, plant and equipment		6,834	24,098
Cash generated from Investing Activities		6,834	24,098
Net Cash provided by (used in) Investing Activities		(984,733)	(650,126)
CASH FLOWS FROM FINANCING ACTIVITIES:			
CASH OUTFLOWS:			
Payment of dividend to SA Government		(1,706)	(1,706)
Residential housing loan advancements		(162)	(94)
Repayment of borrowings		(563)	(521)
Repayment of finance leases		(1,944)	(1,794)
Cash Used in Financing Activities		(4,375)	(4,115)
CASH INFLOWS:			
Equity contributions received		169,383	298,189
Principal repayments residential housing		784	741
Cash generated from Financing Activities		170,167	298,930
Net Cash provided by (used in) Financing Activities		165,792	294,815
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS		1,137,952	701,934
CASH AND CASH EQUIVALENTS AT 1 JULY		2,125,707	1,423,773
CASH AND CASH EQUIVALENTS AT 30 JUNE	22	3,263,659	2,125,707

Department of Planning, Transport and Infrastructure
DISAGGREGATED DISCLOSURES - EXPENSES AND INCOME
For the Year Ended 30 June 2017

	Land Use Planning		Recreation, Sport and Racing		Office of Local Government		Roads and Marine	
	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
EXPENSES:								
Employee benefit expenses	16,762	15,790	8,298	9,885	1,144	992	76,213	80,831
Supplies and services	6,901	4,658	5,492	5,803	1,013	590	200,114	158,439
Depreciation and amortisation expense	143	131	8,071	7,880	-	-	241,615	238,131
Loss from the disposal of non-current assets	-	-	-	-	-	-	-	-
Grants and subsidies	7,491	3	55,747	37,682	-	-	2,856	3,661
Borrowing costs	-	-	45	80	-	-	-	77
Other expenses	9	11	174	140	1	1	62,387	27,476
Total Expenses	31,306	20,593	77,827	61,470	2,158	1,583	583,185	508,615
INCOME:								
Fees and charges	6,473	7,352	-	3	-	-	499,313	488,424
Commonwealth revenues	-	-	220	232	-	-	542,151	232,975
Sale of goods and services	1,167	928	433	476	-	-	3,457	3,285
Rental income	-	-	259	172	-	-	2,945	2,835
Grants and subsidies	-	-	469	451	-	-	-	-
Interest	-	-	1	-	-	-	507	538
Net gain from the disposal of non-current assets	-	-	21	-	-	-	47	11,073
Resources received free of charge	-	-	-	711	-	-	6,692	1,808
Other income	1,399	1,115	8,005	4,509	-	-	42,675	34,997
Total Income	9,039	9,395	9,408	6,554	-	-	1,097,787	775,935
NET REVENUE FROM (COST OF) PROVIDING SERVICES	(22,267)	(11,198)	(68,419)	(54,916)	(2,158)	(1,583)	514,602	267,320

Department of Planning, Transport and Infrastructure
DISAGGREGATED DISCLOSURES - EXPENSES AND INCOME
For the Year Ended 30 June 2017

	Public Transport		Infrastructure Planning and Management		Road Safety		TOTAL	
	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
EXPENSES:								
Employee benefit expenses	39,882	39,173	74,928	77,021	5,029	6,056	222,256	229,748
Supplies and services	363,877	353,579	308,065	304,979	5,912	5,720	891,374	833,768
Depreciation and amortisation expense	123,608	115,207	54,300	35,080	1,157	850	428,894	397,279
Loss from the disposal of non-current assets	-	223	363	9,165	-	-	363	9,388
Grants and subsidies	12,886	14,546	6,899	8,827	45,642	43,837	131,521	108,556
Borrowing costs	-	-	869	782	-	-	914	939
Other expenses	2,137	751	8,986	10,793	36	1,674	73,730	40,846
Total Expenses	542,390	523,479	454,410	446,647	57,776	58,137	1,749,052	1,620,524
INCOME:								
Fees and charges	93,258	92,511	23,554	23,317	2,569	2,543	625,167	614,150
Commonwealth revenues	-	30	3,433	225	11,221	10,285	557,025	243,747
Sale of goods and services	5	171	146,329	137,631	-	-	151,391	142,491
Rental income	190	246	210,616	211,669	-	-	214,010	214,922
Grants and subsidies	57,130	57,514	41	19	-	-	57,640	57,984
Interest	-	-	958	1,220	292	376	1,758	2,134
Net gain from the disposal of non-current assets	9	-	-	-	-	6	77	11,079
Resources received free of charge	-	-	15,413	899	-	-	22,105	3,418
Other income	12,175	11,497	6,879	2,863	-	-	71,133	54,981
Total Income	162,767	161,969	407,223	377,843	14,082	13,210	1,700,306	1,344,906
NET REVENUE FROM (COST OF) PROVIDING SERVICES	(379,623)	(361,510)	(47,187)	(68,804)	(43,694)	(44,927)	(48,746)	(275,618)

Department of Planning, Transport and Infrastructure
DISAGGREGATED DISCLOSURES - ASSETS AND LIABILITIES
as at 30 June 2017

	Land Use Planning		Recreation, Sport and Racing		Office of Local Government	
	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
ASSETS:						
Cash and cash equivalents	-	-	-	-	-	-
Receivables	43	156	117	500	-	-
Inventories	-	-	-	-	-	-
Other assets	33	33	52	97	-	-
Non-current assets classified as held for sale	-	-	-	-	-	-
Land, buildings and facilities	-	-	283,811	289,868	-	-
Plant and equipment	1	20	777	775	-	-
Network assets	-	-	-	-	-	-
Capital works in progress	-	-	2,135	118	-	-
Intangible assets	376	246	-	20	-	-
Total Assets	453	455	286,892	291,378	-	-
LIABILITIES:						
Payables	1,369	1,080	2,696	3,880	72	55
Borrowings	-	-	269	260	-	-
Employee benefits	9,396	8,272	4,652	5,178	641	520
Provisions	575	621	285	389	39	39
Other liabilities	13	13	1,374	248	-	-
Total Liabilities	11,353	9,986	9,276	9,955	752	614

Department of Planning, Transport and Infrastructure
DISAGGREGATED DISCLOSURES - ASSETS AND LIABILITIES
as at 30 June 2017

	Roads and Marine		Public Transport		Infrastructure Planning and Management	
	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
ASSETS:						
Cash and cash equivalents	-	-	-	-	-	-
Receivables	60,619	62,986	5,883	5,761	140,937	100,393
Inventories	3,777	4,577	7,099	6,370	2	2
Other assets	36,853	21,835	130	559	59,551	67,258
Non-current assets classified as held for sale	-	-	-	-	13,281	140,157
Land, buildings and facilities	832,901	826,239	376,504	392,609	1,215,802	1,088,756
Plant and equipment	50,212	49,863	581,896	638,160	34,529	33,645
Network assets	18,426,711	18,373,260	1,798,579	1,842,438	-	13,100
Capital works in progress	1,306,704	660,346	33,191	3,879	54,855	44,961
Intangible assets	7,114	8,749	2,257	2,463	22,044	21,765
Total Assets	20,724,891	20,007,855	2,805,539	2,892,239	1,541,001	1,510,037
LIABILITIES:						
Payables	141,472	100,107	50,413	42,258	93,820	106,849
Borrowings	-	-	-	-	14,209	14,786
Employee benefits	17,479	20,805	22,356	20,521	41,755	39,832
Provisions	18,575	19,224	1,369	1,541	2,558	3,002
Other liabilities	1,818	1,212	9,719	8,321	53,889	60,246
Total Liabilities	179,344	141,348	83,857	72,641	206,231	224,715

Department of Planning, Transport and Infrastructure
DISAGGREGATED DISCLOSURES - ASSETS AND LIABILITIES
as at 30 June 2017

	Road Safety		General / Not Attributable		TOTAL	
	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
ASSETS:						
Cash and cash equivalents	-	-	3,263,659	2,125,707	3,263,659	2,125,707
Receivables	200	-	5,706	6,256	213,505	176,052
Inventories	-	-	-	-	10,878	10,949
Other assets	-	14	-	-	96,619	89,796
Non-current assets classified as held for sale	-	-	-	-	13,281	140,157
Land, buildings and facilities	697	540	-	-	2,709,715	2,598,012
Plant and equipment	2,591	2,101	-	-	670,006	724,564
Network assets	-	-	-	-	20,225,290	20,228,798
Capital works in progress	3,740	4,563	-	-	1,400,625	713,867
Intangible assets	37	354	-	-	31,828	33,597
Total Assets	7,265	7,572	3,269,365	2,131,963	28,635,406	26,841,499
LIABILITIES:						
Payables	1,386	1,067	-	-	291,228	255,296
Borrowings	-	-	-	-	14,478	15,046
Employee benefits	2,819	3,172	-	-	99,098	98,300
Provisions	173	238	-	-	23,574	25,054
Other liabilities	-	-	89	281	66,902	70,321
Total Liabilities	4,378	4,477	89	281	495,280	464,017

Department of Planning, Transport and Infrastructure
Notes to and forming part of the financial statements
For the year ended 30 June 2017

Note 1: Objectives of the Department of Planning, Transport and Infrastructure

The Department of Planning, Transport and Infrastructure (the Department) has diverse responsibilities for transport systems and services, infrastructure planning and provision, sporting infrastructure, and strategic land use within South Australia.

The Department ensures that South Australia's needs for the movement of people and freight, and the delivery of services across the transport and infrastructure sectors, are met in a safe, efficient, cost effective and sustainable manner. The Department also plays a leadership role in the management of public sector building assets and infrastructure, elite sports pathways, administration of the State's land titles, and the State's land use and development planning for all South Australians.

Note 2: Departmental Organisation

The structure of the Department has been established in a manner that provides clear accountabilities and responsibilities for all divisions and enables an open and steady flow of information between these areas.

The divisions of the Department as at 30 June 2017 are:

- People and Business
- Safety and Service
- Development

Department of Planning, Transport and Infrastructure
Notes to and forming part of the financial statements
For the year ended 30 June 2017

Note 3: Significant Accounting Policies

3.1 Statement of Compliance

The Department has prepared these financial statements in compliance with section 23 of the *Public Finance and Audit Act 1987*.

The financial statements are general-purpose financial statements. The accounts have been prepared in accordance with relevant Australian Accounting Standards and comply with Treasurer's Instructions and Accounting Policy Statements promulgated under the provision of the *Public Finance and Audit Act 1987*.

The Department has applied Australian Accounting Standards that are applicable to not-for-profit entities, as the Department is a not-for-profit entity.

3.2 Basis of Preparation

The preparation of the financial statements requires:

- the use of certain accounting estimates and the exercise of judgement in the process of applying the Department's accounting policies. Any areas involving a higher degree of judgement or where assumptions and estimates are significant to the financial statements are outlined in the applicable notes;
- accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events are reported; and
- compliance with Accounting Policy Statements issued pursuant to section 41 of the *Public Finance and Audit Act 1987*. In the interest of public accountability and transparency the following note disclosures are included in this financial report:
 - a) revenues, expenses, financial assets and liabilities where the counterparty/transaction is with an entity within SA Government as at reporting date, classified according to their nature;
 - b) expenses incurred as a result of engaging consultants;
 - c) employee targeted voluntary separation package information;
 - d) employees whose normal remuneration is equal to or greater than the base executive remuneration level (within \$10,000 bandwidths) and the aggregate of the remuneration paid or payable or otherwise made available, directly or indirectly by the entity to those employees; and
 - e) board/committee member and remuneration information, where a board/committee member is entitled to receive income from membership other than a direct out-of-pocket reimbursement.

The financial statements have been prepared based on a 12 month operating cycle with amounts presented in Australian currency.

3.3 Reporting Entity

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

The financial statements and accompanying notes include all the controlled activities of the Department.

The Department does not control any other entity and has no interests in unconsolidated structured entities.

Department of Planning, Transport and Infrastructure
Notes to and forming part of the financial statements
For the year ended 30 June 2017

Transactions and balances relating to administered resources are not recognised as Departmental controlled income, expenses, assets and liabilities.

As administered items are significant in relation to the Department's overall financial performance and position, they are disclosed in the Administered Financial Statements following the controlled Departmental general purpose financial statements. Except as otherwise disclosed administered items are accounted for on the same basis and using the same accounting policies as for Departmental transactions.

3.4 Comparative Information

The presentation and classification of items in the financial statements are consistent with prior periods except where specific accounting standards and/or accounting policy statements has required a change or where prior period errors are corrected.

Where retrospective application of changes to accounting policies and recognition of errors has occurred, relevant comparative amounts have been amended.

The restated comparative amounts do not replace the original financial statements for the preceding period.

3.5 Rounding

All amounts in the financial statements and accompanying notes have been rounded to the nearest thousand dollars (\$'000).

3.6 Business Overheads

The Department adopts a full cost approach to the costing of its infrastructure capital and recurrent works. This methodology requires the allocation of a proportionate share of overheads to these activities based on a regime of cost drivers. Costs that are typically allocated using these cost drivers include general engineering and field related expenses, and goods or services that support the resources directly engaged in working on these activities.

Business overheads relating to those functions or areas responsible for the management and control of property, building, information and communication technology assets are allocated across the Department. Business areas incurring these costs allocate the costs to specific activities and programs in line with the Department's full cost approach methodology.

Costs normally associated with the establishment and operation of governance frameworks designed to support the role of Executive Management are not attributed to individual specific works and are borne by the Department as a whole.

3.7 Taxation

The Department is not subject to income tax. The Department is liable for payroll tax, fringe benefits tax, goods and services tax (GST), emergency services levy, income tax equivalents and local government rate equivalents.

With respect to goods and services tax, income, expenses and assets are recognised net of the amount of GST except:

- when the GST incurred on a purchase of goods or services is not recoverable from the Australian Tax 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.

Department of Planning, Transport and Infrastructure
Notes to and forming part of the financial statements
For the year ended 30 June 2017

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.

Unrecognised contractual commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to the ATO. If GST is not payable to, or recoverable from the ATO, the commitments and contingencies are disclosed on a gross basis.

The Department prepares a Business Activity Statement on behalf of its controlled entities, administered items and other clients to which it provides business services under the grouping provisions of the GST legislation. Under the grouping provisions, the Department is liable for the GST payments and entitled to the GST receipts associated with these entities and items. The GST applicable forms part of the receivables and payables recorded in the Department's Statement of Financial Position and the GST cash flows recorded in the Department's Statement of Cash Flows.

With respect to tax equivalents, the Department is liable to pay income tax equivalents to the Consolidated Account in relation to the commercial operations of the Property Directorate. In determining its tax equivalent commitments, the Department utilises the 'Accounting Profits' model. Under this model, income tax expense is calculated separately for each taxable entity by applying the companies' income tax rate (currently 30%) to the accounting profit for the year. Income tax equivalent payments are included in Payments to SA Government in the Statement of Comprehensive Income.

3.8 Events After the Reporting Period

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 and are material. 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.

3.9 Current and Non-Current Classification

Assets and liabilities are classified as either current or non-current in nature. Assets and liabilities that are to be sold, consumed or realised as part of the 12 month operating cycle are classified as current assets or current liabilities. All other assets and liabilities are classified as non-current.

3.10 Assets

Assets have been classified according to their nature and have not been offset unless required or permitted by a specific accounting standard, or where offsetting reflects the substance of the transaction or other event.

Contracts in Progress

The Department acts as project manager for major capital works in relation to government buildings or government accommodation and for a range of minor capital works and maintenance type activities associated with the role of facilities manager.

Profits on major capital works contracts are brought to account on a percentage of completion basis as determined under current engineering estimates and in accordance with Australian Accounting Standard *AASB 111 Construction Contracts*. Where losses are foreseeable, such losses are provided in full based on current engineering estimates.

Department of Planning, Transport and Infrastructure
Notes to and forming part of the financial statements
For the year ended 30 June 2017

The expenses incurred in undertaking these capital works and/or maintenance activities and the revenue from charging the respective government departments are transacted within the Statement of Financial Position. The net of the expenditure incurred and the revenue recovered is accounted for as a receivable or payable.

Non-Current Assets:

Acquisition and Recognition

The Department capitalises non-current physical assets with an individual or grouped value of \$10,000 or greater in accordance with policies that are consistent with Accounting Policy Framework III *Asset Accounting Framework* and the requirements of Accounting Standard AASB 116 *Property, Plant and Equipment*. Exceptions to this policy are assets under construction, land and buildings and assets categorised as “grouped assets” in the Department’s policy which are capitalised irrespective of their value.

Assets under construction are capitalised from Capital Works in Progress to the appropriate asset classes at the completion of the project. Project costs that do not meet the recognition criteria of an asset are expensed.

APS 9.6 specifies that land under roads acquired before 1 July 2008, is not to be recognised by the Department as an asset. However, any land under roads acquired after 1 July 2008 has been recognised by the Department in accordance with AASB 1051 *Land Under Roads*, paragraph 15, when the asset recognition criteria are met. Land under roads includes land under roadways, road reserves, footpaths, nature strips and median strips.

Buildings or other structures residing on land acquired for current road projects are not separately recognised in the Statement of Financial Position. The costs incurred in acquiring the buildings in these instances are deemed to be part of the costs of acquiring the land.

Non-current assets acquired and recognised by the Department are initially recorded at cost or at the value of any liabilities assumed, plus any incidental costs incurred with the acquisition. Where the Department acquires assets at no cost, or minimal cost, these items are recorded at their fair value in the Statement of Financial Position. If the assets are acquired at no or nominal value as part of a restructuring of administrative arrangements then the assets are recognised at book value i.e. the amount recorded by the transferor entity immediately prior to the restructure.

Depreciation and Amortisation

The useful life of an asset is generally determined on the basis of “economic useful life to the Department”. The useful lives of all major assets held by the Department are reassessed on an annual basis

All non-current assets having a limited useful life are systematically depreciated/amortised over their estimated useful lives in a manner that reflects the consumption of their service potential. Land, unsealed roads (graded and formed), rail and road earthworks, non-current assets held-for-sale and works in progress are not depreciated.

The value of equipment assets under finance lease is amortised over the shorter of the lease term and the underlying asset’s useful life. The value of building assets under finance lease is amortised over the asset’s useful life. Capitalised software is amortised over the useful life of the intangible asset.

Depreciation, amortisation for non-current assets are determined as follows:

<u>Asset Class</u>	<u>Depreciation Method</u>	<u>Estimated Useful Life</u>
Buildings and Facilities:		
Buildings and facilities	Straight Line	3 to 146 years
Plant and Equipment:		
Plant and equipment	Straight Line	2 to 91 years

Department of Planning, Transport and Infrastructure
Notes to and forming part of the financial statements
For the year ended 30 June 2017

<u>Asset Class</u>	<u>Depreciation Method</u>	<u>Estimated Useful Life</u>
Buses	Diminishing Value	8 to 25 years
Tram and train rolling stock	Straight Line	30 years
Information technology	Straight Line	3 to 10 years
Network Assets:		
Roads (sealed surface)	Straight Line	22 to 29 years
Roads (sealed pavement)	Straight Line	40 to 70 years
Roads (sheeted)	Straight Line	18 years
Bridges and culverts	Straight Line	32 to 155 years
Metro rail lines track and structures	Straight Line	7 to 206 years
Bus track and structures	Straight Line	10 to 91 years
Other	Straight Line	4 to 100 years
Intangible Assets:		
Software	Straight Line	3 to 14 years

Pavement sub-base, Earthworks, Graded and formed unsealed roads have indefinite useful lives and are not depreciated

Revaluation of Non-Current Assets

In accordance with Accounting Policy Framework III *Asset Accounting Framework* APS 3.1 and 3.13, the Department revalues all its non-current physical assets to their estimated fair value. Revaluations are performed only in instances where the fair value of the asset or asset group at the time of acquisition is greater than \$1 million and the estimated useful life is greater than three years.

The Department generally revalues its assets every three years and always within six years, depending on the nature or purpose for which that asset is held. Assets are revalued by appropriately qualified valuation professionals, internal experts using external estimators or internal estimates based on recent transactions/indices. All valuers are independent unless otherwise indicated. The Valuer-General is considered an independent valuer as the Valuer-General is independent of the other functions of the Department.

When non-current assets are revalued, the Department uses the gross method in accounting for most assets with the exception of land and buildings that are subject to commercial leases and held for provision of government agency accommodation and for provision of housing of government employees in remote areas.

If at any time the carrying amount of an asset materially differs from its fair value, the Department revalues the asset regardless of when the last valuation took place. Non-current physical assets that are acquired between revaluations are either held at cost until the next valuation, or revalued if the fair value is likely to be materially different from the acquisition value. The Department assesses material differences in fair value from notification from business units or changes in circumstances and environmental factors that the Department becomes aware of.

Revaluation movements are recorded in the Revaluation reserves. 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 revaluation surplus relating to that asset is transferred to retained earnings.

The valuation methodology applied to specific classes of non-current assets under revaluations and the timing of asset valuations are disclosed in the Notes applicable to those assets. See Notes 26 to 32.

Department of Planning, Transport and Infrastructure
Notes to and forming part of the financial statements
For the year ended 30 June 2017

Impairment

All non-current tangible and intangible assets are tested for indication of impairment at each reporting date. Where there is an indication of impairment the recoverable amount is estimated. The recoverable amount is determined as the higher of the asset's fair value less costs of disposal and depreciated replacement cost. An amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss. For revalued assets, an impairment loss is offset against the respective asset revaluation surplus. There were no impaired assets for 2016-17

Remediation of Non-Current Assets

Land remediation undertaken by the Department is primarily designed to restore the asset to its original state or condition and would not normally meet the criteria for asset recognition under *AASB 116 Property, Plant and Equipment*.

Where remedial work is to be performed in response to a present obligation, either under legislation or under a contractual arrangement to a third party, the Department recognises a provision for any future work in accordance with the requirements of *AASB 137 Provisions, Contingent Liabilities and Contingent Assets*. Other land remediation costs are therefore expensed in the period in which the obligation is recognised.

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.

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

- Level 1 – traded in active markets and is based on unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at measurement date. The Department does not have any Level 1 assets.
- 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. For example, the Department has domestic housing and commercial building assets that are valued by comparing the subject properties to similar properties in similar areas.
- Level 3 – not traded in an active market and are derived from unobservable inputs. Examples in the Department include the rail and road networks.

In determining fair value, the Department has taken into account the characteristic of the asset (eg 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).

The Department's current use is the highest and best use of the asset unless other factors suggest an alternative use is feasible. As the Department 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 had an estimated useful life that was less than three years are deemed to approximate fair value.

Refer to Notes 26 to 32 for disclosure regarding fair value measurement techniques and inputs used to develop fair value measurements for non-financial assets.

Department of Planning, Transport and Infrastructure
Notes to and forming part of the financial statements
For the year ended 30 June 2017

3.11 Liabilities

Leases

The Department has entered into finance leases and operating leases both as lessor and lessee and has recognised assets, liabilities, revenues and expenses associated with these business dealings in accordance with *AASB 117 Leases*.

Finance Leases

Finance leases, which transfer to the Department substantially all the risks and benefits/rewards incidental to ownership of the leased assets, are capitalised at the inception of the lease at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments.

Minimum lease payments are allocated, between interest expense/borrowing costs and reduction of the lease liability, to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Where there is no reasonable assurance that the Department will obtain ownership of the capitalised asset at the end of the lease term, the asset is amortised over the shorter of the lease term and its useful life.

Finance Leases – the Department as Lessor

- *Recreational Jetties*

The Department has entered into leases as lessor, in regards to the Government's Recreational Jetties Divestment Program where jetties have been leased to Councils throughout the state. Peppercorn rents of \$1 per annum apply over the 25 or 99 year lease term for each lease.

Under the terms of the lease agreement, these leases have been categorised as finance leases due to the passing of risks and benefits incidental to ownership to the lessee. Since the leases provide no material revenue to the Department, the leases have nil value. The underlying assets have no value recorded in the Financial Statements.

- *Government Employee Housing*

The Department provides housing services on a leasehold basis to government employees based in remote areas of the state. As lessor, the Department recognises finance lease receivables in relation to these properties at an amount equal to the net investment in the lease.

Finance lease interest income is recognised based on the periodic rate of return on that net investment. Lease payments from the lessee are applied against the gross investment in the lease to reduce both the principal and the unearned interest income.

Finance Leases – the Department as Lessee

- *Government Accommodation – Roma Mitchell Building*

The Department is responsible for the finance lease in relation to government office accommodation for Roma Mitchell House, North Terrace and has recognised assets and liabilities at the fair value of the leased property. Lease liabilities under these arrangements are classified as both current and non-current, with the minimum lease payments allocated between interest expense/borrowing costs and the reduction of lease liability for the period.

The 40 year lease on Roma Mitchell House commenced in July 1987. Ownership of the building will transfer to the Department on payment of a nominal sum at the end of the lease. Under the terms and

Department of Planning, Transport and Infrastructure
Notes to and forming part of the financial statements
For the year ended 30 June 2017

conditions of the lease agreement, the Department is also liable to pay contingent rentals based on the Adelaide Consumer Price Index.

- *Computer Hardware and Equipment*

The Department has entered into various lease arrangements as lessee with respect to the use of some of its computer hardware and equipment. Under the Australian Accounting Standards such agreements are treated as finance leases.

Operating Leases

Operating lease payments are recognised as an expense in the Statement of Comprehensive Income on a straight-line basis over the lease term. The straight-line basis is representative of the pattern of benefits derived from the leased assets.

- *Operating Leases – the Department as Lessor*

The Department leases commercial properties to external parties through operating leases. Income derived from these leases is recognised as rental income in the Statement of Comprehensive Income in the period in which it is earned, and is representative of the patterns of benefits derived from the leased assets.

- *Operating Leases – the Department as Lessee*

The Department has a number of operating lease agreements as lessee for land, motor vehicles, office equipment, other plant and commercial and residential accommodation. Operating lease payments are charged to the Statement of Comprehensive Income on a basis that is representative of the pattern of benefits derived from the leased assets.

- *Lease Incentives*

All incentives for the agreement of a new or renewed operating lease are recognised as an integral part of the net consideration agreed for the use of the leased asset. Incentives received are recognised as a lease incentive liability.

The aggregate benefits of the lease incentives received are recorded as a reduction of rental expense over the lease term on a straight line basis. Incentives provided to sub-lessees are recognised as a lease incentive asset. This asset is amortised over the life of the lease and recognised as a reduction of rental revenue on a straight line basis.

Lease incentives in the form of leasehold improvements that are not subject to a sub-lease are capitalised as an asset and depreciated over the remaining term of the lease or estimated useful life of the improvement, whichever is shorter.

Employee Benefits

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

- *Salaries and Wages, Annual Leave, Sick Leave and Skills and Experience Retention Leave.*

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

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

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

- *Long Service Leave*

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

The estimated liability for long service leave is based on actuarial assumptions over 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. Expected future payments are discounted using market yields at the end of the reporting period on government bonds with durations that match, as closely as possible, the estimated future cash outflows.

The long service leave liability has been allocated between current and non-current liabilities using the leave pattern history of previous years.

3.12 Unrecognised Contractual Commitments and Contingent Assets and Liabilities

Commitments include operating, capital and outsourcing arrangements arising from contractual or statutory sources and are disclosed at their nominal amount. (Refer to Note 40).

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

Unrecognised contractual commitments and contingencies are disclosed net of the amount of GST recoverable from, or to, the Australian Taxation Office (ATO). If GST is not payable to the ATO, the commitments and contingencies are disclosed on a gross basis.

Note 4: New and Revised Accounting Standards and Policies

The Department did not voluntarily change any of its accounting policies during 2016-17.

Accounting Standards

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective, have not been adopted by the Department for the reporting period ending 30 June 2017. The Department has assessed the impact of the new and amended standards and interpretations.

The new standard AASB 16 *Leases* will apply for the first time to the Department's 30 June 2020 financial report. It introduces a single lessee accounting model. It requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligations to make lease payments. AASB 16 substantially carries forward the lessor accounting requirements in AASB 117.

This new standard is a significant change from the past 30 years of accounting for leases. It will require the Department to record almost all lease arrangements on-balance sheet. There will be significant work for the Department to bring all leases currently treated as operating onto balance sheet. The Department will analyse its current leasing arrangements based on AASB 16 and will apply the new standard from the reporting period beginning 1 July 2019.

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AASB 15 *Revenue from Contracts with Customers* will replace the existing AASB 118 *Revenue* and applies to reporting periods beginning on or after 1 January 2019. AASB 15 *Revenue from Contracts with Customers* introduces a five step process for revenue recognition with the core principle being to recognise revenue 'when control of a good or service transfers to a customer'. This is effectively when performance obligations have been met, rather than the former model of 'where the risk and rewards of ownership reside'. AASB 15 *Revenue from Contracts with Customers* will generally result in increased disclosures.

The changes in AASB 15 may result in changes to the timing and amount of revenue recognised by the Department. Some revenue may need to be deferred to a later reporting period to the extent that the Department has received cash but has not yet met the associated performance obligations.

AASB 1058 *Income of Not-for-Profit Entities* will replace a number of income recognition requirements under AASB 1004 *Contributions* and applies to reporting periods beginning on or after 1 January 2019. The timing of income recognition depends on whether a transaction gives rise to a liability or other performance obligation (a promise to transfer a good or service), or a contribution by owners, related to an asset (such as cash or another asset) received by an entity. Where there is no liability to be recognised under another standard, or the liability is less than the fair value of the asset received then revenue is recognised.

The Department has not yet quantified the impact of applying AASB 15 *Revenue from Contracts with Customers* and AASB 1058 *Income of Not-for-Profit Entities* and the resulting impact on the statement of comprehensive income.

Department of Planning, Transport and Infrastructure
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For the year ended 30 June 2017

Note 5: Activities of the Department

In achieving its objectives, the Department provides a range of services classified into the following activities:

Activity 1 Land Use Planning

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

Activity 2 Recreation, Sport and Racing

Provision of strategic policy, programs, services, sporting infrastructure and elite sport pathways aimed at increasing participation, developing a sustainable sport and recreation sector and ensuring that all South Australians are able to enjoy lives enriched through participation in active recreation and sport.

This program also includes the provision of strategic policy advice to the Minister for Recreation and Sport on matters relating to the South Australian racing industry.

Activity 3 Office of Local Government

The Office of Local Government provides policy and other advice to the Minister for Local Government.

Activity 4 Roads and Marine

Provision of safe, effective and efficient maintenance and operational services to manage the Department's controlled road and marine infrastructure. This program also includes the regulation of driver and vehicle access to the transport network.

Activity 5 Public Transport

Provision and maintenance of safe, efficient, equitable and accessible public transport services and infrastructure in metropolitan Adelaide and assist regional councils and communities to deliver diverse passenger transport services.

Activity 6 Infrastructure Planning and Management

Provision of planning and investment advice for state transport infrastructure and services to government agencies in relation to the construction and maintenance of building and properties. The program also includes statutory services and information to the community related to land titling, surveying, valuation and other land administration functions.

Activity 7 Road Safety

Provision of policy and investment advice, community information on road safety, and the provision of services on safe and sustainable road use and travel behaviour.

The disaggregated disclosures schedules present expenses, income, assets and liabilities information attributable to each of the activities for the years ended 30 June 2017 and 30 June 2016.

Department of Planning, Transport and Infrastructure
Notes to and forming part of the financial statements
For the year ended 30 June 2017

Note 6: Employee Benefit Expenses

	2017	2016
	\$'000	\$'000
Salaries and wages	161,636	158,967
Board and committee fees (refer below)	582	472
Employment on-costs - superannuation	17,645	18,455
Employment on-costs - payroll	9,729	9,750
Annual leave	15,695	16,393
Long service leave	6,979	7,283
Workers compensation expenses	740	5,068
TVSPs payments (refer below)	5,834	9,792
Skills and Experience Retention Leave	988	1,036
Other employee related expenses	2,428	2,532
Total Employee Benefit Expenses	222,256	229,748

Targeted Voluntary Separation Packages (TVSPs)

	2017	2016
	\$'000	\$'000
Amounts paid during the reporting period to separated employees:		
TVSPs	5,834	9,792
Annual leave, LSL and SERL paid to those employees	4,103	7,212
	9,937	17,004
Recovery from the Department of Treasury and Finance	-	(9,840)
Net Cost to the Department	9,937	7,164

The number of employees who received a TVSP during the reporting period was 87 (152).

The Department did not receive any reimbursement for TVSP's taken in 2016-17.

In addition, there were executive termination payments of \$0.317 million (\$1.380 million) paid during the year.

Department of Planning, Transport and Infrastructure
Notes to and forming part of the financial statements
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Remuneration of Employees

	2017	2016
	Number	Number
The number of employees whose remuneration received or receivable falls within the following bands:		
\$145 000 - \$147 000 *	n/a	3
\$147 001 - \$157 000	11	12
\$157 001 - \$167 000	17	11
\$167 001 - \$177 000	10	8
\$177 001 - \$187 000	3	3
\$187 001 - \$197 000	3	4
\$197 001 - \$207 000	3	1
\$207 001 - \$217 000 (d)	7	8
\$217 001 - \$227 000	2	2
\$227 001 - \$237 000 (d)	1	3
\$237 001 - \$247 000 (b), (f)	3	5
\$247 001 - \$257 000 (a), (e)	3	3
\$257 001 - \$267 000 (e)	1	3
\$267 001 - \$277 000 (d)	-	1
\$277 001 - \$287 000 (e)	1	2
\$287 001 - \$297 000 (b), (d)	2	1
\$297 001 - \$307 000 (a), (d)	1	2
\$307 001 - \$317 000 (c)	4	1
\$317 001 - \$327 000	2	1
\$337 001 - \$347 000	-	1
\$367 001 - \$377 000 (d)	-	1
\$407 001 - \$417 000	1	-
\$417 001 - \$427 000	-	1
\$487 001 - \$497 000 (d)	-	1
\$497 001 - \$507 000 (d)	-	1
\$737 001 - \$747 000 (d)	-	1
Total Number of Employees	75	80

* This band has been included for the purposes of reporting comparative figures based on the executive base level remuneration for 2015-16.

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. The total remuneration received by these employees for the year was \$15.2 million (\$17.7 million).

- (a) 2017 - includes TVSP, executive termination payment for one employee
- (b) 2017 - includes TVSP, executive termination payment for two employees
- (c) 2017 - includes TVSP, executive termination payment for three employees
- (d) 2016 - includes TVSP, executive termination payment for one employee
- (e) 2016 - includes TVSP, executive termination payment for two employees
- (f) 2016 - includes TVSP, executive termination payment for four employees

The Department had 38 (40) number of Executives as at 30 June 2017.

Department of Planning, Transport and Infrastructure
Notes to and forming part of the financial statements
For the year ended 30 June 2017

Remuneration of Board and Committee Members

Members during the 2016-17 financial year were:

Passenger Transport Standards Committee

BASSHAM I G (re-appointed 1/7/2016)
BIRCH C P (re-appointed 1/7/2016)
BORLACE M S (re-appointed 1/7/2016)
BURTON G R (re-appointed 1/7/2016)
GOULD J (re-appointed 1/7/2016)
GUNNER D J* (re-appointed 1/7/2016)
HANLON S A (re-appointed 1/7/2016)
KING B (re-appointed 1/7/2016)
MADAN V (re-appointed 1/7/2016)
MCKENZIE J D B (re-appointed 1/7/2016)
MORTIMER K P * (re-appointed 1/7/2016)
O'DEA M (re-appointed 1/7/2016)
OPIE A L (re-appointed 1/7/2016)
PARRY- JONES K (re-appointed 1/7/2016)
POTTS D G (re-appointed 1/7/2016)
TIDDY J M (re-appointed 1/7/2016)
TIDEMAN J (re-appointed 1/7/2016)
WIGGLESWORTH R * (re-appointed 1/7/2016)

Development Assessment Commission

BRANFORD C J (re-appointed 9/7/2016)
CRAFTER S J (re-appointed 9/7/2016)
DUNGEY P J (re-appointed 9/7/2016)
DYER H (re-appointed 9/7/2016)
FOGARTY S M (re-appointed 9/7/2016)
JENKE E (appointed 19/8/2016)
KOWALICK I (appointed 19/8/2016)
LEWIS R (appointed 18/4/2016)
MUTTON D R (re-appointed 9/7/2016)
O'LOUGHLIN D A (re-appointed 9/7/2016)

Building Advisory Committee

CARUSO A
FENNELL B
HARMER P J
KAMENCAK G *
KARUPPIAH N
O'DEA D
ROWLAND K
SHILLABEER J

Audit and Risk Committee

BROWN G *
COOPER C
JOHNSON C (appointment ended 31/8/2016)
MCQUILLAN S *
POWELL D (re-appointed 1/3/2017)
SNEDDON Y (appointed 13/10/2016)
TEPOHE J *

Local Heritage Advisory Committee

DITTER S L S
FITZPATRICK S R *
HARRY D B
LEADBETER P D
LEYDON G J
LINDSAY D M*
SCHULZ J
TAYLOR R J

Development Policy Advisory Committee

FILBY S
HOOPER S P
HOWDEN S V
KLOBAS M J
LEWIS F
MOULDS B J
STARICK S R
STIMSON J A
THOMAS R A
VINCENT C

Building Rules Assessment Commission

AGGISS J *
CAPETANAKIS G
CARUSO C
FRISBY D
HOPKINS K
INGERSON N
LOCHERT R *
MAZZAROLO J
MENADUE B
PATON C *
PAYNE B
PAYNE J *
PRELGAUSKUS E
ROBINSON D
SLOAN D
STEER B
TAYLOR A

Inner Metropolitan Development Assessment Commission

BAILEY D (appointed 1/7/2016)
BATEUP R (re-appointed 1/7/2016)
BRANFORD C (re-appointed 1/7/2016)
BURMAN B (re-appointed 1/7/2016)
CHANDLER W (appointed 1/7/2016)
COOKE D (re-appointed 1/7/2016)
CRAFTER S J (re-appointed 1/7/2016)
DUNGEY P J (re-appointed 1/7/2016)
DUNN C M (appointed 1/7/2016)
DYER H L (re-appointed 1/7/2016)
FOGARTY S (re-appointed 1/7/2016)
FREEMAN R T* (appointed 1/7/2016)
HODGSON J (re-appointed 1/7/2016)
MOSEL T (appointed 1/7/2016)
MUTTON D (re-appointed 1/7/2016)
NEWMAN J (re-appointed 1/7/2016)
O'LOUGHLIN D A (re-appointed 1/7/2016)
PERERA R (appointed 1/7/2016)
STOKES W (re-appointed 1/7/2016)
WEIDENHOFER S G (appointed 1/7/2016)

Department of Planning, Transport and Infrastructure
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For the year ended 30 June 2017

Port Adelaide Development Advisory Committee

BLENCOWE S (re-appointed 8/8/2016)
BRANFORD C (re-appointed 9/7/2016)
CRAFTER S J (re-appointed 9/7/2016)
DUNGEY P J (re-appointed 9/7/2016)
DYER H L (re-appointed 9/7/2016)
EXCELL R (re-appointed 9/7/2016)
FOGARTY S M (re-appointed 9/7/2016)
MUTTON D R (re-appointed 9/7/2016)
O'LOUGHLIN D A (re-appointed 9/7/2016)

South Australian Boating Facility Advisory Committee

ANDREW B
BIRCH K
BOLTON G
BRUNDELL V
BUTTON R
CUMING R
HOLDER K
HOLDER S
PAYZE R
SCHAHINGER B
SPRUYT C
STEER J
STEPHENS L
WHEELER A

Kangaroo Island Local Advisory Board on Economic Growth ***

BATES J (appointed 20/9/2016)
BLAZUJEVIC L* (appointed 20/9/2016)
BUTTROSE C (appointed 20/9/2016)
COLLINS J* (appointed 20/9/2016)
COOKE D (appointed 20/9/2016)
DEMARCO R* (appointed 20/9/2016)
GILL M* (appointed 20/9/2016)
GREGOR P (appointed 20/9/2016)
HARVIE M (appointed 20/9/2016)
HOLDEN M (appointed 20/9/2016)
KAUPPILA S (appointed 20/9/2016)
KLEEMAN R* (appointed 22/5/2017)
MARTIN G (appointed 20/9/2016)
MCSHERRY M (appointed 30/1/2017)
MILEY D* (appointed 20/9/2016)
MURT R* (appointed 2/2/2017)
NOLAN A (appointed 20/9/2016)
RISCHBIETH G (appointed 20/9/2016)

Kangaroo Island Local Advisory Board on Native Vegetation Management ***

BATES J (appointed 31/10/2016)
BELL C (appointed 31/10/2016)
DOHLE L (appointed 31/10/2016)
GRINTER J (appointed 31/10/2016)
KLEEMAN R* (appointed 31/10/2016)
KLEIN H* (appointed 31/10/2016)
PONTIFEX N (appointed 31/10/2016, resigned 13/2/2017)
SEAMAN R* (appointed 31/10/2016)
SLEEMAN D (appointed 31/10/2016)
TRETHERWEY R (appointed 31/10/2016)
WICKHAM C (appointed 31/10/2016)

Boxing and Martial Arts Advisory Committee

ALEXANDER A
ARTYM U F
BOWMAN L R
FERRAUTO T
LEOW M
RIACH D A
SOULIO R
TAYLOR K J
TOYAMA G

State Planning Commission **

ANDERSON T R (appointed 7/3/2017)
DAVIS M J (appointed 30/5/2017)
DELBRIDGE F (appointed 30/5/2017)
FINLAY J M H (appointed 30/5/2017)
HOLMES A N (appointed 30/5/2017)
LENNON M A (appointed 30/5/2017)
SMITH S J* (appointed 30/5/2017)

Kangaroo Island Local Advisory Board on Housing ***

BAMENT D* (resigned 9/1/2017)
BOARDMAN A (appointed 7/6/2016)
BROWN G* (resigned 7/4/2017)
DAGAS T (appointed 7/6/2016)
DAVIS B (appointed 7/6/2016)
HARRIS M (resigned 16/9/2016)
LEASE C* (appointed 7/6/2016)
KENT I (resigned 24/1/2017)
MCSHERRY M (appointed 30/1/2017)
PALUMBO M (resigned 19/4/2017)
SMITH M (appointed 19/9/2016)
TAYLOR C (appointed 7/6/2016)
WATSON-ENGLAND M (resigned 28/11/2016)

Department of Planning, Transport and Infrastructure
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	2017	2016
	Number	Number
The number of members whose remuneration received/receivable falls within the following bands:		
\$1 - \$9 999	86	59
\$10 000 - \$19 999	2	1
\$40 000 - \$49 999	6	6
\$60 000 - \$69 999	1	-
\$70 000 - \$79 999	1	1
Total Number of Members	96	67

Remuneration of members reflects all costs of performing committee member duties including sitting fees, superannuation contributions, fringe benefits tax and other salary sacrifice arrangements. The total remuneration received by members was \$0.633 million (\$0.517 million).

Unless otherwise disclosed, transactions between committee members and the Department 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.

* In accordance with the Premier and Cabinet Circular No. 16, government employees did not receive any remuneration for board/committee duties during the financial year.

** Effective from 7 March 2017 this Commission was established under the *Planning, Development and Infrastructure Act 2016*.

*** Pursuant to Part 3 of the *Commissioner for Kangaroo Island Act 2014* three advisory boards were established during 2016-17.

Department of Planning, Transport and Infrastructure
Notes to and forming part of the financial statements
For the year ended 30 June 2017

Note 7: Supplies and Services

	2017	2016
	\$'000	\$'000
Supplies and Services		
Bus service contracts	202,236	195,434
Rail Commissioner salary reimbursements	67,625	57,071
Major infrastructure maintenance contracts	61,878	55,243
Other service contracts	113,310	93,307
Consultants	93	207
Operating leases	169,389	165,528
Property expenses	122,632	114,917
Plant, equipment and vehicle expenses	9,695	12,160
Information technology	10,666	8,534
Materials and other purchases	23,070	23,137
Utilities	31,998	32,802
Insurance	4,944	6,299
Legal services	2,184	1,938
Commissions - transaction processing	2,164	2,511
Auditor's remuneration *	919	1,063
Administrative costs	8,218	6,792
Payment to Service SA - registration and licensing collection	34,335	32,934
Other	26,018	23,891
Total Supplies and Services	891,374	833,768

* For work performed under the *Public Finance and Audit Act 1987*. No other services were provided by the Auditor-General's Department.

Consultancies

The number and dollar amount of consultancies paid/payable that fell within the following bands:

	2017		2016	
	No.	\$'000	No.	\$'000
Below \$10 000	-	-	1	1
Above \$10 000	2	240	4	206
Total Paid / Payable to the Consultants Engaged	2	240	5	207

During the year ended 30 June 2017, the Department spent \$0.240 million (\$0.207 million) on consultancies. Operating expenditure of \$0.093 million (\$0.207 million) is reflected in the Statement of Comprehensive Income and \$0.147 million (nil) is capital expenditure.

Department of Planning, Transport and Infrastructure
Notes to and forming part of the financial statements
For the year ended 30 June 2017

Note 8: Depreciation and Amortisation Expense

	2017	2016
	\$'000	\$'000
Depreciation:		
Network assets	275,838	260,454
Plant and equipment	73,863	77,144
Buildings and facilities	71,785	51,749
Total Depreciation	421,486	389,347
Amortisation:		
Leased assets	791	1,614
Intangibles assets	6,617	6,318
Total Amortisation	7,408	7,932
Total Depreciation and Amortisation Expense	428,894	397,279

Change in Depreciation Due to a Revision of Accounting Estimate

In 2016-17 the Department reassessed the useful life of some of its assets. This review resulted in an increase of \$0.284 million in depreciation expense for the 2016-17 year relative to the amount that would have been expenses based on the previous estimate of the useful life. The higher depreciation expense will also be reflected in future years.

Note 9: Grants and Subsidies

	2017	2016
	\$'000	\$'000
Grants and Subsidies		
Contribution for policing services	40,435	39,481
Transport Subsidy Scheme	8,959	9,433
Grants to local councils	15,337	11,260
Transport concessions	4,009	4,425
Grants by Office for Recreation and Sport	55,680	37,680
Other	7,101	6,277
Total Grants and Subsidies	131,521	108,556

Note 10: Borrowing Costs

	2017	2016
	\$'000	\$'000
Interest paid/payable on Borrowing Costs:		
Finance charges on finance leases	914	939
Total Borrowing Costs	914	939

Department of Planning, Transport and Infrastructure
Notes to and forming part of the financial statements
For the year ended 30 June 2017

Note 11: Other Expenses

	2017	2016
	\$'000	\$'000
Other Expenses		
Rates, taxes and levies	8,494	9,428
Donated assets *	52,420	1,629
Bad and doubtful debts expense	253	2,664
Write-off of an asset	889	1,595
Indentured Ports **	10,024	11,424
Site remediation	106	143
Payment to National Heavy Vehicle Regulator – State Contribution ***	-	13,648
Other	1,544	315
Total Other Expenses	73,730	40,846

* This includes water and sewerage assets constructed and donated to South Australian Water Corporation at cost as part of the North-South Corridor Darlington Upgrade (\$37.472 million) and South Road Upgrade Torrens to Torrens (\$13.158 million).

** This relates to amounts returned to the Consolidated Account in accordance with section 90 of the *Harbours and Navigation Act 1993*.

Charges collected for cargo services and harbour services are allocated to the Department and applied to the maintenance of indentured ports. Any remaining funds are returned to the Consolidated Account in accordance with section 90 of the *Harbours and Navigation Act 1993*. Assets associated with these ports include land and facilities at Port Bonython, Ardrossan and Whyalla.

The amount paid to the consolidated account in the year ended 30 June 2017 totalled \$9.760 million. This represents unused cargo and harbour services charges of \$0.655 million collected in the year ended 30 June 2016 but not paid to DTF as at 30 June 2016 and \$9.105 million of unused charges collected during the year ended 30 June 2017.

A further \$0.919 million remains payable to the consolidated account representing outstanding unused cargo and harbour service charges collected during the year ended 30 June 2017 but not paid to DTF as at 30 June 2017.

*** From 1 July 2016 heavy vehicle registrations include a regulatory component which is collected and disbursed to the National Heavy Vehicle Regulator. This is now an Administered item.

Department of Planning, Transport and Infrastructure
Notes to and forming part of the financial statements
For the year ended 30 June 2017

Note 12: Fees and Charges

	2017	2016
	\$'000	\$'000
Fees and Charges		
Drivers licence fees	54,305	48,721
Metrotickets	91,029	90,456
Motor registrations	419,611	413,497
Marine related fees and charges	22,222	23,190
Land services fees	15,700	15,397
Other fees and charges	22,300	22,889
Total Fees and Charges	625,167	614,150

Revenues from the levying of fees or charges set in accordance with various legislative acts (e.g. vehicle registration and drivers' licence fees) are recognised when the Department obtains control over the funds. Control is generally obtained upon receipt of those funds.

Road Safety

In accordance with the *Highways Act 1926*, \$9.051 million (\$8.120 million) being one-sixth of driver's licence collections and \$0.876 million (\$0.946 million) being 1/100th of Heavy Vehicle Registrations, was applied towards funding transport safety related initiatives under the Road Safety activity.

Note 13: Commonwealth Revenues

	2017	2016
	\$'000	\$'000
Commonwealth Revenues		
Commonwealth grants received via DTF *	549,246	234,429
National Land Transport Act 2014 **	7,084	8,854
Other Commonwealth revenues ***	695	464
Total Commonwealth Revenues	557,025	243,747

Contributions are recognised as an asset and income when the Department obtains control of the contributions or obtains the right to receive the contributions and the income recognition criteria are met.

Generally, the Department has obtained control or the right to receive:

- Contributions with unconditional stipulations – this will be when the agreement becomes enforceable i.e. earlier of when the Department has formally been advised that the contribution has been approved; agreement/contract is executed; and/or the contribution is received.
- Contributions with conditional stipulations – this will be when the enforceable stipulations specified in the agreement occur or are satisfied; that is income would be recognised for contributions received or receivable under the agreement.

* Commonwealth grants received from the DTF represent mainly *Nation Building Program (National Land Transport) Act 2014* and *Interstate Road Transport Act 1985* funding.

** *Nation Building Program (National Land Transport) Act 2014* represents Roads to Recovery funding.

*** Other Commonwealth revenue includes the Australian Sports Commission and Indigenous Sports Programs.

Department of Planning, Transport and Infrastructure
Notes to and forming part of the financial statements
For the year ended 30 June 2017

Note 14: Sales of Goods and Services

	2017	2016
	\$'000	\$'000
Sale of Goods and Services		
Maintenance services	113,390	104,409
Other sale of goods	586	204
Other sale of services	37,415	37,878
Total Sale of Goods and Services	151,391	142,491

Revenues are derived from the provision of goods and services to other SA Government agencies and to the public. These revenues are driven by consumer demand and are recognised upon the delivery of those goods and services to the customers or by reference to the stage of completion, where possible.

Note 15: Rental Income

	2017	2016
	\$'000	\$'000
Rental Income		
Government accommodation	204,895	205,602
Property rents and recoveries	3,528	3,503
Other lease income	5,587	5,817
Total Rental Income	214,010	214,922

Rental income consists of office accommodation, government employee housing and other property rentals. Commercial property rental is payable in advance, other rentals are payable in arrears.

Note 16: Grants and Subsidies

	2017	2016
	\$'000	\$'000
Grants and Subsidies		
Concessional passenger income	57,051	57,283
Grants received by Office for Recreation and Sport	469	451
Other	120	250
Total Grants and Subsidies	57,640	57,984

Concessional Passenger Income

This represents fare concession receipts to fund concessional travel provided to pensioners, the unemployed and students on passenger transport in metropolitan and regional areas.

Note 17: Interest

	2017	2016
	\$'000	\$'000
Interest	1,758	2,134
Total Interest	1,758	2,134

The interest relates predominantly to the Rail Transport Facilitation, Community Road Safety, Boating Administration Working Account, Facilities (Marine) and Commonwealth Funding Received for Specific Projects.

Department of Planning, Transport and Infrastructure
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Note 18: Net Gain (Loss) from Disposal of Non-Current Assets

	2017	2016
	\$'000	\$'000
Net gain (loss) from the disposal of non-current assets received/receivable:		
Land, Buildings and Facilities:		
Proceeds from disposal	1,947	19,472
Net book value of assets disposed	(835)	(17,212)
Costs incurred to facilitate disposal	(56)	-
Net gain (loss) from disposal of land, buildings and facilities	1,056	2,260
Plant and Equipment:		
Proceeds from disposal	248	900
Net book value of assets disposed	(478)	(1,020)
Net gain (loss) from disposal of plant and equipment	(230)	(120)
Non-Current Assets Held for Sale:		
Proceeds from disposal	4,639	3,735
Net book value of assets disposed	(5,690)	(4,064)
Costs incurred to facilitate disposal	(61)	(120)
Net gain (loss) from disposal of non-current assets held for sale	(1,112)	(449)
Total Assets:		
Proceeds from disposal	6,834	24,107
Net book value of assets disposed	(7,003)	(22,296)
Costs incurred to facilitate disposal	(117)	(120)
Total net gain (loss) from disposal of non-current assets	(286)	1,691

Gains/Losses from the disposal of non-current assets are recognised on a net basis when control of the asset has passed to the buyer. When revalued assets are sold, with the exception of commercial properties, the revaluation surplus is transferred to retained earnings.

Note 19: Resources Received Free of Charge

	2017	2016
	\$'000	\$'000
Resources received/receivable free of charge:		
Land, buildings and facilities	15,428	1,587
Network Assets	6,677	1,721
Plant and equipment	-	110
Total Resources Received Free of Charge	22,105	3,418

Resources received free of charge were recognised at their fair value.

On 1 January the Department received free of charge land and buildings (\$15.232 million) and network assets (\$6.177 million) of the township of Leigh Creek from the Generation Lessor Corporation. The township of Leigh Creek is significantly reliant upon continued State Government support to transition to an independent future. Due to the remote location of these assets there is no comparable market. Therefore these assets are valued at depreciated replacement cost.

Department of Planning, Transport and Infrastructure
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Note 20: Other Income

	2017	2016
	\$'000	\$'000
Other Income		
Recoveries and contributions	23,718	24,147
Reimbursement works and external project contributions	24,494	12,991
Intra government transfers	22,896	17,492
Commissions Received	25	35
Sundry income	-	316
Total Other Income	71,133	54,981

Note 21: Revenues from (Payments to) SA Government

	2017	2016
	\$'000	\$'000
Revenues from SA Government:		
Appropriations from Consolidated Account pursuant to the <i>Appropriation Act</i>	639,570	384,609
Transfers from contingency provisions	16,503	41,525
Transfers from Motor Accident Commission *	688,200	448,500
Transfers from Treasury - Working Account **	259,400	-
Other revenues from SA Government	709	556
Total Revenues from SA Government	1,604,382	875,190
Payments to SA Government:		
Local government and income tax equivalent payments (Refer Note 3.7)	3,114	3,609
Return of surplus cash pursuant to cash alignment policy	55,581	-
Other payments to Consolidated Account	2,720	1,991
Total Payments to SA Government	61,415	5,600

* Includes funds received from the Motor Accident Commission to the Highways Fund for future investment in road safety improvements \$688.2 million (\$448.5 million).

** Includes funds received to the Highways Fund as a result of the Implementation Deeds between the State and the individual insurers for the Initial Market allocation fee for the Compulsory Third Party Insurance market in South Australia \$259.4 million.

Appropriations are recognised as revenues when the department obtains control over the funding. Control over appropriations is normally obtained upon receipt.

Where money has been appropriated in the form of an equity contribution, the Treasurer has acquired a financial interest in the net assets of the department and the appropriation is recorded as contributed equity.

Department of Planning, Transport and Infrastructure
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Note 22: Cash and Cash Equivalents

	2017	2016
	\$'000	\$'000
Deposits at call with the Treasurer	3,253,029	2,123,276
Imprest Account	98	108
Deposits with SAFA	10,465	2,245
Other	67	78
Total Cash and Cash Equivalents	3,263,659	2,125,707

Deposits at call with the Treasurer

Includes:

- funds received from the Motor Accident Commission to the Highways Fund for future investment in road safety improvements \$688.2 million (\$448.5 million)
- funds received to the Highways Fund as a result of the Implementation Deeds between the State and the individual insurers for the Initial Market allocation fee for the Compulsory Third Party Insurance market in South Australia \$259.4 million.

Other

Includes petty cash floats, cashiers' floats and other cash on hand.

Department of Planning, Transport and Infrastructure
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Note 23: Receivables

	2017	2016
	\$'000	\$'000
Current:		
Receivables	105,620	74,147
Allowance for doubtful debts	(3,735)	(3,901)
Finance lease receivables	776	763
Loan receivables	2,502	2,388
GST input tax recoverable	15,058	10,241
Accrued revenues	80,316	55,041
Lease incentives	5,987	29,737
Total Current Receivables	206,524	168,416
Non-Current:		
Receivables	5	37
Finance lease receivables	4,936	5,559
Loan receivables	2,040	2,040
Total Non-Current Receivables	6,981	7,636
Total Receivables	213,505	176,052

Movement in the allowance for doubtful debts

The allowance for doubtful debts (allowance for impairment loss) is recognised when there is objective evidence that a receivable is impaired. An allowance for an impairment loss has been recognised in 'Other Expenses' for specific debtors where such evidence exists.

Movements in the allowance for doubtful debts (impairment loss):	2017	2016
	\$'000	\$'000
Carrying amount at 1 July	3,901	1,334
Increase in the allowance	173	2,702
Amounts written off	(258)	(51)
Amounts recovered during the year	(25)	(15)
Decrease in allowance recognised in profit or loss	(56)	(69)
Carrying amount at 30 June	3,735	3,901

Interest Rate and Credit Risk

Receivables arise in the normal course of the provision of goods and services provided to other government agencies and the public. Receivables are normally settled within 30 days after the issue of an invoice or from when goods or services have been provided under a contractual agreement. Receivables and accrued revenues are non-interest bearing.

Collectability of receivables is reviewed on an ongoing basis. An allowance for doubtful debts is raised when there is objective evidence that the Department will not be able to collect the debt. Other than as recognised in the allowance for doubtful debts, it is not anticipated that debtors will fail to discharge their obligations. The carrying amount of receivables approximates their fair value due to being receivable on demand. There is no concentration of credit risk.

Refer to Note 39 for further information on risk management.

Department of Planning, Transport and Infrastructure
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Note 24: Inventories

	2017	2016
	\$'000	\$'000
Current - held for distribution at no or nominal consideration		
Road making material and stores at cost	3,776	4,578
Rail material and stores at cost	6,747	5,901
Total inventories held for distribution at no or nominal consideration	10,523	10,479
Current - other than those held for distribution at no or nominal consideration:		
Metrocards at cost	355	470
Total inventories other than those held for distribution at no or nominal consideration	355	470
Total Current Inventories	10,878	10,949

Inventories include goods and other property held either for sale, use or for distribution in the ordinary course of business and excludes depreciable assets.

Inventories held for distribution at no or nominal consideration are measured at cost and adjusted when applicable for any loss of service potential. The basis for assessing loss of service potential includes current replacement cost and technological or functional obsolescence.

Inventories (other than those held for distribution at no or nominal consideration) are measured at the lower of cost or their net realisable value. Inventories of roadside materials are measured at historic cost and stores are measured on a weighted average historic cost basis. Inventories held for works performed for clients external to the department are measured at cost.

Note 25: Other Assets

	2017	2016
	\$'000	\$'000
Current:		
Prepayments	50,585	38,390
Other	-	155
Lease Incentives	6,432	7,007
Total Current Other Assets	57,017	45,552
Non-Current Assets:		
Lease Incentives	39,560	44,192
Prepayments	42	52
Total Non-Current Other Assets	39,602	44,244
Total Other Assets	96,619	89,796

Department of Planning, Transport and Infrastructure
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Note 26: Non-Current Assets Classified as Held for Sale

	2017	2016
	\$'000	\$'000
Non-Current Assets Classified as Held for Sale:		
Land, buildings and facilities	13,281	140,157
Total Non-Current Assets Classified as Held for Sale	13,281	140,157

The Department has identified \$13.281 million (\$140.157 million) of land, buildings and facilities that are surplus to the Department's requirements. The land, buildings and facilities are expected to be sold within 12 months by public tender or auction.

During the year the State Administration Centre precinct assets were reclassified to Land, Building and Facilities (Note 27) as they no longer met the conditions for assets classified as *Non-Current Asset Held for Sale*. The Department of Treasury and Finance continues to work with consultants to assess sale options. Reclassification of these assets has no impact on the Department's operations.

Valuation of Non-Current Assets Classified as Held for Sale

Non-current assets classified as held for sale generally consist of land and buildings that have been declared surplus to the needs of the Department for which a plan of sale has been determined, the sale is highly probable and is expected to be completed within one year from the date of classification.

Non-current assets classified as held for sale are measured at the lower of carrying amount and fair value less cost to sell in accordance with AASB 5 *Non-Current Assets Held for Sale and Discontinued Operations*. The assets in this category are re-valued upon reclassification in line with the valuation techniques outlined in notes 27 to 29. They are presented separately from the other assets in the Statement of Financial Position and are not subject to depreciation.

Department of Planning, Transport and Infrastructure
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Note 27: Land, Buildings and Facilities

	2017	2016
	\$'000	\$'000
Land:		
Land at fair value	964,410	941,120
Total Land	964,410	941,120
Land Under Roads:		
Land under roads at cost	42,160	20,547
Total Land Under Roads	42,160	20,547
Land for Current Projects:		
Land for current projects at cost *	181,863	178,165
Total Land for Current Projects	181,863	178,165
Buildings and Facilities:		
Buildings and facilities at fair value	2,160,540	1,966,199
Accumulated depreciation at 30 June	674,970	543,742
Total Buildings and Facilities	1,485,570	1,422,457
Land, Buildings and Improvements Under Lease:		
Buildings and improvements under lease at fair value	33,022	32,242
Land under lease at fair value	4,250	4,250
Accumulated amortisation at 30 June	1,560	769
Total Land, Buildings and Improvements Under Lease	35,712	35,723
Total Land, Buildings and Facilities	2,709,715	2,598,012

* This includes land transferred from other land categories deemed at cost. Land for Current Projects is not revalued.

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RECONCILIATION OF LAND, BUILDINGS AND FACILITIES

The following table shows the movement of Land, Buildings and Facilities during 2016-17

	Land \$'000	Land Under Roads \$'000	Land for Current Projects \$'000	Buildings & Facilities \$'000	Land, Buildings & Improvements Under Lease \$'000	Total \$'000
Carrying amount at 1 July	941,120	20,547	178,165	1,422,457	35,723	2,598,012
Reclassification (to)/from assets held for sale	24,428	-	(1,300)	98,058	-	121,186
Additions	529	-	28,669	9,330	-	38,528
Transfer from works in progress	-	-	-	7,493	780	8,273
Disposals	(584)	-	-	(251)	-	(835)
Resources received free of charge	1,152	-	-	14,276	-	15,428
Write offs	-	-	-	(147)	-	(147)
Revaluation increment/(decrement)	(4,294)	-	-	7,067	-	2,773
Depreciation and amortisation	-	-	-	(71,785)	(791)	(72,576)
Transfers due to reclassification of assets	2,058	21,613	(23,671)	(768)	-	(768)
Other movements	1	-	-	(160)	-	(159)
Carrying amount at 30 June	964,410	42,160	181,863	1,485,570	35,712	2,709,715

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RECONCILIATION OF LAND, BUILDINGS AND FACILITIES

The following table shows the movement of Land, Buildings and Facilities during 2015-16

	Land	Land Under Roads	Land for Current Projects	Buildings & Facilities	Land, Buildings & Improvements Under Lease	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying amount at 1 July	1,213,321	20,576	120,157	1,526,549	36,944	2,917,547
Reclassification to/from assets held for sale	595	-	-	(2,518)	-	(1,923)
Additions	357	-	58,105	33,541	-	92,003
Transfer from works in progress	-	-	-	8,644	392	9,036
Disposals	(17,171)	-	-	(41)	-	(17,212)
Donated assets	(3)	-	-	-	-	(3)
Resources received free of charge	855	-	-	732	-	1,587
Revaluation increment/(decrement)	(256,958)	-	-	(49,709)	-	(306,667)
Depreciation and amortisation	-	-	-	(51,749)	(1,614)	(53,363)
Transfers due to reclassification of assets	125	(29)	(96)	(42,899)	-	(42,899)
Other movements	(1)	-	(1)	(93)	1	(94)
Carrying amount at 30 June	941,120	20,547	178,165	1,422,457	35,723	2,598,012

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Valuation of Land, Buildings and Facilities

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

Specialised land in the rail corridor was revalued in 2015-16. The land comprises of individual parcels along the rail corridor. The value of the land was discounted to account for the restriction in its use as a rail corridor.

For specialised buildings and facilities the valuers used depreciated replacement cost due to there not being an active market for such buildings and facilities. The valuation was based on a combination of internal records, specialised knowledge and acquisition/transfer costs. The metro rail station asset revaluation source data was from recent rail revitalisation projects done by the Department.

Timing of Land, Buildings and Facilities Revaluations

The following table shows when and by whom land, buildings and facilities were revalued:

Asset Class	Assets Valued	Last Valued / Revalued	By Whom	Timing of Revaluations (years)	Input level	Fair Value Approach
Land						
Land	Government Employee Housing	1 July 2016	Valuer-General	1	2	Market
	Government Agency Accommodation	30 June 2015	Opteon Property Group / Valuer-General	3	2	Market
	Ex Australian National Railways Land	1 July 2015	Valuer-General	3	2	Market
	Metro Rail Stations, Yards and Corridors	1 July 2015	Valuer-General	3 - 5	2	Market
	Marine Land	1 July 2014	Valuer-General	3	2	Market
	Bus Depot Land	1 July 2014	Maloney Field Services	3	2	Market
	Future Road Construction	1 July 2014	Valuer-General	3	2	Market

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Asset Class	Assets Valued	Last Valued / Revalued	By Whom	Timing of Revaluations (years)	Input level	Fair Value Approach
	Recreation and Sport Land	1 July 2015	Opteon Property Group/ M3property Strategist/ Australian Valuation Solution/ Valuer- General	3	2	Market
	Other Departmental Land (Bus Interchanges)	1 July 2014	Valuer-General	3	2	Market
Land Under Roads	Land Under Roads	NA	Not applicable	NA	NA	NA
Land for Current Projects	Land for Current Projects	Not required under policy	Not applicable	NA	NA	NA
Buildings and Facilities						
Buildings and Facilities	Marine Related	1 July 2016	Valuer-General/ Maloney Field Services	3	3	Cost
	Metro Rail Stations and Yards	1 July 2015	Valuer-General/ Janey Mitson B.Eng(Civil)	3 - 5	3	Cost
	Ex Australian National Railways	1 July 2016	Valuer-General/ Maloney Field Services	3	3	Cost
	Bus Depots	1 July 2014	Maloney Field Services	3	3	Cost
	Tram Depot	1 July 2015	Valuer-General/ Janey Mitson B.Eng(Civil)	3 - 5	3	Cost
	Recreation and Sport Infrastructure	1 July 2015	Opteon Property Group/ M3property Strategist/ Australian Valuation Solution/ Valuer- General	3	3	Cost
	Other	1 July 2016	Valuer-General	3	3	Cost
Residential Buildings						
	Government Employee Housing	1 July 2016	Valuer-General	1	2	Market

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Asset Class	Assets Valued	Last Valued / Revalued	By Whom	Timing of Revaluations (years)	Input level	Fair Value Approach
	Future Road Construction	1 July 2016	Valuer-General	3	2	Market
	Commercial Buildings *					
	Government Agency Accommodation	1 June 2015	Opteon Property Group / Valuer-General	3	2	Market
	Future Road Construction	1 July 2016	Valuer-General	3	2	Market
	Depots	1 July 2015	Valuer-General	3	2	Market
Land, Buildings and Improvements Under Lease	Land, Buildings and Improvements Under Lease	30 June 2015	Opteon Property Group / Valuer General	3	2	Market

* Leigh Creek non residential buildings are valued using cost approach (DRC).

Department of Planning, Transport and Infrastructure
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Note 28: Plant and Equipment

	2017	2016
	\$'000	\$'000
Plant and Equipment:		
Plant and equipment (at fair value)	1,655,647	1,658,098
Information technology (IT)	13,871	13,798
IT under lease	-	1,822
	1,669,518	1,673,718
Accumulated Depreciation:		
Accumulated depreciation - Plant and equipment	986,868	934,906
Accumulated depreciation - Information technology (IT)	12,644	12,534
Accumulated depreciation - IT under lease	-	1,714
	999,512	949,154
Total Plant and Equipment	670,006	724,564

RECONCILIATION OF PLANT AND EQUIPMENT

The following table shows the movement of Plant and Equipment during 2016-17

	Plant and Equipment \$'000	Information Technology \$'000	IT Under Lease \$'000	Total \$'000
Carrying amount at 1 July	723,192	1,264	108	724,564
Additions	12,076	607	-	12,683
Transfers from works in progress	12,840	77	-	12,917
Disposals	(478)	-	-	(478)
Donated assets	(1,782)	(8)	-	(1,790)
Write offs	(554)	-	(108)	(662)
Revaluation increment/(decrement)	(4,592)	-	-	(4,592)
Depreciation and amortisation	(73,150)	(713)	-	(73,863)
Transfers due to reclassification of assets	1,230	-	-	1,230
Other movements	(3)	-	-	(3)
Carrying amount at 30 June	668,779	1,227	-	670,006

The following table shows the movement of Plant and Equipment during 2015-16

	Plant and Equipment \$'000	Information Technology \$'000	IT Under Lease \$'000	Total \$'000
Carrying amount at 1 July	734,867	6,178	(483)	740,562
Additions	5,497	173	590	6,260
Transfers from works in progress	48,937	207	-	49,144
Disposals	(1,020)	-	-	(1,020)
Donated assets	-	(4)	-	(4)
Resources received free of charge	25	24	-	49
Write offs	(458)	(8)	-	(466)
Revaluation increment/(decrement)	8,191	-	-	8,191
Depreciation and amortisation	(75,745)	(1,399)	-	(77,144)
Transfers due to reclassification of assets	2,898	(3,907)	-	(1,009)
Other movements	-	-	1	1
Carrying amount at 30 June	723,192	1,264	108	724,564

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Valuation of Plant and Equipment

For non specialised plant and equipment the valuers arrived at fair value using the market approach. The valuation was based on recent market transactions for similar plant and equipment and includes adjustment for factors specific to the plant and equipment being valued, such as size and location.

For specialised plant and equipment, the valuers used depreciated replacement cost due to there not being an active market for such plant and equipment. The valuation was based on a combination of internal records, specialised knowledge and acquisition/transfer costs.

Timing of Plant and Equipment Revaluations

The following table shows when and by whom plant and equipment was revalued:

Asset Class	Assets Valued	Last Valued / Revalued	By Whom	Timing of Revaluations (years)	Input level	Fair Value Approach
Plant and Equipment	Buses	1 July 2015	Australian Valuation Solutions	3	2 & 3	Market
	Tram and Train Rolling Stock	1 July 2014	Australian Valuation Solutions	3	3	Cost
	Bus Depots	1 July 2014	Australian Valuation Solutions	3	3	Cost
	Rail	1 July 2014	Australian Valuation Solutions	3	3	Cost
	Tall Ships/Patrol Boats *	1 July 2014	Markwell Risk Mgt Services / Peter McDonalds	3	3	Cost
	Ferries (including Modules)	1 July 2016	Pickles Auctions	3	2	Market
	Aids to Navigation	1 July 2016	Valuer-General/ Spiros Dimas	3	3	Cost
	Heavy Plant	1 July 2016	Pickles Auctions	3	2	Market
	Bus Shelters	1 July 2014	Aon Risk Solutions	3	3	Cost

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Asset Class	Assets Valued	Last Valued / Revalued	By Whom	Timing of Revaluations (years)	Input level	Fair Value Approach
	Metro-ticket System	1 July 2015	Aon Risk Solution	3	3	Cost
	Other Plant & Equipment	Not required under Policy	Not applicable	NA	NA	NA
Information Technology (IT)	Information Technology	NA	Not applicable	NA	NA	NA

* Patrol Boats valuation was done by a suitable, qualified and experienced officer of the Department

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Note 29: Network Assets

	2017	2016
	\$'000	\$'000
Network Assets:		
Network assets (deemed fair value)	25,232,010	24,859,470
Rail and bus track (deemed fair value)	2,785,966	2,733,387
	<u>28,017,976</u>	<u>27,592,857</u>
Accumulated Depreciation:		
Accumulated depreciation - Network	6,910,024	6,584,610
Accumulated depreciation - Rail and bus track	882,662	779,449
	<u>7,792,686</u>	<u>7,364,059</u>
Total Network Assets	<u>20,225,290</u>	<u>20,228,798</u>

RECONCILIATION OF NETWORK ASSETS

The following table shows the movement of Network Assets during 2016-17

	Roads	Structures	Rail and Bus Track	Total
	\$'000	\$'000	\$'000	\$'000
Carrying amount at 1 July	16,007,406	2,267,454	1,953,938	20,228,798
Transfers from works in progress	119,673	50,630	43,872	214,175
Donated assets	-	(50,630)	-	(50,630)
Resources Received Free of Charge	6,177	500	-	6,677
Revaluation increment/(decrement)	103,403	36,898	(37,729)	102,572
Other	(1)	1	(1)	(1)
Depreciation and amortisation	(174,476)	(43,520)	(57,842)	(275,838)
Transfers due to reclassification of assets	-	(1,529)	1,066	(463)
Carrying amount at 30 June	<u>16,062,182</u>	<u>2,259,804</u>	<u>1,903,304</u>	<u>20,225,290</u>

The following table shows the movement of Network Assets during 2015-16

	Roads	Structures	Rail and Bus Track	Total
	\$'000	\$'000	\$'000	\$'000
Carrying amount at 1 July	15,770,152	2,211,231	2,012,250	19,993,633
Transfers from works in progress	106,396	1,007	1,812	109,215
Donated assets	(1,622)	-	-	(1,622)
Resources Received Free of Charge	-	1,721	61	1,782
Revaluation increment/(decrement)	273,372	127,714	(58,754)	342,332
Other	-	2	2	4
Depreciation and amortisation	(172,274)	(43,143)	(45,037)	(260,454)
Transfers due to reclassification of assets	31,382	(31,078)	43,604	43,908
Carrying amount at 30 June	<u>16,007,406</u>	<u>2,267,454</u>	<u>1,953,938</u>	<u>20,228,798</u>

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Valuation of Road Network Assets

With the exception of earthworks and the pavement sub-base which are not subject to depreciation, all road network assets are valued at written down replacement cost by senior professional engineers with the knowledge and expertise in that particular area and independent recognised industry experts are engaged to provide input with respect to key areas of the revaluation. As these assets have no active market they are measured at written down replacement cost which is considered to be their fair value.

Road network assets are revalued every three years with indexing applied during intervening years to roads and structures. Indexing is applied using the Australian Bureau of Statistics' Road and Bridge Construction Price Index for South Australia as at 1 July.

Approval has been granted by the Treasurer for a variation to the requirements of Accounting Policy Framework III clause 3.17, which requires an independent valuation appraisal be performed at least every 6 years. The variation enables the Department to value its road network assets using an internally developed revaluation methodology, with inputs for the key areas being provided by independent industry experts.

In the model used for valuation, the road network is segmented into sections that have similar engineering and functional characteristics. Each segment is then characterised by a representative stereotype. Replacement unit rates, useful lives and non-depreciating sub-base percentages are calculated for each of these stereotypes and then applied to the surfacing/pavement area of the segments.

Road network assets were revalued in 2015-16 with some improvements around representative stereotypes to include a new category entitled 'Motorways'. This improvement is to allow for more accurate grouping of road to reflect purpose, service capacity and consumption pattern. The pavement sub-base segment was also valued and recognised as a separate component from the pavement base in 2015-16.

Valuation of Rail and Bus Network Assets

For specialised rail and bus network assets, the valuers used depreciated replacement cost due to there not being an active market for such rail and bus network assets. The valuation was based on a combination of internal records, specialised knowledge and acquisition/transfer costs.

Timing of Network Asset Revaluations

The following table shows when and by whom network assets were revalued:

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Asset Class	Assets Valued	Last Valued / Revalued	By Whom	Timing of Revaluations (years)	Input Level	Fair Value Approach
Network Assets						
Roads	Road Pavements base, Sub-base, and Surface	1 July 2015	Mick Lorenz, B.Eng (Civil)*	3	3	Cost
	Earthworks	1 July 2015	Mick Lorenz, B.Eng (Civil)*	3	3	Cost
Structures	Bridges / Culverts	1 July 2015	Grant Wilksch, B.Eng (Civil)	3	3	Cost
	Ferry Landings	1 July 2015	Grant Wilksch, B.Eng (Civil)	3	3	Cost
	Drainage	1 July 2014	Xylem Water Solution	3	3	Cost
	Weighbridges and Weigh Slabs	1 July 2014	Aquenta Consulting	3	3	Cost
Rail and Bus Track	Busway Interchanges	1 July 2016	Valuer-General	3	3	Cost
	Busway Track and Structures	1 July 2015	Grant Wilksch, B.Eng (Civil)	3	3	Cost
	Metro Rail Structure (includes bridges)	1 July 2015	Valuer-General/ Grant Wilksch, B.Eng (Civil)	3 - 5	3	Cost
	Metro Rail, Tram Lines Track and Other	1 July 2016	Valuer-General/ Darren Schultz B.Eng	3 - 5	3	Cost

* Valuation performed by suitably qualified officers of the Department

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Note 30: Capital Works in Progress

	2017	2016
	\$'000	\$'000
Capital Works in Progress		
Land, buildings and facilities	373,147	198,417
Road network	758,104	409,853
Plant, equipment and intangibles	45,517	21,086
Rail and bus track	223,857	84,511
Total Capital Works in Progress	1,400,625	713,867

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RECONCILIATION OF CAPITAL WORKS IN PROGRESS

The following table shows the movement of Capital Works in Progress during 2016-17

	Road Network	Plant and Equipment/Intangibles	Land, Buildings & Facilities	Rail and Bus Track	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying amount at 1 July	409,853	21,086	198,417	84,511	713,867
Additions	520,162	42,944	183,265	183,219	929,590
Transfer to capital	(170,303)	(17,639)	(8,273)	(43,872)	(240,087)
Transfer to operating	(1,610)	(876)	(261)	-	(2,747)
Other	2	2	(1)	(1)	2
Carrying amount at 30 June	758,104	45,517	373,147	223,857	1,400,625

Valuation of Works in Progress

Capital Works in Progress is not revalued and is recorded at historic cost in accordance with AASB 116 *Property, Plant and Equipment*.

Department of Planning, Transport and Infrastructure
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RECONCILIATION OF CAPITAL WORKS IN PROGRESS

The following table shows the movement of Capital Works in Progress during 2015-16

	Road Network	Plant and Equipment/Intangibles	Land, Buildings & Facilities	Rail and Bus Track	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying amount at 1 July	229,944	33,285	39,490	35,288	338,007
Additions	290,986	39,597	172,744	51,035	554,362
Transfer to capital	(107,403)	(51,654)	(9,036)	(1,812)	(169,905)
Transfer to operating	(3,673)	(141)	(4,783)	-	(8,597)
Other	(1)	(1)	2	-	-
Carrying amount at 30 June	409,853	21,086	198,417	84,511	713,867

Department of Planning, Transport and Infrastructure
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Note 31: Intangible Assets

	2017	2016
	\$'000	\$'000
Software:		
Computer software	89,330	86,502
Accumulated amortisation	57,502	52,905
Total Intangible Assets	31,828	33,597

RECONCILIATION OF INTANGIBLE ASSETS

The following table shows the movement of Intangible Assets during 2016-17

	2017
	\$'000
Carrying amount at 1 July	33,597
Additions	140
Transfers from works in progress	4,722
Write-off of non-current assets	(16)
Amortisation	(6,617)
Other movements	2
Carrying amount at 30 June	31,828

The following table shows the movement of Intangible Assets during 2015-16

	2016
	\$'000
Carrying amount at 1 July	37,468
Additions	29
Transfers from works in progress	2,510
Other	(1)
Write-off of non-current assets	(91)
Amortisation	(6,318)
Carrying amount at 30 June	33,597

Valuation of Intangible Assets

Intangible assets are not revalued and are recorded at historic cost.

Department of Planning, Transport and Infrastructure
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Note 32: Fair Value Measurement

Fair Value Hierarchy

In accordance with AASB 13 *Fair Value Measurement* the fair value of non-financial assets must be estimated for recognition and measurement or for disclosure purposes. The Department categorises non-financial assets measured at fair value into hierarchy based on the level of inputs used in measurement.

The Department had no recurring or non-recurring fair value measurements categorised into Level 1.

Fair Value Measurements

	2017	Level 2	Level 3
Recurring Fair Value Measurements	\$'000	\$'000	\$'000
Land (note 27)	964,410	964,410	-
Buildings and facilities (note 27)	1,485,570	300,383	1,185,187
Land, buildings and improvements under lease (note 27)	35,712	35,712	-
Plant and equipment (note 28)	668,779	35,058	633,721
Network assets (note 29)	18,321,986		18,321,986
Rail and bus track (note 29)	1,903,304		1,903,304
Total Recurring Fair Value Measurements	23,379,761	1,335,563	22,044,198

Non- Recurring Fair Value Measurements			
Land, buildings and facilities held for sale (note 26)	13,281	13,281	-
Total Non-Recurring Fair Value Measurements	13,281	13,281	-

Total	23,393,042	1,348,844	22,044,198
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	2016	Level 2	Level 3
Recurring Fair Value Measurements	\$'000	\$'000	\$'000
Land (note 27)	941,120	941,120	-
Buildings and facilities (note 27)	1,422,457	208,422	1,214,035
Land, buildings and improvements under lease (note 27)	35,723	35,723	-
Plant and equipment (note 28)	723,192	36,918	686,274
Network assets (note 29)	18,274,860	-	18,274,860
Rail and bus track (note 29)	1,953,938	-	1,953,938
Total Recurring Fair Value Measurements	23,351,290	1,222,183	22,129,107

Non- Recurring Fair Value Measurements			
Land, buildings and facilities held for sale (note 26)	140,157	140,157	-
Total Non-Recurring Fair Value Measurements	140,157	140,157	-

Total	23,491,447	1,362,340	22,129,107
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Valuation Techniques and Inputs

Valuation techniques used to derive Level 2 and 3 fair values are detailed in Notes 26 - 31. There were no changes in valuation techniques during 2017.

Department of Planning, Transport and Infrastructure
Notes to and forming part of the financial statements
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Reconciliation of Level 3 Fair Value Measurements as at 30 June 2017

	Buildings and Facilities ⁽¹⁾	Plant and Equipment ⁽¹⁾	Network Assets	Rail and Bus Track	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying Amount at 1 July	1,214,035	686,274	18,274,860	1,953,938	22,129,107
Additions	2,952	12,007	-	-	14,959
Transfer from works in progress	7,160	5,554	170,303	43,872	226,889
Disposals ⁽²⁾	(50)	(9)	-	-	(59)
Donated assets	-	-	(50,630)	-	(50,630)
Resources received free of charge	85	-	6,677	-	6,762
Write offs	(147)	(557)	-	-	(704)
Revaluation increment (decrement) ⁽³⁾	7,914	(1,966)	140,301	(37,729)	108,520
Depreciation and amortisation	(48,365)	(68,538)	(217,996)	(57,842)	(392,741)
Transfers due to reclassification of assets at same Fair Value level	(768)	1,230	(1,529)	1,066	(1)
Transfer into Level 3	5,327	-	-	-	5,327
Transfer out of Level 3	(2,956)	(276)	-	-	(3,232)
Other Movements	-	2	-	(1)	1
Carrying amount as at 30 June	1,185,187	633,721	18,321,986	1,903,304	22,044,198

(1) Plant and Equipment & Buildings and Facilities have a combination of Fair Value Level 2 and 3

(2) Net book value of assets disposed. Total gain/loss for period included in profit or loss disclosed separately.

(3) Revaluation increment (decrement) relates only to unrealised gains or losses recognised through Other Comprehensive Income under changes to the revaluation surplus. No unrealised gains or losses were included in profit or loss.

Total gains/losses for the period included in profit or loss under Net Gain (Loss) from Disposal of Non-Current Assets	(50)	(11)	-	-	(61)
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Department of Planning, Transport and Infrastructure
Notes to and forming part of the financial statements
For the year ended 30 June 2017

Reconciliation of Level 3 Fair Value Measurements as at 30 June 2016

	Buildings and Facilities ⁽¹⁾	Plant and Equipment ⁽¹⁾	Network Assets	Rail and Bus Track	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying Amount at 1 July	1,316,842	697,348	17,981,386	2,012,250	22,007,826
Additions	30,856	4,103	-	-	34,959
Transfer from works in progress	5,911	45,173	107,403	1,812	160,299
Disposals ⁽²⁾	(41)	(251)	-	-	(292)
Donated assets	-	-	(1,622)	-	(1,622)
Resources received free of charge	732	25	1,721	61	2,539
Write offs	-	(458)	(1)	-	(459)
Revaluation increment (decrement) ⁽³⁾	(52,210)	8,190	401,087	(58,754)	298,313
Depreciation and amortisation	(45,157)	(70,923)	(215,418)	(45,037)	(376,535)
Transfers due to reclassification of assets at same Fair Value level					
Value level	(42,899)	3,201	-	43,604	3,906
Transfer into Level 3	-	-	304	-	304
Transfer out of Level 3	-	(136)	-	-	(136)
Other Movements	1	2	-	2	5
Carrying amount as at 30 June	1,214,035	686,274	18,274,860	1,953,938	22,129,107

(1) Plant and Equipment & Buildings and Facilities have a combination of Fair Value Level 2 and 3

(2) Net book value of assets disposed. Total gain/loss for period included in profit or loss disclosed separately.

(3) Revaluation increment (decrement) relates only to unrealised gains or losses recognised through Other Comprehensive Income under changes to the revaluation surplus. No unrealised gains or losses were included in profit or loss.

Total gains/losses for the period included in profit or loss

under Net Gain (Loss) from Disposal of Non-Current Assets	(41)	(251)	-	-	(292)
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Transfers In and Out of Level 3

The Department's policy is to recognise transfers in and out of fair value hierarchy levels as at the beginning to the reporting period. Asset transfers in and out of Level 3 are transactional transfers due to changes in the classification of assets.

Department of Planning, Transport and Infrastructure
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Note 33: Payables

	2017	2016
	\$'000	\$'000
Current:		
Creditors	1,946	17,396
Accrued expenses	239,872	166,261
Rail Commissioner (Federally Awarded Employees)	13,111	11,002
Employment on-costs	4,757	4,477
Lease incentives	6,295	30,964
Other	15	67
Total Current Payables	265,996	230,167
Non-Current:		
Rail Commissioner (Federally Awarded Employees)	19,150	18,909
Employment on-costs	6,082	6,220
Total Non-Current Payables	25,232	25,129
Total Payables	291,228	255,296

Employment on-costs include payroll tax and superannuation contributions with respect to outstanding liabilities for salaries and wages and associated leave. The Department makes contributions to several State Government and externally managed superannuation schemes. These contributions are treated as an expense when they occur. There is no liability for payments to beneficiaries as they have been assumed by the respective superannuation schemes. The only payable outstanding at reporting date relates to any contributions due but not yet paid.

As a result of an actuarial assessment performed by the Department of Treasury and Finance, the proportion of long service leave taken as leave remains unchanged from the 2016 rate 40% and the average factor for the calculation of employer superannuation cost on-cost has changed from the 2016 rate of 10.2% to 10.1%. 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 employment on-cost of \$0.106 million. The estimated impact on 2018 and 2019 is not expected to be materially different to the impact in 2017.

Interest Rate and Credit Risk

Payables are measured at nominal amounts. Creditors and accruals are raised for all amounts owing but unpaid. Creditors are normally settled within 30 days from the date the invoice is first received. Employment 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 represents fair value due to the amounts being payable on demand.

For further information on risk management refer to Note 39.

Department of Planning, Transport and Infrastructure
Notes to and forming part of the financial statements
For the year ended 30 June 2017

Note 34: Borrowings

	2017	2016
	\$'000	\$'000
Current:		
Borrowings (1)		
Balance as at 1 July	563	521
Transfers	240	563
Repayments	(563)	(521)
Balance as at 30 June	240	563
Obligations under finance leases (2)		
Balance as at 1 July	1,710	1,732
Net decrease in lease liabilities due to:		
New leases	734	207
Transfers	538	633
Repayments	(958)	(860)
Other	1	(2)
Balance as at 30 June	2,025	1,710
Total Current Borrowings	2,265	2,273
Non-Current		
Borrowings (1)		
Balance as at 1 July	240	803
Transfers	(240)	(563)
Balance as at 30 June	-	240
Obligations under finance leases (2)		
Balance as at 1 July	12,533	13,718
Net decrease in lease liabilities due to:		
New leases	1,204	382
Transfers	(538)	(633)
Repayments	(986)	(934)
Balance as at 30 June	12,213	12,533
Total Non-Current Borrowings	12,213	12,773
Total Borrowings	14,478	15,046

The Department measures financial liabilities including borrowings/debt at historical cost, except for interest free loans (measured at the present value of expected repayments).

(1) These borrowings represent loans relating to the Office for Recreation and Sport. The borrowings consist of two loans at fixed interest rates of 7.99% and 7.34% and have maturity dates of 2017 and 2018 respectively.

(2) Secured by the asset leased.

Finance lease liabilities are effectively secured as the rights to the leased assets revert to the lessor in the event of default.

Department of Planning, Transport and Infrastructure
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Assets Pledged as Security	2017	2016
	\$'000	\$'000

The carrying amount of non-current assets pledged as security are:

	Note	2017	2016
Leased land and buildings:			
Buildings and improvements under lease	27	35,712	35,723
Leased plant and equipment:			
Computer and office equipment	28	-	1,553
Total Assets Pledged as Security		35,712	37,276

For further information on risk management refer to Note 39.

Note 35: Employee Benefits

	2017	2016
	\$'000	\$'000
Current:		
Annual leave	20,495	19,869
Long service leave	6,586	6,624
Skills and Experience Retention Leave	1,822	1,824
Accrued salaries and wages	4,005	2,604
Total Current Employee Benefits	32,908	30,921
Non-Current:		
Long service leave	66,190	67,379
Total Non-Current Employee Benefits	66,190	67,379
Total Employee Benefits	99,098	98,300

AASB 119 contains the calculation methodology for the 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. 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 increased from 2016 (2.0%) to 2017 (2.5%).

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

The net financial effect of the changes in the current financial year is a decrease in the long service leave liability of \$2.618 million and employee benefit expense of \$0.241 million. The impact on future periods is impracticable to estimate as the long service leave liability is calculated using a number of assumptions – a key assumption is the long-term discount rate.

The actuarial assessment performed by the Department of Treasury and Finance left the salary inflation rate at 4% for long service leave liability and 3% for annual leave and skills, experience and retention leave liability. As a result there is no financial effect resulting from changes in the salary inflation rate.

Department of Planning, Transport and Infrastructure
Notes to and forming part of the financial statements
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Note 36: Provisions

	2017	2016
	\$'000	\$'000
Current:		
Provision for workers compensation	1,688	2,555
Site remediation	11,788	6,891
Total Current Provisions	13,476	9,446
Non-Current:		
Provision for workers compensation	5,927	6,469
Site remediation	4,171	9,139
Total Non-Current Provisions	10,098	15,608
Total Provisions	23,574	25,054

Reconciliation of Workers Compensation

The following table shows the movement of the workers compensation provision:

Carrying amount as at 1 July	9,024	7,294
Increase (decrease) in provision due to revision of estimates	51	4,672
Reductions resulting from payments	(1,460)	(2,942)
Carrying Amount at 30 June	7,615	9,024

Reconciliation of Site Remediation

The following table shows the movement of the site remediation provision:

Carrying amount as at 1 July	16,030	15,938
Increase in provision due to revision of estimates	106	143
Reductions resulting from payments	(177)	(51)
Carrying Amount at 30 June	15,959	16,030

Provisions have been reported to reflect unsettled workers compensation claims and land remediation work required under the Ports Corp Business and Sale Agreement.

The workers compensation provision is based on an actuarial assessment of the outstanding liability as at 30 June 2017 provided by an actuary engaged through the Office for the Public Sector (a division of the Department of Premier and Cabinet). The provision is for the estimated cost of ongoing payments to employees as required under current legislation. The Department is responsible for the payment of workers compensation claims.

Department of Planning, Transport and Infrastructure
Notes to and forming part of the financial statements
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Note 37: Other Liabilities

	2017	2016
	\$'000	\$'000
Current:		
Deferred income	14,896	13,992
Lease Incentives	7,551	8,090
Other	1,843	201
Total Current Other Liabilities	24,290	22,283
Non-Current:		
Lease Incentives	42,612	47,919
Other	-	119
Total Non-Current Other Liabilities	42,612	48,038
Total Other Liabilities	66,902	70,321

Deferred Income

The Department sells Metrotickets for travel on public transport. The value of unused Metrotickets as at 30 June is recognised as a liability.

Department of Planning, Transport and Infrastructure
Notes to and forming part of the financial statements
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Note 38: Prior Period Adjustments - Adjustments to Equity

	2017	2016
	\$'000	\$'000
Restatement of Opening Balances		
Adjustments against Retained Earnings:		
Work in progress adjustment - error correction	(8,922)	(148)
Asset recognition - error correction	(7,367)	(59,544)
Other adjustments - error correction	(1,176)	33,777
Total Adjustments against Retained Earnings	(17,465)	(25,915)
Adjustments against Asset Revaluation Surplus:		
Asset revaluation - error correction	12,220	(34,145)
Total Adjustments against Asset Revaluation Surplus	12,220	(34,145)
Total Adjustments to Equity	(5,245)	(60,060)

The table above represents total adjustments to equity identified in each year. Adjustments totalling \$5.995 million (\$60.060 million) were identified in the year ended 30 June 2017 which affect the year ended 30 June 2016 and prior years.

RESTATEMENT OF OPENING BALANCES

Adjustments against Retained Earnings

Work in progress adjustment – error correction

A review of completed projects by the Department in the year ended 30 June 2017 identified costs of \$8.922 million which were recognised within the capital works in progress asset balance at 30 June 2016 which did not meet the Department's asset recognition criteria. Recognising these costs within the balance of capital works in progress instead of as expenses in the year ended 30 June 2016 or a prior period is an error which was corrected in the current year by an adjustment to retained earnings. The impact on the financial statements for 2015-16 is summarised below:

	2016	2015	Total
	\$'000	\$'000	\$'000
Work in progress adjustment - error correction			
Road network - work in progress	(2,394)	(1,242)	(3,636)
Land, buildings and facilities - work in progress	(4,783)	(503)	(5,286)
Total work in progress adjustment	(7,177)	(1,745)	(8,922)

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Asset Recognition – error correction

Asset reconciliation and stock take procedures in 2016-17 identified assets totalling \$6.963 million which were not recognised or incorrectly recognised in prior years. This value is summarised below by asset class:

	2016	2015	Total
	\$'000	\$'000	\$'000
Asset recognition - error correction			
Network Assets	(1,154)	-	(1,154)
Land, buildings and facilities	(1,821)	990	(831)
Plant and equipment	(106)	(5,276)	(5,382)
Total asset recognition - error correction	(3,081)	(4,286)	(7,367)

Other Adjustments – error correction

	2016	2015	Total
	\$'000	\$'000	\$'000
Other adjustments - error correction			
Cash and cash equivalents	102	3	105
Payables	(781)	-	(781)
Other Liabilities	(500)	-	(500)
Total other adjustments error correction	(1,179)	3	(1,176)

Adjustments against Asset Revaluation Surplus

Asset Revaluation – error correction

An adjustment was made to the revaluation surplus account in 2016-17 of \$12.220 million. The adjustment is mainly attributed to the correction of the 2015-16 structures revaluation.

	2016	2015	Total
	\$'000	\$'000	\$'000
Asset Revaluation - error correction			
Network Assets	14,255	-	14,255
Land, buildings and facilities	(2,035)	-	(2,035)
Total asset revaluation - error correction	12,220	-	12,220

Department of Planning, Transport and Infrastructure
Notes to and forming part of the financial statements
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Note 39: Financial Instruments

39.1 – Financial risk management

The Department has developed a Risk Management policy and associated Framework 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*. This policy and framework set out the tailored approach to identify and manage risk within the Department.

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

Liquidity Risk

Liquidity risk arises from the possibility that the Department is unable to meet its financial obligations as they fall due. The Department works with the Department of Treasury and Finance to determine the cash flows associated with its Government approved program of work and to ensure funding is provided through SA Government budgetary processes to meet the expected cash flows.

Credit and market risk

Credit risk arises when there is the possibility of the Department's debtors defaulting on their contractual obligations resulting in a financial loss to the Department. The Department has policies and procedures in place to ensure business transactions occur with customers with appropriate credit history.

The Department enters into business transactions that require the payment of goods or services in a foreign currency. Foreign currency risk associated with significant payments is minimised using a strategy of forward cover contract through SAFA articulated in TI 23 *Management of Foreign Currency Exposures*.

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

Exposure to interest rate risk may arise through interest bearing liabilities, including borrowings.

The interest expense implicit in any finance lease payment is fixed at the inception of the lease and is calculated using prevailing government borrowing rates as advised by SAFA. The Department's revenue base is sufficient for the purpose of servicing its interest and loan repayment commitments.

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

39.2 – 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 Note 3 or the respective financial asset /liability note.

The carrying amounts of each category of financial assets and liabilities are detailed below.

The Department does not recognise any financial assets or financial liabilities at fair value.

The carrying amount of cash and cash equivalents represents fair value. Cash is available at call and is recorded at cost.

The carrying amount less impairment provisions of receivables and payables is a reasonable approximation of fair value due to the short term nature of these.

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Finance leases are recorded at amounts equal to the lower of the fair value of the leased asset or the present value of the minimum lease payments using a government borrowing rate. Lease payments are made in accordance with the schedules determined at the inception of each lease.

Borrowings (excluding finance leases) are recognised at cost. The borrowings consist of two loans at fixed interest rates of 7.99% and 7.34% and have maturity dates of 2017 and 2018 respectively.

Category of financial asset and financial liability	Notes	Carrying amount \$'000	Contractual Maturities			
			Less than 1 year \$'000	1-5 years \$'000	More than 5 years \$'000	
2017						
Financial assets						
Cash and cash equivalents:	Cash and cash equivalent	22	3,263,659	3,263,659	-	-
Loans and receivables:	Receivables ⁽¹⁾	23	186,748	184,703	5	2,040
	Finance lease receivable	40	6,109	862	2,947	2,300
Total financial assets			3,456,516	3,449,224	2,952	4,340
Financial Liabilities						
Financial liabilities at cost:	Payables ⁽¹⁾	33	273,175	254,025	19,150	-
	Borrowings	34	240	240	-	-
	Finance lease payable	40	18,461	2,833	8,878	6,750
Total financial liabilities			291,876	257,098	28,028	6,750
2016						
Financial assets						
Cash and cash equivalents:	Cash and cash equivalent	22	2,125,707	2,125,707	-	-
Loans and receivables:	Receivables ⁽¹⁾	23	129,752	127,624	88	2,040
	Finance lease receivable	40	6,798	856	3,030	2,912
Total financial assets			2,262,257	2,254,187	3,118	4,952
Financial Liabilities						
Financial liabilities at cost:	Payables ⁽¹⁾	33	212,572	193,663	18,909	-
	Borrowings	34	803	563	240	-
	Finance lease payable	40	18,590	2,519	7,633	8,438
Total financial liabilities			231,965	196,745	26,782	8,438

(1) Receivable and payable amounts disclosed exclude amounts relating to statutory receivables and payables (e.g. Commonwealth, State and Local govt taxes, fees and charges; Auditor-General's audit fees). In government, certain rights to receive or pay cash may not be contractual and therefore in these situations, the requirement 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).

Department of Planning, Transport and Infrastructure
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Note 40: Unrecognised Contractual Commitments

Capital Commitments	2017	2016
	\$'000	\$'000
Capital expenditure contracted for at the reporting date but not recognised as liabilities in the financial report, are payable as follows:		
Within one year	1,054,269	923,102
Later than one year but no later than five years	299,544	813,826
Later than five years	180	-
Total Capital Commitments	1,353,993	1,736,928

The Department's capital commitments are predominantly for aggregate capital expenditure on construction projects relating to road networks, the purchase of new public transport vehicles and the construction and upgrade of Government buildings and facilities. Where this construction work is being done on behalf of other agencies the cost is recovered accordingly.

Other Commitments	2017	2016
	\$'000	\$'000
Within one year	383,450	305,235
Later than one year but no later than five years	299,123	526,685
Later than five years	31,929	27,232
Total Other Commitments	714,502	859,152

The Department's other commitments include major service and supply contracts for road maintenance, ferry operations and bus and rail transport services.

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Operating Lease Commitments as Lessee	2017	2016
	\$'000	\$'000
Commitments under operating leases at the reporting date but not recognised as liabilities in the financial report, are payable as follows:		
Within one year	150,510	159,430
Later than one year but no later than five years	402,912	417,027
Later than five years	170,354	215,792
Total Operating Lease Commitments as Lessee	723,776	792,249

Representing:		
Cancellable operating leases	8,400	12,656
Non-cancellable operating leases	715,376	779,593
Total Operating Lease Commitments as Lessee	723,776	792,249

Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:		
Within one year	145,111	152,712
Later than one year but no later than five years	400,133	411,310
Later than five years	170,132	215,571
Total Non-cancellable Operating Lease Commitments as Lessee	715,376	779,593

The Department's operating lease commitments as lessee are for land, motor vehicles, office equipment, other plant and equipment and commercial and residential accommodation.

Commercial accommodation leases are non-cancellable with terms ranging from 1 to 20 years. Rental is payable in advance with no contingent rental provisions. Residential accommodation leases are cancellable with varying terms and have no option to renew.

Motor vehicle leases are cancellable, rentals are paid monthly in arrears and no contingent rental provisions exist within the agreement. Motor vehicle lease terms may be for 1 year (or 60 000 kms whichever comes first) or 5 years (or 100 000 kms whichever comes first).

Operating Lease Commitments as Sub-lessor	2017	2016
	\$'000	\$'000
Commitments under operating subleases at the reporting date but not recognised as receivable in the financial report, are as follows:		
Within one year	127,666	136,562
Later than one year but no later than five years	343,813	362,909
Later than five years	168,758	205,295
Total Operating Lease Commitments as Sub-lessor	640,237	704,766

The Department leases a number of properties from private landlords and sub-lets these properties to various tenants. The Department is therefore a sub-lessor of these properties.

Operating Lease Commitments as Lessor	2017	2016
	\$'000	\$'000
Commitments under operating leases at the reporting date but not recognised as receivable in the financial report, are as follows:		
Within one year	28,220	22,689
Later than one year but no later than five years	21,165	15,599
Later than five years	13,277	955
Total Operating Lease Commitments as Lessor	62,662	39,243

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The Department's operating lease commitments as lessor are for commercial and residential properties and access rights to State owned land sites. Commercial accommodation leases are non-cancellable with terms ranging from 1 to 20 years. Rental is receivable in advance.

Leases as lessor from the Office for Recreation and Sport are non-cancellable leases of sporting venues and office accommodation leased to various sporting organisations. The leases have terms ranging from 1 to 20 years with some having a right of renewal.

Finance Lease Commitments as Lessee	2017	2016
	\$'000	\$'000
Future minimum lease payments under finance leases and hire purchase contracts together with the present value of net minimum lease payments are as follows:		
Within one year	2,833	2,518
Later than one year but no longer than five years	8,878	7,633
Later than five years	6,750	8,438
Minimum lease payments	18,461	18,589
Future finance lease charges	(4,223)	(4,346)
Total Finance Lease Commitments as Lessee (Recognised as a Liability)	14,238	14,243
The present value of finance lease payable is as follows:		
Within one year	2,025	1,710
Later than one year but no longer than five years	6,301	5,331
Later than five years	5,912	7,202
Present Value of Finance Lease	14,238	14,243
Representing:		
Current	2,025	1,710
Non-current	12,213	12,533
Total included in Borrowings	14,238	14,243

The Department's finance leases as lessee relate to government accommodation and computer hardware and software.

The Department's computer and network printer equipment leases are non-cancellable with terms of three to four years. Each lease contains three options at the conclusion of the current term being: return equipment, extend the lease at fair market value or purchase the equipment at fair market value. In all cases the Department chooses to exercise its right to return the equipment. The weighted average interest rate implicit in the lease is 14.15% (9.64%).

The lease for Roma Mitchell House is non-cancellable, for a term of 40 years due to expire 2027. At the end of the lease term, the building becomes part of the Department's owned portfolio. Rent is payable monthly, in advance. A contingent rental provision exists, in which an amount is expensed after taking into account the principal reduction and interest expense from the monthly lease payment. This contingent rental expense was \$2.48 million in the year ended 30 June 2017 (\$2.45 million).

The lease payment changes each year in accordance with CPI. The weighted average interest rate implicit in the lease in the year ended 30 June 2017 is 5.52% (5.52%).

Department of Planning, Transport and Infrastructure
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Finance Lease Commitments as Lessor	2017	2016
	\$'000	\$'000
Finance lease receivables contracted for at the reporting date are as follows:		
Within one year	862	857
Later than one year but no longer than five years	2,947	3,031
Later than five years	2,300	2,912
Minimum lease payments	6,109	6,800
Unearned finance income	(397)	(478)
Total Finance Lease Commitments as Lessor (Recognised as an Asset)	5,712	6,322
The present value of finance lease receivable is as follows:		
Within one year	776	763
Later than one year but no longer than five years	2,720	2,769
Later than five years	2,216	2,790
Present Value of Finance Lease	5,712	6,322
Representing:		
Current	776	763
Non-current	4,936	5,559
Total included in Receivables	5,712	6,322

The Department's finance leases as lessor represents recreational jetties and residential properties (ie government employee housing). As the finance leases for recreational jetties provide no material revenues, amounts associated with these leases have not been recognised.

Residential property finance leases where the Department is the lessor are non-cancellable, for a term of 20 years. At the end of the lease term, the asset belongs to the lessee. Rent is paid one month in advance and there are no contingent rental provisions. The interest rate for the June 2017 quarter implicit in the lease is 1.61 percent (1.58 percent).

Department of Planning, Transport and Infrastructure
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Note 41: Contingent Assets and Liabilities

Contingent Assets

At 30 June 2017, the Department:

- may be awarded the reimbursements of costs for some legal cases which are still subject to litigation
- holds contract securities which are designed to cover the risk to the Department in the event of contractor non-performance or insolvency. In the event of contractor non-performance or insolvency, the Department can call upon the contract security to cover any resulting costs incurred
- has a possible entitlement to funds relating to a third party incident involving marine equipment.

Contingent Liabilities

At 30 June 2017, the Department had:

- possible material exposures resulting from litigation (or pending litigation) in respect of claims for property damage or personal injury
- received notification of other cases not yet subject to court action or formal claim, which may result in subsequent litigation or arbitration in the future
- possible material exposure resulting from the ongoing monitoring and treatment of contaminated land assets to bring the land into a position for future use or sale
- property agreements that provide for additional compensation payments where a property owner purchases a replacement investment property within 12 months.
- a possible obligation relating to a third party incident involving marine equipment.

In addition, the Department is awaiting the outcome of formal and informal proceedings which may result in possible liabilities.

The Department believes that the extent of these contingent liabilities cannot be reliably measured at balance date.

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Note 42: Cash Flow Reconciliation

	2017	2016
	\$'000	\$'000
Reconciliation of Cash and Cash Equivalents - Cash at 30 June as per:		
Statement of Cash Flows	3,263,659	2,125,707
Statement of Financial Position	3,263,659	2,125,707
Reconciliation of Net Cash provided by (used in) operating activities to net revenue (cost of) / from providing services:		
Net cash provided by operating activities	1,956,893	1,057,245
Revenues from SA Government	(1,604,382)	(875,190)
Payments to SA Government	61,415	5,600
Add (less): Non-Cash Items:		
Net gain (loss) on sale or disposal of non-current assets	(286)	1,691
Depreciation/amortisation expense of non-current assets	(428,894)	(397,279)
Assets written off	(889)	(1,595)
Assets donated	(52,420)	(1,629)
Resources received free of charge	22,105	3,418
Expensing of works in progress	(2,747)	(8,597)
Movements in Assets and Liabilities:		
Increase (Decrease) in receivables	43,095	30,187
Increase (Decrease) in inventories	(71)	(1,818)
Increase (Decrease) in other assets	(5,362)	25,575
(Increase) Decrease in payables and provisions	(39,824)	(103,900)
(Increase) Decrease in employee benefits	(798)	5,857
(Increase) Decrease in other liabilities	3,419	(15,183)
Net Revenue (Cost of) / from Providing Services	(48,746)	(275,618)

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Note 43: Transactions with SA Government

The following table discloses revenues, expenses, financial assets and liabilities where the counterparty/transaction is with an entity within the SA Government according to their nature.

Note		SA Government		Non-SA Government	
		2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
	EXPENSES				
6	Employee benefits expenses	9,729	9,750	212,527	212,527
7	Supplies and services				
	Bus service contracts	-	-	202,236	202,236
	Rail Commissioner salary reimbursements	67,625	57,071	-	-
	Major infrastructure maintenance contracts	-	-	61,878	61,878
	Other service contracts	3,779	3,384	109,531	109,531
	Consultants	-	-	93	93
	Operating leases	7,628	8,364	161,761	161,761
	Property expenses	1,114	866	121,518	121,518
	Plant, equipment and vehicle expenses	6,022	5,880	3,673	3,673
	Information technology	36	53	10,630	10,630
	Materials and other purchases	-	-	23,070	23,070
	Utilities	6,815	7,582	25,183	25,183
	Insurance	4,463	4,879	481	481
	Legal services	1,988	1,938	196	196
	Commissions - transaction processing	-	-	2,164	2,164
	Auditor's remuneration	919	1,063	-	-
	Administrative costs	-	-	8,218	8,218
	Payment to Service SA - registration and licensing collection	34,335	32,934	-	-
	Other	15,633	16,273	10,385	10,385
8	Depreciation and amortisation expense	-	-	428,894	428,894

Department of Planning, Transport and Infrastructure
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Note		SA Government		Non-SA Government		Total	
		2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
18	Net loss from disposal of non-current assets	-		286	-	286	-
9	Grants and subsidies						
	Contribution for policing services	40,435	39,481	-	-	40,435	39,481
	Transport Subsidy Scheme	-	-	8,959	9,433	8,959	9,433
	Grants to local councils	-	-	15,337	11,260	15,337	11,260
	Transport concessions	-	-	4,009	4,425	4,009	4,425
	Grants by Office for Recreation and Sport	-	-	55,680	37,680	55,680	37,680
	Other	1,783	1,200	5,318	5,077	7,101	6,277
10	Borrowing costs	878	859	36	80	914	939
11	Other Expenses						
	Rates, taxes and levies	5,734	6,374	2,760	3,054	8,494	9,428
	Donated assets	50,630	1,629	1,790	-	52,420	1,629
	Bad and doubtful debts expense	-	-	253	2,664	253	2,664
	Write-off of an asset	-	-	889	1,595	889	1,595
	Indentured Ports	10,024	11,424	-	-	10,024	11,424
	Site remediation	-	-	106	143	106	143
	Payment to National Heavy Vehicle Regulator – State Contribution	-	-	-	13,648	-	13,648
	Other	1,404	38	140	277	1,544	315
21	Payments to SA Government	61,415	5,600	-	-	61,415	5,600
	TOTAL EXPENSES	332,389	216,642	1,478,001	1,400,094	1,810,390	1,616,736

Department of Planning, Transport and Infrastructure
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Note		SA Government		Non-SA Government		Total	
		2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
	INCOME						
12	Fees and charges						
	Drivers licence fees	-	-	54,305	48,721	54,305	48,721
	Metrotickets	-	-	91,029	90,456	91,029	90,456
	Motor registrations	2,837	2,790	416,774	410,707	419,611	413,497
	Marine related fees and charges	-	-	22,222	23,190	22,222	23,190
	Land services fees	9,283	8,971	6,417	6,426	15,700	15,397
	Other fees and charges	321	264	21,979	22,625	22,300	22,889
13	Commonwealth revenues						
	Commonwealth grants received via DTF	549,246	234,429	-	-	549,246	234,429
	National Land Transport Act 2014	-	-	7,084	8,854	7,084	8,854
	Other Commonwealth revenues	-	-	695	464	695	464
14	Sale of goods and services						
	Maintenance services	109,397	97,868	3,993	6,541	113,390	104,409
	Other sale of goods	170	31	416	173	586	204
	Other sale of services	17,696	15,783	19,719	22,095	37,415	37,878
15	Rental Income						
	Government accommodation	195,397	195,813	9,498	9,789	204,895	205,602
	Property rents and recoveries	-	6	3,528	3,497	3,528	3,503
	Other lease income	2	180	5,585	5,637	5,587	5,817
16	Grants and subsidies income						
	Concessional passenger income	57,051	57,283	-	-	57,051	57,283
	Grants received by Office for Recreation and Sport	-	-	469	451	469	451
	Other	-	-	120	250	120	250
17	Interest	1,652	2,134	106	-	1,758	2,134
18	Net gain from disposal of non-current assets	-	18	-	1,673	-	1,691

Department of Planning, Transport and Infrastructure
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Note		SA Government		Non-SA Government		Total	
		2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
19	Resources received free of charge						
	Land, buildings and facilities	15,232	711	196	876	15,428	1,587
	Network Assets	6,177	-	500	1,721	6,677	1,721
	Plant and equipment	-	-	-	110	-	110
20	Other income						
	Recoveries and contributions	1,226	1,215	22,492	22,932	23,718	24,147
	Reimbursement works and external project contributions	14,065	1,540	10,429	11,451	24,494	12,991
	Intra government transfers	22,896	17,492	-	-	22,896	17,492
	Commissions Received	25	35	-	-	25	35
	Sundry income	-	284	-	32	-	316
21	Revenues from SA Government	1,604,382	875,190	-	-	1,604,382	875,190
	TOTAL INCOME	2,607,055	1,512,037	697,556	698,671	3,304,611	2,210,708

	FINANCIAL ASSETS						
22	Cash and cash equivalents	3,263,633	2,125,707	26	-	3,263,659	2,125,707
23	Receivables						
	Receivables	86,657	56,596	18,968	17,588	105,625	74,184
	Allowance for doubtful debts	(93)	(93)	(3,642)	(3,808)	(3,735)	(3,901)
	Finance lease receivables	4,835	5,470	877	852	5,712	6,322
	GST input tax recoverable	-	-	15,058	10,241	15,058	10,241
	Accrued revenues	54,456	39,814	25,860	15,227	80,316	55,041
	Lease incentives	-	-	5,987	29,737	5,987	29,737
	Loan receivables	-	-	4,542	4,428	4,542	4,428
25	Other Assets						
	Prepayments	649	506	49,978	37,936	50,627	38,442
	Other	-	155	-	-	-	155
	Lease Incentives	45,992	51,199	-	-	45,992	51,199
	TOTAL FINANCIAL ASSETS	3,456,129	2,279,354	117,654	112,201	3,573,783	2,391,555

Department of Planning, Transport and Infrastructure
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		SA Government		Non-SA Government		Total	
		2017	2016	2017	2016	2017	2016
Note		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	FINANCIAL LIABILITIES						
33	Payables						
	Creditors	1,643	6,444	303	10,952	1,946	17,396
	Accrued expenses	15,345	5,270	224,527	160,991	239,872	166,261
	Rail Commissioner (Federally Awarded Employees)	32,261	29,911	-	-	32,261	29,911
	Employment on-costs	10,837	10,697	2	-	10,839	10,697
	Lease incentives	6,295	30,964	-	-	6,295	30,964
	Other	-	-	15	67	15	67
34	Borrowings						
	Borrowings	-	-	240	803	240	803
	Obligations under finance leases	11,722	12,706	2,516	1,537	14,238	14,243
37	Other liabilities						
	Deferred income	1,294	141	13,602	13,851	14,896	13,992
	Lease Incentives	-	-	50,163	56,009	50,163	56,009
	Other	9	208	1,834	112	1,843	320
	TOTAL FINANCIAL LIABILITIES	79,406	96,341	293,202	244,322	372,608	340,663

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Note 44: Related Party Transactions

The Department is a government administrative unit and is wholly owned and controlled by the Crown.

Related parties of the Department 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 government related entities

The Department had the following significant transactions with government related entities:

Related Party	Transaction Details	Amount (\$'000)
Motor Accident Commission	Funds received from the Motor Accident Commission to the Highways Fund for future investment in road safety improvements.	\$688,200
Department of Treasury and Finance	Funds received to the Highways Fund as a result of the Implementation Deeds between the State and the individual insurers for the Initial Market allocation fee for the Compulsory Third Party Insurance market in South Australia.	\$259,400
South Australian Water Corporation	Water and sewerage assets constructed and donated at cost as part of the North-South Corridor Darlington Upgrade (\$37.472 million) and South Road Upgrade Torrens to Torrens (\$13.158 million).	\$50,630
Generation Lessor Corporation	On 1 January the Department received free of charge land, buildings (\$15.232 million) and network assets (\$6.177 million) of the township of Leigh Creek from the Generation Lessor Corporation. Amounts were recognised at fair value.	\$21,409
Urban Renewal Authority	Land acquisition by agreement and at market value for the Northern Connector Project.	\$13,221

Collectively, but not individually significant transactions with government related entities.

Quantitative information about transactions and balances between the Department and other SA Government controlled entities are disclosed at Note 43.

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Key Management Personnel

Key management personnel of the Department include the Minister for Transport and Infrastructure, the Chief Executive Officer and the remaining three members of the Executive Team who have responsibility for the strategic direction and management of the Department. The compensation detailed below excludes salaries and other benefits the Minister for Transport and Infrastructure receives. The Minister's remuneration and allowances are set by the *Parliamentary Remuneration Act 1990* and the Remuneration Tribunal of SA respectively and are payable from the Consolidated Account (via the Department of Treasury and Finance) under section 6 the *Parliamentary Remuneration Act 1990*.

	2017
Compensation	\$'000
Salaries and other short term employee benefits	1,083
Post-employment benefits	<u>284</u>
Total compensation	<u>1,367</u>

Transactions with Key Management Personnel and other related parties

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

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Note 45: Budgetary reporting and explanations of major variances between budget and actual amounts

Budget information refers to the amounts presented to Parliament in the original budgeted financial statements in respect of the reporting period (2016-17 Budget Paper 4). Budget information has been included for the Statement of Comprehensive Income and for Investment Expenditure. Budget information has not been included for the Statement of Financial Position or Statement of Cash Flows as the information in these statements are not budgeted for on the same basis and/or determined in a different manner to financial statement information. These original budgeted amounts have been presented and classified on a basis that is consistent with line items in the financial statements. However, these amounts have not been adjusted to reflect revised budgets or administrative restructures/machinery of government changes.

The budget process is not subject to audit.

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

		Original Budget (1) 2017 \$'000	Actual 2017 \$'000	Variance \$'000
STATEMENT OF COMPREHENSIVE INCOME				
EXPENSES				
Employee benefit expenses		242,980	222,256	(20,724)
Supplies and services		854,557	891,374	36,817
Depreciation and amortisation expense		384,677	428,894	44,217
Net loss from the disposal of non-current assets		-	286	286
Grants and subsidies		132,594	131,521	(1,073)
Borrowing costs		3,478	914	(2,564)
Other expenses		25,516	73,730	48,214
Total Expenses		1,643,802	1,748,975	105,173
INCOME				
Fees and charges		595,570	625,167	29,597
Commonwealth revenues	a	658,367	557,025	(101,342)
Sale of goods and services		142,029	151,391	9,362
Rental income		215,497	214,010	(1,487)
Grants and subsidies		60,374	57,640	(2,734)
Interest		3,926	1,758	(2,168)
Net gain from the disposal of non-current assets		300	-	(300)
Resources received free of charge		-	22,105	22,105
Other income		102,190	71,133	(31,057)
Total Income		1,778,253	1,700,229	(78,024)
NET REVENUE FROM / (COST OF) PROVIDING SERVICES				
		134,451	(48,746)	(183,197)

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REVENUES FROM (PAYMENTS TO) SA

GOVERNMENT:

Revenues from SA Government	b	636,641	1,604,382	967,741
Payments to SA Government		(8,386)	(61,415)	(53,029)
Net Revenues from (payments to) SA Government		628,255	1,542,967	914,712
Net Result		762,706	1,494,221	731,515

OTHER COMPREHENSIVE INCOME

Items that will not be reclassified to net result

Changes in property, network assets and plant and equipment asset revaluation surplus		40,761	100,753	59,992
TOTAL COMPREHENSIVE RESULT		803,467	1,594,974	791,507

- a) Commonwealth revenues were lower than original budget mainly due to the timing of Commonwealth contributions towards the Goodwood and Torrens Rail Junctions major project.
- b) Revenues from SA Government were higher than original budget mainly due to:
- funds received from the Motor Accident Commission to the Highways Fund for future investment in road safety improvements
 - funds received to the Highways Fund as a result of the Implementation Deeds between the State and the individual insurers for the Initial Market share allocation fee for the Compulsory Third Party Insurance market in South Australia.

INVESTING EXPENDITURE SUMMARY

		Original Budget (1) 2017 \$'000	Actual 2017 \$'000	Variance \$'000
Investing Expenditure Summary				
Total new projects		65,672	44,111	(21,561)
Total existing projects	c	976,382	806,123	(170,259)
Total annual programs		143,508	127,510	(15,998)
Total investing expenditure		1,185,562	977,744	(207,818)

(1) The budget process is not subject to audit. Budget information refers to the amounts presented to Parliament in the original budgeted financial statements in respect of the reporting period (2016-17 Budget Paper 4). These amounts have not been adjusted to reflect revised budgets or administrative restructures, machinery of government changes.

- c) Total existing projects investing expenditure was lower than original budget largely due to ongoing claims for land acquisition for the South Road Superway and re-profiling of expenditure in accordance with delivery schedules on projects including the Northern Connector, O-Bahn extension into the city, Adelaide Festival Centre precinct plaza and integration and freight access road projects across the Upper Yorke Peninsula Regional Road Network Upgrades.

Department of Planning, Transport and Infrastructure
Notes to and forming part of the financial statements
For the year ended 30 June 2017

Note 46: After Balance Date Events

As a result of restructuring of administrative arrangements outlined in the Government Gazette on 18 July 2017, the Department relinquished administrative responsibility for the Office of the Valuer-General to the Department of Treasury and Finance effective 1 July 2017.

The Treasurer announced on 10 August 2017 the privatisation of Land Title services to Land Services SA for a 40 year concessional period. The timing and financial effect is not yet known.

The Department is not aware of any further events occurring after balance date.

Department of Planning, Transport and Infrastructure

Financial Statements - Administered

for the year ended 30 June 2017

Department of Planning, Transport and Infrastructure
STATEMENT OF ADMINISTERED COMPREHENSIVE INCOME
for the year ended 30 June 2017

	Note No	2017 \$'000	2016 \$'000
EXPENSES			
Employee benefit expenses	A7	614	596
Supplies and services	A8	6,518	6,167
Grants and subsidies	A9	37,304	28,550
Disbursements on behalf of third parties	A10	985,702	927,940
Borrowing costs		43	62
Payments to Consolidated Account	A11	187,645	183,231
Total Expenses		1,217,826	1,146,546
INCOME			
Revenues from SA Government	A12	9,213	8,860
Fees and charges	A13	216,497	212,438
Collections on behalf of third parties	A14	982,492	924,850
Grants and subsidies	A15	3,842	3,610
Interest revenue	A16	460	591
Other income		297	214
Total Income		1,212,801	1,150,563
Net Result		(5,025)	4,017
OTHER COMPREHENSIVE INCOME			
<i>Items that will not be reclassified to net result</i>			
Changes in revaluation surplus		-	1,446
Total Other Comprehensive Income		-	1,446
TOTAL COMPREHENSIVE RESULT		(5,025)	5,463

Department of Planning, Transport and Infrastructure
STATEMENT OF ADMINISTERED FINANCIAL POSITION
as at 30 June 2017

	Note	2017	2016
	No	\$'000	\$'000
ASSETS:			
CURRENT ASSETS:			
Cash and cash equivalents	A17	90,410	73,407
Receivables	A18	535	361
Total Current Assets		90,945	73,768
NON-CURRENT ASSETS:			
Receivables	A18	33	365
Land	A19	17,844	17,844
Total Non-Current Assets		17,877	18,209
Total Assets		108,822	91,977
LIABILITIES:			
CURRENT LIABILITIES:			
Payables	A21	68,290	46,838
Borrowings	A22	321	291
Other liabilities	A23	3,260	2,540
Total Current Liabilities		71,871	49,669
NON-CURRENT LIABILITIES:			
Borrowings	A22	33	365
Total Non-Current Liabilities		33	365
Total Liabilities		71,904	50,034
NET ASSETS		36,918	41,943
EQUITY:			
Retained Earnings		32,396	37,421
Asset Revaluation Surplus		4,522	4,522
Total Equity		36,918	41,943
Contingent assets and liabilities	A29		
Unrecognised contractual commitments	A30		

Department of Planning, Transport and Infrastructure
STATEMENT OF ADMINISTERED CHANGES IN EQUITY
for the year ended 30 June 2017

	Note No	Revaluation Surplus \$'000	Retained Earnings \$'000	Total Equity \$'000
Balance at 30 June 2015		3,076	33,842	36,918
Prior Period - error corrections identified in 2015-16		-	(438)	(438)
Restated Balance at 30 June 2015		3,076	33,404	36,480
Net result for 2015-16		-	4,017	4,017
Gain on Revaluation of Land during 2015-16		1,446	-	1,446
Total comprehensive result for 2015-16		1,446	4,017	5,463
Balance at 30 June 2016		4,522	37,421	41,943
Net result for 2016-17		-	(5,025)	(5,025)
Total comprehensive result for 2016-17		-	(5,025)	(5,025)
Balance at 30 June 2017		4,522	32,396	36,918

All changes in equity are attributable to the SA Government as owner

Department of Planning, Transport and Infrastructure
STATEMENT OF ADMINISTERED CASH FLOWS
for the year ended 30 June 2017

	Note No.	2017 \$'000	2016 \$'000
		Inflows (Outflows)	Inflows (Outflows)
CASH FLOWS FROM OPERATING ACTIVITIES:			
CASH OUTFLOWS:			
Employee benefit payments		(611)	(536)
Payments for supplies and services		(5,192)	(6,482)
Grants and subsidies		(33,181)	(23,915)
Disbursements on behalf of third parties		(969,321)	(926,516)
Payments to Consolidated Account		(188,026)	(182,359)
Cash used in Operations		(1,196,331)	(1,139,808)
CASH INFLOWS:			
Receipts from SA Government		9,213	8,860
Receipts from fees and charges		217,174	212,226
Collection on behalf of third parties		982,383	924,850
Grants and subsidies		3,839	3,612
Interest		428	522
Other income		297	214
Cash generated from Operations		1,213,334	1,150,284
Net cash provided by/(used in) operating activities	A26	17,003	10,476
CASH FLOWS FROM FINANCING ACTIVITIES:			
CASH OUTFLOWS:			
Repayment of loans - SA Government		(345)	(359)
Cash used in Financing Activities		(345)	(359)
CASH INFLOWS:			
Repayment of loans - Local Government		345	359
Cash generated from Financing Activities		345	359
Net Cash provided by/(used in) Financing Activities		-	-
NET INCREASE (DECREASE) IN CASH HELD		17,003	10,476
CASH AT 1 JULY		73,407	62,931
CASH AT 30 JUNE	A17	90,410	73,407

Department of Planning, Transport and Infrastructure
SCHEDULE OF EXPENSES AND INCOME ATTRIBUTABLE TO ADMINISTERED ACTIVITIES
for the year ended 30 June 2017

(Activities - refer to note A5)	Land Use Planning		Recreation, Sport and Racing		Roads and Marine		Infrastructure Planning and Management		Total	Total
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
EXPENSES:										
Employee benefit expenses	278	279	-	-	-	-	336	317	614	596
Supplies and services	3,319	3,141	-	-	-	-	3,199	3,026	6,518	6,167
Grants and subsidies	31,036	22,473	3,920	3,600	-	-	2,348	2,477	37,304	28,550
Disbursements on behalf of third parties	-	-	-	-	985,702	927,940	-	-	985,702	927,940
Borrowing costs	-	-	-	-	-	-	43	62	43	62
Payments to Consolidated Account	-	-	-	-	-	-	187,645	183,231	187,645	183,231
Total Expenses	34,633	25,893	3,920	3,600	985,702	927,940	193,571	189,113	1,217,826	1,146,546
INCOME:										
Revenues from SA Government	2,577	1,918	-	-	3,210	3,223	3,426	3,719	9,213	8,860
Fees and charges	27,559	26,531	-	-	-	-	188,938	185,907	216,497	212,438
Collections on behalf of third parties	-	-	-	-	982,492	924,850	-	-	982,492	924,850
Grants and subsidies	-	-	3,842	3,610	-	-	-	-	3,842	3,610
Interest revenue	315	396	-	-	-	-	145	195	460	591
Other income	75	-	-	-	-	-	222	214	297	214
Total Income	30,526	28,845	3,842	3,610	985,702	928,073	192,731	190,035	1,212,801	1,150,563
Net Result	(4,107)	2,952	(78)	10	-	133	(840)	922	(5,025)	4,017

Department of Planning, Transport and Infrastructure
Notes to and forming part of the administered financial statements
For the year ended 30 June 2017

The Administered Financial Statements include income, expenses, assets and liabilities that the Department of Planning, Transport and Infrastructure (the Department) administers on behalf of the SA Government, but does not control.

A1: Objectives of the Department

The objectives of the Department, outlined in Note 1 for controlled items, apply equally to the Administered Financial Statements.

A2: Department Organisation

The organisational structure of the Department outlined in Note 2 for controlled items, applies to both the Departmental and the Administered Financial Statements.

A3: Significant Accounting Policies

The policies of the Department outlined in Note 3 for controlled items, apply equally to the Administered Financial Statements.

The amount of GST payable/receivable incurred by the Department in relation to administered functions is recognised in the Statement of Financial Position for controlled items.

A4: Changes in Accounting Policies

The changes in accounting policies outlined in Note 4 for controlled items, apply equally to the Administered Financial Statements. With respect to specific policies no changes have been noted for administered functions.

A5: Activities of the Department

The activities of the Department are outlined in Note 5 for controlled items. Activity 1: Land Use Planning, Activity 2: Recreation, Sport and Racing, Activity 4: Roads and Marine and Activity 6: Infrastructure Planning and Management apply to the Administered Financial Statements.

Department of Planning, Transport and Infrastructure
Notes to and forming part of the administered financial statements
For the year ended 30 June 2017

A6: Administered Items of the Department

The Administered Items of the Department as at 30 June 2017 comprised the following:

- Appropriations to Outback Communities Authority and Local Government Grants Commission
- Asbestos Program
- Contractors Deposits
- Flinders Ports – Land Tax Equivalent
- Heritage Program
- Lincoln Cove Marina
- Metropolitan (Woodville, Henley and Grange) Drainage Scheme
- Passenger Transport Research and Development Fund
- Planning and Development Fund
- Planning fees
- Real Property Act Assurance Fund
- Real Property Act Trust Accounts
- Recreation and Sport Fund
- Registrar-General and Surveyor-General Statutory Act revenues
- Registration and Licensing collections and disbursements
 - Compulsory Third Party Insurance (CTPI)*
 - Emergency Services Levy
 - Expiations receipts
 - Hospital Fund - contributions
 - Lifetime Support Scheme receipts
 - National Heavy Vehicle Regulator – Federal Registrations
 - Stamp duties receipts
- South-Western Suburbs Drainage Scheme
- Special Act Salaries (Minister and Valuer-General)
- Sport and Recreation Fund
- Victims of Crime Levy
- West Beach Trust (trading as Adelaide Shores) – Tax Equivalent Regime
- Workers Liens Trust Account

*From the 1st July 2016, The Motor Accident Commission (MAC) ceased its statutory role as sole provider for Compulsory Third Party Insurance. Under CTP reforms, CTPI will be administered through the CTP Regulator with insurance coverage provided by various private insurers.

A7: Employee Benefit Expenses

	2017	2016
	\$'000	\$'000
Minister and Valuer-General salaries*	614	596
Total Employee benefit expenses	614	596

*Employee benefit expenses are specific to the Minister and the Valuer-General.

A8: Supplies and Services

	2017	2016
	\$'000	\$'000
Project Expenditure	3,286	2,939
Planning Fees	1,474	1,540
Professional and Technical Services	1,022	947
Auditor's Remuneration - Planning and Development Fund *	25	25
Other	711	716
Total Supplies and Services	6,518	6,167

Department of Planning, Transport and Infrastructure
Notes to and forming part of the administered financial statements
For the year ended 30 June 2017

* For work performed under the *Public Finance and Audit Act 1987*. No other services were provided by the Auditor-General's Department.

A9: Grants and Subsidies

	2017	2016
	\$'000	\$'000
Planning and Development Fund grant payments	28,465	20,547
Office for Recreation and Sport grants	3,920	3,600
Land Tax Equivalent - Flinders Ports (Transfer to DTF)	2,348	2,349
Transfer to Outback Communities Authority and Local Govt Grants Commission	1,697	1,060
West Beach Trust Tax equivalent reimbursements	874	865
Lincoln Cove Marina (Transfer to DTF)	-	129
Total Grants and Subsidies	37,304	28,550

A10: Disbursements on Behalf of Third Parties

	2017	2016
	\$'000	\$'000
Compulsory Third Party Insurance	509,416	481,944
Stamp Duties - Department of Treasury and Finance	169,182	158,886
Lifetime Support Scheme - Lifetime Support Authority	148,888	145,081
Hospital Fund - Department of Treasury and Finance	70,103	68,566
Emergency Services Levy - SA Fire & Emergency Services Commission	46,551	45,729
Refunds	17,889	17,659
National Heavy Vehicle Regulator	13,485	-
Federal Registrations	9,351	9,146
Expiation Notices - Fines Enforcement Unit	197	309
Other	640	620
Total Disbursements on Behalf of Third Parties	985,702	927,940

A11: Payments to Consolidated Account

	2017	2016
	\$'000	\$'000
Payments to Consolidated Account *	187,645	183,231
Total Payments to Consolidated Account	187,645	183,231

* Payments made into the Consolidated Account pursuant to the *Real Property Act 1886*

A12: Revenues from SA Government

	2017	2016
	\$'000	\$'000
Appropriations from the Consolidated Account pursuant to the <i>Appropriations Act</i> *	8,670	8,393
Special Acts	543	467
Total Revenues from SA Government	9,213	8,860

* Includes \$3.210 million (\$3.090 million) to fund remissions provided on emergency services levy charges.

Department of Planning, Transport and Infrastructure
Notes to and forming part of the administered financial statements
For the year ended 30 June 2017

A13: Fees and Charges

	2017	2016
	\$'000	\$'000
Regulatory Fees - Land Services	187,984	183,511
Regulatory Fees - Planning	26,165	26,578
Land Tax Equivalent - Flinders Ports	2,348	2,349
Total Fees and Charges	216,497	212,438

A14: Collections on Behalf of Third Parties

	2017	2016
	\$'000	\$'000
Compulsory Third Party Insurance	509,416	481,944
Stamp Duties - Department of Treasury and Finance	169,182	158,886
Lifetime Support Scheme - Lifetime Support Authority	148,888	145,081
Hospital Fund - Department of Treasury and Finance	70,103	68,566
Emergency Services Levy - SA Fire & Emergency Services Commission	43,341	42,639
Refunds	17,889	17,659
National Heavy Vehicle Regulator	13,485	-
Federal Registrations	9,351	9,146
Expiation Notices - Fines Enforcement Unit	197	309
Other	640	620
Total Collections on Behalf of Third Parties	982,492	924,850

A15: Grants and Subsidies

	2017	2016
	\$'000	\$'000
Office for Recreation and Sport grants received	3,842	3,610
Total Grants and Subsidies	3,842	3,610

A16: Interest Revenue

	2017	2016
	\$'000	\$'000
Interest Revenue	460	591
Total Interest Revenue	460	591

A17: Cash and Cash Equivalents

	2017	2016
	\$'000	\$'000
Deposits at call*	90,410	73,407
Total Cash and Cash Equivalents	90,410	73,407

* The Department of Planning, Transport and Infrastructure (DPTI) administered cash includes cash collected by the Department of Premier and Cabinet (DPC) on behalf of DPTI through various payment channels managed by DPC including Bpoint and Australia Post.

Department of Planning, Transport and Infrastructure
Notes to and forming part of the administered financial statements
For the year ended 30 June 2017

A18: Receivables

	2017	2016
	\$'000	\$'000
Current:		
Current Receivables	365	292
Accrued Revenues	170	69
Total Current Receivables	535	361
Non-Current:		
Non-Current Loan Receivable	33	365
Total Non-Current Receivables	33	365
Total Receivables	568	726

Refer to Note A25 for information on risk management.

A19: Land

	2017	2016
	\$'000	\$'000
Land:		
Land at Fair Value	17,844	17,844
Total Land	17,844	17,844

Reconciliation of Land

The following table shows the movement of Land during 2016-17.

	2017	2016
	\$'000	\$'000
Carrying amount at 1 July	17,844	16,398
Revaluations	-	1,446
Carrying amount at 30 June	17,844	17,844

Land was revalued to fair value as at 1 July 2015 in accordance with AASB 116 *'Property, Plant and Equipment'*. The valuation of land was performed by the Valuer-General. The Valuer-General arrived at fair value based on recent market transactions for similar land in the area taking into account size, location, zoning and restricted use.

A20: Fair Value Measurement

Fair Value Hierarchy

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

Fair value measurements recognised in the Statement of Administered Financial Position are categorised into the following levels at 30 June 2017.

The Department had no Administered recurring or non-recurring fair value measurements categorised into Level 1 or Level 3.

Department of Planning, Transport and Infrastructure
Notes to and forming part of the administered financial statements
For the year ended 30 June 2017

Fair Value Measurements at 30 June 2017

	2017	Level 2
	\$'000	\$'000
Recurring Fair Value Measurements		
Land (Note A19)	17,844	17,844
Total Recurring Fair Value Measurements	17,844	17,844

Fair value measurements at 30 June 2016

	2016	Level 2
	\$'000	\$'000
Recurring Fair Value Measurements		
Land (Note A19)	17,844	17,844
Total Recurring Fair Value Measurements	17,844	17,844

Valuation Techniques and Inputs

Valuation techniques used to derive Level 2 fair values are detailed in Note A19. There were no changes in valuation techniques during 2016-2017.

A21: Payables

	2017	2016
	\$'000	\$'000
Current:		
Creditors	28,113	11,777
Accrued Expenses	40,177	35,061
Total Current Payables	68,290	46,838
Total Payables	68,290	46,838

The Department of Planning, Transport and Infrastructure Administered creditors includes \$131,000 (\$130,000) comprising employee benefits \$117,000 (\$118,000) and employment on-costs \$14,000 (\$12,000).

Payables are measured at nominal amounts. Creditors and accruals are raised for all amounts owing but unpaid. Sundry creditors are normally settled within 30 days from the date the invoice is first received.

For further information on Risk Management refer to Note A25.

Department of Planning, Transport and Infrastructure
Notes to and forming part of the administered financial statements
For the year ended 30 June 2017

A22: Borrowings

	2017	2016
	\$'000	\$'000
Balance as at 1 July	656	953
Add Increases in debt due to Interest	43	62
Less Repayments:		
Woodville, Henley and Grange Drainage Scheme	(37)	(36)
South West Suburbs Drainage Scheme	(308)	(323)
Balance as at 30 June	354	656
Current	321	291
Non-Current	33	365
Total Borrowings	354	656

There were no defaults or breaches on any of the above liabilities throughout the year.

For further information in risk management refer to Note A25.

A23: Other liabilities

	2017	2016
	\$'000	\$'000
Current:		
Deferred income	3,260	2,540
Total current other liabilities	3,260	2,540
Total other liabilities	3,260	2,540

Deferred income consists of revenue received in advance for land division fees. Monies received as at 30 June where a Certificate of Approval is yet to be issued are recognised as an unearned revenue liability.

A24: Equity

Prior Period Error Correction

A prior period adjustment was required to adjust multiple lines in the Planning and Development Fund Statements to reflect the correct balance as finalised December 2016 as part of the Planning and Development Fund audit.

Department of Planning, Transport and Infrastructure
Notes to and forming part of the administered financial statements
For the year ended 30 June 2017

A25: Financial Instruments

A25.1 Financial Risk Management

The financial instruments/financial risk management items, conditions and accounting policies of the Department, outlined in Note 39 for controlled items, apply equally to the Administered Financial Statements.

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

Liquidity risk arises where the Department is unable to meet its financial obligations as they fall due. The Department normally settles accounts within 30 days from the date of the invoice is first received
 Credit risk arises when there is the possibility of the Department's debtors defaulting on their contractual obligations resulting in financial loss to the Department.

Exposure to interest rate risk will not arise on the administered interest bearing liabilities and interest bearing assets as the interest rate is fixed over the term of the loans.

A25.2 Categorisation and maturity analysis of financial assets and liabilities

	Carrying Amount (\$'000)	Contract Maturities		
		< 1 year (\$'000)	1-5 years (\$'000)	> 5 years (\$'000)
2017				
Financial Assets				
Cash and cash equivalents	90,410	90,410	-	-
Receivables	215	215	-	-
Receivables - Interest Bearing	353	321	32	-
Total Financial Assets	90,978	90,946	32	-
Financial liabilities				
Payables	68,155	68,155	-	-
Borrowings	353	321	32	-
Total Financial Liabilities	68,508	68,476	32	-
2016				
Financial assets				
Cash and cash equivalents	73,407	73,407	-	-
Receivables	129	129	-	-
Receivables - Interest Bearing	657	292	365	-
Total Financial Assets	74,193	73,828	365	-
Financial Liabilities				
Payables	46,710	46,710	-	-
Borrowings	656	291	365	-
Total Financial Liabilities	47,366	47,001	365	-

Department of Planning, Transport and Infrastructure
Notes to and forming part of the administered financial statements
For the year ended 30 June 2017

A26: Cash Flow Reconciliation

	2017	2016
	\$'000	\$'000
Reconciliation of Cash and Cash Equivalents - Cash at 30 June as per:		
Statement of Cash flows	90,410	73,407
Statement of Financial Position	90,410	73,407
Reconciliation of net cash provided by operating activities to net cost of providing services:		
Net cash inflows (outflows) from operating activities	17,003	10,476
Movements in assets and liabilities:		
Increase / (decrease) in receivables	144	(7)
(Increase) / decrease in payables	(21,452)	(7,137)
(Increase) / decrease in provisions	-	461
(Increase) / decrease in other liabilities	(720)	224
Net cost of providing services	(5,025)	4,017

Department of Planning, Transport and Infrastructure
Notes to and forming part of the administered financial statements
For the year ended 30 June 2017

A27: Transactions with SA Government

The following table discloses revenues, expenses, financial assets and liabilities where the counterparty/transaction is with an entity within the SA Government as the reporting date, classified according to their nature.

Note		SA Government		Non-SA Government		Total	
		2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
	EXPENSES						
A7	Employee benefit expense	-	-	614	596	614	596
A8	Supplies and Services						
	Project Expenditure	1,226	565	2,060	2,374	3,286	2,939
	Professional and Technical Services	1,022	947	-	-	1,022	947
	Planning Fees	37	53	1,437	1,487	1,474	1,540
	Auditor's Remuneration - Planning and Development Fund *	25	25	-	-	25	25
	Other	657	593	54	123	711	716
A9	Grants and Subsidies						
	Office for Recreation and Sport grants	3,920	3,600	-	-	3,920	3,600
	Planning and Development Fund grant payments	7,032	1,520	21,433	19,027	28,465	20,547
	West Beach Trust Tax equivalent reimbursements	874	865	-	-	874	865
	Lincoln Cove Marina (Transfer to DTF)	-	129	-	-	-	129
	Land Tax Equivalent - Flinders Ports (Transfer to DTF)	2,348	2,349	-	-	2,348	2,349
	Transfer to Outback Communities Authority and Local Govt Grants Commission	1,697	1,060	-	-	1,697	1,060
A10	Disbursements on Behalf of Third Parties						
	Compulsory Third Party Insurance	108,856	472,901	400,560	9,043	509,416	481,944
	Stamp Duties - Department of Treasury and Finance	169,182	158,886	-	-	169,182	158,886
	Lifetime Support Scheme - Lifetime Support Authority	148,888	145,081	-	-	148,888	145,081
	Hospital Fund - Department of Treasury and Finance	70,103	68,566	-	-	70,103	68,566
	Emergency Services Levy - SA Fire & Emergency Services Commission	46,551	45,729	-	-	46,551	45,729
	Refunds	-	-	17,889	17,659	17,889	17,659
	National Heavy Vehicle Regulator	-	-	13,485	-	13,485	-
	Federal Registrations	-	-	9,351	9,146	9,351	9,146
	Expiation Notices - Fines Enforcement Unit	197	309	-	-	197	309

Department of Planning, Transport and Infrastructure
Notes to and forming part of the administered financial statements
For the year ended 30 June 2017

	Other	640	620	-	-	640	620
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Note		SA Government		Non-SA Government		Total	
		2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000	2017 \$'000	2016 \$'000
N/A	Borrowing Costs	43	62	-	-	43	62
A11	Payments to Consolidated Account	187,645	183,231	-	-	187,645	183,231
	TOTAL EXPENSES	750,943	1,087,091	466,883	59,455	1,217,826	1,146,546
	INCOME						
A12	Revenues from SA Government	9,213	8,860	-	-	9,213	8,860
A13	Fees and Charges						
	Regulatory Fees - Land Services	215	165	187,769	183,346	187,984	183,511
	Regulatory Fees - Planning	274	494	25,891	26,084	26,165	26,578
	Land Tax Equivalent - Flinders Ports	-	-	2,348	2,349	2,348	2,349
A14	Collection on Behalf of Third Parties						
	Compulsory Third Party Insurance	509,416	481,944	-	-	509,416	481,944
	Stamp Duties - Department of Treasury and Finance	169,182	158,886	-	-	169,182	158,886
	Lifetime Support Scheme - Lifetime Support Authority	148,888	145,081	-	-	148,888	145,081
	Hospital Fund - Department of Treasury and Finance	70,103	68,566	-	-	70,103	68,566
	Emergency Services Levy - SA Fire & Emergency Services Commission	43,341	42,639	-	-	43,341	42,639
	Refunds	-	-	17,889	17,659	17,889	17,659
	National Heavy Vehicle Regulator	-	-	13,485	-	13,485	-
	Federal Registrations	-	-	9,351	9,146	9,351	9,146
	Expiation Notices - Fines Enforcement Unit	197	309	-	-	197	309
	Other	208	109	432	511	640	620
A15	Grants and Subsidies						
	Office for Recreation and Sport grants received	-	-	3,842	3,610	3,842	3,610
A16	Interest Revenue	417	529	43	62	460	591
N/A	Other Income	-	-	297	214	297	214
	TOTAL INCOME	951,454	907,582	261,347	242,981	1,212,801	1,150,563

Department of Planning, Transport and Infrastructure
Notes to and forming part of the administered financial statements
For the year ended 30 June 2017

		SA Government		Non-SA Government		Total	
		2017	2016	2017	2016	2017	2016
Note		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	FINANCIAL ASSETS						
A17	Cash and cash equivalents	90,410	73,407	-	-	90,410	73,407
A18	Receivables						
	Current Receivables	-	-	365	292	365	292
	Non-Current Loan Receivable	-	-	33	365	33	365
	Accrued Revenues	113	4	57	65	170	69
	TOTAL FINANCIAL ASSETS	90,523	73,411	455	722	90,978	74,133
	FINANCIAL LIABILITIES						
A21	Payables						
	Creditors	4,749	8,422	23,364	3,355	28,113	11,777
	Accrued Expenses	1,085	244	39,092	34,817	40,177	35,061
A22	Borrowings	354	656	-	-	354	656
A23	Other Liabilities	440	66	2,820	2,474	3,260	2,540
	TOTAL FINANCIAL LIABILITIES	6,628	9,388	65,276	40,646	71,904	50,034

Department of Planning, Transport and Infrastructure
Notes to and forming part of the administered financial statements
For the year ended 30 June 2017

A28: Budgetary Reporting and Explanations of major variances between budget and actual amounts

		Original Budget ⁽¹⁾	Actual	Variance
		2017	2017	
		\$'000	\$'000	\$'000
STATEMENT OF COMPREHENSIVE INCOME	Note			
EXPENSES				
Employee benefit expenses		351	614	263
Supplies and services		5,632	6,518	886
Grants and subsidies		30,265	37,304	7,039
Disbursements on behalf of third parties	a	895,130	985,702	90,572
Borrowing costs		121	43	(78)
Payments to Consolidated Account		210,811	187,645	(23,166)
Other expenses		6	-	(6)
Total Expenses		1,142,316	1,217,826	75,510
INCOME				
Revenues from SA Government		10,070	9,213	(857)
Fees and charges		234,507	216,497	(18,010)
Collections on behalf of third parties	a	892,282	982,492	90,210
Grants and subsidies		3,920	3,842	(78)
Interest revenue		1,096	460	(636)
Other income		30	297	267
Total Income		1,141,905	1,212,801	70,896
Net Result		(411)	(5,025)	(4,614)
OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified to net result		-	-	-
TOTAL COMPREHENSIVE RESULT		(411)	(5,025)	(4,614)

The budget process is not subject to audit. Budget information refers to the amounts presented to Parliament in the original budgeted financial statements in respect of the reporting period (2016-17 Budget Paper 4). These amounts have not been adjusted to reflect revised budgets or administrative restructures, machinery of government changes.

- a) Disbursements on behalf of third parties and Collections on behalf of third parties were higher mainly due to the new arrangements for Compulsory Third Party Insurance collections and the establishment of the Lifetime Support Scheme.

Department of Planning, Transport and Infrastructure
Notes to and forming part of the administered financial statements
For the year ended 30 June 2017

A29: Contingent Assets and Liabilities

The Department is not aware of any administered contingent assets or liabilities.

A30: Unrecognised contractual commitments

	2017	2016
	\$'000	\$'000
Other Commitments:		
Within one year	2,986	110
Later than one year but not later than five years	791	-
Total Unrecognised Contractual Commitments	3,777	110

Other commitments are for agreements for grant funding and land management activities.

A31: Transfer payments

	2017	2016
	\$'000	\$'000
Transfer payments to SA Government Entities:		
Department of Treasury and Finance	429,278	424,636
Lifetime Support Authority	148,888	145,081
CTP Regulator	108,856	2,432
South Australian Fire and Emergency Services Commission	46,551	45,729
Fines Enforcement Unit	197	309
Motor Accident Commission	-	470,469
Other	17,130	9,847
Transfer payment to Federal Government Entities:		
Department of Infrastructure and Regional Development	9,351	9,146
Transfer payment to local government:		
Councils	22,870	20,514
Transfer payment to non-SA Government Entities:		
Other	434,048	17,725
Total Transfer Payments	1,217,169	1,145,888

A32: After balance date events

As a result of restructuring of administrative arrangements outlined in the Government Gazette on 18 July 2017, the Department relinquished administrative responsibility for the Office of the Valuer-General to the Department of Treasury and Finance effective 1 July 2017.

The Department is not aware of any further events occurring after balance date.

For official use only



Government of South Australia
Auditor-General's Department

Our ref: A17/030

25 September 2017

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Mr M Deegan
Rail Commissioner
Department of Planning, Transport and Infrastructure
DX 171 ADELAIDE

Dear Mr Deegan

Audit of the Rail Commissioner for the year to 30 June 2017

We have completed the audit of your accounts for the year ended 30 June 2017. Three key outcomes from the audit are the:

- 1** Independent Auditor's Report on your agency's financial report
- 2** opinion on your financial controls
- 3** audit management letter recommending you address identified weaknesses.

1 Independent Auditor's Report

We are returning the financial statements for the Rail Commissioner, with the Independent Auditor's Report. This report is unmodified.

2 Opinion on financial controls and audit management letter

The opinion on financial controls will be sent separately with an audit management letter. This letter will detail weaknesses we noted and improvements we consider you need to make.

What the audit covered

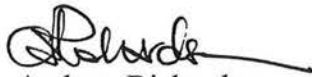
Our audit covered the principal areas of the Rail Commissioner's financial operations and included test reviews of systems, processes, internal controls and financial transactions.

Our audits meet statutory audit responsibilities under the *Public Finance and Audit Act 1987* and the Australian Auditing Standards.

For official use only

I would like to thank the staff and management of your agency for their assistance during this year's audit.

Yours sincerely

A handwritten signature in black ink, appearing to read "A. Richardson", with a long horizontal flourish extending to the right.

Andrew Richardson

Auditor-General

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To the Rail Commissioner

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987* I have audited the financial report of the Rail Commissioner for the financial year ended 30 June 2017.

Opinion

In my opinion, the accompanying financial report gives a true and fair view of the financial position of the Rail Commissioner as at 30 June 2017, its financial performance and its cash flows for the year then ended in accordance with the Treasurer's Instructions promulgated 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 2017
- a Statement of Financial Position as at 30 June 2017
- a Statement of Changes in Equity for the year ended 30 June 2017
- a Statement of Cash Flows for the year ended 30 June 2017
- notes, comprising significant accounting policies and other explanatory information
- a Certificate from the Rail Commissioner and the Acting 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 Rail Commissioner. 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 Rail Commissioner for the financial report

The Rail Commissioner is responsible for the preparation of the financial report that gives a true and fair view in accordance with the Treasurer's Instructions promulgated 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
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Rail Commissioner
- 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 Rail Commissioner regarding, 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 'A Richardson', with a long horizontal flourish extending to the right.

Andrew Richardson

Auditor-General

25 September 2017

Certification of the financial statements

We certify that the:

- financial statements of the Rail Commissioner:
 - are in accordance with the accounts and records of the Rail Commissioner; and
 - comply with relevant accounting standards; and
 - present a true and fair view of the financial position of the Rail Commissioner 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 Rail Commissioner over its financial reporting and its preparation of the financial statements have been effective throughout the financial year.



Michael Deegan
Rail Commissioner

14 September 2017



Ben Seidel
A/Chief Finance Officer

14 September 2017



**Government
of South Australia**

Rail Commissioner

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 June 2017

Statement of Comprehensive Income
for the year ended 30 June 2017

	Note	2017 \$'000	2016 \$'000
Expenses			
Employee benefits expenses	4	67,625	57,071
Total Expenses		<u>67,625</u>	<u>57,071</u>
Income			
Revenues for the provision of services	5	67,625	57,071
Total Income		<u>67,625</u>	<u>57,071</u>
Net cost of providing services		<u>-</u>	<u>-</u>
Total Comprehensive result		<u>-</u>	<u>-</u>

The net result and comprehensive result are attributable to the SA Government as owner.

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

Statement of Financial Position
as at 30 June 2017

	Note	2017 \$'000	2016 \$'000
Current Assets			
Receivables	6	13,133	11,025
Total Current Assets		<u>13,133</u>	<u>11,025</u>
Non-Current Assets			
Receivables	6	19,188	18,960
Total Non-Current Assets		<u>19,188</u>	<u>18,960</u>
Total Assets		<u>32,321</u>	<u>29,985</u>
Current Liabilities			
Payables	7	1,534	1,259
Employee benefits	8	10,226	8,214
Provisions	9	1,373	1,552
Total Current Liabilities		<u>13,133</u>	<u>11,025</u>
Non-Current Liabilities			
Payables	7	1,419	1,320
Employee benefits	8	15,024	13,743
Provisions	9	2,745	3,897
Total Non-Current Liabilities		<u>19,188</u>	<u>18,960</u>
Total Liabilities		<u>32,321</u>	<u>29,985</u>
Net Assets		<u>-</u>	<u>-</u>
Equity			
Retained earnings		-	-
Total Equity		<u>-</u>	<u>-</u>

The Total Equity is attributable to the SA Government as owner.

Commitments for expenditure	11
Contingent assets and liabilities	12

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

**Statement of Changes in Equity
for the year ended 30 June 2017**

	Retained Earnings \$'000	Total \$'000
Balance at 30 June 2015	-	-
Net result for 2015-16	-	-
Total comprehensive result for 2015-16	-	-
Balance at 30 June 2016	-	-
Net result for 2016-17	-	-
Total comprehensive result for 2016-17	-	-
Balance at 30 June 2017	-	-

All changes in equity are attributable to the SA Government as owner.

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

Statement of Cash Flows
for the year ended 30 June 2017

	2017	2016
	\$'000	\$'000
Cash flows from Operating Activities		
Cash Outflows		
Employee benefit payments	(65,289)	(57,032)
Cash used in operations	<u>(65,289)</u>	<u>(57,032)</u>
Cash Inflows		
Revenues for the provision of services	65,289	57,032
Cash generated from operations	<u>65,289</u>	<u>57,032</u>
Net cash provided by operating activities	<u>-</u>	<u>-</u>
Net (decrease) in cash and cash equivalents	-	-
Cash and cash equivalents at the beginning of the period	-	-
Cash and cash equivalents at the end of the period	<u>-</u>	<u>-</u>

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

Notes to the Financial Statements
Year Ended 30 June 2017

Note 1 Objectives of the Rail Commissioner

The Rail Commissioner was established as a body corporate by the *Rail Commissioner Act 2009*. The *Rail Commissioner Act 2009* provided that the Rail Commissioner's principal activity was to operate passenger transport services, an activity that continued to be the primary focus until 30 June 2011.

As part of the restructure of the State Government's public transport functions, Cabinet approved the transfer of all assets, contracts, rights and liabilities from the Rail Commissioner to the Department of Planning, Transport, and Infrastructure (DPTI), effective 1 July 2011. Under this arrangement, the Rail Commissioner will exist for the purposes of employing operational staff employed under Federal Awards.

Note 2 Significant Accounting Policies

a) Statement of compliance

The Rail Commissioner has prepared the Financial Statements in compliance with section 23 of the *Public Finance and Audit Act 1987*.

The financial statements are general purpose financial statements. The accounts have been prepared in accordance with relevant Australian Accounting Standards (Reduced Disclosure Requirements) and comply with Treasurer's Instructions and Accounting Policy Statements promulgated under the provisions of the *Public Finance and Audit Act 1987*.

The Rail Commissioner has applied Australian Accounting Standards that are applicable to not-for-profit entities as the Rail Commissioner is a not-for-profit-entity.

b) Basis of preparation

The preparation of the financial statements requires:

- the use of certain accounting estimates and requires management to exercise its judgment in the process of applying the Rail Commissioner's accounting policies. The areas involving high degrees of judgment or where assumptions and estimates are significant to the financial statements are outlined in the applicable notes;
- accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events are reported; and
- compliance with Accounting Policy Statements issued pursuant to section 41 of the *Public Finance and Audit Act 1987*. In the interest of public accountability and transparency the Accounting Policy Statements require the following note disclosures, that have been included in these financial statements:
 - a) expenses incurred as a result of engaging consultants;
 - b) employee targeted voluntary separation package information;
 - c) employees whose normal remuneration is equal to or greater than the base executive remuneration level (within \$10,000 bandwidths) and the aggregate of remuneration paid or payable or otherwise made available, directly or indirectly by the entity to those employees;

The financial statements have been prepared on a 12 month operating cycle and presented in Australian currency.

c) Reporting entity

The financial statements cover the Rail Commissioner as an individual reporting entity. The Rail Commissioner is a body corporate pursuant to the *Rail Commissioner Act 2009*.

**Notes to the Financial Statements
Year Ended 30 June 2017**

d) Comparative information

The presentation and classification of items in the financial statements are consistent with prior periods except where specific accounting standards and/or accounting policy statements has required a change or where prior period errors are corrected.

The restated comparative amounts do not replace the original financial statements for the preceding period.

e) Rounding

All amounts in the financial statements and accompanying notes have been rounded to the nearest thousand dollars (\$'000).

f) Taxation

The Rail Commissioner is not subject to income tax. The Rail Commissioner is liable for payroll tax and fringe benefits tax.

Payroll tax expense for Federal Award employees is reported in employee expenses.

g) Events after the reporting period

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.

h) Liabilities

Employee benefits

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

Salaries, wages, annual leave, block book off, skills and experience retention leave and sick leave

Liability for salaries and wages are measured as the amount unpaid at the reporting date at remuneration rates current at reporting date.

The annual leave liability, block book off and skills and experience retention is expected to be payable within twelve months and is measured at the undiscounted amount expected to be paid.

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

Long service leave

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

The estimated liability for long service leave is based on actuarial assumptions over 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.

Expected future payments are discounted using market yields at the end of the reporting period on government bonds with durations that match, as closely as possible, the estimated future cash outflows.

The long service leave has been allocated between current and non-current liabilities using the average leave pattern history of previous years.

Notes to the Financial Statements
Year Ended 30 June 2017

i) Insurance

The Rail Commissioner risks and liabilities are insured by DPTI's insurance arrangements through the South Australian Government Financing Authority.

j) Budgetary Reporting

The budget for the Rail Commissioner is published as part of DPTI's budget and is not separately identified. The budgetary reporting standard (AASB 1055) does not apply.

Note 3 New and Revised Accounting Standards and Policies

The Rail Commissioner did not voluntarily change any of its accounting policies during 2016-17.

The Rail Commissioner has assessed the impact of new or revised accounting standards not yet applicable and does not expect these to have a material impact.

Notes to the Financial Statements (continued)
for the year ended 30 June 2017

Note 4 - Employee benefits expenses	2017 \$'000	2016 \$'000
Salaries and wages	49,622	41,319
TVSPs	173	228
Long service leave	2,168	1,410
Annual leave	4,934	3,213
Skills and experience retention leave	311	228
Block book off	1,605	1,025
Workers compensation	163	2,722
Employment on-costs - superannuation*	5,349	4,296
Employment on-costs - payroll tax	3,300	2,630
Total employee benefits costs	67,625	57,071

The increase in total employee benefits expense is mainly attributable to wage increases and back pay arising from the finalisation of enterprise agreements that expired 31 December 2013 and 31 December 2014.

Reported employee benefits expenses are for employees employed by the Rail Commissioner.

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

Targeted Voluntary Separation Packages (TVSPs)	2017 \$'000	2016 \$'000
Amounts paid during the reporting period to separated employees		
TVSPs	173	228
Annual leave, skills and experience retention leave and long service leave paid to those employees	73	116
Recoverable from DPTI	(173)	(228)
	73	116

The number of employees who received a TSVP during the financial year was 3 (7).

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

Remuneration Band	No. of Employees	No. of Employees
\$145 000 - \$147 000*	n/a	1
\$147 001 - \$157 000	8	10
\$157 001 - \$167 000	3	10
\$167 001 - \$177 000	7	3
\$177 001 - \$187 000	11	1
\$187 001 - \$197 000	5	-
\$197 001 - \$207 000	1	1
\$207 001 - \$217 000	1	-
\$217 001 - \$227 000	1	-
\$227 001 - \$237 000	1	-
	38	26

* This band has been included for the purposes of reporting comparative figures based on the executive base level remuneration rate for 2015-16.

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

The total remuneration for the 38 employees (26 employees) was \$6.7 million (\$4.2 million) and reflects all costs of employment including salaries and wages, superannuation contributions, salary sacrifice benefits and fringe benefits tax paid or payable in respect of these benefits.

The increase in the number of employees in the remuneration banding is mainly attributable wage increases and back pay arising from the finalisation of enterprise agreements that expired 31 December 2013 and 31 December 2014.

Remuneration of board and committee members

There is no board for the Rail Commissioner.

Notes to the Financial Statements (continued)
for the year ended 30 June 2017

Note 5 - Revenues for the provision of services	2017	2016
	\$'000	\$'000
Revenue from DPTI for employee expenses	67,625	57,071
Total revenues for the provision of services	67,625	57,071

Revenue represents the reimbursement from DPTI of employee benefits expenses of employees employed by the Rail Commissioner.

Note 6 - Receivables	2017	2016
	\$'000	\$'000
Current		
Employee benefits receivable from DPTI	10,226	8,254
Workers compensation receivable from DPTI	1,373	1,552
Oncosts related to employee benefits	1,512	1,196
Workers compensation recoveries	22	23
Total current receivables	13,133	11,025

Non-current		
Employee benefits receivable from DPTI	15,024	13,743
Workers compensation receivable from DPTI	2,745	3,897
Oncosts related to employee benefits	1,381	1,269
Workers compensation recoveries	38	51
Total non-current receivables	19,188	18,960

Total receivables	32,321	29,985
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Note 7 - Payables	2017	2016
	\$'000	\$'000
Current:		
Accrued employment on-costs	1,512	1,236
Workers compensation	22	23
Total current payables	1,534	1,259
Non-Current:		
Employment on-costs	1,381	1,269
Workers compensation	38	51
Total non-current payables	1,419	1,320
Total payables	2,953	2,579

Employment on-costs include superannuation contributions and payroll tax with respect to outstanding liabilities for salaries and wages, long service leave and annual leave. The Rail Commissioner 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.

Notes to the Financial Statements (continued)
for the year ended 30 June 2017

Note 8 - Employee benefits	2017 \$'000	2016 \$'000
Current:		
Annual leave	4,647	4,221
Long service leave	673	789
Block book off	1,779	1,471
Skills and experience retention leave	465	430
Retiring and death gratuity	6	6
Total current employee benefits provisions	7,570	6,917
Accrued wages and salaries	2,656	1,297
Total current employee benefits	10,226	8,214
Non-current:		
Long service leave	15,024	13,743
Total non-current employee benefits	15,024	13,743
Total employee benefits	25,250	21,957

AASB 119 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. 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 increased from 2016 (2%) to 2017 (2.5%).

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

The net financial effect of the changes to actuarial assumptions in the current financial year is a decrease in the long service leave liability of \$0.535m and an increase in employee benefit on-costs expense of \$0.107m. The impact on future periods is impracticable to estimate as the long service leave liability is calculated using a number of demographical and financial assumptions – including the long-term discount rate.

The actuarial assessment performed by the Department of Treasury and Finance left the salary inflation rate at 4% for long service leave liability and 3% for annual leave and skills, experience and retention leave liability. As a result, there is no net financial effect resulting from changes in the salary inflation rate.

Note 9 - Provisions	2017 \$'000	2016 \$'000
Current:		
Provision for workers compensation	1,373	1,552
Total current provisions	1,373	1,552
Non-current:		
Provision for workers compensation	2,745	3,897
Total non-current provisions	2,745	3,897
Total:		
Provision for workers compensation	4,118	5,449
Total provisions	4,118	5,449
	2017 \$'000	2016 \$'000
Carrying amount at the beginning of the period	5,449	4,555
(Decrease)/increase in provision due to revision of estimates	(39)	2,497
Amounts used	(1,292)	(1,603)
Carrying amount at 30 June 2017	4,118	5,449

A liability has been reported to reflect unsettled workers compensation claims. The workers compensation provision is based on an actuarial assessment performed of the outstanding liability as at 30 June 2017 provided by a consulting actuary engaged through the Office for the Public Sector (a division of the Department of the Premier and Cabinet). The provision is for the estimated cost of ongoing payments to employees as required under current legislation.

Note 10 - Prior period adjustments

A review of accruals identified salaries and wages not recognised as at 30 June 2016. Due to the funding arrangement with DPTI there was no impact on net result or equity arising from this error.

Reinstatement of opening balances

	2017 \$'000	2016 \$'000
Employee benefits	(255)	-
Payables	(40)	-
Receivables	295	-
Total error correction	<u>-</u>	<u>-</u>

Restatement of net result

	2016 \$'000	Total \$'000
Net cost of providing services for 2015-16	-	-
Error correction		
Employee benefits expenses	(295)	(295)
Revenues for the provision of services	295	295
Restated net cost of providing services for 2015-16	<u>-</u>	<u>-</u>

Note 11 - Commitments

The Rail Commissioner has no commitments as at 30 June 2017.

Note 12 - Contingent assets and liabilities

As at 30 June 2017 the Rail Commissioner has no contingent assets or liabilities.

Note 13 - Related Party Transactions

The Rail Commissioner is a body corporate established pursuant to the Rail Commissioner Act 2009 and is a wholly owned and controlled entity of the Crown.

Related parties of the Rail Commissioner 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.

Key Management Personnel

Key management personnel of the Rail Commissioner include the Minister for Transport and Infrastructure, the Rail Commissioner and the Deputy Rail Commissioner who have the responsibility for the management of the Rail Commissioner.

Compensation for the Rail Commissioner's key management personnel is paid by the Department of Planning, Transport and Infrastructure. The Minister's remuneration and allowances are set by the *Parliamentary Remuneration Act 1990* and the Remuneration Tribunal of SA respectively and are payable from the Consolidated Account (via the Department of Treasury and Finance) under section 6 the *Parliamentary Remuneration Act 1990*.

Transactions with Key Management Personnel and other related parties

There have been no transactions with key management personnel or other related parties.

Note 14 - Events after the reporting period

There were no events after balance date.