INDEPENDENT AUDITOR'S REPORT

Government of South Australia
Audit Office of South Australia

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To the Chief Executive
Department of Primary Industries and Regions

Opinion

I have audited the financial report of the Department of Primary Industries and Regions for the financial year ended 30 June 2025.

In my opinion, the accompanying financial report gives a true and fair view of the financial position of the Department of Primary Industries and Regions as at 30 June 2025, its financial performance and cash flows for 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 2025
- a Statement of Financial Position as at 30 June 2025
- a Statement of Changes in Equity for the year ended 30 June 2025
- a Statement of Cash Flows for the year ended 30 June 2025
- notes, comprising material accounting policy and other explanatory information
- a Statement of Administered Comprehensive Income for the year ended 30 June 2025
- a Statement of Administered Financial Position as at 30 June 2025
- a Statement of Administered Cash Flows for the year ended 30 June 2025
- a schedule of Income and Expenses by Administered Programs for the year ended 30 June 2025
- notes, comprising material accounting policy and other explanatory information for administered items
- a Certificate from the Chief Executive and the Chief Financial Officer.

Basis for opinion

I conducted the audit in accordance with the *Public Finance and Audit Act 1987* and Australian Auditing Standards. My responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial report' section of my report. I am independent of the Department of Primary Industries and Regions. 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 Australian Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of the financial report that gives a true and fair view and that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Chief Executive is responsible for assessing the 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 of Primary Industries and Regions for the financial year ended 30 June 2025.

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 of Primary Industries and Regions' 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 Blaskett
Auditor-General

22 September 2025

Department of Primary Industries and Regions

Financial Statements

For the year ended 30 June 2025

Department of Primary Industries and Regions
Certification of Financial Statements
For the year ended 30 June 2025

We certify that the:

- financial statements for the Department of Primary Industries and Regions:
  - 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 operation and cash flows for the financial year.

- internal controls employed by the Department of Primary Industries and Regions for the financial year over its financial reporting and its preparation of financial statements have been effective.

Professor Mehdi Doroudi PSM
Chief Executive
15 September 2025

Will Kent
Chief Financial Officer
15 September 2025

Department of Primary Industries and Regions
Statement of Comprehensive Income
For the year ended 30 June 2025

	Note	2025 $'000	2024 $'000
Income			
Appropriation	3.1	162 720	131 612
Fees and charges	3.2	3 516	3 285
Grants, subsidies and transfers	3.3	68 810	65 396
Commonwealth grants (National Partnership Payments)	3.4	26 158	18 745
Interest	3.5	3 727	3 771
Sale of goods and services	3.6	13 104	11 898
Resources received free of charge	3.7	3 436	3 073
Other income	3.8	10 743	8 958
Total income		**292 214**	**246 738**
Expenses			
Employee related expenses	4.1	99 991	93 174
Supplies and services	4.2	106 696	93 822
Depreciation and amortisation	4.4	9 522	9 361
Grants and subsidies	4.5	85 463	68 669
Borrowing costs	4.6	1 470	1 467
Transfers to Consolidated Account	4.7	-	823
Other expenses	4.8	1 868	1 664
Net loss from the disposal of property, plant and equipment	4.9	250	106
Total expenses		**305 260**	**269 086**
Net result		**(13 046)**	**(22 348)**
Other comprehensive income			
Items that will not be reclassified to net result			
Changes in fair value of investments classified as fair value through other comprehensive income	5.3	2 831	3 835
Changes in property, plant and equipment asset revaluation surplus	5.6	7 518	-
Total other comprehensive income		**10 349**	**3 835**
Total comprehensive result		**(2 697)**	**(18 513)**

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

Department of Primary Industries and Regions
Statement of Financial Position
As at 30 June 2025

	Note	2025 $'000	2024 $'000
Current assets			
Cash and cash equivalents	5.1	135 742	140 799
Receivables	5.2	27 939	32 223
Contract assets	5.4	16 434	13 942
Inventories	5.5	4 744	4 783
Total current assets		**184 859**	**191 747**
Non-current assets			
Receivables	5.2	15 313	24 298
Other financial assets	5.3	37 360	34 529
Property, plant and equipment	5.6	190 767	185 918
Right-of-use plant and equipment	5.7	216	2 416
Intangible assets	5.8	7 759	5 103
Total non-current assets		**251 415**	**252 264**
Total assets		**436 274**	**444 011**
Current liabilities			
Payables	6.1	17 792	20 720
Other financial liabilities	6.2	8 240	8 237
Contract liabilities	6.3	28 766	20 855
Employee related liabilities	6.4	12 535	12 516
Provisions	6.5	565	441
Other non-financial liabilities	6.6	673	673
Total current liabilities		**68 571**	**63 442**
Non-current liabilities			
Other financial liabilities	6.2	15 365	25 786
Employee related liabilities	6.4	18 170	17 098
Provisions	6.5	1 567	1 713
Other non-financial liabilities	6.6	4 661	5 335
Total non-current liabilities		**39 763**	**49 932**
Total liabilities		**108 334**	**113 374**
Net assets		**327 940**	**330 637**
Equity			
Retained earnings		196 169	209 215
Asset revaluation surplus	7.1	112 100	104 582
Investment reserve	7.1	19 671	16 840
Total equity		**327 940**	**330 637**

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

Department of Primary Industries and Regions
Statement of Changes in Equity
for the year ended 30 June 2025

	Note	Asset revaluation surplus $'000	Investment reserve $'000	Retained earnings $'000	Total $'000
Balance at 1 July 2023		104 582	13 005	231 561	349 148
Net result for 2023-24		-	-	(22 348)	(22 348)
Fair value movement of investments classified as fair value through other comprehensive income	5.3	-	3 835	-	3 835
Total comprehensive result for 2023-24		**-**	**3 835**	**(22 348)**	**(18 513)**
Net assets transferred as a result of an administrative restructure		-	-	2	2
Balance at 30 June 2024		**104 582**	**16 840**	**209 215**	**330 637**
Net result for 2024-25		-	-	(13 046)	(13 046)
Gain on revaluation of property plant and equipment	5.6	7 518	-	-	7 518
Fair value movement of investments classified as fair value through other comprehensive income	5.3	-	2 831	-	2 831
Total comprehensive result for 2024-25		**7 518**	**2 831**	**(13 046)**	**(2 697)**
Balance at 30 June 2025		**112 100**	**19 671**	**196 169**	**327 940**

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

Department of Primary Industries and Regions
Statement of Cash Flows
for the year ended 30 June 2025

	Note	2025 $'000	2024 $'000
Cash flows from operating activities			
Cash inflows			
Appropriation		162 720	131 612
Fees and charges		3 994	4 297
Grants and subsidies		82 858	59 475
Commonwealth grants (National Partnership Payments)		26 158	18 745
Interest		2 336	3 001
Sale of goods and services		13 383	9 127
Dividends received		1 526	1 629
GST recovered from the ATO		8 834	9 232
Other receipts		3 628	13 735
Cash (outflows)			
Employee related payments		(99 025)	(91 244)
Supplies and services		(114 657)	(97 063)
Grants and subsidies		(87 362)	(74 832)
Interest paid		(1 496)	(1 436)
Transfers to Consolidated Account		-	(823)
Other payments		(679)	(744)
Net cash (used in) / from operating activities	7.2	**2 218**	**(15 289)**
Cash flows from investing activities			
Cash inflows			
Loans repaid by the rural sector and industry		9 549	9 254
Proceeds from the sale of property, plant and equipment		91	636
Sale of inventories		2 691	1 499
Cash (outflows)			
Purchase of property plant and equipment		(5 800)	(9 728)
Loans advanced to rural sector and industry		-	(700)
Purchase of inventories		(1 223)	(1 132)
Purchase of intangibles		(3 475)	(2 233)
Net cash (used in) / from investing activities		**1 833**	**(2 404)**
Cash flows from financing activities			
Cash inflows			
Proceeds of borrowings	6.2	-	700
Cash (outflows)			
Repayment of borrowings	6.2	(8 155)	(9 254)
Repayment of principal portion of lease liabilities		(953)	(1 106)
Net cash from / (used in) by financing activities		**(9 108)**	**(9 660)**
Net increase / (decrease) in cash and cash equivalents		**(5 057)**	**(27 353)**
Cash and cash equivalents at the beginning of the reporting period		140 799	168 152
Cash and cash equivalents at the end of the reporting period	5.1	**135 742**	**140 799**

The accompanying notes form part of these financial statements.

1. About the Department of Primary Industries and Regions

The Department of Primary Industries and Regions (PIRSA/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 in the administered financial statements at the back of the controlled general-purpose financial statements. Except as otherwise disclosed administered items are accounted for on the same basis and using the same accounting policies as for the department's transactions.

In the process of reporting on the department as a single unit, all internal transactions have been eliminated in full.

1.1. Basis of preparation

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

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

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.

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

The department is not subject to Income Tax. The department is liable for Payroll Tax, Fringe Benefits Tax (FBT), Goods and Services tax (GST) and Emergency Services Levy (ESL).

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 that are to be sold, consumed or realised as part of the normal operating cycle have been classified as current assets. Liabilities that are due to be settled within 12 months after the end of the reporting period or for which the department has no right to defer the settlement for at least 12 months after the end of the reporting period are classified as current liabilities. All other assets and liabilities are classified as non-current.

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

Significant accounting policies are set out throughout the notes.

1.2. Objectives and programs

Objectives

The purpose of the department is to advance the prosperity and sustainability of South Australia's primary industries and regional communities.

In achieving its objectives, the department provides a range of services to:

- Support growth of South Australian primary industries and their communities by facilitating connections, sharing information, leveraging opportunities and mitigating threats
- Ensure sustainable utilisation of agricultural and aquatic resources
- Lead or influence evidence-based policy and regulatory frameworks that balance the interests of all parties and demonstrate best practice
- Deliver and facilitate adoption of applied science that leverages South Australia's competitive advantages in primary production
- Drive positive change in primary industries and regional communities
- Champion South Australian primary industries and regions in relevant state, federal and global forums
- Prepare for, prevent where possible and respond to emergency events and the long-term risks, including climate change, that threaten South Australia's primary industries, regional communities, plants, animals and environment.

Key Priorities

- Stimulate value growth - grow the value of primary industries by leveraging government's cross-functional capabilities to pursue opportunities where South Australia has a competitive advantage
- Reset the operating environment - remove barriers to economic growth of primary industries and the advancement of regions.
- Sustain the resource - protect and maximise primary industry resources through integration of targeted research, monitoring, policy and regulatory interventions
- Manage risk and recovery - preparing for risks and being able to respond and recover quickly from adverse events that impact economic growth and community wellbeing
- Enable regional growth - support key regional development drivers
- Perform well - as a modern, flexible and responsive organisation that values its partners and people.

The following tables present income, expenses, assets and liabilities attributable to PIRSA's programs for 2024-25 and 2023-24.

Department of Primary Industries and Regions
Income and expenses by program
For the year ended 30 June 2025

	Primary Industries		Regional Development		General/Not Attributable		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Income								
Appropriation	-	-	-	-	162 720	131 612	162 720	131 612
Fees and charges	3 516	3 285	-	-	-	-	3 516	3 285
Grants, subsidies and transfers	68 795	65 396	15	-	-	-	68 810	65 396
Commonwealth grants (National Partnership Payments)	23 658	18 745	2 500	-	-	-	26 158	18 745
Interest	3 727	3 771	-	-	-	-	3 727	3 771
Sale of goods and services	13 092	11 858	12	40	-	-	13 104	11 898
Resources received free of charge	-	-	-	-	3 436	3 073	3 436	3 073
Other income	10 652	8 801	91	157	-	-	10 743	8 958
Total income	**123 440**	**111 856**	**2 618**	**197**	**166 156**	**134 685**	**292 214**	**246 738**
Expenses								
Employee related expenses	96 593	90 121	3 398	3 053	-	-	99 991	93 174
Supplies and services	105 663	92 814	1 033	1 008	-	-	106 696	93 822
Depreciation and amortisation	9 522	9 361	-	-	-	-	9 522	9 361
Grants and subsidies	67 224	49 323	18 239	19 346	-	-	85 463	68 669
Borrowing costs	1 470	1 467	-	-	-	-	1 470	1 467
Transfers to Consolidated Account	-	-	-	-	-	823	-	823
Other expenses	1 840	1 664	28	-	-	-	1 868	1 664
Net loss from the disposal of property, plant and equipment	250	106	-	-	-	-	250	106
Total expenses	**282 562**	**244 856**	**22 698**	**23 407**	**-**	**823**	**305 260**	**269 086**
Net result	**(159 122)**	**(133 000)**	**(20 080)**	**(23 210)**	**166 156**	**133 862**	**(13 046)**	**(22 348)**

	Primary Industries		Regional Development		General/Not Attributable		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Assets								
Cash and cash equivalents	-	-	-	-	135 742	140 799	135 742	140 799
Receivables	43 252	56 521	-	-	-	-	43 252	56 521
Contract assets	16 434	13 942	-	-	-	-	16 434	13 942
Inventories	4 744	4 783	-	-	-	-	4 744	4 783
Other financial assets	37 360	34 529	-	-	-	-	37 360	34 529
Property, plant and equipment	190 767	185 918	-	-	-	-	190 767	185 918
Right-of-use plant and equipment	216	2 416	-	-	-	-	216	2 416
Intangible assets	7 759	5 103	-	-	-	-	7 759	5 103
Total assets	**300 532**	**303 212**	**-**	**-**	**135 742**	**140 799**	**436 274**	**444 011**
Liabilities								
Payables	14 214	17 676	764	2 125	2 814	919	17 792	20 720
Other financial liabilities	23 605	34 023	-	-	-	-	23 605	34 023
Contract liabilities	28 766	20 855	-	-	-	-	28 766	20 855
Employee related liabilities	29 727	28 699	978	915	-	-	30 705	29 614
Provisions	2 132	2 154	-	-	-	-	2 132	2 154
Other non-financial liabilities	5 334	6 008	-	-	-	-	5 334	6 008
Total liabilities	**103 778**	**109 415**	**1 742**	**3 040**	**2 814**	**919**	**108 334**	**113 374**
Net assets	**196 754**	**193 797**	**(1 742)**	**(3 040)**	**132 928**	**139 880**	**327 940**	**330 637**

Note:

Assets and liabilities are only attributed to programs where this can be done reliably.

Certain amounts like cash and taxation amounts receivable and due from operating transactions are not allocated.

Property, plant and equipment assets are only allocated where there is exclusive custody, control and regulation of the use of the asset, by that program. Where this criterion is not met the asset value is 'general/not attributable'.

In the construction of this report a negative 'net assets' position may result for a program from the allocation method used and/or non attribution of assets and liabilities to programs. However, total 'net assets' reconciles to the Statement of Financial Position.

1.3. Budget performance

The budget performance table compares the department's outcomes against budget information presented to Parliament (2024-25 Budget Paper 4). Appropriation reflects appropriation issued to special 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.

1.3. Budget performance (continued)

Statement of Comprehensive Income		Original budget 2025 $'000	Actual 2025 $'000	Variance $'000
Income				
Appropriation	(a)	141 041	162 720	21 679
Fees and charges		3 375	3 516	141
Grants, subsidies and transfers		61 204	68 810	7 606
Commonwealth grants (National Partnership Payments)	(b)	10 647	26 158	15 511
Interest		3 473	3 727	254
Sale of goods and services		20 574	13 104	(7 470)
Resources received free of charge		-	3 436	3 436
Other income		9 359	10 743	1 384
Total income		**249 673**	**292 214**	**42 541**
Expenses				
Employee related expenses		98 551	99 991	1 440
Supplies and services	(c)	79 039	106 696	27 657
Depreciation and amortisation		10 074	9 522	(552)
Grants and subsidies	(d)	68 005	85 463	17 458
Borrowing costs		1 306	1 470	164
Other expenses		1 506	1 868	362
Net loss from the disposal of property, plant and equipment		-	250	250
Total expenses		**258 481**	**305 260**	**46 779**
Net result		**(8 808)**	**(13 046)**	**(4 238)**
Other comprehensive income				
Changes in fair value of investments classified as fair value through other comprehensive income		**-**	2 831	**2 831**
Changes in property, plant and equipment asset revaluation surplus		**-**	7 518	**7 518**
Total comprehensive result		**(8 808)**	**(2 697)**	**6 111**

		Original budget 2025 $'000	Actual 2025 $'000	Variance $'000
Investing expenditure summary				
Total existing projects	(e)	600	1 848	1 248
Total annual programs	(f)	12 533	7 195	(5 338)
Total investing expenditure		**13 133**	**9 043**	**(4 090)**

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

(a) Increase in appropriation mainly relates to additional funding provided during 2024-25 for the Drought Support Package, emergency fruit fly response activities following further outbreaks and response to the Tomato brown rugose fruit virus.

(b) Increase in Commonwealth Grants reflects expanded funding arrangements for regional and drought-related initiatives, as well as biosecurity response efforts.

(c) Increased supplies and services expenditure mainly relates to emergency fruit fly response activities following further outbreaks and response to the Tomato brown rugose fruit virus.

1.3. Budget performance (continued)

(d) Increased grants and subsidies expenditure mainly relate to grant payments made under the Drought Support Package.

(e) The increase mainly relates to additional expenditure for the Upgrade of the South Australian Aquatic Sciences Centre.

(f) The decrease reflects reduced expenditure for the Building Resilience to Manage Fruit Fly project and the Struan Recovery project.

1.4. Significant transactions with government related entities

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

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

2. Boards, committees and employees

2.1. Key management personnel

Key management personnel of the department include the Minister for Primary Industries and Regional Development (the Minister) and the Executive Leadership Team who have responsibility for the strategic direction and management of the department.

The compensation detailed below excludes salaries and other benefits received by the Minister. The Minister's remuneration and allowances are set by the *Parliamentary Remuneration Act 1990* and the Remuneration Tribunal of SA, respectively, and are payable from the Consolidated Account (via the Department of Treasury and Finance (DTF)) under section 6 of the *Parliamentary Remuneration Act 1990*. See administered items for disclosures of the Minister's remuneration paid and recovered from the Consolidated Account.

Compensation	**2025 $'000**	**2024 $'000**
Salaries and other short term employee benefits	2 431	2 247
Post-employment benefits	400	335
Total compensation	**2 831**	**2 582**

The department did not enter into any transactions with key management personnel or other related parties.

2.2. Board and committee members

Members during the 2024-25 financial year were:

PIRSA Animal Ethics Committee
M Steer* (Chair)
A Boyd - Exec Officer*
Prof H Brown*
G Aust
Dr R Barekatain*
J G Cooper
Dr R F Eyers
S Gillin
G Grigson*
A O'Connell
M Peters
S Rudiger*
J Savaglia
Dr A Weaver*
H Zemitis

Allocation Review Committee
K Brooks (Chair)
T Adamson
A Dezsery
Dr R Fletcher
K Rowling
S Sen

Forest Industries Advisory Council of South Australia
T Auld (Co-Chair)
M Ingley-Smith (Co-Chair)
P Badenoch
C Bell
G Boulton
S Burness*
J Collins*
Prof M Doroudi*
A Dunbar*
A Excell*
W Fennell
A Flowers
L Hein
P Hewlett
D Jordan*
A Langfield
T Lawson
V McLoughlin*

Risk and Performance Committee
R DiMonte (Chair)
P Appleford*
Prof H Brown*
A Barclay*
G Cornish*
S Furey
J C Grant
M Griffiths*
M Steer*

Genetically Modified Crops Advisory Committee
Dr K M Ophel-Keller (Chair)
H L Baldock
E A Buddle
J Ceravolo
L J Flohr
P Gibbs
A M Hannon
N C Pontifex
T Sutton*
F J Turner

Sardi Research & Development Advisory Committee
Prof R Lewis (Chair)
Prof H Brown*
Dr B Cay
Prof S Maddocks
Dr K M Ophel-Keller
Prof G Roos

Aquaculture Tenure Allocation Board
K N Shierlaw (Presiding Member)
Dr Z A Doubleday
J W Elferink (deputy member)
Dr L Giorgio (deputy member)
Dr P R Lauer
A S Narayan
K Reznikov
A C Tham

2.2. Board and committee members (continued)

South Australia Varroa Industry Advisory Committee
D Plowman (Chair)
K Blignaut
L Bruce*
D Campbell
D L Feuvre
A Flavell
T Jackson
D Jaensch
P Mew
M D Plessis
N Secomb*
T Tenney

Dog Fence Rebuild Committee
W Zacharin (Chair)
D Henderson
J Keynes
P Litchfield
J MacLachlan
G Power
R Treloar
C Trowbridge

Cost Recovery Implemation Committee
B Jeffriess (Chair)
Prof G Begg*
M Griffiths*
L Lowe
N MacDonald
F Najjar*
K Toumazos

Marine Scalefish Fishery Management Advisory Committee
I Stobutzki (Chair)
S Cornelius
G Grammer*
S Hodgens
S Jennings
A Jones*
K Jones
N Kimber
J Morison
M Nobes
M Petherick (Tapley)
P Rogers
E Rowe
K Rowling
A Simpson
D Smith
T Ward

Marine Scalefish Blueprint Steering Committee
P Conlon (Chair)
B Barnes
Prof G Begg*
B Butson
J Collins*
C Fletcher
N Kimber
I Knuckey
P Rogers
K Rowling
P Tripodi
K Toumazos
M Violante

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

Board and committee remuneration

The number of members whose remuneration received or receivable falls within the following bands:	**2025**	**2024**
$0 - $19 999	120	112
Total number of members	**120**	**112**

Total remuneration received or receivable by members was $0.104 million (2024: $0.117 million). Remuneration of members reflects all costs of performing board/committee member duties including: sitting fees, superannuation contributions, salary sacrifice benefits, fringe benefits and any related fringe benefits tax.

2.2. Board and committee members (continued)

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

3. Income

3.1. Appropriation

	2025 $'000	2024 $'000
Appropriation from Consolidated Account pursuant to the *Appropriation Act*	141 041	131 612
Appropriation from Governor's Appropriation Fund	21 679	-
Total appropriation	**162 720**	**131 612**

Appropriations are recognised on receipt.

3.2. Fees and charges

	2025 $'000	2024 $'000
Accreditation and licence fees	2 471	2 370
Inspection and Audit fees	954	856
Other fees	91	59
Total fees and charges	**3 516**	**3 285**

Fees and charges are categorised to reflect the nature of the income received. Income is recognised when fees are received.

Collections were pursuant to legislation which include *Primary Produce (Food Safety Schemes) Act 2004, Plant Health Act 2009, Industrial Hemp Act 2017 and Livestock Act 1997.*

3.3. Grants, subsidies and transfers

	2025 $'000	2024 $'000
Grants		
Industry	45 574	40 671
Commonwealth Government agencies	3 051	4 240
Administered industry funds [(1)]	14 446	14 291
SA Government agencies	1 595	2 541
Other	614	380
Total grants	**65 280**	**62 123**
Subsidies and transfers		
Industry	3 439	2 459
SA Government agencies	91	814
Total subsidies and transfers	**3 530**	**3 273**
Total Grants, subsidies and transfers	**68 810**	**65 396**

3.3. Grants, subsidies and transfers (continued)

(1) Contributions from industry groups are received into the administered funds of the department (refer note A3.2 & A4.4). Contributions may be transferred in part to PIRSA controlled to undertake specific research or deliver projects proposed by the industry groups in their approved management plans. Costs recovered from the Fisheries Research and Development Fund and the Aquaculture Fund for the administration of licences and registration are used to fund projects in compliance, research and fishing industry development. In 2024-25 the amount received from the Fisheries Research and Development Fund and the Aquaculture Fund was $14.426 million (2024: $14.270 million).

Grants were received from contracts with customers for collaborative research and delivery of projects for industry development. Grants are issued under enforceable agreements with sufficient and specific performance obligations in the form of the promise to carry out research and project activities in accordance with specific plans to deliver agreed outcomes. Performance obligations contained in the agreements are satisfied over time over the life of the agreements.

The department recognises revenue over time and uses direct costs incurred on projects as the best estimate of performance of the research and project activities to determine revenue to be recognised in each reporting period.

There are broad guidelines for subsidies and transfers received and the department recognised the revenue on receipt.

3.4. Commonwealth grants (National Partnership Payments)

	2025 $'000	2024 $'000
Future Drought Fund - Farm Business Resilience Planning	5 817	-
National Water Grid Fund	5 690	5 299
Building Resilience to Manage Fruit Fly	2 840	9 080
Future Drought Fund - Regional Drought Resilience Planning	2 768	-
Regional Roads Australia Mobile Program - Pilot Program	2 500	-
Strengthen Australia's Frontline Biosecurity Capability and Domestic Preparedness	1 375	1 375
On-Farm Emergency Water Infrastructure Rebate Scheme	1 229	150
Murray-Darling Basin - Sustainable Communities	1 000	-
Boosting HPAI Biosecurity Response Capability	964	-
Enhancing National Pest Animal and Weed Management	900	-
Enhance the National Soil Resources - PIRSA	849	-
National Plant Health Surveillance Program	127	150
Fishing and Facilities Program	99	1 564
Pest Animal and Weed Management in Drought Affected Areas	-	1 000
Ehrlichia Canis Pilot Program	-	127
Total Commonwealth grants (National Partnership Payments)	**26 158**	**18 745**

National Partnership Payments are recognised as income on receipt.

Obligations under National Partnership Payments are required to be met by the State of South Australia. For accounting purposes, these obligations are not recognised as the department’s liabilities.

3.5. Interest

	2025 $'000	2024 $'000
Interest on special deposit accounts	2 315	2 296
Loans to the rural sector	1 412	1 475
Total interest	**3 727**	**3 771**

3.6. Sale of goods and services

	2025 $'000	2024 $'000
Sale of goods		
Livestock	2 691	1 499
Agricultural produce	560	723
Other sale of goods	205	240
Total sale of goods	**3 456**	**2 462**
Total sale of services	**9 648**	**9 436**
Total sale of goods and services	**13 104**	**11 898**

Revenue from sale of goods is recognised at the point in time when the goods have been delivered to the customer. Revenue from sale of services is generally recognised over time. This is because the department's obligations are satisfied over time, and the customer receives and uses the benefits simultaneously.

The department uses direct costs incurred on each specific service to measure the completion of performance obligations and recognises revenue over time in each reporting period accordingly.

3.7. Resources received free of charge

	2025 $'000	2024 $'000
Shared Services SA	1 724	1 734
Office of the Chief Information Officer	1 398	1 339
Audit Office of SA	314	-
Total resources received free of charge	**3 436**	**3 073**

Contributions of services are recognised as income only when a fair value can be determined reliably, and the services would have been purchased if they had not been donated.

Services received from other entities

The department receives the following services free of charge:

- Financial services from Shared Services SA
- ICT services from the Office of the Chief Information Officer
- Audit services from the Audit Office of South Australia.

3.8. Other Income

	2025 $'000	2024 $'000
Reimbursements/recoveries [1]	6 455	4 641
Seed and other royalties	2 114	2 192
Dividends [2]	1 526	1 629
Gain from changes in fair value of biological assets [3]	178	286
Diesel fuel rebates	114	124
Other	348	83
Sponsorship contributions	8	3
Total other income	**10 743**	**8 958**

(1) Includes recovery of $1.535 million (2024: $3.053 million) from the Dog Fence Board for the Dog Fence Rebuild project.

(2) Dividend income is recognised when the unconditional right to receive the dividend is established.

(3) The changes in livestock fair value and movement of inventory are reconciled in note 5.5.

4. Expenses

4.1. Employee related expenses

	2025 $'000	2024 $'000
Salaries and wages	74 748	69 436
Superannuation*	9 644	8 715
Annual leave	7 219	6 600
Other employee related expenses	4 903	4 489
Long service leave	2 608	2 623
Skills and experience retention leave	507	459
Workers' compensation	267	449
Board and committee fees	95	111
Targeted voluntary separation packages	-	292
Total employee related expenses	**99 991**	**93 174**

Superannuation

Department employees are employed under Part 7 of the *Public Sector Act 2009.* Superannuation employment on-cost charges represent the department's contribution to superannuation plans in respect of current services of current employees.

DTF centrally recognises the superannuation liability in the whole-of-government financial statements.

4.1 Employee related expenses (continued)

Employee remuneration 2024-25

The number of employees whose remuneration received or receivable falls within the following bands:	2025 No.	2024 No.
$166,001 to $172,000*	N/A	5
$172,001 to $192,000	7	6
$192,001 to $212,000	7	2
$212,001 to $232,000	1	3
$232,001 to $252,000	2	4
$252,001 to $272,000	4	4
$272,001 to $292,000	1	1
$292,001 to $312,000	1	1
$312,001 to $332,000	1	1
$332,001 to $352,000	1	1
$432,001 to $452,000	-	1
$452,001 to $472,000	1	-
Total	**26**	**29**

*This band has been included for the purpose of reporting comparative figures based on the executive base level remuneration rate for 2023-24. The total remuneration received by these employees for the year was $6.143 million (2024: $6.680 million). The table includes all employees whose normal remuneration was equal to or greater than the base executive remuneration level during the year. Remuneration of employees reflects all costs of employment including salaries and wages, payments in lieu of leave, superannuation contributions, termination payments, salary sacrifice benefits and any related fringe benefits tax paid.

Targeted voluntary separation packages

The number of employees who received a targeted voluntary separation package (TVSP) during the reporting period was nil (2024: 3).

	2025 $'000	2024 $'000
Amount paid and accrued during the reporting period to separated employees:		
TVSPs	-	292
Leave paid to those employees	-	34
Total amount paid	**-**	**326**

4.2. Supplies and services

	2025 $'000	2024 $'000
Contractors and temporary staff	48 425	37 646
Administrative and operating costs	18 234	18 040
Utility and property costs	10 548	10 201
Information technology and communication charges	8 899	9 161
Other vehicle and equipment operating and management costs	5 896	5 180
Professional and technical services	5 078	4 337
Accommodation	2 356	2 673
Travel	2 335	2 319
Shared Services costs	1 744	1 754
Staff development and safety	1 678	1 516
Short term leases	441	191
Property and risk insurance	834	654
Low-value leases	228	150
Total supplies and services	**106 696**	**93 822**

Accommodation

Most of the department's accommodation is provided by DIT under various Memoranda of Administrative Arrangements (MoAAs) issued in accordance with Government-wide accommodation policies. MoAA arrangements do not constitute a lease under AASB 16 *Leases*, and accordingly expenditure is expensed as it is incurred (disclosed in accommodation expense).

4.3. Expenditure – SA business and non-SA business

The following table includes all expenditure in relation to contracts above $55,000 (GST inclusive) resulting from a procurement as defined in Treasurer's Instruction 18 – Procurement (TI 18). Arrangements between public authorities and arrangements with other governments are not included.

Expenditure is inclusive of non-recoverable GST.

	2025 $'000	Proportion SA and non-SA businesses
Total expenditure with South Australian businesses	50 199	77%
Total expenditure with non-South Australian businesses	15 274	23%
Total expenditure	**65 473**	**100%**

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

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

The disclosure for expenditure with SA businesses reflects the total spent on contracts within the TI 18 definition and in some instances includes the cost of goods sourced from outside South Australia. In many cases, the determination has been made on the basis of representations made by suppliers at a point in time which has not been subject to independent verification.

4.4. Depreciation and amortisation

	2025 $'000	2024 $'000
Buildings and infrastructure	3 978	3 718
Plant and equipment	3 258	3 245
Right-of-use plant and equipment	1 009	1 126
Intangible assets	819	1 017
Accommodation improvements	334	109
Large vessels	124	124
Right-of-use buildings	-	22
Total depreciation and amortisation	**9 522**	**9 361**

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. Land is not depreciated.

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

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.

Useful life

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

Class of asset	Useful life (years)
Buildings and infrastructure	1-80
Accommodation improvements	10 (or life of lease)
Plant and equipment	1-40
Intangibles	1-10
Large vessels	1-25
Right of use plant and equipment	life of lease

4.5. Grants and subsidies

	2025 $'000	2024 $'000
Grants	69 282	48 331
Intra government transfers	16 181	20 338
Total grants and subsidies	**85 463**	**68 669**
Major grant programs		
Thriving Regions Fund	9 955	14 784
Regional Development Australia	3 309	3 229
Adverse events recovery programs		
Drought Support Package	20 643	-
River Murray Recovery	4 020	5 344
Regional Recovery Program	4 000	1 000
Future Drought Fund	2 936	2 565
Tomato Brown Rugose Fruit Virus Response	1 030	-
On-farm Emergency Water Infrastructure Rebate Scheme	35	2 253
Local Economic Recovery	-	1 721
Cooperative Research projects [1]	5 217	5 977
National Biosecurity Contributions		
Red imported fire ants	5 091	4 738
High Pathogenicity Avian Influenza	2 010	-
Varroa response plan	-	2 436
Industry development and restructuring initiatives greater than $ 1 million:		
National Water Infrastructure Development Fund	6 140	5 894
Forestry Centre of Excellence	4 000	2 500
Implementation of eID in Sheep and Goats	3 633	1 134
Dog Fence Rebuild Contribution	2 473	4 558
Horticultural Netting Program	1 882	1 041
Aggregate of all other individually low value payments less than $1 million made during the year	9 089	9 495
Total grants and subsidies	**85 463**	**68 669**

[1] Research expenditure is mainly incurred by the South Australian Research and Development Institute (SARDI), working with state, national and international collaborators. This includes funding of an operating nature assisting with the engagement of research staff or resources, or support with infrastructure development and renewal to improve research capability.

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

4.6. Borrowing costs

	2025 $'000	2024 $'000
Interest paid/payable on borrowings measured at amortised cost	1 136	1 120
Guarantee fees	235	274
Interest expense on lease liabilities	93	70
Interest paid to creditors on late payment of invoices	6	3
Total borrowing costs	**1 470**	**1 467**

The department does not capitalise borrowing costs.

4.7. Transfers to Consolidated Account

	2025 $'000	2024 $'000
Return of surplus cash pursuant to cash alignment policy	-	823
Total transfers to Consolidated Account	**-**	**823**

4.8. Other expenses

	2025 $'000	2024 $'000
Deemed cost of produce consumed [1]	1 125	746
Royalty payments	527	557
Publications, seed and miscellaneous stocks - cost of sales	113	122
Impairment loss on receivables	73	114
Other	28	94
Bad debts	2	13
Derecognition of intangible assets	-	18
Total other expenses	**1 868**	**1 664**

[1] Publications, seed and other miscellaneous stocks are disclosed separately from the cost of sales of agricultural produce and livestock. This line predominantly represents the value of the inventory movement within the year and excludes the cost of crop harvesting from the use of internal resources. These amounts are included within the financial statements under the notes for 'employee related expenses' and 'supplies and services'.

4.9. Net loss from the disposal of property, plant and equipment

	2025 $'000	2024 $'000
Non-Current Assets Held for Sale		
Net proceeds from disposal	-	610
Less carrying amount of assets disposed	-	(600)
Net gain/(loss) from disposal of non-current assets held for sale	**-**	**10**
Accommodation improvements		
Net proceeds from disposal	-	-
Less carrying amount of assets disposed	-	(141)
Net gain/(loss) from disposal of accommodation improvements	**-**	**(141)**
Plant and equipment		
Net proceeds from disposal	91	29
Less carrying amount of assets disposed	(341)	(4)
Net gain/(loss) from disposal of plant and equipment	**(250)**	**25**
Total property, plant and equipment		
Net proceeds from disposal	91	639
Less total carrying amount of assets disposed	(341)	(745)
Total net gain/(loss) from disposal of property, plant and equipment	**(250)**	**(106)**

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

5. Assets

5.1. Cash and cash equivalents

	2025 $'000	2024 $'000
Deposits with the Treasurer	135 741	140 448
Deposits with SAFA (foreign currency)	-	350
Imprest account and cash on hand	1	1
Total cash and cash equivalents in the Statement of Financial Position	**135 742**	**140 799**
Total cash and cash equivalents in the Statement of Cash Flows	**135 742**	**140 799**

Deposits with the Treasurer includes the following fund balances that have restricted conditions:		
Funds held in the Accrual Appropriation Excess Funds Account. The balance of these funds is not available for general use (i.e. the funds can only be used in accordance with the Treasurer's/Under Treasurer's approval)	34 688	31 937
Funds held pursuant to the *Rural Industry Adjustment and Development Act 1985* and other State and Commonwealth Schemes for rural financial assistance	57 782	56 296
External funds held in the nature of grants or under cooperative agreements where unspent funds may be returned to the funder	16 481	13 800
Commonwealth funds held pursuant to the various Concessional Loans Schemes	22	102
Deposits with the Treasurer held as working capital, but subject to Department of Treasury and Finance budget and cash alignment policies	26 768	38 313
Total deposits with the Treasurer	**135 741**	**140 448**

Cash is measured at nominal values.

Deposits with the Treasurer

Deposits made into interest earning accounts with the Treasurer are at call and earn a floating interest rate.

5.2. Receivables

	2025 $'000	2024 $'000
Current receivables		
Contractual receivables		
From government entities	1 070	3 209
From non-government entities	7 491	11 800
Less: impairment loss on receivables	(221)	(157)
Total contractual receivables	**8 340**	**14 852**
Statutory receivables		
GST receivable	1 876	2 024
Workers compensation recoveries	13	7
Total statutory receivables	**1 889**	**2 031**
Loan receivables		
Loans to cooperatives	7 613	7 247
Loans – Commonwealth loan schemes	541	-
Total loan receivables	**8 154**	**7 247**
Other receivables		
Other accrued revenue	7 475	6 047
Prepayments	1 491	1 386
Accrued interest on loans and deposits	590	660
Total other receivables	**9 556**	**8 093**
Total current receivables	**27 939**	**32 223**
Non-current receivables		
Statutory receivables		
Workers compensation recoveries	43	34
Total non-current receivables	**43**	**34**
Loan receivables		
Loans to cooperatives	11 830	19 443
Loans - Commonwealth concessional loan schemes	3 440	4 821
Total loan receivables	**15 270**	**24 264**
Total non-current receivables	**15 313**	**24 298**
Total receivables	**43 252**	**56 521**

Contractual receivables

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

Contractual receivables are non-interest bearing. They are held with the objective of collecting the contractual cash flows.

5.2. Receivables (continued)

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

Refer to note 9.4 for further information on risk management.

Allowance for impairment loss on contractual receivables

	2025 $'000	2024 $'000
Carrying amount at the beginning of the period	157	59
Amounts written off	(9)	(16)
Increase/(Decrease) in allowance recognised in profit or loss	73	114
Carrying amount at the end of the period	**221**	**157**

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

Refer to note 9.4 for details regarding credit risk and the methodology for determining impairment.

Statutory receivables

Statutory receivables do not arise from contracts with customers. They are related to taxes and equivalents as well as statutory fees and charges. Statutory receivables are recognised and measured similarly to contractual receivables. Statutory receivables are not financial assets.

Workers compensation recoveries are related to the interim benefits receivable from employees pursuant to Section 32(3) of *Return to Work Act 2014*. This receivable is recognised when the relevant employees' claims are rejected.

The net amount of GST receivable is included as a part of statutory receivables.

No impairment loss was recognised in relation to statutory receivables.

Prepayments

Prepayments are generally related to payments made to suppliers before receiving the purchased goods or services. They are not to be confused with contractual receivables or contractual assets, both of which are related to payments to be received from customers. Prepayments are not financial assets or statutory receivables.

Loan receivables

Loan receivables consist of:

Loans to cooperatives

Cooperative loans are agreements between the Treasurer, PIRSA and an approved loan applicant, whereby the principal borrowed by PIRSA from the Treasurer is on-lent to an approved loan applicant (refer note 6.2). Similarly, repayments of principal made by an approved loan applicant are returned to the Treasurer to reduce the level of borrowing made by PIRSA.

The legal agreement with the loan recipient provides for a set loan term, and that the client can set interest rate structures within that period from time to time. At the end of each negotiated interest period the client can elect to repay the principal in full or part or roll the entire balance for another interest period. The interest rate is determined by the Treasurer through SAFA at the time of settling the loan approval and remains fixed over the negotiated interest period. Interest periods can range between 30 days to 10 years subject to agreement through SAFA. The interest rate on-charged to loan recipients is at a market rate and the Government Guarantee Fee, and the PIRSA and SAFA lending margins are added to the interest rate incurred by Cooperatives to cover related costs.

5.2. Receivables (continued)

Loans to eligible applicants of various concessional loan schemes offered by the Commonwealth Government

Commonwealth loan programs administered by the department include the Drought Concessional Loans Scheme, Drought Recovery Concessional Loans Scheme, Dairy Recovery Concessional Loans Scheme and Farm Business Concessional Loans Scheme (which included Drought Assistance, Dairy Recovery and Business Improvement Concessional Loans).

All of the Commonwealth concessional loan programs are now closed to new applicants, but the department will continue to administer the outstanding loan agreements (including principal and interest repayments) until the end of the loan term or the loan is repaid or refinanced by another financier.

Commencing 1 July 2018, the Regional Investment Corporation was established by the Commonwealth Government as a national administrator of future Concessional loan schemes.

The department's role with the Commonwealth Concessional Loan Schemes is and was to:

- assess applications and offer loans under the terms, conditions and interest rates prescribed by the Commonwealth to eligible applicants.
- manage the administration of approved loan facilities over their offered term. Funding was received from the Commonwealth (through the State) for each scheme and all or part of that funding was on-lent by the department to eligible applicants meeting the requirements of the Commonwealth program.
- returned uncommitted funds from the received loan pool funds to the Commonwealth at the end of the program.

Additionally, any loan principal and interest repaid by eligible applicants to the department is returned on collection to the Commonwealth, and the associated borrowing is reduced. Refer to Note 6.2 Other financial liabilities for further detail.

The department operates as only a pass-through delivery agent in the provision and administrator for loans issued from Commonwealth Funds. Further, the department bears no financial or credit risk, nor foregoes any resources from the concessional interest rate under the Commonwealth agreement.

Refer to note 9.4 for further information on risk management and impairment of financial assets.

5.3. Other financial assets

	2025 $'000	2024 $'000
Investments in shares - unlisted public companies	37 360	34 529
Total other financial assets	**37 360**	**34 529**

The department measures equity instruments (shares) at fair value and the department has made an irrevocable election that the investments will be categorised as Fair Value through Other Comprehensive Income (FVOCI). As such, while the fair value will be recognised in the statement of financial position, changes in value will be recognised in other comprehensive income rather than profit and taken to the investment reserve.

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

Investments are primarily held to secure long-term benefits from research partnerships and access to resources (water entitlements). The shares are not held for trading purposes.

The department's investments include:

- Ordinary shares in Australian Grain Technologies Pty Ltd (AGT), an entity involved in research to assist wheat breeding programs. The department is a shareholder along with the University of Adelaide, Grains Research and Development Corporation and Vilmorin & CIE SA.

5.3. Other financial assets (continued)

The fair value of the AGT investment was $37.33 million. An independent valuation was conducted in July 2025 for the year ended 30 June 2025 by Ernst & Young for the respective interests of shareholders. The valuation methodology consisted primarily of a discounted free cash flow applied to long range business and earnings forecasts provided by AGT.

The discounts applied in the valuation take into consideration both the size of AGT relative to reference markets and other comparative companies considered in the valuation approach, and specific risk premiums for uncertainties associated with market expansion. In assessing the value of the department's shareholding, further discounts were applied for minority shareholding and marketability of shareholder interests.

Measurement uncertainty, valuation sensitivity and valuation risk mitigation -

The valuation approach considered long range forecast business and earnings data provided by AGT. The independent valuer, in their measurement approach, undertook a number of valuation cross checks including earnings and trading multiples and considered companies that operate in the same industry and geography or exposed to similar risks. The independent valuer noted that the investments value is most sensitive to changes in volume assumptions and discount rate. The discount rate range used by the valuer this year was between 13.5% and 15%, the same as last year.

Trading multiples were also considered to vary significantly with potential comparable companies being larger in size and/or more diversified than AGT. To mitigate these risks, the independent valuer provided a range of possible outcomes to allow for valuation sensitivities and used long term historical averages and harvest forecasts in its valuation methodology.

The department considered the information presented and took a conservative approach in using the midpoint ($37.33 million) of the low-high range of possible outcomes (between $32.831 million and $41.829 million) as the basis of measurement for the investment. Selecting a measurement point different to the midpoint will increase or reduce the fair value movement recognised through other comprehensive income.

Liquidation value of the investment -

As an unlisted public company, there is no true active market for the disposal of these shares. The constitution of AGT outlines the process for the disposal or the transfer of shares, but this operates in a restrictive manner and may strongly influence share value. A liquidation value for the investment cannot be reliably forecast and may be considerably different to the fair value determined under AASB 9.

Assessment summary

The independent valuation provides assessment of the valuation of the investment, which can be periodically remeasured. The analysis and report were prepared in accordance with the requirements of AASB 9 and AASB 13, and in the judgement of the department the valuation represents a fair estimate of the value of the investment at 30 June 2025

- Shares in Barossa Infrastructure Limited ($12 500) were acquired in 2000-01, and a further investment was made during 2014-15 ($17 500) to secure a water entitlement for the department's research farm located at Nuriootpa. All shares acquired in Barossa Infrastructure were at a transaction price of $1.00 per unit. The market buy-in price for new subscribers to the company last published in financial statements of Barossa Infrastructure Ltd remains at $1.00 per share. The valuation method is a market approach based on observable inputs of share market price available from the published financial statements of Barossa Infrastructure Ltd.

Impairment of financial assets is assessed by reviewing external or internal evidence for indicators of changes that occurred in the period, or are expected to occur in the near future, in the technological, market, economic or legal environment of the investee.

5.3. Other financial assets (continued)

	2025 $'000	2024 $'000
Movement in financial assets		
Carrying amount at the beginning of the period	34 529	30 694
Fair value movement	2 831	3 835
Carrying amount at the end of the period	**37 360**	**34 529**

For further information on risk management refer to note 9.4 Financial instruments.

5.4. Contract assets

	2025 $'000	2024 $'000
Grants	14 981	13 881
Sale of services	1 453	61
Total contract assets	**16 434**	**13 942**

Contract assets primarily relate to the department's rights to consideration for work completed but not yet billed at the reporting date. The department has recognised for collaborative research projects and consultancy services. Amounts are billed in accordance with agreed upon contractual terms (i.e. periodic intervals). Contract assets are transferred to receivables when the rights become unconditional.

Contract assets have increased as the department provided more services ahead of contractual payment schedules. Based on assessment of historical invoice billing and collection data, the department did not recognise a loss allowance for contract assets in accordance with AASB 9.

5.5. Inventories

	2025 $'000	2024 $'000
Biological assets		
Livestock	2 788	2 479
Agricultural produce	136	202
Total biological assets	**2 924**	**2 681**
Other inventories		
Chemicals and other	1 777	2 076
Fuel and related items	43	26
Total other inventories	**1 820**	**2 102**
Total inventories	**4 744**	**4 783**

Biological assets are livestock valued at fair value less estimated costs to sell. Agricultural produce, including wool, fruit and harvested crops is valued at fair value less estimated costs to sell, using level 2 inputs. Gains and losses resulting from measurement at fair value, and from changes in fair value, are recognised in the Statement of Comprehensive Income.

Fair value for biological assets and agricultural produce has been determined by reference to quoted prices in the markets in which the produce is ordinarily sold, reduced by estimated point of sale costs that include commissions, packing and handling, brokerage selling charges and levies from regulatory bodies.

Other inventories are measured at the lower of cost and net realisable value.

5.5. Inventories (continued)

Inventories include chemicals, fuel, seed stocks and other goods held either for sale or distribution at no or nominal cost in the ordinary course of business. It excludes depreciable assets. Inventories held for distribution, for no or nominal consideration, are measured at cost and adjusted when applicable for any loss of service potential.

Cost is measured on the basis of the first-in, first-out method or using the weighted average price of the stock purchased and on hand. Net realisable value is determined using the estimated sales proceeds less costs incurred in marketing, selling and distribution to customers.

The amount of any inventory write-down to net realisable value/replacement cost or inventory losses are recognised as an expense in the period the write-down or loss occurred.

	Agricultural produce $'000	Livestock $'000
Balance at the beginning of the period	172	2 478
Acquisitions	648	1 223
Sales	(248)	(1 960)
Used as feed stock	(1 043)	-
Harvests transferred to inventories	607	1 047
Balance at the end of the period	**136**	**2 788**

Agricultural activities are carried out to assist with research and are conducted on a commercial basis. At 30 June 2025 inventory included 8 384 sheep, 1 250 cattle and 243 tonnes of crops and grain.

Production for the year included 136 tonnes of grapes and fruit, 6 271 lambs, 244 calves and 1 972 tonnes of other grain crops.

5.6. Property, plant and equipment owned by the department

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

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. 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 9.2.

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

The following tables show the movement of property, plant and equipment during 2024-25 and 2023-24:

Reconciliation 2024-25

	Land $'000	Buildings and infrastructure (specialised) $'000	Buildings and infrastructure (non specialised) $'000	Accommodation improvements $'000	Plant and equipment $'000
Carrying amount at 1 July 2024	64 793	67 837	8 748	2 767	19 402
Acquisitions	-	197	-	-	2 814
Disposals	-	-	-	-	(368)
Depreciation	-	(3 493)	(485)	(334)	(3 258)
Revaluation increment/(decrement)	6 915	-	-	-	-
Transfer between asset classes	-	5 522	-	-	1 008
Contribution received*	-	-	-	6	-
Other	-	-	-	-	(181)
Carrying amount at 30 June 2025	**71 708**	**70 063**	**8 263**	**2 439**	**19 417**
Carrying amount					
Gross carrying amount	71 708	76 695	9 233	3 657	53 737
Accumulated depreciation	-	(6 632)	(970)	(1 218)	(34 320)
Total	**71 708**	**70 063**	**8 263**	**2 439**	**19 417**

	Bearer plants $'000	Large vessels $'000	Works in progress - Plant and equipment $'000	Works in progress - Buildings $'000	Total $'000
Carrying amount at 1 July 2024	112	771	2 229	19 259	185 918
Acquisitions	-	-	334	2 223	5 568
Disposals	-	-	-	-	(368)
Depreciation	-	(124)	-	-	(7 694)
Revaluation increment/(decrement)	-	603	-	-	7 518
Transfer between asset classes	-	-	(1 005)	(5 525)	-
Contribution received*	-	-	-	-	6
Other	-	-		-	(181)
Carrying amount at 30 June 2025	**112**	**1 250**	**1 558**	**15 957**	**190 767**
Carrying amount					
Gross carrying amount	112	1 250	1 558	15 957	233 907
Accumulated depreciation	-	-	-	-	(43 140)
Total	**112**	**1 250**	**1 558**	**15 957**	**190 767**

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

Reconciliation 2023-24

	Land $'000	Buildings and infrastructure (specialised) $'000	Buildings and infrastructure (non specialised) $'000	Accommodation improvements $'000	Plant and equipment $'000
Carrying amount at 1 July 2023	64 793	70 389	9 233	621	17 503
Acquisitions	-	62	-	-	3 032
Disposals	-	-	-	(141)	(4)
Depreciation	-	(3 233)	(485)	(109)	(3 245)
Transfer between asset classes	-	619	-	-	2 116
Contribution received*	-	-	-	2 396	-
Carrying amount at 30 June 2024	**64 793**	**67 837**	**8 748**	**2 767**	**19 402**
Carrying amount					
Gross carrying amount	64 793	71 061	9 233	3 650	53 932
Accumulated depreciation	-	(3 224)	(485)	(883)	(34 530)
Total	**64 793**	**67 837**	**8 748**	**2 767**	**19 402**

	Bearer plants $'000	Large vessels $'000	Works in progress - Plant and equipment $'000	Works in progress - Buildings $'000	Total $'000
Carrying amount at 1 July 2023	113	895	1 568	16 421	181 536
Acquisitions	-	-	1 975	3 259	8 328
Disposals	-	-	-	-	(145)
Depreciation	-	(124)	-	-	(7 196)
Transfer between asset classes	-	-	(1 314)	(421)	1 000
Biologicals - movements	(1)	-	-	-	(1)
Contribution received*	-	-	-	-	2 396
Carrying amount at 30 June 2024	**112**	**771**	**2 229**	**19 259**	**185 918**
Carrying amount					
Gross carrying amount	112	1 300	2 229	19 259	225 569
Accumulated depreciation	-	(529)	-	-	(39 651)
Total	**112**	**771**	**2 229**	**19 259**	**185 918**

Impairment

Property, plant and equipment owned by the department are non-cash generating assets and so have not been assessed for impairment. Assets are specialised in nature and held for continual use of their service capacity. Revaluation of property, plant and equipment is undertaken on a regular cycle as detailed in Note 9.2. 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.

* As the lessor, DIT has provided capital contribution towards PIRSA's new office accommodation fit out works on 11 Waymouth Street, Adelaide as part of the accommodation incentive.

5.7. Right-of-use plant and equipment

	2025 $'000	2024 $'000
Right-of-use plant and equipment at cost	3 258	5 653
Accumulated depreciation	(3 042)	(3 237)
Total right-of-use plant and equipment	**216**	**2 416**

Right-of-use assets for property, plant and equipment leased by the department as lessee are measured at cost. Additions to leased property, plant and equipment during 2024-25 were $0.248 million (2024: $2.007 million).

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 4.2.

The department has 1 tractor lease and 2 storage facility leases with private sector providers.

The lease liabilities related to the right-of-use assets are disclosed in note 6.2. The department's maturity analysis of its lease liabilities is disclosed in note 9.4. Expenses related to leases, including depreciation and interest expenses, are disclosed in note 4.4 and note 4.6. Cash outflows related to leases are disclosed in note 7.2.

5.8. Intangible assets

The following tables show the movement of intangible assets during 2024-25 and 2023-24:

Reconciliation 2024-25

	Computer software $'000	Computer software development $'000	Water rights $'000	Total $'000
Carrying amount at 1 July 2024	2 317	2 598	188	5 103
Additions	121	3 354	-	3 475
Amortisation expense	(819)	-	-	(819)
Carrying amount at 30 June 2025	**1 619**	**5 952**	**188**	**7 759**
Carrying amount				
Gross carrying amount	19 703	5 952	188	25 843
Accumulated amortisation	(18 084)	-	-	(18 084)
Total	**1 619**	**5 952**	**188**	**7 759**

Reconciliation 2023-24

	Computer software $'000	Computer software development $'000	Water rights $'000	Total $'000
Carrying amount at 1 July 2023	2 815	1 902	188	4 905
Additions	-	2 233	-	2 233
Transfer between asset classes	519	(1 519)	-	(1 000)
Amortisation expense	(1 017)	-	-	(1 017)
Derecognition	-	(18)	-	(18)
Carrying amount at 30 June 2024	**2 317**	**2 598**	**188**	**5 103**
Carrying amount				
Gross carrying amount	19 582	2 598	188	22 368
Accumulated amortisation	(17 265)	-	-	(17 265)
Total	**2 317**	**2 598**	**188**	**5 103**

The department has no contractual commitments for the acquisition of intangible assets.

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

The acquisition or internal development of software is capitalised only when the expenditure meets the definition and recognition criteria and when the amount of expenditure is greater than or equal to $10 000. All research and development costs that do not meet the capitalisation criteria in *AASB 138 Intangible Assets* are expensed.

Water rights are valued at cost determined from an infrastructure levy payable in instalments to the water provider.

The right grants access to a contracted fixed annual supply of water while PIRSA maintains a supply agreement and shares with the provider. Where water use restrictions apply within the year the value of the resource is diminished and an impairment allowance is recognised, conversely where there are no restrictions the impairment is removed.

An agreement secures access to water resources for the research farm operated by the South Australian Research and Development Institute at Nuriootpa. This provides a perpetual right to an annual water allocation. Water allowances are now at 100% (2024: 100%), with no rationing.

6. Liabilities

6.1. Payables

	2025 $'000	2024 $'000
Contractual payables and accrued expenses	17 354	20 256
Accrued interest on borrowings	438	464
Total payables	**17 792**	**20 720**

Payables are measured at nominal amounts.

Payables and accrued expenses are recognised for all amounts owing but unpaid. Contractual payables are normally settled within 15 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.

6.2. Other financial liabilities

	2025 $'000	2024 $'000
Current		
Indebtedness to the Treasurer		
Borrowings for Commonwealth concessional loan schemes	541	-
Borrowings for loans to cooperatives	7 613	7 248
Lease liabilities	86	989
Total current other financial liabilities	**8 240**	**8 237**
Non-current		
Indebtedness to the Treasurer		
Borrowings for Commonwealth concessional loan schemes	3 432	4 880
Borrowings for loans to cooperatives	11 830	19 442
Lease liabilities	103	1 464
Total non-current other financial liabilities	**15 365**	**25 786**
Total other financial liabilities	**23 605**	**34 023**

	2025 $'000	2024 $'000
Movement in indebtedness to the Treasurer		
Carrying amount at the beginning of the period	31 570	38 789
Additional borrowing during the year	-	700
Repayment of borrowings	(8 154)	(7 919)
Carrying amount at the end of the period	**23 416**	**31 570**

6.2. Other financial liabilities (continued)

The department measures financial liabilities including borrowings/debt at amortised cost.

Borrowings consist of loans to cooperatives and loans to eligible applicants of various concessional loan schemes offered by the Commonwealth Government. Refer to further details of the loan schemes in note 5.2.

In assessing the requirements of AASB 9 the department has taken the position that borrowings in respect of Commonwealth Concessional Loan schemes are a pass-through arrangement between the Commonwealth, State and department, with the department operating as a delivery agent and administrator for the Commonwealth Funds.

Further, the department bears no financial or credit risk, nor foregoes any resources from the concessional interest rate under the Commonwealth agreement.

Lease liabilities have been measured via discounting lease payments using either the interest rate implicit in the lease (where it is readily determined) or DTF's incremental borrowing rate. For details of right-of-use assets, refer to note 5.7.

Note 9.3 describes possible cash outflows for leases the department is exposed to that are not included in lease liabilities.

6.3. Contract Liabilities

	2025 $'000	2024 $'000
Contract liabilities		
Grants	26 316	19 423
Sale of services	2 450	1 432
Total contract liabilities	**28 766**	**20 855**

Revenue totalling $20.855 million was recognised in 2024-25 that was included in contract liabilities at 1 July 2024. No revenue related to adjustments to prices for performance obligations satisfied or partially satisfied in prior periods.

All contract liabilities as at 30 June 2024 are expected to be recognised as revenue in 2025-26.

Contract liabilities primarily relate to the advance consideration received from customers, for which revenue is recognised as performance obligations are satisfied based on direct project costs incurred.

6.4. Employee related liabilities

	2025 $'000	2024 $'000
Current		
Annual leave	7 475	7 144
Accrued salaries and wages	286	6
Long service leave	2 036	2 329
Skills and experience retention leave	642	641
Employment on-costs	2 096	2 396
Total current employee related liabilities	**12 535**	**12 516**
Non-current		
Long service leave	16 448	15 510
Employment on-costs	1 722	1 588
Total non-current employee related liabilities	**18 170**	**17 098**
Total employee related liabilities	**30 705**	**29 614**

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 nominal amounts.

6.4. Employee related liabilities (continued)

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 reporting date.

The annual leave liability and the salaries and wages, annual leave, skills and experience retention leave 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.

The expected timing and amount of long service leave payments is determined through whole-of-government actuarial calculations, which are based on actuarial assumptions on expected future salary and wage levels, experience of employee departures and periods of service. These assumptions are based on employee data over SA Government entities.

The discount rate used in measuring the liability is reflective of the yield on long-term Commonwealth Government bonds. The yield on long-term Commonwealth Government bonds has remained unchanged at the 2024 rate of 4.25%.

The actuarial assessment performed by the Department of Treasury and Finance left the long-term salary inflation rate at 3.5% for the calculation of the long service leave liability. As a result, there is no net financial effect resulting from changes in the salary inflation rate.

The current portion of employee related liabilities reflects the amount for which the department does not have right to defer settlement for at least 12 months after reporting date. For long service leave, the amount relates to leave approved before year end that will be taken within 12 months, expected amount of leave to be approved and taken by eligible employees within 12 months, and expected amount of leave to be paid on termination to eligible employees within 12 months.

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. These on-costs primarily relate to the balance of leave owing to employees. Estimates as to the proportion of long service leave estimated to be taken as leave, rather than paid on termination, affects where certain on-costs are recognised as a consequence of long service leave liabilities.

The department contributes to several State Government and externally managed superannuation schemes. These contributions are treated as an expense when they occur. There is no liability for payments to beneficiaries as they have been assumed by the respective superannuation schemes. The only liability outstanding at reporting dates relates to any contributions due but not yet paid to employee’s superannuation funds.

As a result of an actuarial assessment performed by the DTF, the proportion of long service leave taken as leave has remained unchanged at the 2024 rate of 44% and the average factor for the calculation of employer superannuation costs on-costs has increased from the 2024 rate (11.5%) to the 2025 rate (12%). These rates are used in the employment on-cost calculation.

The net financial effect of the changes in the current financial year is an increase in employee related expenses of $0.13 million.

6.5. Provisions

	2025 $'000	2024 $'000
Current		
Provision for workers compensation	565	441
Total current provisions	**565**	**441**
Non-current		
Provision for workers compensation	1 567	1 713
Total non-current provisions	**1 567**	**1 713**
Total provisions	**2 132**	**2 154**
Carrying amount at the beginning of the period	**2 154**	**2 179**
Reductions arising from payments	(345)	(433)
Revaluation of liability	(267)	(157)
Additional provisions recognised	590	565
Carrying amount at the end of the period	**2 132**	**2 154**

The department is an exempt employer under the *Return to Work Act 2014*. Under a scheme arrangement, the department is responsible for the management of workers rehabilitation and compensation and is directly responsible for meeting the cost of worker's compensation claims and the implementation and funding of preventative programs.

Accordingly, a liability has been reported to reflect unsettled workers compensation claims (statutory and additional compensation schemes).

The workers compensation provision is based on an actuarial assessment of the outstanding liability as at 30 June 2025 provided by a consulting actuary engaged through the Office of the Commissioner for Public Sector Employment.

The additional compensation scheme provides continuing benefits to workers who have suffered eligible work-related injuries and whose entitlements have ceased under the statutory workers compensation scheme. Eligible injuries are nonserious injuries sustained in circumstances which involved, or appeared to involve, the commission of a criminal offence, or which arose from a dangerous situation.

There is a significant degree of uncertainty associated with estimating future claim and expense payments and also around the timing of future payments due to the variety of factors involved. The liability is impacted by agency claim experience relative to other agencies, average claim sizes and other economic and actuarial assumptions.

In addition to these uncertainties, the additional compensation scheme $0.284 million (2024: $0.186 million) is impacted by the limited claims history and the evolving nature of the interpretation of, and evidence required to meeting, eligibility criteria. Given these uncertainties, the actual cost of additional compensation claims may differ materially from the estimate.

6.6. Other non-financial liabilities

	2025 $'000	2024 $'000
Current		
Accommodation incentive	673	673
Total current other non-financial liabilities	**673**	**673**
Non-current		
Accommodation incentive	4 660	5 334
Other liabilities	1	1
Total non-current other non-financial liabilities	**4 661**	**5 335**
Total non-financial other liabilities	**5 334**	**6 008**

Accommodation incentive liabilities relate to arrangements with DIT for office accommodation. These arrangements do not comprise leases and the accommodation incentives do not comprise financial liabilities. DIT has provided fit-out free of charge and rental rebate. The benefit of this incentive is spread over the accommodation term so that each year reported accommodation expenses reflect the economic substance of the office accommodation arrangements and related benefits provided.

7. Other disclosures

7.1. Equity

Asset Revaluation

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

Investment reserve

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

7.2. 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 financing and investing activities, which is recoverable from, or payable to, the ATO is classified as part of operating cash flows.

Total cash outflows for leases was $1.201 million (2024: $1.180 million).

Reconciliation of net result to cash flows from operating activities

	2025 $'000	2024 $'000
Reconciliation of cash at 30 June 2025		
Cash disclosed in the Statement of Financial Position	135 742	140 799
Balance as per the Statement of Cash Flows	135 742	140 799
Reconciliation of net cash provided by operating activities to net result		
Net cash provided by / (used in) operating activities	2 218	(15 289)
Add / (less) non-cash items		
Depreciation and amortisation	(9 522)	(9 361)
Gain/(loss) on disposal of property, plant and equipment	(250)	(106)
Derecognition of non-current assets	-	(18)
Gain/(loss) on inventories	2 691	1 499
Accommodation incentive	673	323
Impairment loss on receivables movement	(73)	(114)
Asset write down	(2)	(13)
Movement in assets and liabilities		
(Decrease)/increase in receivables	(2 273)	9 294
(Decrease)/increase in inventories	39	(2 144)
(Decrease)/increase in contract assets	2 492	2 762
(Increase)/decrease in payables	(58)	(1 245)
(Increase)/decrease in provisions	22	25
(Increase)/decrease in contract liabilities	(7 911)	(5 944)
(Increase)/decrease in employee benefits	(1 092)	(2 017)
Net result	**(13 046)**	**(22 348)**

8. Outlook

8.1. Unrecognised commitments

Commitments include operating, investing and outsourcing arrangements arising from contractual sources. They are disclosed at their nominal value and inclusive of non-recoverable GST.

Contractual commitments to acquire property, plant and equipment

Contractual commitments to acquire property, plant and equipment, contracted for at the reporting date but not recognised as liabilities in the financial report, are payable as follows:

	2025 $'000	2024 $'000
Within one year	48	1 773
Total contractual commitments to purchase property, plant and equipment	**48**	**1 773**

8.1. Unrecognised commitments (continued)

Other contractual commitments

	2025 $'000	2024 $'000
Within one year	42 211	49 560
Later than one year but not longer than five years	15 088	24 063
Later than five years	11 135	11 241
Total other contractual commitments	**68 434**	**84 864**

The department's other contractual commitments include:

- MoAA with DIT for accommodation commitments of $24.348 million (2024: $17.869 million).
- amounts owing under fixed price contracts outstanding at the end of the reporting period and future amounts payable under approved grant and funding agreements where payment by the department is conditional on the grant applicant meeting any conditions precedent in the agreement. Non-performance by the applicant would result in a withdrawal of the grant offer.

Leases entered which have not yet commenced

The department did not enter into any leases which have not yet commenced.

8.2. 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.

Contingent assets

The department is not aware of any contingent assets.

Contingent liabilities

The department has some current and potential legal disputes in Fishery and Biosecurity areas. The financial impact cannot be reliably measured at this time.

The nature of activities that the department is involved in can create potential exposure to environmental matters, which the department may be required to remedy in the future.

8.3. Impact of standards not yet effective

The department has assessed the impact of the new and amended Australian Accounting Standards and Interpretations not yet effective and does not expect these to have a material impact on the financial statements.

8.4. Events after the reporting period

No events have occurred after balance date that would affect the financial statements of PIRSA as at 30 June 2025.

9. Measurement and risk

9.1. Fair value

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

Initial recognition

Property, plant and equipment owned by the department 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 owned by the department are subsequently measured at fair value after allowing for accumulated depreciation.

The revaluation process is reviewed by the department each year.

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 million and estimated useful life is greater than three years.

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.

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.

Equity instruments are re-measured to fair value at each reporting period.

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 department's measurements, based on the data and assumptions used in the most recent revaluation:

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

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 2025 and 2024, the department had no valuations categorised into level 1; there were no transfers of assets between level 1 and 2 fair value hierarchy levels and there were no changes in valuation technique.

9.1. Fair value (continued)

	Note	2025 $'000	Level 2 $'000	Level 3 $'000
Fair value classification - at 30 June 2025				
Recurring fair value measurements				
Land	5.6	71 708	71 708	-
Buildings and infrastructure specialised	5.6	70 063	-	70 063
Buildings and infrastructure non specialised	5.6	8 263	8 263	-
Accommodation improvements	5.6	2 439	-	2 439
Bearer plants	5.6	112	-	112
Plant and equipment	5.6	19 417	-	19 417
Large vessels	5.6	1 250	-	1 250
Other financial assets	5.3	37 360	-	37 360
Total recurring fair value measurements		**210 612**	**79 971**	**130 641**

	Note	2024 $'000	Level 2 $'000	Level 3 $'000
Fair value classification - at 30 June 2024				
Recurring fair value measurements				
Land	5.6	64 793	64 793	-
Buildings and infrastructure specialised	5.6	67 837	-	67 837
Buildings and infrastructure non specialised	5.6	8 748	8 748	-
Accommodation improvements	5.6	2 767	-	2 767
Bearer plants	5.6	112	-	112
Plant and equipment	5.6	19 402	-	19 402
Large vessels	5.6	771	-	771
Other financial assets	5.3	34 529	-	34 529
Total recurring fair value measurements		**198 959**	**73 541**	**125 418**

Land

Land assets were revalued to fair value as at 30 June 2025. The department undertook the valuation using indices provided by an independent, professionally qualified valuer, Liquid Pacific Pty Ltd. These indices were derived from observable market activity and reference to transaction prices.

The use of indexation is consistent with the PIRSA's valuation methodology where a full valuation is not cost-effective to perform frequently. The last full revaluation, which included site inspections, was performed as at 30 June 2023 by Liquid Pacific Pty Ltd.

The department has reviewed its land holdings and determined there was no material changes in land use or zoning.

Buildings and infrastructure

Buildings and infrastructure were independently reviewed and revalued to fair value as at 30 June 2023, by Liquid Pacific Pty Ltd. The valuer arrived at fair value using the market approach based on recent market transactions for similar buildings and infrastructure in the area considering zoning and restricted use.

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

9.1. Fair value (continued)

Large vessels

The department's purpose-built high-speed patrol vessel 'Southern Ranger' used for South Australia's Fisheries and Aquaculture operations was reviewed by an independent valuer and revalued to fair market value in 2024-25.

The market value appraisal was arrived at from market research and recent market evidence through the independent valuer. This asset is classified at level 3.

Other financial assets – investments in shares

The fair value of unlisted investments is based on expected cash flows discounted at a market interest rate and considering the risk premium specific to the investments. These investments are classified as Level 3 in the hierarchy. Refer to note 5.3.

Plant and equipment

All items of plant and equipment that had a fair value at the time of acquisition of less than $1 million or had an estimated useful life that was less than three years have not been revalued. The carrying value of these items is deemed to approximate fair value.

Reconciliation of level 3 recurring fair value measurements

There was no asset transfer between level 2 and level 3 in 2023-24 and 2024-25. Movements in Level 3 are the same as reflected in note 5.3 and note 5.6.

9.2. Possible lease cash outflows not reflected in lease liabilities

Variable lease payments are required where the department uses the tractors above specified levels. These are not reflected in the lease liability. The department did not incur such charges in 2024-25 and is not expected to incur such charges in 2025-26.

9.3. Financial instruments

Financial risk management

Risk management is managed by the department's corporate services section and 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 (refer note 3.1). The department works with DTF 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 5.2 and note 6.2 for information in relation to loans and borrowings.

The department's performance against budget is presented in note 1.3.

9.3. Financial instruments (continued)

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 where practicable 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.

Loans Receivables

There is no impairment allowance provided for the loans receivables. The department operates as only a pass-through delivery agent for loans under Commonwealth concessional loan schemes and bears no financial risks.

Under the arrangement with the Commonwealth, should a bad debt loss occur, the loss would be passed back to the Commonwealth. Loans to cooperatives are secured by bank guarantee for the total balance.

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

	Debtor gross carrying amount $'000	**Loss %**	**Lifetime expected losses $'000**
Current	3 751	0.70%	26
1-30 days past due	2 920	1.49%	44
31 - 60 days past due	174	5.58%	10
61-90 days past due	56	12.49%	7
More than 90 days past due	590	22.84%	134
Loss allowance			**221**

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.

9.3. Financial instruments (continued)

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.

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.

All of the department's debt investments at amortised cost are considered to have low credit risk and the consideration of expected credit loss was limited to 12 months expected losses. The expected credit loss is nil.

Market risk

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

Exposure to interest rate risk may arise through its interest-bearing liabilities, including borrowings. PIRSA's interest bearing liabilities are managed through the South Australian Government Financing Authority (SAFA) and any movement in interest rates are monitored on a daily basis. Except as noted at 5.1. there is no exposure to foreign currency or other price risks.

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

Categorisation of financial instruments

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

9.3. Financial instruments (continued)

Maturity analysis of financial instruments

Category of financial asset and financial liability		2025 Carrying amount / fair value $'000	2025 Contractual maturities* Within 1 year ($'000)	1-5 years ($'000)	More than 5 years ($'000)
Financial assets at amortised cost					
Cash	5.1	135 742	135 742	-	-
Receivables	5.2	16 405	16 405	-	-
Loans receivable	5.2	23 424	8 154	15 270	-
Financial assets at fair value through other comprehensive income					
Other financial assets	5.3	37 360	37 360	-	-
Total financial assets		**212 931**	**197 661**	**15 270**	**-**
Financial liabilities at amortised cost					
Payables	6.1	17 792	17 792	-	-
Borrowings	6.2	23 416	8 154	15 262	-
Lease liabilities*	6.2	189	86	103	-
Total financial liabilities		**41 397**	**26 032**	**15 365**	**-**

Category of financial asset and financial liability		2024 Carrying amount / fair value $'000	2024 Contractual maturities* Within 1 year ($'000)	1-5 years ($'000)	More than 5 years ($'000)
Financial assets at amortised cost					
Cash	5.1	140 799	140 799	-	-
Receivables	5.2	21 559	21 559	-	-
Loans receivable	5.2	31 511	7 248	19 683	4 580
Financial assets at fair value though other comprehensive income					
Other financial assets	5.3	34 529	34 529	-	-
Total financial assets		**228 398**	**204 135**	**19 683**	**4 580**
Financial liabilities at amortised cost					
Payables	6.1	20 409	20 409		
Borrowings	6.2	31 570	7 248	19 742	4 580
Lease liabilities*	6.2	2 598	1 059	1 539	
Total financial liabilities		**54 577**	**28 716**	**21 281**	**4 580**

* 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.

Receivables and payables

The receivables and payables amounts disclosed here exclude amounts relating to statutory receivables and payables. This includes Commonwealth, State and Local Government taxes and equivalents, fees and charges and audit fees payable to the Audit Office of South Australia. All amounts recorded are carried at amortised cost.

Department of Primary Industries and Regions (PIRSA)

Administered Financial Statements

For the year ended 30 June 2025

Department of Primary Industries and Regions
Statement of Administered Comprehensive Income
for the year ended 30 June 2025

	Note	2025 $'000	2024 $'000
Administered income			
Appropriation	A3.1	5 061	4 918
Fees and charges	A3.2	32 958	30 984
Interest	A3.3	670	680
Levies collections	A3.4	196	221
Transfer from PIRSA	A3.5	172	-
Other income		2	-
Total administered income		**39 059**	**36 803**
Administered expenses			
Employee related expenses	A4.1	421	402
Supplies and services	A4.2	3 186	2 572
Grants and subsidies	A4.4	34 017	33 967
Levies payments	A4.5	140	182
Other expenses	A4.6	20	252
Total administered expenses		**37 784**	**37 375**
Net result		**1 275**	**(572)**
Total comprehensive result		**1 275**	**(572)**

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

Department of Primary Industries and Regions
Statement of Administered Financial Position
as at 30 June 2025

	Note	2025 $'000	2024 $'000
Administered current assets			
Cash and cash equivalents	A5.1	23 595	21 266
Receivables	A5.2	3 678	3 381
Total current assets		**27 273**	**24 647**
Total assets		**27 273**	**24 647**
Administered current liabilities			
Payables	A6.1	1 175	670
Other liabilities	A6.2	1 290	444
Total current liabilities		**2 465**	**1 114**
Total liabilities		**2 465**	**1 114**
Net assets		**24 808**	**23 533**
Administered equity			
Retained earnings		24 808	23 533
Total equity		**24 808**	**23 533**

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

Department of Primary Industries and Regions
Statement of Administered Cash Flows
for the year ended 30 June 2025

Cash flows from operating activities	Note	2025 $'000	2024 $'000
Cash inflows			
Appropriation		5 061	4 918
Transfer from PIRSA		172	-
Fees and charges		34 128	32 125
Interest		676	674
Levies collections		208	221
Other income		52	16
Cash generated from operations		**40 297**	**37 954**
Cash (outflows)			
Employee related payments		(421)	(402)
Supplies and services		(3 413)	(2 792)
Grants and subsidies		(33 982)	(34 246)
Levies payments		(152)	(182)
Cash used in operations		**(37 968)**	**(37 622)**
Net cash provided by / (used in) / operations	A7.1	**2 329**	**332**
Net increase / (decrease) in cash and cash equivalents		**2 329**	**332**
Cash and cash equivalents at the beginning of the period		**21 266**	**20 934**
Cash and cash equivalents at the end of the period	A5.1	**23 595**	**21 266**

The accompanying notes form part of these financial statements.

Department of Primary Industries and Regions
Income and Expenses by Administered Programs
For the year ended 30 June 2025

Administered programs - refer note A1.1	Adelaide Hills Wine Industry Fund		Aquaculture Fund		Barossa Wine Industry Fund		Citrus Growers Fund		Clare Valley Wine Industry Fund	
	2025 $'000	2024 $'000	2025 $'000	2024 $'000	2025 $'000	2024 $'000	2025 $'000	2024 $'000	2025 $'000	2024 $'000
Administered income										
Fees and charges	408	276	2 480	2 264	1 133	1 126	168	204	281	243
Interest	8	10	109	110	28	28	11	11	12	14
Total administered income	**416**	**286**	**2 589**	**2 374**	**1 161**	**1 154**	**179**	**215**	**293**	**257**
Administered expenses										
Supplies and services	17	19	-	-	140	110	131	12	33	38
Grants and subsidies	342	340	2 265	2 209	1 034	1 142	110	195	264	340
Other expenses	-	-	(4)	31	-	-	-	-	-	-
Total administered expenses	**359**	**359**	**2 261**	**2 240**	**1 174**	**1 252**	**241**	**207**	**297**	**378**
Net result	**57**	**(73)**	**328**	**134**	**(13)**	**(98)**	**(62)**	**8**	**(4)**	**(121)**

	Fisheries Research and Development Fund		ForestrySA Community Service Obligations		Grain Industry Fund		Grain Industry Research and Development Fund		Langhorne Creek Wine Industry Fund	
	2025 $'000	2024 $'000	2025 $'000	2024 $'000	2025 $'000	2024 $'000	2025 $'000	2024 $'000	2025 $'000	2024 $'000
Administered income										
Appropriation	-	-	4 641	4 516	-	-	-	-	-	-
Fees and charges	15 446	14 585	-	-	1 856	1 639	2 254	2 384	353	239
Interest	-	-	-	-	60	82	14	18	4	5
Transfer from PIRSA	172	-	-	-	-	-	-	-	-	-
Other income	2	-	-	-	-	-	-	-	-	-
Total administered income	**15 618**	**14 585**	**4 641**	**4 516**	**1 916**	**1 721**	**2 268**	**2 402**	**357**	**244**
Administered expenses										
Supplies and services	2 106	1 886	-	-	23	26	20	26	23	21
Grants and subsidies	12 925	12 824	4 641	4 516	2 500	1 870	1 909	2 437	210	244
Other expenses	24	221	-	-	-	-	-	-	-	-
Total administered expenses	**15 055**	**14 931**	**4 641**	**4 516**	**2 523**	**1 896**	**1 929**	**2 463**	**233**	**265**
Net result	**563**	**(346)**	**-**	**-**	**(607)**	**(175)**	**339**	**(61)**	**124**	**(21)**

Department of Primary Industries and Regions
Income and Expenses by Administered Programs
For the year ended 30 June 2025

	McLaren Vale Wine Industry Fund		Riverland Wine Industry Fund		South Australian Apiary Industry Fund		South Australian Cattle Industry Fund		South Australian Grape Growers Industry Fund	
	2025 $'000	**2024 $'000**	**2025 $'000**	**2024 $'000**	**2025 $'000**	**2024 $'000**	**2025 $'000**	**2024 $'000**	**2025 $'000**	**2024 $'000**
Administered income										
Fees and charges	659	707	817	686	53	62	885	691	763	723
Interest	15	13	28	15	22	20	48	47	28	23
Total administered income	**674**	**720**	**845**	**701**	**75**	**82**	**933**	**738**	**791**	**746**
Administered expenses										
Supplies and services	74	56	317	205	17	18	24	38	102	68
Grants and subsidies	624	643	570	393	6	7	887	674	500	600
Total administered expenses	**698**	**699**	**887**	**598**	**23**	**25**	**911**	**712**	**602**	**668**
Net result	**(24)**	**21**	**(42)**	**103**	**52**	**57**	**22**	**26**	**189**	**78**

	South Australian Pig Industry Fund		South Australian Sheep Industry Fund		Other Funds		Total	
	2025 $'000	**2024 $'000**	**2025 $'000**	**2024 $'000**	**2025 $'000**	**2024 $'000**	**2025 $'000**	**2024 $'000**
Administered income								
Appropriation	-	-	-	-	420	402	5 061	4 918
Fees and charges	170	170	5 232	4 985	-	-	32 958	30 984
Interest	114	117	169	167	-	-	670	680
Levies collections	-	-	-	-	196	221	196	221
Transfer from PIRSA	-	-	-	-	-	-	172	-
Other income	-	-	-	-	-	-	2	-
Total administered income	**284**	**287**	**5 401**	**5 152**	**616**	**623**	**39 059**	**36 803**
Administered expenses								
Employee related expenses	-	-	-	-	421	402	421	402
Supplies and services	13	13	136	37	10	(1)	3 186	2 572
Grants and subsidies	255	195	4 975	5 338	-	-	34 017	33 967
Levies payments	-	-	-	-	140	182	140	182
Other expenses	-	-	-	-	-	-	20	252
Total administered expenses	**268**	**208**	**5 111**	**5 375**	**571**	**583**	**37 784**	**37 375**
Net result	**16**	**79**	**290**	**(223)**	**45**	**40**	**1 275**	**(572)**

A1. Basis of preparation

The basis of preparation for administered financial statements is the same as the basis outlined in note 1.1.
The Department of Primary Industries and Regions (PIRSA/the department) applies the same accounting policies to the administered financial statements as set out in the notes to PIRSA's Controlled financial statements.

A1.1 Administered funds of the department

The program schedule presents income and expenses by fund attributable to each program. A schedule of asset and liabilities by program has not been provided as they cannot be attributed to the programs reliably. Information about the PIRSA administered funds is set out below:

Adelaide Hills Wine Industry Fund

This fund was established by Regulations under the *Primary Industry Funding Schemes Act 1998* on 8 August 2003. The primary purposes of the fund are to promote the Adelaide Hills wine industry, undertake research and development and encourage communication and cooperation between participants in the Adelaide Hills wine industry.

Aquaculture Fund

This fund, established under the *Aquaculture Act 2001,* came into operation on 11 November 2002. Under the Act, fees are paid into the fund and are to be utilised primarily for the purpose of any investigation or other projects relating to the management of aquaculture resources.

Barossa Wine Industry Fund

This fund was established by Regulations under the *Primary Industry Funding Schemes Act 1998* on 29 November 2007. The primary purposes of the fund are to promote the Barossa wine industry, undertake research and development and encourage communication and cooperation between participants in the Barossa wine industry.

Citrus Growers Fund

This fund was established by Regulations under the *Primary Industry Funding Schemes Act 1998* on 20 October 2005. The primary purposes of the fund are to provide services to growers, promote the SA citrus industry, represent growers in regional, State or national citrus or horticulture industry forums and encourage communication and cooperation between participants in the citrus industry.

Clare Valley Wine Industry Fund

This fund was established by Regulations under the *Primary Industry Funding Schemes Act 1998* on 21 February 2008. The primary purposes of the fund are to promote the Clare Valley wine industry, undertake research and development and encourage communication and cooperation between participants in the Clare Valley wine industry.

Fisheries Research and Development Fund

Under the *Fisheries Management Act 2007,* all commercial licence fees received by PIRSA are required to be paid into this fund. The primary purposes of the fund are to carry out research, exploration, experiments, works or operations for the conservation, management and enhancement of living resources found in waters to which the Act applies or promotion of any fishing, fish farming or fish processing activity.

Forestry SA Community Service Obligations

PIRSA receives appropriation to make payments to Forestry SA representing Community Service Obligations for the provision of: management of native forests for biodiversity conservation; community use of forest reserves; forest research programs; and provision of community fire protection services near forest reserves.

A1.1. Administered funds of the department (continued)

Grain Industry Fund

This fund was established by Regulations under the *Primary Industry Funding Schemes Act 1998* on 1 March 2012. The primary purposes of the fund are to promote the grain industry through industry field days, conferences and other events; represent grain growers in regional, state or national grain or agriculture industry forums; collect and disseminate to grain growers information relevant to the grain industry; and undertake programs designed to encourage communication and cooperation between grain growers and other persons associated with the grain industry.

Grain Industry Research and Development Fund

This fund was established by Regulations under the *Primary Industry Funding Schemes Act 1998* on 8 August 2013. The primary purposes of the fund are to collect industry funds and make payments to the South Australian Grain Industry Trust Fund and others; to undertake or facilitate research and development into the growing, harvesting, storage, processing and marketing of grain; and collect and disseminate to grain growers information relevant to research and development into grains.

Langhorne Creek Wine Industry Fund

This fund was established by Regulations under the *Primary Industry Funding Schemes Act 1998* on 14 June 2001 with new Regulations assented to on 1 September 2016. The primary purposes of the fund are to promote the Langhorne Creek wine industry, undertake research and development and encourage communication and cooperation between participants in the Langhorne Creek wine industry.

McLaren Vale Wine Industry Fund

This fund was established by Regulations under the *Primary Industry Funding Schemes Act 1998* on 5 June 2003. The primary purposes of the fund are to promote the McLaren Vale wine industry, undertake research and development and encourage communication and cooperation between participants in the McLaren Vale wine industry.

Riverland Wine Industry Fund

This fund was established by Regulations under the *Primary Industry Funding Schemes Act 1998* on 14 June 2001 with new Regulations assented to on 1 September 2016. The primary purposes of the fund are to promote the Riverland wine industry, undertake research and development and encourage communication and cooperation between participants in the Riverland wine industry.

South Australian Apiary Industry Fund

This fund was established by Regulations under the *Primary Industry Funding Schemes Act 1998* on 31 January 2001 with new Regulations assented to on 1 September 2016. The primary purpose of the fund is to undertake programs relating to the apiary industry or apiary products or any other aspect of the apiary industry that is considered will benefit the apiary industry.

South Australian Cattle Industry Fund

This fund was established by Regulations under the *Primary Industry Funding Schemes Act 1998* on 1 July 2000 with new Regulations assented to on 14 May 2015. The primary purposes of the fund are to undertake programs relating to cattle, cattle products or any other aspect of the cattle industry, and payment of compensation and other amounts in line with Regulations.

South Australian Grape Growers Industry Fund

This fund was established by Regulations under the *Primary Industry Funding Schemes Act 1998* on 29 November 2007. The primary purposes of the fund are to promote the SA grape grower's industry, undertake research and development and encourage communication and cooperation between participants in the SA grape grower's industry.

A1.1. Administered funds of the department (continued)

South Australian Pig Industry Fund

This fund was established by Regulations under the *Primary Industry Funding Schemes Act 1998* on 1 October 2001 with new Regulations assented to on 1 September 2016. The primary purposes of the fund are to undertake research, investigations or other programs relating to pigs, pig products or any other aspect of the pig industry and payment of compensation in line with Regulations.

South Australian Sheep Industry Fund

This fund was established by Regulations under the *Primary Industry Funding Schemes Act 1998* on 28 October 1999 with new Regulations assented to on 14 August 2014. The purposes of the fund are to make financial assistance or ex gratia payments to farmers in line with the Regulations, undertake and provide contributions to the Dog Fence Board towards the maintenance and rebuild of the dog proof fence.

Other Funds

This is the total of all other administered funds including the payment of Ministerial salaries and allowances, and seed levies collected and remitted pursuant to the Commonwealth *Pasture Seed Levy Collection Act 1989* and amending Act *Primary Industries Levies and Charges Collection (Consequential Provisions) Act 1991.*

A1.2 Budget performance

The budget performance table compares the departments outcomes against budget information presented to Parliament (2024-25 budget paper 4). The budget amounts have not been adjusted to reflect revised budgets or administrative restructures. The budget process is not subject to audit.

Statement of Administered Comprehensive Income	Original budget 2025 $'000	Actual 2025 $'000	Variance $'000
Administered Income			
Appropriation	5 051	5 061	10
Fees and charges	31 761	32 958	1 197
Interest	474	670	196
Levies collections	166	196	30
Transfer from PIRSA	-	172	172
Other income	2	2	-
Total administered income	**37 454**	**39 059**	**1 605**
Administered Expenses			
Employee benefits expenses	410	421	11
Supplies and services	2 917	3 186	269
Grants and subsidies	34 038	34 017	(21)
Levies payments	166	140	(26)
Other expenses	33	20	(13)
Total administered expenses	**37 564**	**37 784**	**220**
Net result	**(110)**	**1 275**	**1 385**
Total comprehensive result	**(110)**	**1 275**	**1 385**

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

A1.3. Significant transactions with government related entities

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

A2. Board, committees and employees

A2.1. Key management personnel

The Minister for Primary Industries and Regional Development (the Minister) has responsibility for all the administered funds included under note A1.1 and discharges their duties in accordance with the governance arrangements in the legislation and regulations that underpin each fund. The Minister is deemed to be a key management person for the administered funds.

The Minister's remuneration and allowances are set by the *Parliamentary Remuneration Act 1990* and the Remuneration Tribunal of SA respectively and are payable from the Consolidated Account (via DTF) under section 6 the *Parliamentary Remuneration Act 1990*. Refer to note A2.1 for the Minister's remuneration.

A3. Income

A3.1. Appropriation

	2025 $'000	2024 $'000
Appropriations from Consolidated Account pursuant to the *Appropriation Act*	4 641	4 516
Reimbursements received for Parliamentary salaries and expense allowances	420	402
Total appropriations	**5 061**	**4 918**

Appropriations are recognised upon receipt.

A3.2. Fees and charges

	2025 $'000	2024 $'000
Industry contributions	15 032	14 135
Aquaculture and fishing licences	14 775	13 900
Other fees and levies	3 110	2 934
Penalties and fines	41	15
Total fees and charges	**32 958**	**30 984**

Aquaculture and Fishing Licences

Revenue is recognised at the date of grant of a new licence and on any subsequent renewal, at the date of commencement of the new licence period. The operations of Fisheries and Aquaculture are largely cost recovered and annual licence fee revenue collections fund legislative compliance, research and other industry specific projects, in accordance with strategic plans developed by the industry.

Industry contributions

Under the *Primary Industry Funding Schemes Act 1998* certain administered industry funds may impose a levy on industry participants to raise funds for the conduct of approved projects to advance research or development in the industry sector. For each industry fund, regulations under the Act specify the amount and nature of levies payable. Contributions are recognised as an asset and income when the Fund obtains control of the contributions or obtains the right to receive the contributions and the income recognition criteria are met (that is, the amount can be reliably measured and the flow of resources is probable).

A3.3. Interest

	2025 $'000	2024 $'000
Interest on special deposit accounts	670	680
Total interest	**670**	**680**

A3.4. Levies collections

	2025 $'000	2024 $'000
Seed levies	196	221
Total levies collections	**196**	**221**

Seed levies comprise amounts collected pursuant to the Commonwealth *Pasture Seed Levy Collection Act 1989* and amending Act *Primary Industries Levies and Charges Collection (Consequential Provisions) Act 1991* for certification of pasture seed by the State and fees charged by Australian Seed Authority Ltd (ASA) under licence by the Commonwealth Department of Agriculture and Water and Environment. ASA has undertaken the role of the National Designated Authority for the Organisation for Economic Cooperation and Development (OECD) seed schemes, and, at the request of the Australian seed industry, operates the Australian Seed Certification Scheme which is used principally for seed not destined for export. The department has an agreement with ASA to collect and remit the levy on their behalf.

Payments are recognised under note A4.4.

A3.5. Transfer from PIRSA

Transfer from PIRSA is to provide financial relief to Marine Scalefish Fishery licence holders that are impacted by higher fees for quota holdings in the 2024-25 financial year.

A4. Expenses

A4.1. Employee related expenses

	2025 $'000	2024 $'000
Salaries and wages	421	402
Total employee related expenses	**421**	**402**

A4.2. Supplies and services

	2025 $'000	2024 $'000
Professional and technical services	2 203	1 993
Administrative and operating costs	864	468
Audit Fees	119	111
Total supplies and services	**3 186**	**2 572**

A4.3. Expenditure – SA business and non-SA business

The following table includes all expenditure in relation to contracts above $55,000 (GST inclusive) resulting from a procurement as defined in Treasurer's Instruction 18 – Procurement (TI 18). Arrangements between public authorities and arrangements with other governments are not included.

Expenditure is inclusive of non-recoverable GST.

	2025 $'000	Proportion SA and non-SA businesses
Total expenditure with South Australian businesses	1 781	90%
Total expenditure with non-South Australian businesses	199	10%
Total expenditure	**1 980**	**100%**

Refer to Note 4.3 for classification of SA and non-SA Business.

A4.4. Grants and subsidies

	2025 $'000	2024 $'000
Recurrent grants to industry	13 752	14 085
Transfer to PIRSA for industry research and project delivery	14 446	14 291
Intra government transfers	5 819	5 591
Total grants and subsidies	**34 017**	**33 967**

A4.5. Levies payments

	2025 $'000	2024 $'000
Seed levies	140	182
Total levies payments	**140**	**182**

Seed levies collected pursuant to the Commonwealth *Pasture Seed Levy Collection Act 1989* are paid to the Commonwealth Department of Agriculture and Water and Environment. Fees charged by ASA are by an agreement with the department, collected and remitted to ASA.

Income is recognised under note A3.4.

A4.6. Other expenses

	2025 $'000	2024 $'000
Increase in impairment of receivables	20	252
Total other expenses	**20**	**252**

A5. Financial assets

A5.1. Cash and cash equivalents

	2025 $'000	2024 $'000
Deposits with the Treasurer	23 595	21 266
Total cash and cash equivalents in the Statement of Financial Position	**23 595**	**21 266**
Total cash and cash equivalents in the Statement of Cash Flows	**23 595**	**21 266**

Deposits with the Treasurer

Deposits into interest earning accounts with the Treasurer, are at call and earn a floating interest rate.

A5.2. Receivables

	2025 $'000	2024 $'000
Contractual receivables		
From non-government entities	1 624	1 271
Less impairment loss on receivables	(364)	(344)
Total contractual receivables	**1 260**	**927**
Other receivables		
Accrued interest on deposits	54	60
Other accrued revenue	2 364	2 394
Total other receivables	**2 418**	**2 454**
Total receivables	**3 678**	**3 381**

Receivables are normally settled within 30 days after the issue of an invoice or the goods/services have been provided under a contractual arrangement. Receivables are non-interest bearing. Receivables are held with the objectives of collecting the contractual cash flows and they are measured at amortised cost.

The department has adopted the simplified impairment approach under AASB 9 and measures lifetime expected credit losses on all trade receivables using an allowance matrix as a practical expedient to measure the impairment allowance.

Allowance for impairment loss on receivables

	2025 $'000	2024 $'000
Carrying amount at the beginning of the period	344	92
(Decrease) / increase in allowance recognised in profit and loss	20	252
Carrying amount at the end of the period	**364**	**344**

Impairment losses relate to receivables arising from contracts with customers that are external to SA Government. Refer to note A9.1 for details regarding credit risk and the methodology for determining impairment.

A6. Liabilities

A6.1. Payables

	2025 $'000	2024 $'000
Accrued expenses	1 175	670
Total payables	**1 175**	**670**

A6.2. Other liabilities

	2025 $'000	2024 $'000
Contract liabilities [1]	1 197	401
Other	**93**	**43**
Total other liabilities	**1 290**	**444**

[1] License fees paid in advance of the license period start date.

A7. Other disclosures

A7.1. Cash flow

The department prepares the Business Activity Statement on behalf of the Administered funds under the grouping provisions of the GST legislation.

Under these provisions, the department is liable for payments and entitled to receipts associated with GST.

Reconciliation of net result to cash flows from operating activities

	2025 $'000	2024 $'000
Reconciliation of cash and cash equivalents at the end of the reporting period		
Cash and cash equivalents disclosed in the Statement of Financial Position	23 595	21 266
Balance as per the Statement of Cash Flows	23 595	21 266
Reconciliation of net cash provided by / (used in) operating activities to net result		
Net cash provided by/(used in) operating activities	2 329	332
Add / (less) non-cash items		
Impairment of receivables	(20)	(252)
Movement in assets and liabilities		
Increase/(decrease) in receivables	317	(532)
(Increase)/decrease in other liabilities	(846)	84
(Increase)/decrease in payables	(505)	(204)
Net result	**1 275**	**(572)**

A8. Outlook

A8.1. Contingent assets and liabilities

The department is not aware of any contingent assets affecting the administered entities comprising the consolidated financial report as at 30 June 2025.

Contingent liabilities - refunds of contributions

Funds established by Regulations under the Primary *Industry Funding Schemes Act 1998* may enable contributors to claim a refund for contributions made in relation to a prescribed period. At the reporting date the possible emergence of valid refund requests within each fund is present.

However, as uncertainty exists as to the number, timing and amount of refund requests that will be received, these potential obligations cannot be reliably estimated and therefore represent a contingent liability. Once a valid refund request has been received from a past contributor and it is approved by the Minister or delegate, a present obligation to pay the refund arises. The refund amount is then recognised as a liability and expense of the fund.

A8.2. Events after the reporting period

No events have occurred after balance date that would affect the consolidated administered financial statements of PIRSA as at 30 June 2025.

A9. Measurement and risk

A9.1. Financial instruments

Impairment of financial assets

Refer to note 9.4 in PIRSA Controlled statements for the department's accounting policy and calculation method for expected credit losses.

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

	Debtor gross carrying amount $'000	Loss %	Lifetime expected losses $'000
Current (not past due)	145	1.03%	1
1-30 days past due	6	12.14%	1
31-60 days past due	5	15.14%	1
61-90 days past due	117	20.80%	24
More than 90 days past due	1 351	24.90%	337
Loss allowance			**364**

Maturity Analysis of financial assets and liabilities

Financial assets (cash) and financial liabilities (payables) are measured at amortised cost and have contractual maturities of less than one year. Payables of $1.175 million (2024: $0.553 million) have statutory audit fees payable excluded from this disclosure.