



**Government  
of South Australia**

**DEPARTMENT FOR TRADE AND  
INVESTMENT**

**2020-21 Annual Report**

**DEPARTMENT FOR TRADE AND INVESTMENT**

250 Victoria Square, Adelaide SA 5000

<https://dti.sa.gov.au/>

Contact phone number:	+61 8 8303 2400
Contact email:	DTI.Reception@sa.gov.au
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To:

The Honourable Stephen Patterson MP  
Minister for Trade and Investment

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

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

Submitted on behalf of the Department for Trade and Investment by:

Leonie Muldoon  
Chief Executive, Department for Trade and Investment

Date 29.09.2021

Signature \_\_\_\_\_



## From the Chief Executive

In another year of immense challenges for South Australian companies, the Department for Trade and Investment (DTI) has continued to deliver upon its mandate to generate economic growth opportunities for South Australia across investment and exports.

In 2020-21, DTI attracted \$703 million of foreign investment into the state, creating over 3495 direct jobs for South Australians, as well as 1688 construction jobs.

Despite the issue of international border closures and travel restrictions, as well as market access difficulties and increases in trade tariffs, DTI has facilitated \$54.3 million worth of exports from 179 successful trade outcomes for South Australian exporters.

As a department, we have continued to deliver for our clients, and have achieved a client satisfaction rating of 89 per cent for our trade support and activities.

Through our efforts, we attracted Qantas to the state, boosting the aviation industry with the creation of up to 200 jobs for a new Embraer E190 aircraft base at Adelaide Airport, an important milestone in re-establishing airline connectivity.

The department was directly responsible in further growing the South Australian hi-tech ecosystem by attracting a number of global companies to the state including Amazon Web Services which is aiming to create more than 50 jobs by 2024, Google Cloud, whose very presence in Adelaide attracted MTX Group – a leading global technology transformation company, which is establishing its first service hub in Adelaide, expected to create around 500 jobs within the next three to five years.

We have also continued to provide clients with the opportunity to do business internationally, to maintain connections and develop partnerships through virtual means, delivering 71 digital webinars, seminars and business-to-business matching events.

Through coordinated and targeted virtual food, beverage and wine programs, we connected producers with buyers, importers, distributors and retailers in overseas markets, which worked particularly well in the United States with local South Australian companies signing deals with Central Market, a specialty grocery sub-brand of HEB, which comprises 340 stores and has a revenue of US\$29 billion per annum. The program was delivered in partnership with Food SA, and nine South Australian companies will have their products displayed on supermarket shelves. A first order of US\$150 000 has already been generated as a direct result of this activity.

Our reach internationally continues to grow with the opening of our new trade and investment office in Singapore to cover the South East Asia region, appointing new representatives in Seoul, South Korea; New Delhi, India and New York, United States of America.

DTI implemented the Global Expansion Program to support South Australian businesses to grow their export capability into new and existing markets with more than \$1 million awarded to the first cohort of recipients.

A total of 16 overseas and interstate companies were welcomed as South Australian Landing Pad grant recipients, with an estimated 95 Full Time Equivalent roles to be created in the next three years.

DTI also launched the new \$5.4 million Wine Export Recovery and Expansion Program, a four-year wine market expansion program that supports South Australian wineries to increase commercial opportunities, diversify into new markets, and grow overseas sales channels.

International education is a significant contributor to South Australia's growing prosperity. Beyond its economic importance, international education attracts new students, new industries and new investors to our state and fosters cultural exchange, social integration and community diversification.

From the first international border closures in 2019, DTI has worked with the Australian Government and the international education sector to facilitate the safe and secure return of our international students to South Australia.

In 2020-21, DTI delivered a significant national milestone for South Australia by achieving Australian Government approval for its International Students Arrival Plan and its international student specific quarantine facility. South Australia is the first, and only, jurisdiction to secure this approval.

DTI continues to progress the International Students Arrival Plan to bring international students back to South Australia and rebuild our international education supply chains.

It has been an incredibly challenging year for our clients. DTI has continued to diversify our delivery methods and look for new ways to innovatively engage with business and trade partners that will position South Australia at the forefront of the nation for attracting investment and talent and drive our economy forward.



Leonie Muldoon  
**Chief Executive**  
Department for Trade and Investment

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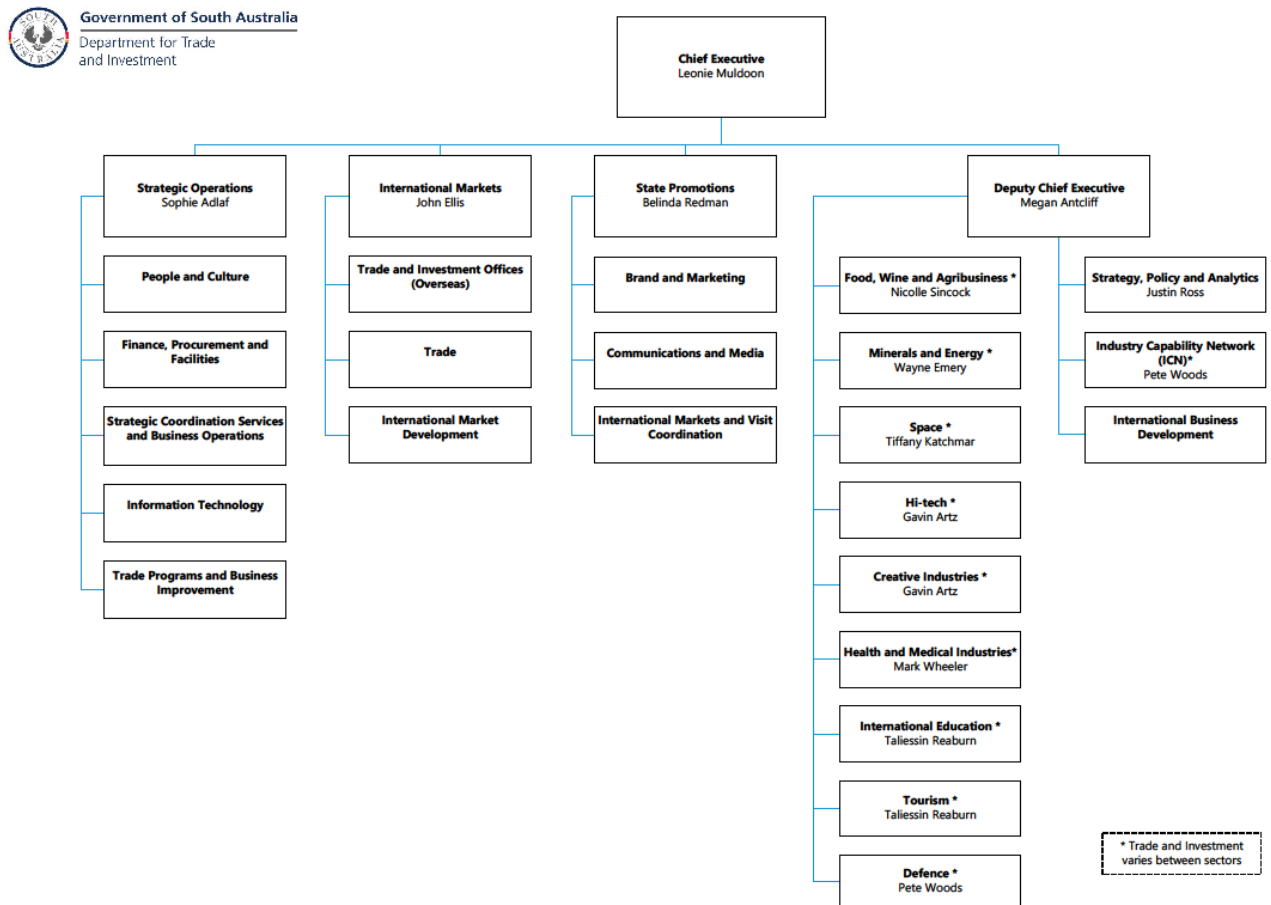
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## Overview: about the agency

### Our strategic focus

<b>Our Purpose</b>	Enabling economic growth in South Australia by attracting investment, increasing exports, building global reputation and removing barriers to business.
<b>Our Vision</b>	<p>DTI is the government agency with frontline responsibility for driving business investment in the state across all industries, and for facilitating trade in all goods and services both interstate and internationally.</p> <p>DTI leads the identification of likely growth industries for the state and works with other economic agencies and industry to deliver nine priority sector strategies, ensuring industry-led economic growth targets and actions are set.</p> <p>DTI presents a single front door to industry on trade and investment.</p> <p>DTI carries responsibility for promoting South Australian trade and investment capability and opportunities, with focus on the nine target sectors.</p>
<b>Our Values</b>	<p><b>Trust</b> – We build trust, we promote confidence in each other and our service.</p> <p><b>Can do</b> – We have a ‘can do’ attitude, and are proactive, energetic and positive.</p> <p><b>Commercial</b> – We are commercial and customer focused, setting high standards and driving outcomes.</p> <p><b>One Team</b> – We take a collaborative approach, share our wins and focus on creating better solutions by working together with industry.</p> <p><b>Courageous</b> – We empower and promote leadership at all levels.</p> <p><b>Questioning &amp; Innovative</b> – We are forward looking and continually improving.</p>
<b>Our functions, objectives and deliverables</b>	<p>DTI:</p> <ul style="list-style-type: none"> <li>• has Trade and Investment Offices in key international markets to facilitate business connections</li> <li>• provides businesses with a one-stop-shop for training, mentoring and advice on exporting</li> <li>• delivers the Global Expansion Program, SA Export Accelerator, eCommerce Accelerator and, Export Fundamentals Programs to support businesses on their export journey</li> <li>• delivers bespoke trade support to businesses to assist them to grow their revenue base through focus on their individual export journey</li> <li>• pursues, promotes and facilitates foreign investment into South Australia to diversify the economy; and</li> <li>• manages the South Australian Industry Capability Network.</li> </ul> <p>DTI is responsible for the Trade and Investment stream of the Growth State Plan and works with industry, other government departments and industry bodies to ensure industry led sector strategies positively impact the state’s economic competitiveness and growth.</p>

## Our organisational structure



## Changes to the agency

During 2020-21, some minor organisational alignments were made to effectively deliver on the department's strategy and continue to deliver results for South Australian businesses, industry and the community.

These changes included the:

- decentralisation of Business Coordination Services
- realignment of resources to Trade, and Trade Programs and Business Improvements; and
- establishment of an International Business Development team.



## Our Minister



The Hon Stephen Patterson MP is the Minister for Trade and Investment. Minister Patterson oversees activities that drive economic growth in South Australia including attracting investment, increasing exports and building global reputation, particularly international education.

## Our Executive Team

Chief Executive – Ms Leonie Muldoon

Deputy Chief Executive – Ms Megan Antcliff

Director Strategic Operations – Ms Sophie Adlaf

Director International Markets – Mr John Ellis

Director State Promotions – Ms Belinda Redman

Director Strategy, Policy and Analytics – Mr Justin Ross

Director Food, Wine and Agribusiness – Ms Nicolle Sincock

Director Minerals and Energy – Mr Wayne Emery

Director Space – Ms Tiffany Katchmar

Director Creative Industries and Hi-tech – Mr Gavin Artz

Director Health and Medical – Mr Mark Wheeler

Director International Education and Tourism – Mr Taliessin Reaburn

Director Defence and Industry Capability Network – Mr Pete Woods

**Legislation administered by the agency**

Nil

**Other related agencies (within the Minister's area/s of responsibility)****Office of the Agent-General**

The Office of the Agent-General (OAG) represents the South Australian Government in the United Kingdom (UK), with key objectives to attract investment into South Australia's priority sectors and support exporters of premium products and services access the UK and European markets.

**StudyAdelaide**

StudyAdelaide was established under the Public Corporations (Education Adelaide) Regulations 1998. Its role is to promote Adelaide as Australia's premier study destination for international students who bring economic, cultural and social benefits to the city and the state. In partnership with education institutions, StudyAdelaide grows awareness and preference for Adelaide as a global study destination and engages with onshore students to enrich their living and studying experience.

StudyAdelaide's management is overseen by a Board, whose members are appointed by the Minister for Trade and Investment.

StudyAdelaide presents its annual report to the Minister for Trade and Investment.

## The agency's performance

### Performance at a glance

- Attracted over \$703 million of investments, creating over 3495 direct jobs, plus 1688 construction jobs.
- Facilitated 179 successful trade outcomes for South Australia, adding \$54.3 million to state exports.
- Supported 141 South Australian businesses to become new exporters or enter new markets.
- Implemented the Global Expansion Program to support South Australian businesses to grow their export capability in existing markets and into new markets.
- Opened a new trade and investment office in Singapore and appointed trade and investment representatives in Seoul, South Korea; New Delhi, India; and New York, United States of America.
- Promoted South Australia as a valued trade partner and an attractive investment destination by delivering 71 digital webinars, seminars, and business-to-business matching events.
- Achieved client satisfaction with DTI trade and support activity of 89 per cent.

### Agency response to COVID-19

- When in market trade promotion events became impossible because of COVID-19, DTI promoted South Australia as a valued trade partner and an attractive investment destination by delivering 71 digital webinars, seminars and business-to-business matching events.
- DTI launched a new virtual business matching trade program including Phase One of a business-to-business (B2B) virtual platform to enable trade clients to interact efficiently with both DTI's trade advisers, overseas offices and companies across the globe; securing trade deals and continuing to build strong relationships.
- When COVID-19 first emerged, DTI introduced the eCommerce Accelerator Program to assist exporters impacted by travel and trade restrictions. Round two was run in May 2021, and \$1.46 million will support 68 companies to develop e-commerce capabilities.

**Agency contribution to whole of government objectives**

<b>Key objective</b>	<b>Agency's contribution</b>
More jobs	In 2020-21, DTI attracted over \$703 million of investments, creating over 3495 direct jobs, as well as 1688 construction jobs.
Better Services	<p>In 2020-21, DTI:</p> <ul style="list-style-type: none"> <li>• achieved client satisfaction with its trade and support activity of 89 per cent, well above the target of 80 per cent</li> <li>• launched the Global Expansion Program to support capable South Australian companies on the road to being global champions</li> <li>• assisted 141 new exporters through DTI programs to achieve sustainable exports, just exceeding the target of 140; and</li> <li>• launched a new virtual business matching trade program, which digitally connects exporters with global buyers through virtual events.</li> </ul>

**Agency specific objectives and performance**

- Target, develop and attract opportunities to increase investment into South Australia, grow the economy and increase employment.
- Develop and implement strategies and programs that increase the international competitiveness of South Australian businesses and facilitate international exports and high value jobs growth.

Agency objectives	Indicators	Performance
Target, develop and attract opportunities to increase investment into South Australia, grow the economy and increase employment	Facilitate \$750 million foreign investment into South Australia in priority sectors from companies that are a direct client of DTI	Attracted \$703 million of investment
	Create 4000 new jobs into South Australia in priority sectors from companies that are a direct client of DTI	Created over 3495 direct jobs, plus 1688 construction jobs
	Hold 60 Digital SA promotion, webinars, seminars and business-to-business matching sessions	Delivered 71 Digital SA promotion, webinars, seminars and business-to-business matching sessions
	Achieve 80 per cent client satisfaction on DTI trade and investment support activity	Achieved 89 per cent client satisfaction with DTI trade and support activity
	Open one new trade and investment office in global markets	Opened a new trade and investment office in Singapore and appointed trade and investment representatives in Seoul, South Korea; New Delhi, India; and New York, United States of America
	Generate 200 leads from DTI website activity	Generated 200 leads from DTI website activity
	Growth of South Australia's share of announced Foreign Direct Investment (FDI) coming into Australia to 6 per cent	Achieved a 6.4 per cent share of announced FDI into Australia

Develop and implement strategies and programs that increase the international competitiveness of South Australian businesses and facilitate international exports and high value jobs growth	South Australia's share of international student enrolments in Australia – target 5.3 per cent	Achieved a 5.6 per cent share of international student enrolments in Australia
	Facilitate \$50 million of export deals for South Australia in priority sectors from companies that are a direct client of DTI	Facilitated 179 successful trade outcomes for South Australia, adding \$54.3 million to the state exports
	Provide 150 export outcomes for South Australia in priority sectors from companies that are a direct client of DTI	
	Support 140 South Australian businesses to export for the first time or enter new markets supported by DTI programs	Supported 141 South Australian businesses export for the first time or enter new markets

## Corporate performance summary

### Employment opportunity programs

Program name	Performance
Diversity and Inclusion	<p>Within the diversity and inclusion sphere, DTI undertook a number of initiatives and programs that support reconciliation, gender equality, disability and diversity as part of the department's:</p> <ul style="list-style-type: none"> <li>• Diversity and Inclusion Framework</li> <li>• Disability Access and Inclusion Plan</li> <li>• Reconciliation Action Plan; and</li> <li>• Gender Equality and Respect Action Plan.</li> </ul> <p>DTI employees participated in domestic and family violence awareness training, as part of the department's commitment to gender respect and preventing violence against women.</p>
Aboriginal Employment	<p>DTI worked towards increasing the employment of Aboriginal peoples and included a target in our Reconciliation Action Plan (2020–22). As at 30 June 2020, 1.5 per cent of our workforce identified as Aboriginal.</p>
South Australian Government Internship Program	<p>DTI participated in the South Australian Government Internship Program. The program helped students gain valuable employment skills, increase confidence, build professional networks and specific industry and technical knowledge. In 2020-21, the department provided five university students with an internship placement that contributed to the sharing of knowledge and new ideas for both the student and the department.</p>
Skilling SA Public Sector Project	<p>The Skilling SA Public Sector Project built workforce capability by providing education and career opportunities for South Australians. In 2020-21, DTI upskilled one employee under this program.</p>

**Agency performance management and development systems**

<b>Performance management and development system</b>	<b>Performance</b>
<p>Performance management and development is a two-way process between managers and employees to discuss performance planning and development needs</p> <p>It is expected that employees have formal conversations about their performance twice a year</p>	<p>DTI continuously monitors and supports employees to engage in regular and meaningful performance development discussions to discuss progress, achievements and development goals.</p> <p>Compliance with performance development requirements is measured through entries recorded in CHRIS 21.</p> <p>As at 31 December 2020, 40 per cent of employees had a formal performance discussion with their manager in the past six months.</p> <p>As at 30 June 2021, 61 per cent of employees had a formal performance discussion with their manager in the past six months.</p>
Leadership Development	<p>DTI employees participated in leadership and development initiatives such as the South Australian Leadership Academy Next Execs Leadership Program, as well as the Executive Excellence Program.</p> <p>DTI commenced a new bespoke internal leadership program, Leadership at All Levels, to embed united leadership and one team practices across the department.</p>

**Work health, safety and return to work programs**

<b>Program name</b>	<b>Performance</b>
ELEVATE Wellbeing Program	<p>In April 2021, DTI launched 'ELEVATE', a Wellbeing Program. The program is underpinned by Dr Martin Seligman's positive psychology research and promotes a holistic view of wellbeing. ELEVATE has been operationalised as a matrix of activities whereby programs and actions occur at either an individual, team or organisational level under each of the four pillars of Mind, Body, Connection and Purpose.</p>



Program name	Performance
Mental health, wellbeing	<p>DTI provided a professional free counselling service to employees and their immediate families who are dealing with personal or work-related issues as a part of our Employee Assistance Program.</p> <p>In September 2020, DTI promoted RU OK Day, increasing awareness of mental health as a part of our commitment to the Life in Mind Charter. On 10 September 2020, a virtual online event was held for all DTI employees for R U OK? Day with guest speaker, Anthony Hart who is a Mind Health Advocate speaker, and author.</p>
White Ribbon Workplace Reaccreditation Program	In June 2021, DTI received reaccreditation under White Ribbon Australia's Workplace Accreditation Program. Activities were undertaken to successfully meet 15 criteria under three standards to create a safer and more respectful workplace. DTI recognises that gendered violence is predicated by gendered disrespect, and that maintaining a respectful workplace culture acts as a primary prevention mechanism against workplace, domestic and family violence.

Workplace injury claims	Current year 2020-21	Past year 2019-20	% Change (+ / -)
Total new workplace injury claims	1	1	0
Fatalities	0	0	0
Seriously injured workers*	0	0	0
Significant injuries (where lost time exceeds a working week, expressed as frequency rate per 1000 Full Time Equivalents (FTEs))	0	0	0

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

<b>Work health and safety regulations</b>	<b>Current year 2020-21</b>	<b>Past year 2019-20</b>	<b>% Change (+ / -)</b>
Number of notifiable incidents ( <i>Work Health and Safety Act 2012, Part 3</i> )	0	0	0
Number of provisional improvement, improvement and prohibition notices ( <i>Work Health and Safety Act 2012 Sections 90, 191 and 195</i> )	0	0	0

<b>Return to work costs**</b>	<b>Current year 2020-21</b>	<b>Past year 2019-20</b>	<b>% Change (+ / -)</b>
Total gross workers compensation expenditure (\$)	\$52 565	\$3 175.84	+94%
Income support payments – gross (\$)	0	0	0

\*\*before third party recovery

Data for previous years is available at:

<https://data.sa.gov.au/data/organization/departments-for-trade-and-investment>

### Executive employment in the agency

<b>Executive classification</b>	<b>Number of executives</b>
EXEC 0F	1
SAES 2	1
SAES 1	11

Data for previous years is available at:

<https://data.sa.gov.au/data/organization/departments-for-trade-and-investment>

The [Office of the Commissioner for Public Sector Employment](#) has a [workforce information](#) page that provides further information on the breakdown of executive gender, salary and tenure by agency.

## Financial performance

### Financial performance at a glance

The following is a brief summary of the overall financial position of the agency. The information is unaudited. Full audited financial statements for 2020-21 are attached to this Annual Report.

As at 30 June 2021, DTI had a revised expenditure budget of \$74.3 million. Actual expenditure against this budget was \$59.5 million. The underspend of \$14.8 million primarily related to the timing of grant and project payments of \$11.2 million which are now expected to occur in 2021-22 and future years in line with contractual milestones, accounting treatment changes of \$0.9 million including reclassification of expenditure to current assets and end of financial year leave liability adjustments and a general operating underspend of \$2.7 million which was largely due to the postponement or cancellation of programs due to the impact of the COVID-19 pandemic.

DTI had a revised revenue budget of \$49.9 million compared to actual revenue of \$50.6 million. The variance of \$0.7 million was primarily due to unbudgeted revenue which was offset by additional expenditure.

As at 30 June 2021, DTI had budgeted \$14.3 million for current assets compared to the actual result of \$28.4 million. The \$14.1 million increase is primarily due to higher cash balances as a result of the expenditure underspend.

<b>Statement of Comprehensive Income</b>	<b>2020-21 Budget \$000s</b>	<b>2020-21 Actual \$000s</b>	<b>Variation \$000s</b>	<b>2019-20 Actual \$000s</b>
Total Income	49 938	50 600	(662)	62 941
Total Expenses	74 323	59 557	14 766	51 776
<b>Net Result</b>	<b>(24 385)</b>	<b>(8 957)</b>	<b>(15 428)</b>	<b>11 165</b>
<b>Total Comprehensive Result</b>	<b>(24 385)</b>	<b>(8 957)</b>	<b>(15 428)</b>	<b>11 165</b>

<b>Statement of Financial Position</b>	<b>2020-21 Budget \$000s</b>	<b>2020-21 Actual \$000s</b>	<b>Variation \$000s</b>	<b>2019-20 Actual \$000s</b>
Current assets	14 341	28 411	14 070	39 298
Non-current assets	5 726	5 991	265	2 575
<b>Total assets</b>	<b>20 067</b>	<b>34 402</b>	<b>14 335</b>	<b>41 873</b>
Current liabilities	9 953	9 201	752	8 856
Non-current liabilities	6 875	6 530	345	5 389
<b>Total liabilities</b>	<b>16 828</b>	<b>15 731</b>	<b>1 097</b>	<b>14 245</b>
<b>Net assets</b>	<b>3 239</b>	<b>18 671</b>	<b>15 432</b>	<b>27 628</b>
<b>Equity</b>	<b>3 239</b>	<b>18 671</b>	<b>15 432</b>	<b>27 628</b>

**Consultants disclosure**

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

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

<b>Consultancies</b>	<b>Purpose</b>	<b>\$ Actual payment</b>
All consultancies below \$10 000 each - combined	Various	\$18 279

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

<b>Consultancies</b>	<b>Purpose</b>	<b>\$ Actual payment</b>
CorporateConnect.AB Pty Ltd	Advice and support on Aboriginal Business Export and Investment Attraction	\$19 495
Escient Pty Ltd	Grant Automation System Improvements	\$24 400
PwC	Criteria and delivery options for the Global Expansion Accelerator initiative	\$15 000
Deloitte Access Economics Pty Ltd	Growth State Investment Opportunity Analysis	\$156 449
	<b>Total</b>	<b>\$215 344</b>

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

**Contractors disclosure**

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

**Contractors with a contract value below \$10 000**

<b>Contractors</b>	<b>Purpose</b>	<b>\$ Actual payment</b>
All contractors below \$10 000 each - combined	Various	\$41 843

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

<b>Contractors</b>	<b>Purpose</b>	<b>\$ Actual payment</b>
Australian Industry Group	Develop the Export Fundamentals Program and deliver program design documentation	\$101 290
Axant	Business assessments for Stage 2 of the Global Expansion Accelerator Program	\$60 000
Carey Training Pty Ltd	Temporary Staff Services	\$174 864
Carrington Day Limited	Recruitment services	\$18 419
Chandler Macleod Group Ltd	Temporary Staff Services	\$13 685
Complete the Picture	Digital Infrastructure Business Case	\$15 000
Deakin University	Research project funding	\$60 000
DFP recruitment services	Temporary Staff Services	\$10 464
Diane Kelly	Temporary Staff Services	\$58 187
East West Consultants	Accounting services for the Office of the Agent-General London	\$43 111
Escient Pty Ltd	Business analysis services	\$93 320
Escient Pty Ltd	Design Thinking activities for SAEA grants	\$26 250

<b>Contractors</b>	<b>Purpose</b>	<b>\$ Actual payment</b>
Euroconsult	Market intelligence reports	\$32 368
F1 solutions Pty Ltd	Develop grant management system	\$51 028
Fion Jia	South Australia's representative in the Jinan Office - China	\$64 435
Flywheel Advisory	Deliver Exports and Supply Chain Workshop	\$13 875
Fsg Shandong Human Resources Service Co	South Australia's representative in the Jinan Office - China	\$17 828
Hakt Pty Ltd	Develop and deliver a virtual business matching program as part of the trade portal	\$137 321
Hays Specialist Recruitment	Temporary Staff Services	\$695 727
Hudson Global Resources (Aust)	Temporary Staff Services	\$281 967
Hydraco Australia Pty Ltd	Develop the Global Expansion Accelerator Program and deliver program design documentation	\$30 000
Hydraco Australia Pty Ltd	Develop the Export Fundamentals Program and deliver program design documentation	\$11 461
Jing Liu	South Australia's representative in the Jinan Office – China	\$23 084
Katalyst	Digital Interface for Investors Development	\$396 180

<b>Contractors</b>	<b>Purpose</b>	<b>\$ Actual payment</b>
Kkit	Business Classification Scheme Development	\$12 600
Maxima Training Group (Aust)	Temporary Staff Services	\$116 981
Modis Staffing Pty Ltd	Temporary Staff Services	\$84 031
Paxus Australia Pty Ltd	Temporary Staff Services	\$75 925
Peoplebank Australia Ltd	Temporary Staff Services	\$95 094
Persolkelly Adelaide	Temporary Staff Services	\$40 960
Pinnacle Management Systems	Develop and review Work, Health and Safety plans	\$12 078
Randstad Pty Ltd	Temporary Staff Services	\$357 156
SA Water Corporation	SA Water Building fit-out	\$532 995
Satalyst Pty Ltd	Managed Project Services Support	\$107 025
Satalyst Pty Ltd	Business Analyst Review	\$49 600
Satalyst Pty Ltd	Records Migration and Operational Support	\$19 589
Satalyst Pty Ltd	CRM Business Development Solution	\$13 778
Satalyst Pty Ltd	Migration Delivery	\$12 150
Taptu Pty Ltd	Business Analyst Review	\$68 145
Taptu Pty Ltd	CRM Knowledge Base Consolidation	\$29 865
Taptu Pty Ltd	ICT Helpdesk Augmentation Pilot	\$29 310
Wine Australia	Temporary Staff Services	\$34 550
	<b>Total</b>	<b>\$4 121 696</b>

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

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



## Risk management

### Risk and audit at a glance

DTI risk management is governed by the Risk and Performance Committee (RPC); a joint committee with the Department for Innovation and Skills (DIS) and the Department for Energy and Mining (DEM). DTI works alongside DIS, in line with a service level agreement, to identify, control, and mitigate risks that may impact DTI's ability to achieve strategic objectives. Risk management activities include business continuity planning, management of strategic and operational risk registers, internal audits, and regular reporting on key performance indicators.

### Fraud detected in the agency

Category/nature of fraud	Number of instances
Nil	Nil

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

### Strategies implemented to control and prevent fraud

DTI continues to employ the following strategies to control and prevent fraud:

- Financial Management Control Plan (FMCP)
- Financial authorisations
- Gifts and Benefits Register
- Complaints Management System
- Policies and Procedures Library
- Risk and Assurance Work Plan; and
- Compliance review of SSSA processes.

The FMCP defines control elements deemed critical in the administration of relevant and reliable financial reporting. Each control is assessed throughout the financial year and action plans are implemented for any controls that are assessed as weak.

DTI financial authorisations are maintained and monitored quarterly through the e-procurement and ANZ Electronic Merchant Services (EMS) purchase card systems. Employee termination reports are reviewed regularly and required amendments to the e-procurement and purchase card authorisations are made in a timely manner.

In 2020-21, DTI adopted the South Australian Protective Security Framework (SAPSF) and subordinate South Australian Cyber Security Framework (SACSF), including the creation of an Agency Security Policy and Plan, to comply with the Department of the Premier and Cabinet Circular PC030 – *Protective Security in the Government of South Australia*. As part of the SAPSF, DTI has established a Protective Security Committee and Cyber Security Committee, which consists of an Agency Security Executive and Agency Security Advisors to oversee protective and cyber security activities that includes mitigation of emerging risks, management of existing controls and alignment of existing processes and procedures.

In 2020-21, DTI adopted a new Procurement Framework to comply with the new Treasurer's Instruction 18 – *Procurement*, including adoption of the new South Australian Government Core (SGC) Procurement System. The new Procurement Framework and SGC will ensure DTI is effectively managing procurement activities to mitigate risk and maximise value for the South Australian community.

**Public interest disclosure**

Number of occasions on which public interest information has been disclosed to a responsible officer of the agency under the *Public Interest Disclosure Act 2018*:

Nil

Note: Disclosure of public interest information was previously reported under the *Whistleblowers Protection Act 1993* and repealed by the *Public Interest Disclosure Act 2018* on 1 July 2019.

## Reporting required under any other act or regulation

Nil

### Reporting required under the *Carers' Recognition Act 2005*

The *Carers' Recognition Act 2005* is promoted as part of the department's induction process and referenced in the DTI Leave Procedure.

DTI employees have access to carers' leave in line with Commissioner's Determination 3.1 Employment Conditions – Hours of Work, Overtime and Leave.

In the 2020-21 financial year, 60 DTI employees accessed 184 days of carers' leave.

## Public complaints

### Number of public complaints reported

Complaint categories	Sub-categories	Example	Number of Complaints 2020-21
Professional behaviour	Staff attitude	Failure to demonstrate values such as empathy, respect, fairness, courtesy, extra mile; cultural competency	0
Professional behaviour	Staff competency	Failure to action service request; poorly informed decisions; incorrect or incomplete service provided	0
Professional behaviour	Staff knowledge	Lack of service specific knowledge; incomplete or out-of-date knowledge	0
Communication	Communication quality	Inadequate, delayed or absent communication with customer	0
Communication	Confidentiality	Customer's confidentiality or privacy not respected; information shared incorrectly	0
Service delivery	Systems/technology	System offline; inaccessible to customer; incorrect result/information provided; poor system design	0
Service delivery	Access to services	Service difficult to find; location poor; facilities/ environment poor standard; not accessible to customers with disabilities	0
Service delivery	Process	Processing error; incorrect process used; delay in processing application; process not customer responsive	0
Policy	Policy application	Incorrect policy interpretation; incorrect policy applied; conflicting policy advice given	0
Policy	Policy content	Policy content difficult to understand; policy unreasonable or disadvantages customer	0

<b>Complaint categories</b>	<b>Sub-categories</b>	<b>Example</b>	<b>Number of Complaints 2020-21</b>
Service quality	Information	Incorrect, incomplete, out-dated or inadequate information; not fit for purpose	0
Service quality	Access to information	Information difficult to understand, hard to find or difficult to use; not plain English	0
Service quality	Timeliness	Lack of staff punctuality; excessive waiting times (outside of service standard); timelines not met	0
Service quality	Safety	Maintenance; personal or family safety; duty of care not shown; poor security service/ premises; poor cleanliness	0
Service quality	Service responsiveness	Service design doesn't meet customer needs; poor service fit with customer expectations	0
No case to answer	No case to answer	Third party; customer misunderstanding; redirected to another agency; insufficient information to investigate	0
		<b>Total</b>	<b>0</b>

<b>Additional Metrics</b>	<b>Total</b>
Number of positive feedback comments	0
Number of negative feedback comments	0
Total number of feedback comments	0
% complaints resolved within policy timeframes	0

Data for previous years is available at:

<https://data.sa.gov.au/data/dataset/complaints-and-feedback-2019-20>

## Service Improvements

DTI did not receive any formal complaints in 2020-21. DTI has proactively undertaken the following key service improvements to improve customer experience:

- implemented a new grant management portal
- comprehensively uplifted the department's Customer Relationship Management (CRM) platform
- implemented new Trade and Investment Portals (ConnectPlus)
- rolled out a range of virtual solutions to critical Trade and Investment activities; and
- applied service design methodology to key functions, such as grant management, recruitment, and correspondence management.

## Compliance Statement

The Department for Trade and Investment is compliant with Premier and Cabinet Circular 039 – <i>complaint management in the South Australian public sector</i> .	Y
The Department for Trade and Investment has communicated the content of PC039 and the agency's related complaints policies and procedures to employees.	Y

## **Appendix: Audited financial statements 2020-21**



Level 9  
State Administration Centre  
200 Victoria Square  
Adelaide SA 5000  
Tel +618 8226 9640  
Fax +618 8226 9688  
ABN 53 327 061 410  
audgensa@audit.sa.gov.au  
www.audit.sa.gov.au

## **To the Chief Executive Department for Trade and Investment**

### **Opinion**

I have audited the financial report of the Department for Trade and Investment for the financial year ended 30 June 2021.

In my opinion, the accompanying financial report gives a true and fair view of the financial position of the Department for Trade and Investment as at 30 June 2021, its financial performance and its cash flows for the year then ended in accordance with the relevant Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards.

The financial report comprises:

- a Statement of Comprehensive Income for the year ended 30 June 2021
- a Statement of Financial Position as at 30 June 2021
- a Statement of Changes in Equity for the year ended 30 June 2021
- a Statement of Cash Flows for the year ended 30 June 2021
- notes, comprising significant accounting policies and other explanatory information
- a Certificate from the Chief Executive and the Director, Strategic Operations.

### **Basis for opinion**

I conducted the audit in accordance with the *Public Finance and Audit Act 1987* and Australian Auditing Standards. My responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial report' section of my report. I am independent of the Department for Trade and Investment. The *Public Finance and Audit Act 1987* establishes the independence of the Auditor-General. In conducting the audit, the relevant ethical requirements of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* have been met.

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



## **Responsibilities of the Chief Executive for the financial report**

The Chief Executive is responsible for the preparation of the financial report that gives a true and fair view in accordance with relevant Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and 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.

In preparing the financial report, the Chief Executive is responsible for assessing the entity's ability to continue as a going concern, taking into account any policy or funding decisions the government has made which affect the continued existence of the entity. The Chief Executive is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the assessment indicates that it is not appropriate.

## **Auditor's responsibilities for the audit of the financial report**

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987*, I have audited the financial report of the Department for Trade and Investment for the financial year ended 30 June 2021.

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Department for Trade and Investment's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Chief Executive

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

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

I communicate with the Chief Executive about, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during the audit.



Andrew Richardson

**Auditor-General**

28 September 2021

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

**Financial Statements  
for the year ended  
30 June 2021**

**Department for Trade and Investment**  
*for the year ended 30 June 2021*

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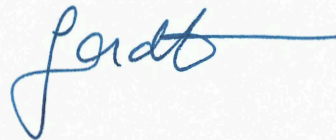
**Certification of the Financial Statements**

We certify that the:

- financial statements of the Department for Trade and Investment:
  - are in accordance with the accounts and records of the department;
  - comply with relevant Treasurer's Instructions;
  - comply with relevant accounting standards; and
  - present a true and fair view of the financial position of the department at the end of the financial year and the result of its operations and cash flows for the financial year.
- internal controls employed by the Department for Trade and Investment for the financial year over its financial reporting and its preparation of financial statements have been effective.



Leonie Muldoon  
**Chief Executive**  
27 September 2021



Sophie Adlaf  
**Director, Strategic Operations**  
27 September 2021

**Department for Trade and Investment**  
**Statement of Comprehensive Income**  
*for the year ended 30 June 2021*

	Note	2021 \$'000	2020 \$'000
<b><u>Income</u></b>			
Appropriations	2.1	40 638	48 340
Commonwealth-sourced grants and funding	2.2	314	595
Resources received free of charge	2.3	473	149
SA Government grants, subsidies and transfers	2.4	8 967	13 287
Other income	2.5	208	570
<b>Total income</b>		<b>50 600</b>	<b>62 941</b>
<b><u>Expenses</u></b>			
Employee benefits expenses	3.3	18 048	19 739
Supplies and services	4.1	17 825	13 365
Depreciation and amortisation	5	904	465
Grants and subsidies	4.2	10 294	9 077
Borrowing costs	4.3	35	35
Cash returned to the Department of Treasury and Finance	4.4	12 439	9 094
Other Expenses	4.5	2	1
Net loss from disposal of non-current assets	4.6	10	-
<b>Total expenses</b>		<b>59 557</b>	<b>51 776</b>
<b>Net result</b>		<b>(8 957)</b>	<b>11 165</b>

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



**Department for Trade and Investment**  
**Statement of Financial Position**  
*as at 30 June 2021*

	Note	2021 \$'000	2020 \$'000
<b><u>Current assets</u></b>			
Cash and cash equivalents	6.1	27 682	34 027
Receivables	6.2	729	435
Other current assets	6.3	-	4 836
<b>Total current assets</b>		<b>28 411</b>	<b>39 298</b>
<b><u>Non-current assets</u></b>			
Property, plant and equipment	5.1	1 509	715
Right-of-use assets	5.2	4 482	1 860
<b>Total non-current assets</b>		<b>5 991</b>	<b>2 575</b>
<b>Total assets</b>		<b>34 402</b>	<b>41 873</b>
<b><u>Current liabilities</u></b>			
Payables	7.1	5 740	6 021
Financial liabilities	7.2	1 337	314
Employee benefits	3.4	2 066	2 047
Provisions	7.3	25	461
Other current liabilities	7.4	33	13
<b>Total current liabilities</b>		<b>9 201</b>	<b>8 856</b>
<b><u>Non-current liabilities</u></b>			
Payables	7.1	282	320
Financial liabilities	7.2	3 184	1 563
Employee benefits	3.4	3 004	3 467
Provisions	7.3	60	39
<b>Total non-current liabilities</b>		<b>6 530</b>	<b>5 389</b>
<b>Total liabilities</b>		<b>15 731</b>	<b>14 245</b>
<b>Net assets</b>		<b>18 671</b>	<b>27 628</b>
<b><u>Equity</u></b>			
Retained earnings		18 671	27 628
<b>Total equity</b>		<b>18 671</b>	<b>27 628</b>

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

**Department for Trade and Investment**  
**Statement of Changes in Equity**  
*for the year ended 30 June 2021*

	<b>Retained earnings \$'000</b>	<b>Total equity \$'000</b>
Balance at 1 July 2019	16 463	16 463
<b><u>Net result for 2019-20</u></b>	11 165	11 165
<b>Balance at 30 June 2020</b>	<b>27 628</b>	<b>27 628</b>
<b><u>Net result for 2020-21</u></b>	(8 957)	(8 957)
<b>Balance at 30 June 2021</b>	<b>18 671</b>	<b>18 671</b>

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

**Department for Trade and Investment**  
**Statement of Cash Flows**  
*for the year ended 30 June 2021*

	Note	2021 \$'000	2020 \$'000
<b>Cash flows from operating activities</b>			
<u>Cash inflows</u>			
Appropriations		40 638	48 340
Receipts from Commonwealth-sourced grants		403	877
SA Government grants, subsidies and transfers		8 967	13 636
Net GST recovered from ATO		1 222	1 532
Other receipts		203	964
<b>Cash generated from operations</b>		<b>51 433</b>	<b>65 349</b>
<u>Cash outflows</u>			
Employee benefits payments		(18 697)	(21 261)
Payments for supplies and services		(15 080)	(17 649)
Cash returned to the Department of Treasury and Finance		(12 439)	(9 094)
Payments of grants and subsidies		(9 815)	(11 208)
Borrowing costs		(35)	(35)
Other payments		-	(1)
<b>Cash used in operations</b>		<b>(56 066)</b>	<b>(59 248)</b>
<b>Net cash (used in) / provided by operating activities</b>		<b>(4 633)</b>	<b>6 101</b>
<b>Cash flows from investing activities</b>			
<u>Cash inflows</u>			
Proceeds from sale of property, plant and equipment and other assets		8	-
<b>Cash generated from investing activities</b>		<b>8</b>	<b>-</b>
<u>Cash outflows</u>			
Purchase of property, plant and equipment		(973)	(101)
Purchase of industry assistance assets		-	(4 984)
<b>Cash used in investing activities</b>		<b>(973)</b>	<b>(5 085)</b>
<b>Net cash used in investing activities</b>		<b>(965)</b>	<b>(5 085)</b>
<b>Cash flows from financing activities</b>			
<u>Cash outflows</u>			
Repayment of principal portion of lease liabilities		(747)	(427)
<b>Cash used in financing activities</b>		<b>(747)</b>	<b>(427)</b>
<b>Net cash used in financing activities</b>		<b>(747)</b>	<b>(427)</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>		<b>(6 345)</b>	<b>589</b>
Cash and cash equivalents at the beginning of the period		34 027	33 438
<b>Cash and cash equivalents at the end of the period</b>	6.1	<b>27 682</b>	<b>34 027</b>

The accompanying notes form part of these financial statements.



**Department for Trade and Investment**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2021*

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

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

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

Administered financial statements relating to administered resources are presented separately as part of this report in Note 11. Except as otherwise disclosed administered items are accounted for on the same basis and using the same accounting policies as for the department's transactions.

**1.1. Basis of preparation**

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

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

The financial statements are prepared based on a 12 month reporting period and presented in Australian currency. The historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item measured.

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

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

- when the GST incurred on a purchase of goods or services is not recoverable from the Australian Taxation Office, 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 for Trade and Investment**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2021*

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**1.2. Objectives and programs**

**Objectives**

The objective of the department is to build the economic future of South Australia by partnering with industry to drive economic growth through trade and investment.

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

**1.3. Impact of COVID-19 pandemic on the department**

The COVID-19 pandemic has impacted on the operations of the department and the impacts are included under the relevant disclosure notes. The key impacts in 2020-21 were:

- Departmental activities were postponed or cancelled directly attributable to COVID-19, largely related to overseas business missions, international and domestic travel, events and conferences.
- The department refocussed some programs and activities to be delivered through digital platforms.
- The department implemented working from home arrangements for staff.

**Department for Trade and Investment**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2021*

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#### 1.4. Budget performance

The budget performance table compares the department's outcomes against budget information presented to Parliament (2020-21 Budget Paper 4). Appropriation reflects appropriation issued to special deposit accounts and deposit accounts controlled by the department. The budget amounts have not been adjusted to reflect revised budgets or administrative restructures. The budget process is not subject to audit.

			Original DTI Budget 2021 \$'000	Actual 2021 \$'000	Variance 2021 \$'000
	Note	Note			
<b>Statement of Comprehensive Income</b>					
<b><u>Income</u></b>					
Appropriations	2.1		44 811	40 638	(4 173)
Commonwealth-sourced grants and funding	2.2		362	314	(48)
Resources received free of charge	2.3		-	473	473
SA Government grants, subsidies and transfers	2.4		8 772	8 967	195
Other income	2.5		189	208	19
<b>Total income</b>			<b>54 134</b>	<b>50 600</b>	<b>(3 534)</b>
<b><u>Expenses</u></b>					
Employee benefits expenses	3.3		20 761	18 048	(2 713)
Supplies and services	4.1	a)	22 330	17 825	(4 505)
Depreciation and amortisation	5		1 027	904	(123)
Grants and subsidies	4.2	b)	27 046	10 294	(16 752)
Borrowing costs	4.3		64	35	(29)
Cash returned to the Department of Treasury and Finance	4.4		12 439	12 439	-
Other expenses	4.5		86	2	(84)
Net loss from disposal of non-current assets	4.6		-	10	10
<b>Total expenses</b>			<b>83 753</b>	<b>59 557</b>	<b>(24 196)</b>
<b>Net result</b>			<b>(29 619)</b>	<b>(8 957)</b>	<b>20 662</b>

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

#### Statement of Comprehensive Income

(a) Supplies and services is \$4.5 million favourable compared to original budget primarily due to:

- the continuing impact of COVID-19 on the delivery of the department programs, reclassification to investing expenditure for change in scope of fit-out work and timing changes in other projects.

(b) Grants and Subsidies is \$16.8 million favourable compared to original budget primarily due to:

- revised timeframes for Thomas Foods Infrastructure project (\$8.9 million), Economic Investment Fund projects (\$5.2 million), South Australian Landing Pad program (\$1.4 million) and other time limited projects (\$1.3 million).

**Department for Trade and Investment**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2021*

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**1.4. Budget performance (continued)**

		Original Budget 2021 \$'000	Actual 2021 \$'000	Variance 2021 \$'000
	Note			
<b>Investing expenditure summary</b>				
Total existing projects	c)	448	947	499
<b>Total investing expenditure</b>		<b>448</b>	<b>947</b>	<b>499</b>

**Investing expenditure**

(c) Total existing investing projects is \$0.5 million unfavourable compared to original budget primarily due to:

- change in timing and scope of fit-out work for the relocation of the department to SA Water House on Victoria Square.

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

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

- approximately 57% of grant payments were paid to SA government entities, primarily for investment and international education programs
- accrued expenses liability includes \$1.9 million relating to reimbursements to other government departments
- costs of \$1.4 million related to accommodation and utility costs supplied by the Department of Infrastructure and Transport and SA Water.

**Department for Trade and Investment**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2021*

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**2. Income**

**2.1. Appropriations**

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Revenues from appropriations</b>		
Appropriations from the Consolidated Account pursuant to the Appropriation Act	40 638	48 340
<b>Total revenues from appropriations</b>	<b>40 638</b>	<b>48 340</b>

***Appropriations***

Appropriations are recognised on receipt.

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

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Grants</b>		
TradeStart	314	358
Employment Facilitator Services for Regional Employment Trials Program	-	237
<b>Total Commonwealth-sourced grants and funding</b>	<b>314</b>	<b>595</b>

The department was selected by the Australian Trade and Investment Commission (Austrade) as the successful tenderer to deliver TradeStart services in South Australia for 2019-23. The contract term for the Employment Facilitator Services to Regional Employment Trials Program operated from 1 October 2018 to 30 June 2020.

Such funding is recognised in accordance with AASB 15 as over time there is an enforceable contract and the department's performance obligations are satisfied over time.

**Department for Trade and Investment**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2021*

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**2.3. Resources received free of charge**

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
Services received free of charge - Shared Services SA	139	149
Services received free of charge - DPC ICT	334	-
<b>Total resources received free of charge</b>	<b>473</b>	<b>149</b>

The services provided by Shared Services SA to government agencies are disclosed in the financial statements as income because the fair value of the services can be reliably measured and the services would have been purchased if they had not been donated. The department receives financial accounting, taxation, payroll, accounts payable and accounts receivable services from Shared Services SA free of charge, following Cabinet's approval to cease intra-government charging.

On 25 May 2020, the ICT and Data Board approved changes to the funding arrangements for the Department of the Premier and Cabinet's ICT and Digital Government division. As a result of this change, effective from 2021, the Department of the Premier and Cabinet is funded directly by appropriation for the services provided by the ICT and Digital Government division to general government agencies. The contribution of the services provided are disclosed as resources received free of charge because the fair value of the services can be reliably measured and the services would have been purchased if they had not been donated. A corresponding expense is recognised (refer note 4.1).

**2.4. SA Government grants, subsidies and transfers**

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
Project funding	8 873	11 679
Employee separation package reimbursements	-	1 092
Other recoveries	94	516
<b>Total SA Government grants, subsidies and transfers</b>	<b>8 967</b>	<b>13 287</b>

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

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

Recoveries include funding from other government agencies for reimbursement of accommodation and salaries and contribution to department led projects including scholarships and grant programs.

**2.5. Other income**

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
Recoveries	37	141
Other income	171	429
<b>Total other income</b>	<b>208</b>	<b>570</b>

Recoveries and other income are recognised as income on receipt.

**Department for Trade and Investment**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2021*

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**3. Committees and employees**

**3.1. Key management personnel**

Key management personnel of the department include the Minister, the Chief Executive and the four members of the Executive Team. Total compensation for key management personnel was \$1.3 million in 2020-21 and \$1.2 million in 2019-20.

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

	<b>2021</b>	<b>2020</b>
<b><u>Compensation</u></b>	<b>\$'000</b>	<b>\$'000</b>
Salaries and other short term employee benefits	1 168	1 110
Post-employment benefits	159	105
<b>Total</b>	<b>1 327</b>	<b>1 215</b>

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

The department had no transactions to disclose for key management personnel and other related parties.

The total compensation in 2021 includes the Chief Executive (part year in 2020), Deputy Chief Executive, Director Strategic Operations, Director International Markets (part year in 2021) and Director State Promotions (part year in 2020). The total compensation in 2020 includes the Chief Executive (from 19 August 2019), Deputy Chief Executive, Director Strategic Operations, Director International Markets and Director State Promotions (from 18 November 2019).

**Department for Trade and Investment**  
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### 3.2. Committee members

#### **Risk and Performance Committee**

C Dunsford (Chair)

J Hill

S Adlaf\*

J Cirson\*

N Morris\*

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

In addition, members of Parliament who are members of boards or committees did not receive any remuneration.

The Risk and Performance Committee is shared with the Department for Energy and Mining and the Department for Innovation and Skills. The committee is remunerated by the Department for Innovation and Skills and costs are recovered from the department through a service level agreement with the Department for Innovation and Skills (refer note 4.1).

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

### 3.3. Employee benefits expenses

#### **Employee benefits expenses**

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
Salaries and wages	14 458	15 307
Targeted voluntary separation packages	124	938
Long service leave	(160)	(219)
Annual leave	1 163	1 212
Skills and experience retention leave	65	66
Employment on-costs - superannuation	1 512	1 584
Employment on-costs - other	806	853
Workers compensation	80	(2)
<b>Total employee benefits expenses</b>	<b>18 048</b>	<b>19 739</b>

#### ***Employment on-costs - superannuation***

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



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

***Employee remuneration***

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

	<b>2021</b>	<b>2020</b>
	<b>Number</b>	<b>Number</b>
\$154 001 to \$174 000 <sup>Δ</sup>	3	5
\$174 001 to \$194 000	4	1
\$194 001 to \$214 000	1	3
\$214 001 to \$234 000 <sup>Δ</sup>	1	1
\$234 001 to \$254 000	1	-
\$254 001 to \$274 000 <sup>Δ</sup>	-	2
\$294 001 to \$314 000 <sup>Δ</sup>	-	3
\$314 001 to \$334 000	1	1
\$354 001 to \$374 000 <sup>Δ</sup>	-	1
\$374 001 to \$394 000	1	-
\$674 001 to \$694 000 <sup>Δ</sup>	-	1
<b>Total</b>	<b>12</b>	<b>18</b>

<sup>Δ</sup> This band includes employees that have received payments for TVSP, contract termination or leave payouts including retirement in 2019-20.

The total remuneration received by those employees for the year was \$2.6 million (\$4.6 million).

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

***Targeted voluntary separation packages***

The number of employees who received a TVSP during the reporting period was 1 (2020:9).

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
Amount paid to separated employees:		
Targeted voluntary separation packages	124	938
Leave paid to separated employees	27	353
Recovery from the Department of Treasury and Finance	-	(938)
<b>Net cost to the department</b>	<b>151</b>	<b>353</b>

**Department for Trade and Investment**  
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**3.4. Employee benefits liability**

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
<b><u>Current</u></b>		
Accrued salaries and wages	560	425
Annual leave	1 292	1 410
Long service leave	118	109
Skills and experience retention leave	96	103
<b>Total current employee benefits</b>	<b>2 066</b>	<b>2 047</b>
<b><u>Non-current</u></b>		
Long service leave	3 004	3 467
<b>Total non-current employee benefits</b>	<b>3 004</b>	<b>3 467</b>
<b>Total employee benefits</b>	<b>5 070</b>	<b>5 514</b>

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

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

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

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

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

***Long service leave***

The liability for long service leave is measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Details about the measurement of long service leave liability are provided at note 10.1.

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**4. Expenses**

Employee benefits expenses are disclosed in note 3.3.

**4.1 Supplies and services**

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
Accommodation	390	427
Accommodation incentive amortisation	-	(100)
Accounting and audit fees	77	81
Consultants	234	291
Contractors	4 163	2 143
Information technology and communication charges	1 041	636
Marketing	788	586
Office administration expenses	622	1 592
Overseas trade representation	3 028	1 718
Service level agreements <sup>(1) (2)</sup>	632	2 652
Short term leases	1 197	2 298
Staff related expenses	543	331
Transfer of industry assistance assets to other agencies	4 836	148
Travel and related expenses	274	562
<b>Total supplies and services</b>	<b>17 825</b>	<b>13 365</b>

- (1) Represents payments to the Department for Innovation and Skills and Shared Services SA for the provision of corporate, ICT, financial and payroll support.
- (2) Resources provided free of charge by the Department of the Premier and Cabinet ICT and Digital Government division and Shared Services SA were expensed at fair value (refer to note 2.3).

**Accommodation**

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

**Accounting and audit fees**

Audit fees paid / payable to the Auditor-General's Department relating to work performed under the *Public Finance and Audit Act 1987* were \$77 000 (2020: \$79 900). No other services were provided by the Auditor-General's Department.

**Department for Trade and Investment**  
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**4.2. Grants and subsidies**

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Class of assistance:</b>		
Investment	4 448	1 812
International Education	2 644	2 900
Trade	3 154	2 139
Tourism	-	2 176
Other	48	50
<b>Total grants and subsidies</b>	<b>10 294</b>	<b>9 077</b>

The timing of payments for Investment grants vary between financial years, predominantly as per Economic Investment Fund commitments. Tourism grants transferred to the Department of the Premier and Cabinet effective from 1 July 2021.

**4.3. Borrowing costs**

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
Borrowing costs	35	35
<b>Total borrowing costs</b>	<b>35</b>	<b>35</b>

The department does not capitalise borrowing costs.

**4.4. Cash returned to the Department of Treasury and Finance**

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
Return of surplus cash pursuant to cash alignment policy	12 439	9 094
<b>Total cash alignment transfer</b>	<b>12 439</b>	<b>9 094</b>

**4.5. Other expenses**

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
Bad and doubtful debts	2	-
Other	-	1
<b>Total other expenses</b>	<b>2</b>	<b>1</b>

**Department for Trade and Investment**  
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**4.6. Net loss from disposal of non-current assets**

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
<b><u>Heritage (Artwork)</u></b>		
Proceeds from disposal	8	-
Less net book value of assets disposed	(18)	-
<b>Net loss from disposal of Heritage (Artwork)</b>	<b>(10)</b>	<b>-</b>
<b><u>Total assets</u></b>		
Proceeds from disposal	8	-
Less net book value of assets disposed	(18)	-
<b>Total loss from disposal of non-current and other assets</b>	<b>(10)</b>	<b>-</b>

**4.7. Overseas representative offices**

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

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

	<b>Jinan</b>	<b>London</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Operating expenses	233	1 512	<b>1 745</b>
Operating revenues	-	351	<b>351</b>
Funds advanced to overseas offices towards operating expenses	100	1 298	<b>1 398</b>
	<b>Jinan</b>	<b>London</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Operating expenses	276	1 882	<b>2 158</b>
Operating revenues	3	575	<b>578</b>
Funds advanced to overseas offices towards operating expenses	240	1 443	<b>1 683</b>

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**5. Non-financial assets**

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

**5.1. Property, plant and equipment owned by the department**

Property, plant and equipment owned by the department with a value equal to or in excess of \$10 000 is capitalised, otherwise it is expensed with the exception of works of art. Works of art are capitalised irrespective of their value. Property, plant and equipment owned by the department is recorded at fair value. Detail about the department's approach to fair value is set out in note 10.2.

***Impairment***

The department does not own any property, plant and equipment, with the exception of minor artworks, which would require regular revaluation.

***Depreciation***

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

***Review of accounting estimates***

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

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

***Useful life***

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

<b>Class of asset</b>	<b>Useful life (years)</b>
Plant and equipment	5
Leasehold improvements	Life of lease
Right-of-use buildings	Life of lease
Right-of use vehicles	Life of lease

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**5.1. Property, plant and equipment owned by the department (continued)**

**Reconciliation 2020-21**

	<b>Plant and equipment</b>	<b>Buildings and leasehold improvements</b>	<b>Works of art</b>	<b>Capital works in progress</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Carrying amount at 1 July 2020</b>	19	523	53	120	<b>715</b>
Additions	-	-	-	947	<b>947</b>
Disposals	-	-	(18)	-	<b>(18)</b>
Transfers between asset class	-	827	-	(827)	-
Depreciation and amortisation	(17)	(118)	-	-	<b>(135)</b>
<b>Carrying amount at 30 June 2021</b>	<b>2</b>	<b>1 232</b>	<b>35</b>	<b>240</b>	<b>1 509</b>

**Gross carrying amount**

Gross carrying amount	86	1 915	35	240	<b>2 276</b>
Accumulated depreciation	(84)	(683)	-	-	<b>(767)</b>
<b>Carrying amount at 30 June 2021</b>	<b>2</b>	<b>1 232</b>	<b>35</b>	<b>240</b>	<b>1 509</b>

**Reconciliation 2019-20**

	<b>Plant and equipment</b>	<b>Buildings and leasehold improvements</b>	<b>Works of art</b>	<b>Capital works in progress</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Carrying amount at 1 July 2019</b>	36	616	53	-	<b>705</b>
Additions	-	-	-	120	<b>120</b>
Depreciation and amortisation	(17)	(93)	-	-	<b>(110)</b>
<b>Carrying amount at 30 June 2020</b>	<b>19</b>	<b>523</b>	<b>53</b>	<b>120</b>	<b>715</b>

**Gross carrying amount**

Gross carrying amount	113	4 567	53	120	<b>4 853</b>
Accumulated depreciation	(94)	(4 044)	-	-	<b>(4 138)</b>
<b>Carrying amount at 30 June 2020</b>	<b>19</b>	<b>523</b>	<b>53</b>	<b>120</b>	<b>715</b>

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**5.2. Property, plant and equipment leased by the department**

<b>Reconciliation 2020-21</b>	<b>ROU Buildings</b>	<b>ROU Vehicles</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Carrying amount at 1 July 2020</b>	1 802	58	<b>1 860</b>
Additions	3 350	49	<b>3 399</b>
Disposals	-	(8)	<b>(8)</b>
Depreciation and amortisation	(721)	(48)	<b>(769)</b>
<b>Carrying amount at 30 June 2021</b>	<b>4 431</b>	<b>51</b>	<b>4 482</b>

<b>Gross carrying amount</b>			
Gross carrying amount	4 706	112	<b>4 818</b>
Accumulated depreciation	(275)	(61)	<b>(336)</b>
<b>Carrying amount at 30 June 2021</b>	<b>4 431</b>	<b>51</b>	<b>4 482</b>

<b>Reconciliation 2019-20</b>	<b>ROU Buildings</b>	<b>ROU Vehicles</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Carrying amount at 1 July 2019</b>	-	-	-
Additions	-	38	<b>38</b>
Disposals	-	(22)	<b>(22)</b>
Recognition on change in accounting standards	2 078	121	<b>2 199</b>
Depreciation and amortisation	(276)	(79)	<b>(355)</b>
<b>Carrying amount at 30 June 2020</b>	<b>1 802</b>	<b>58</b>	<b>1 860</b>

<b>Gross carrying amount</b>			
Gross carrying amount	2 078	123	<b>2 201</b>
Accumulated depreciation	(276)	(65)	<b>(341)</b>
<b>Carrying amount at 30 June 2020</b>	<b>1 802</b>	<b>58</b>	<b>1 860</b>

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

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

The department has a limited number of leases:

- Right-of-use buildings leases relate to overseas representative offices disclosed in note 4.7 and an agreement with SA Water for the Victoria Square office which commenced in February 2021.
- The department has 9 motor vehicle leases with the South Australian Government Financing Authority (SAFA). Motor vehicle leases are non-cancellable, with rental payments monthly in arrears. Motor vehicle lease terms can range from 3 years (60,000km) up to 5 years (100,000km). No contingent rental provisions exist within the lease agreements and no options exist to renew the leases at the end of their term.

The lease liabilities related to the right-of-use assets are disclosed in note 7.2. The department's maturity, analysis of its lease liabilities is disclosed in note 10.3. Expenses related to leases, including interest expenses, are disclosed in note 4. Cash outflows related to leases are disclosed in note 8.1.



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**6. Financial assets**

**6.1. Cash and cash equivalents**

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
Deposits with the Treasurer – Operating Account	25 068	31 236
Deposits with the Treasurer – Accrual Appropriation	2 238	2 286
Deposits at call - overseas offices	376	505
<b>Total cash and cash equivalents</b>	<b>27 682</b>	<b>34 027</b>

**Deposits with the Treasurer**

The department has two deposit accounts with the Treasurer:

- a general operating account;
- an Accrual Appropriation Excess Funds Account.

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

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

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**6.2. Receivables**

	2021 \$'000	2020 \$'000
<b>Current</b>		
<b><u>Trade receivables</u></b>		
From government entities	91	25
From non-government entities	60	33
Less allowance for doubtful debts	(2)	(7)
<b>Total trade receivables</b>	<b>149</b>	<b>51</b>
 GST input tax recoverable	 247	 145
Prepayments	280	141
Accrued revenue	47	94
Other receivables	6	4
<b>Total current receivables</b>	<b>729</b>	<b>435</b>
<b>Total receivables</b>	<b>729</b>	<b>435</b>

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

Other than as recognised in the allowance for impairment loss on receivables, it is not anticipated that counterparties will fail to discharge their obligations. The carrying amount of receivables approximates net fair value due to being receivable on demand. There is no concentration of credit risk. Refer to note 10.3 for further information on risk management.

Statutory receivables do not arise from contracts with customers. They are recognised and measured similarly to contractual receivables (except impairment) but are not classified as financial instruments for disclosure purposes.

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

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

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

	2021 \$'000	2020 \$'000
<b>Carrying amount at the beginning of the period</b>	<b>7</b>	<b>8</b>
Amounts written off	(7)	-
Movement in allowance	2	(1)
<b>Carrying amount at the end of the period</b>	<b>2</b>	<b>7</b>

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

Refer to note 10.3 for details regarding credit risk and the methodology for determining impairment.

**6.3. Other current assets**

	2021 \$'000	2020 \$'000
<b>Other current assets</b>		
Industry assistance assets transferred to other agencies	-	4 836
<b>Total other current assets</b>	<b>-</b>	<b>4 836</b>

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**7. Liabilities**

Employee benefits liabilities are disclosed in note 3.4.

**7.1. Payables**

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
<b><u>Current</u></b>		
Trade payables	115	12
Accrued expenses	5 237	5 458
Employment on-costs	388	551
<b>Total current payables</b>	<b>5 740</b>	<b>6 021</b>
<b><u>Non-current</u></b>		
Employment on-costs	282	320
<b>Total non-current payables</b>	<b>282</b>	<b>320</b>
<b>Total payables</b>	<b>6 022</b>	<b>6 341</b>

Payables are measured at nominal amounts.

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

Statutory payables do not arise from contracts.

***Employment on-costs***

Employment on-costs include payroll tax, ReturnToWorkSA levies and superannuation contributions and are settled when the respective employee benefits that they relate to are discharged.

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

As a result of an actuarial assessment performed by the Department of Treasury and Finance, the proportion of long service leave taken as leave has remained unchanged from 2020 at 42% and the average factor for the calculation of employer superannuation on-costs has changed to 10.1% (2020: 9.8%). These rates are used in the employment on-cost calculation. The impact on 2021 is immaterial.

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**7.2. Financial liabilities**

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
<b><u>Current</u></b>		
Lease liability	1 337	314
<b>Total current financial liabilities</b>	<b>1 337</b>	<b>314</b>
<b><u>Non-current</u></b>		
Lease liability	3 184	1 563
<b>Total non-current financial liabilities</b>	<b>3 184</b>	<b>1 563</b>
<b>Total financial liabilities</b>	<b>4 521</b>	<b>1 877</b>

The department measures financial liabilities at amortised cost.

**7.3. Provisions**

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
<b><u>Current</u></b>		
Provision for workers compensation	25	20
Accommodation make good provision	-	441
<b>Total current provisions</b>	<b>25</b>	<b>461</b>
<b><u>Non-current</u></b>		
Provision for workers compensation	60	39
<b>Total non-current provisions</b>	<b>60</b>	<b>39</b>
<b>Total provisions</b>	<b>85</b>	<b>500</b>
<b>Carrying amount at the beginning of the period</b>	<b>500</b>	<b>505</b>
Increase in provisions recognised	80	-
Reductions arising from payments / other sacrifice of future economic benefits	(495)	(5)
<b>Carrying amount at the end of the period</b>	<b>85</b>	<b>500</b>

A provision has been reported to reflect unsettled workers compensation claims. The workers compensation provision is based on an actuarial assessment of the outstanding liability as at 30 June 2021 provided by a consulting actuary engaged through the Office of the Commissioner for Public Sector Employment. The provision is for the estimated cost of ongoing payments to employees as required under current legislation.

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

**7.4. Other liabilities**

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
<b><u>Current</u></b>		
Unearned revenue	33	13
<b>Total current other liabilities</b>	<b>33</b>	<b>13</b>
<b>Total other liabilities</b>	<b>33</b>	<b>13</b>

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**8. Other disclosures**

**8.1. Cash flow**

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.

Total cash outflows for leases was \$747 000 (2020: \$427 000).

***Cash flow reconciliation***

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
<b><u>Reconciliation of cash and cash equivalents at the end of the reporting period</u></b>		
Cash and cash equivalents disclosed in the Statement of Financial Position	27 682	34 027
<b>Balance as per the Statement of Cash Flows</b>	<b>27 682</b>	<b>34 027</b>

**Reconciliation of net cash (used in) / provided by operating activities to net result**

Net cash (used in) / provided by operating activities	(4 633)	6 101
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**Add / (less) non-cash items**

Depreciation and amortisation expense of non-current assets	(904)	(465)
Amortisation of lease incentive	-	(100)
Bad and doubtful debts expense	(2)	-
Resources received free of charge	473	149
Assets transferred to other agencies	(4 836)	(148)
Resources provided free of charge	(473)	(149)
Loss from disposal and write down of non-current and other assets	(10)	-

**Movement in assets and liabilities**

Increase / (decrease) in receivables	296	(487)
Decrease in payables	293	4 650
(Increase) / decrease in other liabilities	(20)	208
Decrease in provisions	415	5
Decrease in employee benefits	444	1 401
<b>Net result</b>	<b>(8 957)</b>	<b>11 165</b>

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**9. Outlook**

**9.1. Unrecognised commitments**

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

***Expenditure commitments***

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
Within one year	27 068	27 655
Later than one year but not longer than five years	4 567	12 220
<b>Total expenditure commitments</b>	<b>31 635</b>	<b>39 875</b>

Amounts disclosed include commitments arising from agreements with contractors, service contracts, consultants, ICT contracts and grant recipients.

**9.2. Contingent assets and liabilities**

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

The department is not aware of any contingent liabilities.

***Contingent assets***

Where specific conditions relating to a financial assistance grant are not met, the department may request the amount granted be repaid by the grantee.

There are no known contingent assets arising from these present obligations as at 30 June 2021.

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**9.3. Impact of standards and statements not yet effective**

The department has assessed the impact of the new and amended Australian Accounting Standards and Interpretations not yet implemented and changes to the Accounting Policy Statements issued by the Treasurer. There are no Accounting Policy Statements that are not yet in effect.

Amending Standard AASB 2021 *Amendments to Australian Accounting Standards - Disclosure of Accounting Policies and Definition of Accounting Estimates* will apply from 1 July 2023. Although applicable to the department, this amending standard is not expected to have an impact on the department's general purpose financial statements. The department will update its policies, procedures and work instructions, where required, to reflect the additional clarification requirements.

Amending Standard AASB 2020-1 *Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current* will apply from 1 July 2023. The department continues to assess liabilities e.g. LSL and whether or not the department has a substantive right to defer settlement. Where applicable these liabilities will be classified as current.

**9.4. COVID-19 pandemic outlook for the department**

The COVID-19 pandemic will continue to impact the operations of the department in 2021-22. The key expected impact is:

- the delivery of departmental programs and activities will continue to be refocussed to largely be through digital engagement.

The department is not expecting there to be any significant credit losses, impairment of assets, grant agreements that cannot be satisfied, contingent assets / liabilities or any significant increase of risks in the internal control environment due to the impact COVID-19.

**9.5. Events after the reporting period**

Adjustments are made to amounts recognised in the financial statements, where an event occurs after 30 June 2021 and before the date the financial statements are authorised for issue, where those events provide information about conditions that existed at 30 June 2021.

Note disclosure is made about events between 30 June 2021 and the date the financial statements are authorised for issue where the events relate to a condition which arose after 30 June 2021 and which may have a material impact on the results of subsequent years as set out below.

There are no known events after the reporting period.

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**10. Measurement and risk**

**10.1. Long service leave liability – measurement**

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

The actuarial assessment performed by the Department of Treasury and Finance has provided a basis for the measurement of long service leave and is based on actuarial assumptions on expected future salary and wage levels, experience of employee departures and periods of service. These assumptions are based on employee data over SA Government entities.

AASB 119 *Employee Benefits* requires the use of the yield on long-term Commonwealth Government bonds as the discount rate in the measurement of long service leave liability. The yield on long-term Commonwealth Government bonds has increased to 1.25% (2020: 0.75%).

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 and employee benefits expense of \$0.4 million. 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 2.5% (2020: 2.5%) for long service leave liability. As a result, there is no net financial effect resulting from changes in the salary inflation rate.

Current long service leave reflects the portion of leave expected to be settled within the next 12 months, based on previous experience.

**10.2. Fair value**

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

***Initial recognition***

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

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

***Revaluation***

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

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



**Department for Trade and Investment**  
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**10.2. Fair value (continued)**

If at any time management considers that the carrying amount of an asset materially differs from its fair value, then the asset will be revalued regardless of when the last valuation took place.

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

***Fair value hierarchy***

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

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

The department's policy is to recognise transfers into and out of fair value hierarchy levels as at the end of the reporting period.

During 2021 and 2020, the department had no valuations categorised into level 1 and level 2; there were no transfers of assets between level 1 and 2 fair value hierarchy levels and there were no changes in valuation technique.

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

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### 10.3. Financial instruments

#### **Financial risk management**

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

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

#### **Liquidity risk**

The department is funded principally from appropriation by the SA Government. The department works with the 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.

Refer to notes 7.1 for further information.

#### **Credit risk**

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

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

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

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

To measure the expected credit losses, receivables are grouped based on shared risks characteristics and the days past due. When estimating expected credit loss, the department considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the department's historical experience and informed credit assessment, including forward-looking information.

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

The expected credit loss of government debtors is considered to be nil based on the external credit ratings and nature of the counterparties.

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

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

	<b>Debtor gross carrying amount \$'000</b>	<b>Loss %</b>	<b>Lifetime expected losses \$'000</b>
Current (not past due)	43	2.10%	1
1 - 30 days past due	3	5.70%	-
31 - 60 days past due	6	9.78%	1
61 - 90 days past due	-	9.90%	-
More than 90 days past due	-	90.00%	-
<b>Loss allowance</b>	<b>52</b>		<b>2</b>

**Department for Trade and Investment**  
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**10.3. Financial Instruments (continued)**

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

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

Receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include the failure of a debtor to enter into a payment plan with the department and a failure to make contractual payments for a period of greater than 90 days past due.

Receivables with a contractual amount of \$7 000 written off during the year are still subject to enforcement activity.

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

***Market risk***

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

The department has minor exposure to foreign currency gain / loss due to overseas transactions including the department's overseas representation offices. The net gain in 2021 was \$92 000 (net loss in 2020: \$74 000).

***Categorisation of financial instruments***

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

***Classification of financial instruments***

The department measures all financial instruments at amortised cost.

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**10.3. Financial Instruments (continued)**

*Maturity analysis of financial instruments*

Category of financial asset and financial liability	Note	2021 Contractual maturities*			
		Carrying amount / fair value \$'000	Within 1 year \$'000	1-5 years \$'000	More than 5 years \$'000
<b><u>Financial assets</u></b>					
Cash and cash equivalents	6.1	27 682	27 682	-	-
<b>Financial assets at amortised cost</b>					
Receivables	6.2	202	202	-	-
<b>Total financial assets</b>		<b>27 884</b>	<b>27 884</b>	<b>-</b>	<b>-</b>
<b><u>Financial liabilities</u></b>					
<b>Financial liabilities at amortised cost</b>					
Payables	7.1	5 275	5 275	-	-
Financial liabilities	7.2	4 521	1 337	3 184	-
<b>Total financial liabilities</b>		<b>9 796</b>	<b>6 612</b>	<b>3 184</b>	<b>-</b>

Category of financial asset and financial liability	Note	2020 Contractual maturities*			
		Carrying amount / fair value \$'000	Within 1 year \$'000	1-5 years \$'000	More than 5 years \$'000
<b><u>Financial assets</u></b>					
Cash and cash equivalents	6.1	34 027	34 027	-	-
<b>Financial assets at amortised cost</b>					
Receivables	6.2	149	149	-	-
<b>Total financial assets</b>		<b>34 176</b>	<b>34 176</b>	<b>-</b>	<b>-</b>
<b><u>Financial liabilities</u></b>					
<b>Financial liabilities at amortised cost</b>					
Payables	7.1	5 393	5 393	-	-
Financial liabilities	7.2	1 877	314	1 563	-
<b>Total financial liabilities</b>		<b>7 270</b>	<b>5 707</b>	<b>1 563</b>	<b>-</b>

\*Maturities analysis is presented using the undiscounted cash flows and therefore may not total to equal the carrying amount / fair value of the financial instrument.

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**10.3. Financial Instruments (continued)**

***Receivables and payables***

The receivable and payable amounts disclosed here exclude amounts relating to statutory receivables and payables. This includes Commonwealth, State and Local Government taxes and equivalents, fees and charges; Auditor-General's Department audit fees. This is in addition to employee related payables, such as payroll tax, Fringe Benefits Tax, Pay As You Go Withholding and ReturnToWorkSA levies. In government, certain rights to receive or pay cash may not be contractual but have their source in legislation and therefore, in these situations, the disclosure requirements of AASB 7 will not apply. The standard defines contract as enforceable by law. All amounts recorded are carried at amortised cost.

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**11. Disclosure of Administered Items**

**11.1. Disclosure of administered items as at 30 June 2021**

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

	2021 \$'000	2020 \$'000
<b><u>Administered Income</u></b>		
Appropriations	612	374
SA Government grants, subsidies and transfers	181	185
<b>Total administered income</b>	<b>793</b>	<b>559</b>
<b><u>Administered Expenses</u></b>		
Employee benefits expenses	548	548
<b>Total administered expenses</b>	<b>548</b>	<b>548</b>
<b>Net result</b>	<b>245</b>	<b>11</b>
<b><u>Administered Current Assets</u></b>		
Cash and cash equivalents	228	(18)
Receivables	15	16
<b>Total current assets</b>	<b>243</b>	<b>(2)</b>
<b><u>Administered Equity</u></b>		
Accumulated surplus	243	(2)
<b>Total equity</b>	<b>243</b>	<b>(2)</b>

***Budget performance***

		Original DTI Administered Budget <sup>(1)</sup>	Actual 2021 \$'000	Variance 2021 \$'000
<b>Statement of Administered Comprehensive Income</b>	<b>Note</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b><u>Administered Income</u></b>				
Appropriations	a)	369	612	243
SA Government grants, subsidies and transfers	b)	388	181	(207)
<b>Total administered income</b>		<b>757</b>	<b>793</b>	<b>36</b>
<b><u>Administered Expenses</u></b>				
Employee benefits expenses	c)	757	548	(209)
<b>Total administered expenses</b>		<b>757</b>	<b>548</b>	<b>(209)</b>
<b>Net result</b>		<b>-</b>	<b>245</b>	<b>245</b>

**Department for Trade and Investment**  
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**11.1. Disclosure of administered items as at 30 June 2021 (continued)**

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

<sup>(1)</sup> These budgeted amounts have not been subject to audit. Budget information refers to the amounts presented to Parliament in the original budgeted financial statements in respect of the reporting period (2020-21 Budget Papers, Budget Paper 4). 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 following are brief explanations of variances between original budget and actual amounts:

- (a) Appropriations is \$243 000 favourable compared to original budget predominantly due to:
  - provision of working capital to cover the timing between payment of salaries and reimbursements of salaries.
- (b) SA Government grants, subsidies and transfers is \$207 000 unfavourable compared to original budget due to:
  - lower than budgeted revenue arising from the Agent-General working part time but budgeted as full time.
- (c) Employee benefit expenses is \$209 000 favourable compared to original budget primarily due to:
  - lower than budgeted expenditure arising from the Agent-General working part time but budgeted as full time (\$207 000).