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**Government  
of South Australia**

# STATE PROCUREMENT BOARD

## **2020-21 Annual Report**

STATE PROCUREMENT BOARD

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2020-21 ANNUAL REPORT for the State Procurement Board

To:

The Hon. Rob Lucas MLC

Treasurer

This annual report will be presented to Parliament to meet the statutory reporting requirements of the *State Procurement Act 2004* 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 State Procurement Board by:

David Reynolds

Chief Executive

Department of Treasury and Finance

Date 30/9/21

Signature 

## From the Chief Executive

### Department of Treasury and Finance

On behalf of the State Procurement Board (Board), I am pleased to present the Annual Report for the year ending 30 June 2021. This is the final report of the Board, which was dissolved by the *State Procurement Repeal Act 2020*, effective 1 July 2021.

In 2020-21 the Board focused on supporting the South Australian Government's transition to a new procurement framework (*Treasurer's Instruction 18 - Procurement* came into effect on 1 July 2021, replacing the Board's policy framework).

The establishment of a new procurement framework reflects recommendations of the Statutory Authority Review Committee and South Australian Productivity Commission's *Inquiry into Government Procurement*.

The Board continued its program of capability development and oversight of public authority procurement operations, through its review and approval of high value public authority procurement submissions.

I would like to thank all Board members, across the years of the Board's operations, for their service and contribution in administering the provisions of the repealed *State Procurement Act 2004* and supporting the procurement operations of government. The Board played a valuable role in the effective governance of the State's procurement of goods and services and its efforts were strengthened by the considered and expert advice of its members.

I gratefully acknowledge the support of the Treasurer, the Hon. Rob Lucas MLC, and the Department of Treasury and Finance which has provided ongoing administrative assistance to support the Board in meeting its objectives.



David Reynolds

**Chief Executive**

Department of Treasury and Finance

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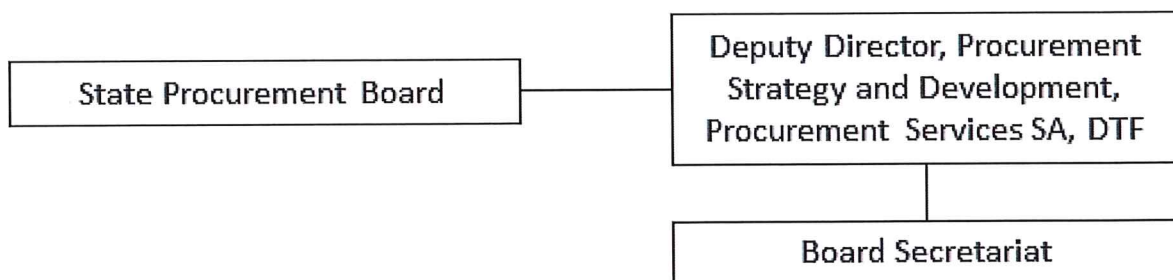


## Overview: about the agency

### Our strategic focus

<p><b>Our Purpose</b></p>	<p>Up until 30 June 2021, the Board was established under the <i>State Procurement Act 2004</i> (the Act) to oversee procurement operations of public authorities. The Act is repealed, and the Board is dissolved.</p>
<p><b>Our functions, objectives and deliverables</b></p>	<p>Through its operations, the Board sought to further the object of the Act, namely:</p> <p><i>to advance government priorities and objectives by a system of procurement for public authorities directed towards—</i></p> <ul style="list-style-type: none"> <li><i>(a) obtaining value in the expenditure of public money; and</i></li> <li><i>(b) providing for ethical and fair treatment of participants; and</i></li> <li><i>(c) ensuring probity, accountability and transparency in procurement operations.</i></li> </ul> <p>In 2020-21 ongoing business activities prior to dissolution of the Board included the review of 60 public authority submissions to the Board, continuation of capability development and training aimed at improving the procurement and contract management capability across Government, complaint investigation and resolution, and issuing of procurement authority to any newly established public authorities.</p>

### Our organisational structure



## Changes to the agency

During 2020-21 the following changes occurred to the Board's membership:

- **Resignation of Presiding Member**  
Ms Nicolle Rantanen resigned effective 28 January 2021.
- **Appointment of new Presiding Member**  
Mr Mark Carey was appointed as Presiding Member effective 1 February 2021.
- **Reappointment of Board Member**  
Ms Kelly Tattersall was reappointed effective 1 February 2021.
- **Appointment of new Board Member**  
Mr Charlie Hollis was appointed effective 1 February 2021.
- **Resignation of Board Member**  
Mr David Henchcliffe resigned effective 15 March 2021.

## The Minister

The Hon. Rob Lucas, Treasurer, had responsibility for the *State Procurement Act 2004*.

## The Board

### Mr Mark Carey – Presiding Member

Mr Mark Carey is the Executive Director, Government Services within the Department of Treasury and Finance. Mark was appointed to the Board as Presiding Member in February 2021.

With over 23 years' public sector experience, Mark has worked in senior roles across a number of fields including service delivery management, procurement and major projects.

### Ms Jackie Bray – Member

Ms Jackie Bray has been in the role of Deputy Chief Executive of the Department for Correctional Services since May 2015. Jackie is responsible for the entire state-wide operations of 9 prisons and the state's community corrections services.

Since commencing with the Department Jackie has progressed significant reform in the area of protective security; strengthened access control including commissioning new technologies; managed growth in the prisoner population; expanded and developed prison industries; and built capacity in emergency management and response. A challenging and reformist leader, Jackie has been heavily involved in policy development and produced many reports leading to improved services for both users and communities.

**Ms Judith Formston – Member**

Ms Judith Formston is an experienced corporate and finance professional with expertise in Government policies and budget processes. Judith works with the Department for Infrastructure and Transport with responsibility for setting the strategic direction and delivering the corporate functions of Procurement, Finance, Safety, Audit and Risk, Information Technology, Legal and Commercial and Human Resources.

Judith holds a Bachelor of Commerce, majoring in Accounting and Economics. She is a former Board Member of Austroads, and has a sound understanding of the transport sector and road network management principles across Australia.

**Mr Charlie Hollis – Member**

Mr Charlie Hollis is currently the Manager, Shared Services for SA Power Networks. Charlie was appointed to the State Procurement Board on 1 February 2021.

Charlie has 24 years' global experience in procurement and supply chain, focusing on capital, operational procurement, Procure to Pay (P2P) and supply chain management. This experience has been within the construction, automotive, utility and public sector industries. Charlie is a fully qualified leading procurement and supply chain professional in Australia and the UK (certified as a 'Fellow' of the Chartered Institute of Procurement and Supply (CIPS)) with a broad understanding of procurement and supply chain best practice.

**Ms Kelly Tattersall – Member**

Ms Kelly Tattersall is currently Deputy Commissioner of State Taxation, Revenue SA in the Department of Treasury and Finance. She has previously held procurement roles within the Department of Education and South Australian Police and moved into a procurement leadership role when she joined the Department of Human Services. Kelly led the procurement and grants function within the department, whilst also taking responsibility for the department's strategic planning function and Registered Training Organisation as well as the Screening Unit at various times.

Kelly completed her Bachelor of Laws and Legal Practice and Bachelor of Science at Flinders University in 1999 and was admitted to the South Australian Supreme Court in 2001. Through the State Procurement Board's procurement capability development program Kelly completed a Masters in Management (Strategic Procurement) at the University of South Australia in 2015.

Kelly has been a member of CIPS since 2006 and attained full membership in 2015 and Chartered status in 2018.

**Mr Jamin Woolcock - Member**

Mr Jamin Woolcock is the Chief Finance Officer, SA Health. Jamin has been in the role of Chief Finance Officer, SA Health since 2010. With over 20 years' working in the public sector, Jamin has considerable experience in a range of public sector functions including management and financial accounting, procurement and audit.



**Legislation administered by the agency**

*State Procurement Act 2004* (ceased).

**The agency’s performance**

**Performance at a glance**

Full audited financial statements for 2020-21 are attached to this report.

**Agency contribution to whole of Government objectives**

<b>Key objective</b>	<b>Agency’s contribution</b>
More jobs	<p>The Board continued its collaboration with the Office of the Industry Advocate, ensuring that its policy framework supported the objectives and requirements of the South Australian Industry Participation Policy (SAIPP), such that SAIPP outcomes are delivered by public authority procurement processes.</p> <p>The SAIPP is designed to deliver economic benefit by promoting the use of businesses and supply chains that employ South Australian residents and deliver investment in the State.</p>
Lower costs	<p>Consistent with the object of the <i>State Procurement Act 2004</i>, the Board’s policy framework was designed to support the delivery of value for money in procurement operations, while ensuring efficient and cost-effective procurement processes.</p> <p>To minimise public authority and supplier effort and cost, the Board maintained a suite of standard market approach and contract templates.</p>
Better Services	<p>The Board’s policy framework supported:</p> <ul style="list-style-type: none"> <li>• acquisition planning underpinned by market research and industry engagement to understand and scope better services;</li> <li>• risk identification and risk management;</li> <li>• delivery of value for money outcomes;</li> <li>• identification of innovative opportunities for better outcomes; and</li> <li>• improved relationships with suppliers.</li> </ul>

**Agency specific objectives and performance**

<b>Agency objectives</b>	<b>Indicators/Performance</b>
<p>Support and develop procurement capability across Government</p>	<p>Due to the COVID-19 pandemic, all face-to-face training was cancelled in 2020-21.</p> <p>Public authority staff were instead provided online training through the Board’s contracted service provider, Transformed Pty Ltd.</p> <p>Online courses were conducted in:</p> <ul style="list-style-type: none"> <li>• Business Acumen and Commercial Skills</li> <li>• Category Management</li> <li>• Developing and Writing Specifications</li> <li>• Disposing of Assets</li> <li>• Engaging with and Influencing Stakeholders</li> <li>• Evaluating Tenders and Quotes</li> <li>• Introduction to Contract Management</li> <li>• Introduction to Procurement: South Australian Government</li> <li>• Managing Procurement Risks</li> <li>• Managing Supplier Relationships</li> <li>• Negotiation Skills.</li> </ul> <p>In 2020-21 the Board facilitated access to the CIPS Digital Academy, providing government procurement practitioners with access to over 200 capability content items in various formats. The CIPS Digital Academy covers significant procurement and supply topics across category management, sourcing, negotiation and influencing, finance, risk management, legal and contracts, operations and leadership.</p> <p>The Board also supported the establishment of a Skills Gap Analysis as part of an ongoing capability development strategy that will be overseen by the Department of Treasury and Finance. The Skills Gap Analysis will enable the benchmarking of all procurement and contract management staff across government against the CIPS Global Standard in procurement and supply. The outcomes of the Skills Gap Analysis will be used to inform and target training initiatives, and assist public authorities in developing capability development plans, and establish a benchmark for future comparison.</p>



Support transition to a new procurement framework	The Board supported activities to transition to the new procurement framework, through: <ul style="list-style-type: none"><li>• developing a capability strategy that will support the implementation of the new policy framework;</li><li>• ensuring the completion (or where necessary the handover) of any outstanding Board matters as at 30 June 2021 to the Department of Treasury and Finance.</li></ul>
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**Corporate performance summary**

Reporting is included in the 2020-21 Department of Treasury and Finance Annual Report.

**Employment opportunity programs**

The Board’s support staff, as employees of the Department of Treasury and Finance, participate in programs set out in the 2020-21 Department of Treasury and Finance Annual report.

**Agency performance management and development systems**

Staff of the Department of Treasury and Finance administratively support the Board. Systems implemented by the Department of Treasury and Finance are included in the 2020-21 Department of Treasury and Finance Annual Report.

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

Staff of the Department of Treasury and Finance administratively support the Board. Programs implemented by the Department of Treasury and Finance are included in the 2020-21 Department of Treasury and Finance Annual Report.

**Executive employment in the agency**

Reporting on executive employment is included in the 2020-21 Department of Treasury and Finance Annual Report.

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

Full audited financial statements for 2020-21 are attached to this report.

### Consultants disclosure

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

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

Consultancies	Purpose	\$ Actual payment
All consultancies below \$10,000 each - combined	Investigate supplier complaint	\$ 6,663

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

Consultancies	Purpose	\$ Actual payment
		\$ 0

Data for previous years is available at: [State Procurement Board Annual Reporting Data](#)

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

### Contractors disclosure

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

#### Contractors with a contract value below \$10,000

Contractors	Purpose	\$ Actual payment
All contractors below \$10,000 each - combined	-	\$ 0

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2020-21 ANNUAL REPORT for the State Procurement Board

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

<b>Contractors</b>	<b>Purpose</b>	<b>\$ Actual payment</b>
ArcBlue Consulting (Aus) P/L	Accreditation Review	\$ 25,691
	Total	\$ 25,691

Data for previous years is available at: [State Procurement Board Annual Reporting Data](#)

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.](#)

## Risk management

### Fraud detected in the agency

Category/nature of fraud	Number of instances
Nil	0

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

### Strategies implemented to control and prevent fraud

The Department of Treasury and Finance administratively supports the Board in accordance with Departmental policies, including the Fraud and Corruption Reporting Guideline. Other strategies implemented by the Department of Treasury and Finance are included in the 2021-21 Department of Treasury and Finance Annual Report.

Data for previous years is available at: [State Procurement Board Annual Reporting Data](#)

### 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*:

0

Data for previous years is available at: [State Procurement Board Annual Reporting Data](#)

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 1/7/2019.

## Public complaints

### Number of public complaints reported

Complaint categories	Sub-categories	Example	Number of Complaints 2020-21
Supplier complaint against a public authority	Flawed procurement process	Claims of a flawed procurement process undertaken by a Government public authority. The Board appointed an external investigator to review the procurement process, and the complaint was not upheld.	1
		<b>Total</b>	1

Data for previous years is available at: [State Procurement Board Annual Report data](#)

### Compliance Statement

The State Procurement Board is compliant with Premier and Cabinet Circular 039 – complaint management in the South Australian public sector	Y
The Department of Treasury and Finance, responsible for administration of the Board, has communicated the content of PC039 and the agency’s related complaints policies and procedures to employees.	Y



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



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**Government of South Australia**  
Auditor-General's Department

Our ref: A21/233

29 September 2021

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Mr D Reynolds  
Chief Executive  
Department of Treasury and Finance  
Level 8, State Administration Centre  
200 Victoria Square  
ADELAIDE SA 5000

Dear Mr Reynolds

### **Audit of the State Procurement Board for the year to 30 June 2021**

We have completed the audit of your accounts for the year ended 30 June 2021. Two key outcomes from the audit are the:

- 1 Independent Auditor's Report on the State Procurement Board's financial report
- 2 audit management letters.

#### **1 Independent Auditor's Report**

We are returning the financial statements for the State Procurement Board, with the Independent Auditor's Report. This report is unmodified.

The *Public Finance and Audit Act 1987* allows me to publish documents on the Auditor-General's Department website. The enclosed Independent Auditor's Report and accompanying financial statements will be published on that website on Tuesday, 12 October 2021.

#### **2 Audit management letters**

As the audit did not identify any significant matters requiring management attention, we will not issue any audit management letters.

#### **What the audit covered**

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

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

- reviewing Board minutes to understand relevant developments in the State Procurement Board's operations
- undertaking detailed verification processes to obtain reasonable assurance over the accuracy and completeness of balances and disclosures reported in the State Procurement Board's financial statements
- ensuring the State Procurement Board's financial statements comply with relevant Australian Accounting Standards, Accounting Policy Statements and other mandatory reporting requirements.

We also focussed on the accuracy of the transactions associated with the transfer of the State Procurement Board's assets and liabilities to the Treasurer. We concluded that the financial report was prepared in accordance with the financial reporting framework in this respect.

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

Yours sincerely



Andrew Richardson  
**Auditor-General**

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# INDEPENDENT AUDITOR'S REPORT



Government of South Australia

Auditor-General's Department

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**To the Chief Executive  
Department of Treasury and Finance**

## Opinion

I have audited the financial report of the State Procurement Board 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 State Procurement Board as at 30 June 2021, its financial performance and its cash flows for the year then ended in accordance with relevant Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards.

The financial report comprises:

- a Statement of Comprehensive Income for the year ended 30 June 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, Department of Treasury and Finance and the Director, Financial Services, Organisation and Governance, Department of Treasury and Finance.

## 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 State Procurement Board. 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, Department of Treasury and Finance for the financial report**

The Chief Executive, Department of Treasury and Finance 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.

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

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987* and section 22 of the *State Procurement Act 2004*, I have audited the financial report of the State Procurement Board 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 State Procurement Board's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Chief Executive, Department of Treasury and Finance

- 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, Department of Treasury and Finance about, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during the audit.

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

Andrew Richardson

**Auditor-General**

29 September 2021

# **State Procurement Board**

## **Financial Statements**

For the year ended 30 June 2021

**State Procurement Board**  
**Certification of the Financial Statements**  
*for the year ended 30 June 2021*

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We certify that the:

- financial statements of the State Procurement Board:
  - 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 State Procurement Board for the financial year over its financial reporting and its preparation of financial statements have been effective.



David Reynolds  
Chief Executive  
Department of Treasury and Finance  
28 September 2021



Les Jones  
Director, Financial Services, Organisation and  
Governance  
Department of Treasury and Finance  
28 September 2021

**State Procurement Board**  
**Statement of Comprehensive Income**  
*for the year ended 30 June 2021*

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	Note	2021 \$'000	2020 \$'000
<b>Income</b>			
Intra-government transfers	2.1	358	349
Revenues from fees and charges	2.2	-	6
Resources received free of charge	2.3	-	1
<b>Total income</b>		<b>358</b>	<b>356</b>
<b>Expenses</b>			
Employee benefits expenses	3.3	19	17
Supplies and services	4.1	248	275
<b>Total expenses</b>		<b>267</b>	<b>292</b>
<b>Net result</b>		<b>91</b>	<b>64</b>
<b>Total comprehensive result</b>		<b>91</b>	<b>64</b>

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



**State Procurement Board**  
**Statement of Financial Position**  
*for the year ended 30 June 2021*

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	Note	2021 \$'000	2020 \$'000
<b>Current assets</b>			
Cash and cash equivalents	5.1	-	1 321
<b>Total current assets</b>		<u>-</u>	<u>1 321</u>
<b>Total assets</b>		<u>-</u>	<u>1 321</u>
<b>Current liabilities</b>			
Payables	6.1	-	60
<b>Total current liabilities</b>		<u>-</u>	<u>60</u>
<b>Total liabilities</b>		<u>-</u>	<u>60</u>
<b>Net assets</b>		<u>-</u>	<u>1 261</u>
<b>Equity</b>			
Retained earnings		-	1 261
<b>Total equity</b>		<u>-</u>	<u>1 261</u>

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

**State Procurement Board**  
**Statement of Changes in Equity**  
*for the year ended 30 June 2021*

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	Retained earnings \$'000	Total equity \$'000
Balance at 1 July 2019	1 197	1 197
Net result for 2019-20	64	64
<b>Total comprehensive result for 2019-20</b>	<b>64</b>	<b>64</b>
Balance at 30 June 2020	1 261	1 261
Net result for 2020-21	91	91
<b>Total comprehensive result for 2020-21</b>	<b>91</b>	<b>91</b>
Net assets transferred as a result of an administrative restructure	(1 352)	(1 352)
<b>Balance at 30 June 2021</b>	<b>-</b>	<b>-</b>

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

**State Procurement Board**  
**Statement of Cash Flows**  
*for the year ended 30 June 2021*

	2021	2020
Note	\$'000	\$'000
<b>Cash flows from operating activities</b>		
<b>Cash inflows</b>		
Intra-government transfers	358	349
Fees and charges	-	6
<b>Cash generated from operating activities</b>	<u>358</u>	<u>355</u>
<b>Cash outflows</b>		
Employee benefit payments	(19)	(17)
Payments for supplies and services	(121)	(214)
<b>Cash used in operating activities</b>	<u>(140)</u>	<u>(231)</u>
<b>Net cash provided by / (used in) operating activities</b>	<u>218</u>	<u>124</u>
<b>Cash outflows</b>		
Cash transferred as a result of restructuring activities	(1 539)	-
<b>Cash used by financing activities</b>	<u>(1 539)</u>	<u>-</u>
<b>Net cash provided by / (used in) financing activities</b>	<u>(1 539)</u>	<u>-</u>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<u>(1 321)</u>	<u>124</u>
Cash and cash equivalents at the beginning of the reporting period	1 321	1 197
<b>Cash and cash equivalents at the end of the reporting period</b>	<u>5.1</u> <u>-</u>	<u>1 321</u>

The accompanying notes form part of these financial statements.

# State Procurement Board

## Notes to and forming part of the financial statements

### For the year ended 30 June 2021

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#### 1. About the State Procurement Board

The State Procurement Board (the Board) is a body corporate established by statute. Its financial arrangements are administered, but not controlled, by the Department of Treasury and Finance.

The *State Procurement Repeal Act 2020* (proclaimed 17 June 2021) dissolved the State Procurement Board (the Board) effective 1 July 2021. Immediately before the Board's dissolution, all its assets, rights and liabilities were vested in the Treasurer to be administered by the Department of Treasury and Finance.

##### 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 (PFAA)*;
- Treasurer's Instructions and Accounting Policy Statements issued by the Treasurer under the Public Finance and Audit Act 1987; and
- relevant *Australian Accounting Standards* with reduced disclosure requirements.

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.

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.

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.

##### 1.2. Objectives and programs

The State Procurement Board was established under the *State Procurement Act 2004* (the Act). The Act states the Board is the same body corporate as the State Supply Board established under the *State Supply Act 1985*.

Under the Act, the Board must have regard and seek to further the object of the Act by advancing government priorities and objectives by a system of procurement for public authorities directed towards:

- obtaining value for money in the expenditure of public money
- providing for ethical and fair treatment of participants
- ensuring probity, accountability and transparency in procurement operations.

The Board is serviced for administrative and financial functions, together with strategic and managerial support by the Department of Treasury and Finance (DTF) and Shared Services SA.

##### 1.3. Impact of COVID-19 pandemic on the Board

The COVID-19 pandemic has had no material impact on the operations of the Board.



**State Procurement Board**  
**Notes to and forming part of the financial statements**  
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**1.4. Changes to the SPB**

**Transferred out**

The *State Procurement Repeal Act 2020* (proclaimed 17 June 2021) dissolved the State Procurement Board (the Board) effective 1 July 2021. Immediately before the Board's dissolution, all its assets, rights, and liabilities were vested in the Treasurer to be administered by the Department of Treasury and Finance.

On transfer the Board derecognised the following assets and liabilities:

	<b>TOTAL</b>
	<b>\$'000</b>
<b>Current assets</b>	
Cash and cash equivalents	1 539
<b>Total current assets</b>	<b>1 539</b>
<b>Total assets</b>	<b>1 539</b>
<b>Current liabilities</b>	
Payables	187
<b>Total current liabilities</b>	<b>187</b>
<b>Total liabilities</b>	<b>187</b>
<b>Net loss/gain from transfers (in)/out</b>	<b>1 352</b>

Net assets transferred to DTF administered as a result of dissolution of the Board were recognised at their carrying amount. Net assets transferred were treated as a contribution by the government as owner.

**2. Income**

**2.1. Intra-government transfers**

	2021	2020
	\$'000	\$'000
Intra-government transfers	358	349
<b>Total intra-government transfers</b>	<b>358</b>	<b>349</b>

Intra-government transfers are recognised as revenues when the Board obtains control over the funding. Control over transfers is normally obtained upon receipt.

**2.2. Fees and charges**

	2021	2020
	\$'000	\$'000
Other fees and charges	-	6
<b>Total fees and charges</b>	<b>-</b>	<b>6</b>

The Board receives fees for training delivered to public authority personnel under its Capability Development Program.

**2.3. Resources received free of charge**

	2021	2020
	\$'000	\$'000
Services received free of charge - Shared Services SA	-	1
<b>Total resources received free of charge</b>	<b>-</b>	<b>1</b>

**State Procurement Board**  
**Notes to and forming part of the financial statements**  
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**3. Board, committees and employees**

**3.1. Key management personnel**

Key management personnel of the Board include the Treasurer and the Board's members who have responsibility for the strategic direction and management of the Board.

The Treasurer's remuneration and allowances are set by the *Parliamentary Remuneration Act 1990* and the Remuneration Tribunal of SA respectively are payable from the Consolidated Account (via DTF) under section 6 of the *Parliamentary Remuneration Act 1990*.

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

There were no significant related party transactions identified.

**3.2. Board and committee members**

Board members during the 2021 financial year were:

**State Procurement Board**

Mark Carey\* - Presiding Member (appointed 01/02/2021)  
Nicolle Rantanen\* - Presiding Member (resigned 28/01/2021)  
Kelly Tattersall\* (re-appointed 01/02/2021)  
Judith Formston\* (re-appointed 01/07/2020)  
David Henschliffe (resigned 15/03/2021)  
Jamin Woolcock\* (re-appointed 01/07/2020)  
Jackie Bray\* (re-appointed 01/07/2020)  
Charlie Hollis (appointed 01/02/2021)

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

**Procurement Approvals Committee**

Members as above on a rotational basis.

**Board and committee remuneration**

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

	2021	2020
\$0	6	6
\$1 - \$19 999	2	1
<b>Total number of members</b>	<b>8</b>	<b>7</b>

The total remuneration received or receivable by members was \$17 300 (2020: \$16 500).

Remuneration of members includes sitting fees, superannuation contributions, salary sacrifice benefits, fringe benefits and related fringe benefits tax.

**State Procurement Board**  
**Notes to and forming part of the financial statements**  
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**3.3. Employee benefits expenses**

	2021	2020
	\$'000	\$'000
Board and committee fees	16	15
Employment on-costs - superannuation	2	1
Employment on-costs - other	1	1
<b>Total employee benefits expenses</b>	<u>19</u>	<u>17</u>

**Employment on-costs – superannuation**

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

**4. Expenses**

**4.1. Supplies and services**

	2021	2020
	\$'000	\$'000
Professional fees	31	19
Information technology and communication charges	7	41
Training and development	186	12
General administration and consumables	-	12
Consultants	7	24
Contractors and temporary staff	17	154
Other	-	13
<b>Total supplies and services</b>	<u>248</u>	<u>275</u>

**Consultants**

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

	2021	2021	2020	2020
	Number	\$'000	Number	\$'000
Below \$10 000	1	7	-	-
\$10 000 or above	-	-	1	24
<b>Total</b>	<u>1</u>	<u>7</u>	<u>1</u>	<u>24</u>

**State Procurement Board**  
**Notes to and forming part of the financial statements**  
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**5. Financial assets**

**5.1. Cash**

	2021	2020
	\$'000	\$'000
<u>Deposits with the Treasurer</u>		
State Procurement Board Operating Account	-	1 321
<b>Total cash and cash equivalents</b>	<u>-</u>	<u>1 321</u>

*Deposits with the Treasurer*

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

The Board has one deposit account with the Treasurer and the Board does not earn interest on its deposits with the Treasurer.

**6. Liabilities**

**6.1. Payables**

	2021	2020
	\$'000	\$'000
<u>Current</u>		
Accrued expenses	-	60
<b>Total current payables</b>	<u>-</u>	<u>60</u>
<b>Total payables</b>	<u>-</u>	<u>60</u>

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.

**7. Outlook**

**7.1. Events after the reporting period**

The *State Procurement Repeal Act 2020* (proclaimed 17 June 2021) dissolved the State Procurement Board (the Board) effective 1 July 2021. Immediately before the Board's dissolution, all its assets, rights, and liabilities were vested in the Treasurer to be administered by the Department of Treasury and Finance.





