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## To the Chief Executive Department for Child Protection

### Opinion

I have audited the financial report of the Department for Child Protection 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 for Child Protection as at 30 June 2025, 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 information and other explanatory information
- 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 for Child Protection. 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 for Child Protection 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 for Child Protection's internal control

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

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

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



Andrew Blaskett  
**Auditor-General**

23 September 2025

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# **Department for Child Protection**

## **Financial Statements**

**For the year ended 30 June 2025**

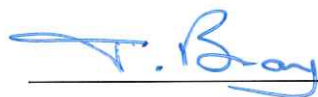
**Department for Child Protection**  
**Certification of the Financial Statements**  
*for the year ended 30 June 2025*

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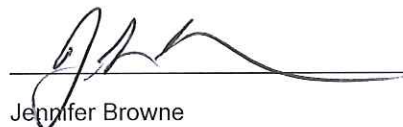
**Certification of the financial statements**

We certify that the:

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



Jackie Bray  
Chief Executive  
15 September 2025



Jennifer Browne  
Chief Financial Officer  
15 September 2025

**Department for Child Protection**      **OFFICIAL**  
**Statement of Comprehensive Income**  
*for the year ended 30 June 2025*

	Note	2025 \$'000	2024 \$'000
<b>Income</b>			
Appropriation	3.1	972 431	886 861
Resources received free of charge	3.2	5 659	5 190
Grants and subsidies	3.3	4 691	3 689
Intra-government transfers	3.4	3 144	71
Fees and charges	3.5	72	96
Other income	3.6	2 226	4 332
<b>Total income</b>		<b>988 223</b>	<b>900 239</b>
<b>Expenses</b>			
Child protection services	4.1	613 969	561 495
Employee related expenses	4.2	283 008	274 496
Supplies and services	4.3	66 232	63 080
Depreciation and amortisation	5.4, 5.5	6 551	6 293
Grants and subsidies	4.5	1 192	789
Borrowing costs	4.6	217	178
Other expenses	4.7	313	525
<b>Total expenses</b>		<b>971 482</b>	<b>906 856</b>
<b>Net result</b>		<b>16 741</b>	<b>(6 617)</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to net result</b>			
Changes in property, plant and equipment asset revaluation surplus	5.4	-	4 790
<b>Total other comprehensive income</b>		<b>-</b>	<b>4 790</b>
<b>Total comprehensive result</b>		<b>16 741</b>	<b>(1 827)</b>

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

**Department for Child Protection**  
**Statement of Financial Position**  
*as at 30 June 2025*

OFFICIAL

	Note	2025 \$'000	2024 \$'000
<b>Current assets</b>			
Cash and cash equivalents	5.1	62 804	38 746
Receivables	5.2	5 515	8 962
<b>Total current assets</b>		<b>68 319</b>	<b>47 708</b>
<b>Non-current assets</b>			
Property, plant and equipment	5.4	66 472	71 976
Intangible assets	5.5	80	162
<b>Total non-current assets</b>		<b>66 552</b>	<b>72 138</b>
<b>Total assets</b>		<b>134 871</b>	<b>119 846</b>
<b>Current liabilities</b>			
Payables	6.1	39 973	36 318
Employee related liabilities	6.3	33 888	36 096
Provisions	6.4	7 936	7 168
Other financial liabilities	6.2	1 084	2 783
Other non-financial liabilities	6.5	314	341
<b>Total current liabilities</b>		<b>83 195</b>	<b>82 706</b>
<b>Non-current liabilities</b>			
Employee related liabilities	6.3	34 885	34 050
Provisions	6.4	21 221	24 673
Other non-financial liabilities	6.5	1 271	1 389
Other financial liabilities	6.2	740	2 435
<b>Total non-current liabilities</b>		<b>58 117</b>	<b>62 547</b>
<b>Total liabilities</b>		<b>141 312</b>	<b>145 253</b>
<b>Net liabilities</b>		<b>(6 441)</b>	<b>(25 407)</b>
<b>Equity</b>			
Retained earnings		(47 004)	(63 745)
Asset revaluation surplus	7.1	30 832	30 832
Contributed capital		9 731	7 506
<b>Total equity</b>		<b>(6 441)</b>	<b>(25 407)</b>

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

**Department for Child Protection**  
**Statement of Changes in Equity**  
*for the year ended 30 June 2025*

OFFICIAL

		Contributed	Asset revaluation	Retained	Total
	Note	capital	surplus	earnings	equity
		\$'000	\$'000	\$'000	\$'000
<b>Balance at 1 July 2023</b>		3 683	26 042	(57 128)	(27 403)
Net result for 2023-24		-	-	(6 617)	(6 617)
Gain on revaluation of land during 2023-24	5.4	-	3 527	-	3 527
Gain on revaluation of Residential accommodation during 2023-24	5.4	-	752	-	752
Gain on revaluation of leasehold improvements during 2023-24	5.4	-	511	-	511
<b>Total comprehensive result for 2023-24</b>		-	4 790	(6 617)	(1 827)
Equity contribution received		3 823	-	-	3 823
<b>Balance at 30 June 2024</b>		<b>7 506</b>	<b>30 832</b>	<b>(63 745)</b>	<b>(25 407)</b>
Net result for 2024-25		-	-	16 741	16 741
<b>Total comprehensive result for 2024-2025</b>		-	-	16 741	16 741
Equity contribution received		2 225	-	-	2 225
<b>Balance at 30 June 2025</b>		<b>9 731</b>	<b>30 832</b>	<b>(47 004)</b>	<b>(6 441)</b>

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



**Department for Child Protection**  
**Statement of Cash Flows**  
*for the year ended 30 June 2025*

OFFICIAL

		2025 \$'000	2024 \$'000
<b>Cash flows from operating activities</b>	<b>Note</b>		
<b>Cash inflows</b>			
Appropriation		972 431	886 861
GST recovered from the ATO		50 591	52 062
Grants and subsidies		4 691	1 781
Intra-government transfers		3 144	1 979
Fees and charges		101	244
Other income		5 570	1 649
		<u>1 036 528</u>	<u>944 576</u>
<b>Cash outflows</b>			
Payments for child protection services		(658 717)	(608 393)
Employee related payments		(286 624)	(270 998)
Payments for supplies and services		(63 299)	(52 353)
Payments of grants and subsidies		(1 215)	(823)
Interest paid		(217)	(178)
Other payments		(261)	(913)
		<u>(1 010 333)</u>	<u>(933 658)</u>
<b>Net cash from operating activities</b>	<b>7.2</b>	<u>26 195</u>	<u>10 918</u>
<b>Cash flows from investing activities</b>			
<b>Cash outflows</b>			
Purchase of property, plant and equipment		(1 033)	(2 963)
		<u>(1 033)</u>	<u>(2 963)</u>
<b>Net cash used in investing activities</b>		<u>(1 033)</u>	<u>(2 963)</u>
<b>Cash flows from financing activities</b>			
<b>Cash inflows</b>			
Capital contributions from government		2 225	3 823
		<u>2 225</u>	<u>3 823</u>
<b>Cash outflows</b>			
Repayment of principal portion of lease liabilities		(3 329)	(3 286)
		<u>(3 329)</u>	<u>(3 286)</u>
<b>Net Cash from/(used in) financing activities</b>		<u>(1 104)</u>	<u>537</u>
<b>Net increase in cash and cash equivalents</b>		<u>24 058</u>	<u>8 492</u>
Cash and cash equivalents at the beginning of the reporting period		38 746	30 254
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>5.1</b>	<u>62 804</u>	<u>38 746</u>

The accompanying notes form part of these financial statements.

## Department for Child Protection

### Notes to and forming part of the financial statements

for the year ended 30 June 2025

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#### 1. About the Department for Child Protection

The Department for Child Protection (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. The department is funded principally from appropriation by the SA Government.

Transactions and balances relating to administered resources are presented separately and are disclosed in note 11. Except as otherwise disclosed administered items are accounted for on the same basis as the department's transactions.

The department is currently supporting the establishment of the independent Social Workers Registration Scheme (SWRS). The SWRS will become an independent entity when the *Social Worker's Registration Act 2021* comes into operation on a day to be fixed by proclamation at which time, the independent entity is required to produce its own financial statements per the *Social Worker's Registration Act 2021*. Transactions relating to the establishment of the scheme are disclosed within the department's transactions and are considered immaterial in nature, unless specifically detailed in the relevant disclosure(s).

##### 1.1. Basis of preparation

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

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

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

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

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 (ATO), in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item applicable; and
- receivables and payables, which are stated with the amount of GST included.

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

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 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.

Significant accounting policies are set out throughout the notes.

The department is liable for fringe benefits tax (FBT) and goods and services tax (GST).

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

## Department for Child Protection

### Notes to and forming part of the financial statements

for the year ended 30 June 2025

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#### 1.2. Objectives and programs

##### Objectives

The department's primary objective is to work with government agencies, non-government organisations and communities to keep children and young people safe from abuse and neglect and improve their lives, to effectively intervene where necessary to support and help strengthen families, through the administration of the state's child protection and family support system and statutory framework. The department is committed to placing the safety and wellbeing of children and young people at the centre of decision-making, and to working across the system to amplify their voices and the voices of their families, including carers.

The department receives, assesses, refers and investigates child protection notifications and intervenes to keep children and young people safe, and where possible strengthen families. It is required to make an application to the court where it assesses that an order is required to ensure the safety of a child or young person. Where a court determines that a child or young person cannot remain safely at home, the department is responsible for the provision (either directly or indirectly) of quality care and case management, and, when it is safe to do so, for supporting the reunification of children and young people with their families.

The department works closely with a range of government agencies and non-government organisations and communities so that children and young people who have been abused or are at risk of further abuse can be connected, together with their families, to appropriate and effective family supports.

The department works to support foster and kinship carers and to empower people and organisations across the child protection and family support system and is focused on reforming the system through a whole of government, whole of sector and whole of community approach.

##### Programs

The department operates within the activity, *Care and Protection*. The department is focused on the care and protection of children and young people who have been abused and/or are assessed as being at risk of harm within their families, or whose families do not have the capacity to protect them from harm, and on strengthening and supporting families.

This includes:

- Assessing and responding to reports of abuse and risk of harm to children and young people, including referral, investigation, and/or intervention where appropriate.
- Providing children and young people who are at risk of harm, together with their families, with appropriate supports and effective intervention, including family group conferencing.
- Applying for care and protection orders and placing children and young people in care to ensure their safety when all other options have been explored and the child or young person remains at risk.
- Implementing the five core elements of the Aboriginal and Torres Strait Islander Child Placement Principle to the standard of 'active efforts' and supporting children and young people's connection to family, community and culture.
- Working with families to address the safety concerns for a child or young person, so reunification can take place when it is safe and in the best interests of the child or young person.
- Supporting children and young people to help them to recover from abuse and trauma and reach their full potential.
- Providing assistance and support to young people to transition to adulthood and independence.
- Supporting foster and kinship carers.

**Department for Child Protection**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2025*

**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.

		Original Budget 2025 \$'000	Actual 2025 \$'000	Variance \$'000
<b>Statement of Comprehensive Income</b>				
<b>Income</b>				
Appropriation	(a)	797 108	972 431	175 323
Resources received free of charge		-	5 659	5 659
Grants and subsidies		1 498	4 691	3 193
Fees and charges		38	72	34
Intra-government transfers		-	3 144	3 144
Other income		1 464	2 226	762
<b>Total income</b>		<b>800 108</b>	<b>988 223</b>	<b>188 115</b>
<b>Expenses</b>				
Child protection services	(a)	450 068	613 969	163 901
Employee related expenses		276 294	283 008	6 714
Supplies and services		58 921	66 232	7 311
Depreciation and amortisation		5 725	6 551	826
Grants and subsidies		225	1 192	967
Borrowing costs		38	217	179
Other expenses		4 731	313	(4 418)
<b>Total expenses</b>		<b>796 002</b>	<b>971 482</b>	<b>175 480</b>
<b>Net result</b>		<b>4 106</b>	<b>16 741</b>	<b>12 635</b>
<b>Other comprehensive income</b>				
<b>Items that will not be reclassified to net result</b>				
Changes in property, plant and equipment asset revaluation surplus		-	-	-
<b>Total other comprehensive income</b>		<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive result</b>		<b>4 106</b>	<b>16 741</b>	<b>12 635</b>

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

- (a) The variance primarily relates to an increase of the costs associated with providing services for non-family based care. Additional supplementation was required through the mid-year budget review \$129.4 million, and 2024-25 budget measure adjustments \$18.6 million.

**Department for Child Protection**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2025*

**1.3. Budget performance (continued)**

		Original Budget 2025 \$'000	Actual 2025 \$'000	Variance \$'000
<b>Investing expenditure summary</b>				
Total leases	(1)	2 993	3 453	460
Total existing projects	(2)	4 272	551	(3 721)
Total annual program		518	482	(36)
<b>Total investing expenditure</b>		<b>7 783</b>	<b>4 486</b>	<b>(3 297)</b>

(1) An increase in right of use vehicles and private accommodation leased assets to support the provision of care and protection services.

(2) Lower than budget due to project delays associated with office accommodation fit out and DCP owned residential care facilities.

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

The department had significant transactions with government related entities including appropriation funding received from the Department of Treasury and Finance (DTF) (refer note 3.1) and incurred expenditure with the Department of Infrastructure and Transport (DIT) of \$15.1 million (2024: \$14.4 million) (refer note 4.3).

The department also receives Commonwealth-sourced grants and funding, some of which are received from the Commonwealth indirectly through DTF (refer note 3.3).

**Department for Child Protection**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2025*

**2. Key management personnel and Board and committees**

**2.1. Key management personnel**

Key management personnel of the department include the Minister for Child Protection (the Minister), the Chief Executive and the other members of the executive team who have responsibility for the strategic direction and management of the department.

The compensation excludes salaries and other benefits the Minister receives. The Minister's remuneration and allowances are set by the *Parliamentary Remuneration Act 1990* and the Remuneration Tribunal of SA respectively and are payable from the Consolidated Account (via DTF) under section 6 of the *Parliamentary Remuneration Act 1990*. Refer to administered items (refer note 11) for disclosures of the Minister's remuneration paid by the department and recovered from the Consolidated Account.

	2025	2024
	\$'000	\$'000
Compensation		
Salaries and other short-term employee benefits	5 205	4 554
Post-employment benefits	589	537
Other long-term employment benefits	29	65
<b>Total compensation</b>	<b>5 823</b>	<b>5 156</b>

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

The department did not enter into material transactions with key management personnel or their close family during the reporting period.

**2.2. Board and committee members**

Members during the 2024-25 financial year were:

**Performance and Risk Committee**

Ms Rosey Batt (Chair)  
 Ms Jill Noble  
 Ms Nerida Saunders\*  
 Mr Philip Fagan-Schmidt  
 Mr Darian Shephard-Bayly\*  
 Ms Gabriella Ramsay\*  
 Ms Joanne Male\*  
 Ms Kitty McLean\* (resigned)  
 Ms Rosina Hislop (expired)  
 Mr Onno van der Wel (expired)  
 Ms Linda Abrams-South\* (expired)

**Dame Roma Mitchell Trust Funds Board of Advice**

Ms Marjorie Ellis (Chair)  
 Ms Chelsea Hall\*  
 Mr Nick Jenkins  
 Ms Fiona Endacott  
 Ms Laura Hooper  
 Ms Shirley Smith\*  
 Ms Arabella Stravolemos  
 Ms Melissa Gibson  
 Ms Colleen Fitzpatrick (resigned)

**Social Workers Registration Board**

Dr Carmela Bastian (Presiding Member)  
 Ms Jodie Stevens (Deputy Presiding Member)  
 Mr Ruka Taite  
 Ms Jane Mussared  
 Ms Tracey Greaves\*  
 Ms Nicole Lancaster\*  
 Ms Simone Mather\*  
 Ms Kerry Beck\* (resigned)  
 Ms Sarah Macdonald\* (resigned)

\*Government employees did not receive any remuneration for board/committee duties during the financial year where the board/committee falls under the definitions of Premier and Cabinet Circular No. 016.

**Department for Child Protection**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2025*

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**2.2. Board and committee members (continued)**

The department has other internal boards and committees that do not meet disclosure requirements for which there are paid members. The number of paid members is provided below.

- Contact Arrangements Review Panel – 9
- Licensing and Compliance Panel – 1
- Committee for Procurement Governance – 1
- Child Protection Expert Group – 6
- Financial Management Committee- 1

Board and committee remuneration	2025	2024
The number of members whose remuneration received/receivable falls within the following bands:		
	Number of members	Number of members
\$0	20	19
\$1 - \$19 999	27	19
\$20 000 - \$39 999	-	1
<b>Total number of members</b>	<b>47</b>	<b>39</b>

The total remuneration received or receivable by members was \$69 000 (2024: \$57 000). Remuneration of members reflects all costs of performing board/committee member duties including sitting fees, superannuation contributions, salary sacrifice benefits and fringe benefits and any related fringe benefits tax paid.

**3. Income**

**3.1. Appropriation**

	2025	2024
	\$'000	\$'000
Appropriation from the Consolidated Account pursuant to the <i>Appropriation Act</i>	797 108	791 861
Appropriation from the Governor's Appropriation Fund	175 323	95 000
<b>Total appropriation</b>	<b>972 431</b>	<b>886 861</b>

Appropriation is recognised on receipt.

**Department for Child Protection**  
**Notes to and forming part of the financial statements**  
*for the year ended 30 June 2025*

**3.2. Resources received free of charge**

	2025	2024
	\$'000	\$'000
Services received free of charge - Audit Office of South Australia	290	-
Services received free of charge - Shared Services SA	4 229	4 070
Services received free of charge - DTF - ICT	1 095	1 120
Services received free of charge - DPC - Media Monitoring	45	-
<b>Total resources received free of charge</b>	<b>5 659</b>	<b>5 190</b>

The department receives Financial Accounting, Taxation, Payroll, Accounts Payable and Accounts Receivable services from Shared Services SA free of charge. ICT services are received from the Department of Treasury and Finance and media monitoring services are received from the Department of the Premier and Cabinet. From 2024-25 the department also receives audit services free of charge from the Audit Office of South Australia.

A corresponding expense is recognised in the financial statements (refer notes 4.3 and 4.7).

Volunteers contribute a significant number of hours to the department, in the form of supporting children and young people in care. A value for volunteer services received has not been recognised in the financial statements as the recognition criteria of AASB 1058 Income of Not-for-Profit Entities, has not been met.

**3.3. Grants and subsidies**

	2025	2024
	\$'000	\$'000
<b>Commonwealth-sourced grants</b>		
Family allowances	1 042	1 017
Unaccompanied Humanitarian Minors	478	391
Newpin program*	313	313
Family Law Information Sharing Project*	258	256
Transition to Independent Living Allowance	-	2
Carer Registration	1 200	-
<b>Total Commonwealth-sourced grants</b>	<b>3 291</b>	<b>1 979</b>
<b>SA Government grants and subsidies</b>		
Other	1 400	1 710
<b>Total grants and subsidies</b>	<b>4 691</b>	<b>3 689</b>

\*Received from the Commonwealth indirectly through DTF.

Commonwealth-sourced grants and funding are recognised as income on receipt. Obligations under Commonwealth-sourced grants and funding are required to be met by the State of South Australia.

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

**3.4. Intra-government transfers**

	2025	2024
	\$'000	\$'000
<b>Transfers received from other SA Government entities</b>		
Contingency funding provided by the Department of Treasury and Finance	3 144	71
<b>Total intra-government transfers</b>	<b>3 144</b>	<b>71</b>

Intra-government transfers are recognised as income on receipt.



**Department for Child Protection**  
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**3.5. Fees and charges**

	2025 \$'000	2024 \$'000
Other fees and charges	72	96
<b>Total fees and charges</b>	<b>72</b>	<b>96</b>

Fees and charges are recognised as income on receipt.

**3.6. Other income**

	2025 \$'000	2024 \$'000
Recoveries	1 761	4 199
Child payment recoups	67	88
Derecognition of right of use vehicles	77	-
Other	321	45
<b>Total other income</b>	<b>2 226</b>	<b>4 332</b>

Other income is recognised on receipt.

Effective 1 April 2025, motor vehicle lease contractual arrangements with SAFA Fleet are no longer accounted for under AASB 16 *Leases*. The derecognition of the right-of-use assets and associated lease liabilities resulted in a net gain on termination of these arrangements, refer to notes 5.4 and 6.2.

**4. Expenses**

**4.1. Child protection services**

	2025 \$'000	2024 \$'000
<b>Contracted services</b>		
Non-family-based care services	377 496	338 264
Family-based care services	64 913	60 438
Family support services	14 256	13 511
Advocacy and support services	8 467	7 519
<b>Total contracted services</b>	<b>465 132</b>	<b>419 732</b>
Carer payments and client related costs <sup>1</sup>	148 837	141 763
<b>Total child protection services</b>	<b>613 969</b>	<b>561 495</b>

<sup>1</sup>incorporates all carer payments and other client related costs associated with having a child in a placement.

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**4.2. Employee related expenses**

	2025	2024
	\$'000	\$'000
Salaries and wages	212 150	200 717
Superannuation	26 971	25 127
Annual leave	19 051	19 999
Long service leave	4 430	7 020
Workers compensation	4 659	6 806
Skills and experience retention leave	734	757
Board and committee fees	69	57
Targeted voluntary separation packages*	97	52
Other employee related expenses	14 847	13 961
<b>Total employee related expenses</b>	<b>283 008</b>	<b>274 496</b>

Departmental employees are employed under Part 7 of the *Public Sector Act*.

\*Targeted voluntary separation packages expense includes amounts for offers accepted but not paid as at 30 June 2025.

The superannuation expense represents the department's contributions to superannuation plans in respect of current services of current employees. DTF centrally recognises the superannuation liability in the whole of government financial statements.

**Employee remuneration**

	2025	2024
	No	No
The number of employees whose remuneration received or receivable falls within the following bands:		
\$166 001 to \$171 000*	N/A	7
\$171 001 to \$191 000	13	20
\$191 001 to \$211 000	10	5
\$211 001 to \$231 000	6	2
\$231 001 to \$251 000	2	-
\$251 001 to \$271 000	3	4
\$271 001 to \$291 000	1	3
\$291 001 to \$311 000	-	1
\$331 001 to \$351 000	1	-
\$351 001 to \$371 000	1	1
\$431 001 to \$451 000	-	1
\$451 001 to \$471 000	1	-
\$831 001 to \$851 000	-	1
<b>Total</b>	<b>38</b>	<b>45</b>

\*This band has been included for the purposes of reporting comparative figures based on the executive base level remuneration rate for 2024-25.

The total remuneration received by these employees for the year was \$8.4 million (2024: \$10 million).

The table includes all employees who received remuneration equal to or greater than the base executive remuneration level during the year. Remuneration of employees reflects all costs of employment including salaries and wages, overtime, workers compensation, penalties, attraction allowance, payments in lieu of leave, superannuation contributions, salary sacrifice benefits and fringe benefits and fringe benefits tax paid or payable in respect of those benefits as well as any termination benefits for employees who have left the department.

**Department for Child Protection**  
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**4.2. Employee related expenses (continued)**

**Targeted voluntary separation packages (TVSP)**

The number of employees paid a TVSP during the reporting period was nil (2024: 1).

	2025 \$'000	2024 \$'000
Amounts paid to separated employees:		
Targeted voluntary separation packages	-	52
Leave paid to separated employees	-	32
<b>Total amount paid</b>	<b>-</b>	<b>84</b>
Recovery from the Department of Treasury and Finance	-	-
<b>Net cost to the department</b>	<b>-</b>	<b>84</b>

**4.3. Supplies and services**

	2025 \$'000	2024 \$'000
Accommodation	14 575	13 690
Information technology and communications	10 677	10 054
Minor works, maintenance and equipment	7 448	10 555
Vehicle and travelling expenses	7 139	6 259
Shared Services SA charges	5 426	5 261
Contractors	3 605	1 664
Office administration	3 494	3 012
Employee related costs	3 073	2 952
Rental and leases accommodation	3 049	2 685
Utilities	1 700	1 570
Cleaning	1 281	1 204
Legal costs	1 180	1 095
Insurance	1 134	984
Intra government charges	1 110	1 089
Security	543	414
Consultants	239	96
Advertising expenses	62	4
Other supplies and services	497	492
<b>Total supplies and services</b>	<b>66 232</b>	<b>63 080</b>

**Accommodation**

Most of the department's accommodation is provided by the DIT under Memoranda of Administrative Arrangement (MoAA) issued in accordance with Government-wide accommodation policies. These arrangements do not meet the definition of a lease as set out in AASB 16 and accordingly are expensed and disclosed under accommodation. Information about accommodation incentives relating to this arrangement is shown at note 6.5.

**Department for Child Protection**  
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#### 4.4. 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.

Carer payments are not included as these payments do not result from a procurement of goods or services.

Expenditure is inclusive on non-recoverable GST.

	2025	Proportion SA and non- SA businesses
	\$'000	
Total expenditure with South Australian businesses	477 237	97%
Total expenditure with non-South Australian businesses	16 396	3%
<b>Total Expenditure</b>	<b>493 633</b>	<b>100%</b>

Classification as 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.

#### 4.5. Grants and subsidies

	2025	2024
	\$'000	\$'000
Wakwakurna Kanyini	946	-
Raising Literacy Australia	180	175
Child and Family Welfare	15	147
University of Adelaide	11	8
SA Aboriginal Community Controlled Organisation Network (SAACCON)	-	249
University of South Australia	40	210
<b>Total grants and subsidies</b>	<b>1 192</b>	<b>789</b>

#### 4.6. Borrowing costs

	2025	2024
	\$'000	\$'000
Interest expense on lease liabilities	217	178
<b>Total borrowing costs</b>	<b>217</b>	<b>178</b>

**Department for Child Protection**  
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**4.7. Other expenses**

	Note	2025 \$'000	2024 \$'000
Audit fees*		290	260
Impairment loss on receivables	5.2	(105)	169
Interest		14	14
Other expenses		114	82
<b>Total other expenses</b>		<b>313</b>	<b>525</b>

\*Audit fees paid / payable to the Audit Office of South Australia relate to work performed under the *Public Finance and Audit Act 1987*. No other services were provided by the Audit Office of South Australia.

**5. Assets**

**5.1. Cash and cash equivalents**

	2025 \$'000	2024 \$'000
<b>Deposits with the Treasurer (Special deposit accounts)</b>		
Deposits with the Treasurer (Special deposit accounts)	62 541	38 444
Imprest account/cash on hand	263	302
<b>Total cash and cash equivalents</b>	<b>62 804</b>	<b>38 746</b>

***Deposits with the Treasurer***

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

The department has three special deposit accounts with the Treasurer:

- a general operating account (DCP); and
- a general operating account (Social Workers Registration Board of South Australia (SWRB)); and
- an Accrual Appropriation Excess Funds Account (AAEFA).

Although the department controls the money in AAEFA, its use must be approved by the Treasurer. The department does not earn interest on its deposits with the Treasurer.

Cash is measured at nominal amount.

**Department for Child Protection**  
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**5.2. Receivables**

	2025	2024
	\$'000	\$'000
<b>Current receivables</b>		
<b>Contractual receivables</b>		
Receivables from sale of goods and services	796	3 841
Less impairment loss on receivables	(28)	(205)
<b>Total contractual receivables</b>	<b>768</b>	<b>3 636</b>
<b>Statutory receivables</b>		
GST receivable	3 659	3 720
<b>Total statutory receivables</b>	<b>3 659</b>	<b>3 720</b>
<b>Prepayments</b>	<b>1 088</b>	<b>1 006</b>
Lease incentive	-	600
<b>Total current receivables</b>	<b>5 515</b>	<b>8 962</b>
<b>Total receivables</b>	<b>5 515</b>	<b>8 962</b>

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

*Contractual receivables*

Contractual receivables are measured at amortised cost. 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.

Other than as recognised in the 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.

The department has adopted the simplified impairment approach under AASB 9 and measured 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 contractual receivables*

	2025	2024
	\$'000	\$'000
Carrying amount at the beginning of the period	(205)	(57)
(Increase)/decrease in the allowance recognised in profit and loss	177	(148)
<b>Carrying amount at the end of the period</b>	<b>(28)</b>	<b>(205)</b>

Impairment losses relate to receivables arising from contracts with customers that are external to SA Government. Refer to note 10.2 for details regarding credit risk, the methodology for determining impairment.

*Statutory receivables*

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

**Department for Child Protection**  
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### **5.3. Useful life and depreciation of non-financial assets**

#### ***Useful life***

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

<b>Class of asset</b>	<b>Useful life (years)</b>
Residential accommodation housing	20-100
Leasehold improvements	1-35
Computing, communications, furniture and equipment	5-10
Computer software	3-10
Right-of-use vehicles and buildings	1-5

#### ***Review of accounting estimates***

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

### **5.4. Property, plant and equipment**

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

Property, plant and equipment with a value equal to or in excess of \$15 000 is capitalised, otherwise it is expensed. Property, plant and equipment is recorded at fair value. Detail about the department's approach to fair value is set out in note 10.1.

#### ***Revaluation and Impairment***

Property, plant and equipment owned by the department has not been assessed for impairment as they are non-cash generating assets, that 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 10.1. 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.

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**5.4. Property, plant and equipment (continued)**

The following table shows movement in property, plant and equipment during 2024-25

**Reconciliation 2024-25**

	Land \$'000	Residential accommodation housing \$'000	Leasehold improvements \$'000	Computing, communications, furniture and equipment \$'000	Right-Of-Use Buildings \$'000	Right-Of-Use Vehicles \$'000	Construction work in progress \$'000	Total \$'000
Carrying amount at the beginning of the period	32 334	23 804	10 144	311	1 641	3 522	220	71 976
Additions	-	163	265	54	1 558	2 331	551	4 922
Other changes	-	-	-	-	-	106	-	106
Transfers to/(from) work in progress	-	-	22	-	-	-	(22)	-
Assets derecognised	-	-	-	-	-	(3 983)	(80)	(4 063)
<b>Subtotal:</b>	<b>32 334</b>	<b>23 967</b>	<b>10 431</b>	<b>365</b>	<b>3 199</b>	<b>1 976</b>	<b>669</b>	<b>72 941</b>
<b>Gains/(losses) for the period recognised in net result:</b>								
Depreciation	-	(1 221)	(1 776)	(102)	(1 394)	(1 976)	-	(6 469)
<b>Carrying amount at the end of the period</b>	<b>32 334</b>	<b>22 746</b>	<b>8 655</b>	<b>263</b>	<b>1 805</b>	<b>-</b>	<b>669</b>	<b>66 472</b>
<b>Gross carrying amount</b>								
Gross carrying amount	32 334	23 967	10 431	703	4 036	-	669	72 140
Accumulated depreciation	-	(1 221)	(1 776)	(440)	(2 231)	-	-	(5 668)
<b>Carrying amount at the end of the period</b>	<b>32 334</b>	<b>22 746</b>	<b>8 655</b>	<b>263</b>	<b>1 805</b>	<b>-</b>	<b>669</b>	<b>66 472</b>



**Department for Child Protection**  
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**5.4. Property, plant and equipment (continued)**

*Reconciliation 2023-24*

	Land \$'000	Residential accommodation housing \$'000	Leasehold improvements \$'000	Computing, communications, furniture and equipment \$'000	Right Of Use Buildings \$'000	Right Of Use Vehicles \$'000	Construction work in progress \$'000	Total \$'000
Carrying amount at the beginning of the period	28 754	23 179	8 637	412	1 679	2 344	1 096	66 101
Additions	53	383	82	-	1 104	3 124	2 326	7 072
Other changes	-	-	-	-	-	210	-	210
Transfers to/(from) work in progress	-	636	2 566	-	-	-	(3 202)	-
Asset revaluation increment/(decrement)	3 527	752	511	-	-	-	-	4 790
<b>Subtotal:</b>	<b>32 334</b>	<b>24 950</b>	<b>11 796</b>	<b>412</b>	<b>2 783</b>	<b>5 678</b>	<b>220</b>	<b>78 173</b>
<b>Gains/(losses) for the period recognised in net result:</b>								
Depreciation	-	(1 146)	(1 652)	(101)	(1 142)	(2 156)	-	(6 197)
<b>Carrying amount at the end of the period</b>	<b>32 334</b>	<b>23 804</b>	<b>10 144</b>	<b>311</b>	<b>1 641</b>	<b>3 522</b>	<b>220</b>	<b>71 976</b>
<b>Gross carrying amount</b>								
Gross carrying amount	32 334	23 804	10 144	649	3 589	6 399	220	77 139
Accumulated depreciation	-	-	-	(338)	(1 948)	(2 877)	-	(5 163)
<b>Carrying amount at the end of the period</b>	<b>32 334</b>	<b>23 804</b>	<b>10 144</b>	<b>311</b>	<b>1 641</b>	<b>3 522</b>	<b>220</b>	<b>71 976</b>

**Department for Child Protection**  
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**5.4. Property, plant and equipment (continued)**

**Property, plant and equipment leased**

Effective 1 April 2025, motor vehicle lease contractual arrangements with SAFA Fleet are no longer accounted for under AASB 16 Leases. From 1 April 2025, SAFA Fleet motor vehicle lease payments were recorded directly in the Income Statement. All related right-of-use assets (ROU) and liabilities up to 31 March 2025 were derecognised in accordance with the changes.

Right-of-use assets are recorded at cost. 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 4.3.

The department has a limited number of leases:

- 49 residential accommodation properties leased with private landlords that are non-cancellable. Residential accommodation lease terms range from 1 year to 5 years.

The lease liabilities related to right-of-use assets and the maturity analysis of the department's lease liabilities are disclosed in note 6.2. Expenses related to leases, including depreciation and interest expenses, are disclosed in note 4.3 and 4.6. Cash outflows related to leases are disclosed in note 7.2.

**Impairment**

Property, plant and equipment leased by the department has been assessed for impairment. There was no indication of impairment. No impairment loss or reversal of impairment loss was recognised.

**5.5. Intangible assets**

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

The acquisition of computer software is capitalised only when the expenditure meets the definition criteria (identifiable control and the existence of future economic benefits) and recognition criteria (probability of future economic benefits and cost can be reliably measured) and when the amount of expenditure is greater than or equal to \$15 000.

The computer software relates to upgrades to the department's Call Centre management software.

**Reconciliation 2024-25**

	Computer software	Total
	\$'000	\$'000
Carrying amount at the beginning of the period	162	162
Amortisation	(82)	(82)
Carrying amount at the end of the period	80	80

**Reconciliation 2023-24**

	Computer software	Total
	\$'000	\$'000
Carrying amount at the beginning of the period	258	258
Amortisation	(96)	(96)
Carrying amount at the end of the period	162	162

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**6. Liabilities**

**6.1. Payables**

	2025 \$'000	2024 \$'000
<b>Current</b>		
Accrued expenses	37 742	35 324
Contractual payables	2 186	955
Statutory payables	45	39
<b>Total current payables</b>	<b>39 973</b>	<b>36 318</b>
<b>Total payables</b>	<b>39 973</b>	<b>36 318</b>

Payables and accrued expenses are recognised for all amounts owing but unpaid. All payables are non-interest bearing. The carrying amount of payables represents fair value due to their short-term nature.

**Contractual payables**

Contractual payables are measured at amortised cost. Contractual payables are normally settled within 15 days from the date the invoice is received.

**Statutory payables**

Statutory payables do not arise from contracts. Statutory payables include government taxes and equivalents as well as statutory fees and charges.

The net amount of GST recoverable from the ATO is included as part of receivables. However, if a net GST payable arises then this amount would be disclosed in this Payables note.

**6.2. Other financial liabilities**

	2025 \$'000	2024 \$'000
<b>Current</b>		
Lease liabilities	1 084	2 783
<b>Total current financial liabilities</b>	<b>1 084</b>	<b>2 783</b>
<b>Non-current</b>		
Lease liabilities	740	2 435
<b>Total non-current financial liabilities</b>	<b>740</b>	<b>2 435</b>
<b>Total other financial liabilities</b>	<b>1 824</b>	<b>5 218</b>

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

The borrowing costs associated with these lease liabilities were \$217 000 (2024: \$178 000). For more details refer note 4.6.

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**6.2. Other financial liabilities (continued)**

A maturity analysis of lease liabilities based on undiscounted gross cash flows is reported in the table below:

	2025 \$'000	2024 \$'000
<b>Lease liabilities</b>		
Up to 1 year	1 248	2 830
1 to 5 years	932	2 451
	<b>2 180</b>	<b>5 281</b>

**6.3. Employee related liabilities**

	2025 \$'000	2024 \$'000
<b>Current</b>		
Annual leave	20 112	20 647
Accrued salaries and wages	4 580	6 374
Employment on-costs	5 750	5 733
Long service leave	2 499	2 412
Skills and experience retention leave	947	930
<b>Total current employee related liabilities</b>	<b>33 888</b>	<b>36 096</b>
<b>Non-current</b>		
Long service leave	31 528	30 837
Employment on-costs	3 357	3 213
<b>Total non-current employee related liabilities</b>	<b>34 885</b>	<b>34 050</b>
<b>Total employee related liabilities</b>	<b>68 773</b>	<b>70 146</b>

Employee related liabilities accrue as a result of services provided up to the reporting date that remain unpaid. Apart from long service leave liability, employee related liabilities are measured at nominal amounts.

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

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

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

Salary inflation rate for annual leave and skills, experience and retention leave liability changed to 3.2% (2024: 2.4%).

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.

**Department for Child Protection**  
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**6.3. Employee related liabilities (continued)**

The discount rate used in measuring the liability reflects the yield on long-term Commonwealth Government bonds. The yield on long term Commonwealth Government bonds has remained at 4.25% (2024: 4.25%).

The salary inflation rate has remained at 3.5% (2024: 3.5%) for long service leave liability.

The net financial effect of the changes in the actuarial assumptions and methodology was immaterial for the long service leave liability (2024: increase \$1.65 million) and also immaterial for the employee related expense (2024: increase \$1.83 million)

The split for long service leave between current and non-current is based on the department's best estimate of the amount to be paid in the coming year.

***Employment on-costs liabilities***

Employment on-costs liabilities include payroll tax, Fringe Benefits Tax, Pay As You Go withholding, ReturnToWorkSA levies and superannuation contributions. They are settled when the respective employee related liabilities they relate to are discharged. These on-costs liabilities primarily relate to the balance of leave owing to employees. The estimated proportion of long service leave to be taken as leave, rather than paid on termination affects the amount of on-costs liabilities recognised as a consequence of long service leave liabilities.

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

As a result of an actuarial assessment performed by the DTF, the proportion of long service leave taken as leave has remained at 44% (2024: 44%). The average factor for the calculation of employer superannuation on-costs has increased to 12% (2024: 11.5%). These rates are used in the employment on-cost calculation. The net financial effect of the changes in the current financial year in the employment on-cost and employee related expense was immaterial.

**Department for Child Protection**  
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**6.4. Provisions**

	2025	2024
	\$'000	\$'000
<b>Current</b>		
Provision for workers compensation	7 737	6 950
Provision for additional compensation	139	138
Provision for legal claims	60	80
<b>Total current provisions</b>	<b>7 936</b>	<b>7 168</b>
<b>Non-current</b>		
Provision for workers compensation	18 866	22 278
Provision for additional compensation	2 055	2 195
Provision for legal claims	300	200
<b>Total non-current provisions</b>	<b>21 221</b>	<b>24 673</b>
<b>Total provisions</b>	<b>29 157</b>	<b>31 841</b>

*Movement in provisions for workers compensation*

	2025	2024
	\$'000	\$'000
<b>Movement in provisions</b>		
Carrying amount at the beginning of the period	29 228	32 468
Revaluation of prior year	(4 837)	(4 688)
Additional provision recognised	7 892	7 696
Reductions arising from payments/other sacrifice of future economic benefits	(5 680)	(6 248)
<b>Carrying amount at the end of the period</b>	<b>26 603</b>	<b>29 228</b>

*Movement in provision for additional compensation*

	2025	2024
	\$'000	\$'000
<b>Movement in provisions</b>		
Carrying amount at the beginning of the period	2 333	1 489
Revaluation of prior year	(166)	1 151
Additional provision recognised	244	206
Reductions arising from payments/other sacrifice of future economic benefits	(217)	(513)
<b>Carrying amount at the end of the period</b>	<b>2 194</b>	<b>2 333</b>

*Movement in provisions for legal claims*

	2025	2024
	\$'000	\$'000
<b>Movement in provisions</b>		
Carrying amount at the beginning of the period	280	270
Reductions resulting from re-measurement or settlement without cost	(20)	-
Reductions arising from payments	(20)	-
Additional provision recognised	120	10
<b>Carrying amount at the end of the period</b>	<b>360</b>	<b>280</b>

**Department for Child Protection**  
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#### 6.4 Provisions (continued)

A provision has been reported to reflect unsettled legal claims. The legal claims provision includes various claims relating to professional indemnity, public liability and property damage.

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 workers' compensation claims and the implementation and funding of preventive programs.

Accordingly, a provision 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 non-serious injuries sustained in circumstances which involved, or appeared to involve, the committing 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 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.

#### 6.5. Other non-financial liabilities

	2025	2024
	\$'000	\$'000
<b>Current</b>		
Accommodation incentive	248	248
Deposits held - purchased leave	56	83
Unclaimed monies	3	3
Unearned revenue	7	7
<b>Total current other liabilities</b>	<b>314</b>	<b>341</b>
<b>Non-current</b>		
Accommodation incentive	1 271	1 389
<b>Total non-current other liabilities</b>	<b>1 271</b>	<b>1 389</b>
<b>Total other liabilities</b>	<b>1 585</b>	<b>1 730</b>

Accommodation incentives relate to arrangements with DIT for the Minister's office and office accommodation.

**Department for Child Protection**  
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**7. Other disclosures**

**7.1. Equity**

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

**7.2. Cash flow**

	2025 \$'000	2024 \$'000
<b>Reconciliation of net cash provided by operating activities to net result</b>		
Net cash provided by operating activities	26 195	10 918
<b>Add / (less) non-cash items</b>		
Net gain from derecognition of right of use assets	77	-
Depreciation and amortisation	(6 551)	(6 293)
Non-current assets written off	(80)	-
<b>Movement in assets and liabilities</b>		
Increase / (decrease) in receivables	(3 447)	2 862
(Increase) / decrease in employee related liabilities	1 373	(5 379)
(Increase) in payables	(3 655)	(9 843)
Decrease in provisions	2 684	2 386
(Increase) / decrease in other liabilities	145	(1 268)
<b>Net result</b>	<b>16 741</b>	<b>(6 617)</b>

Total cash outflow for leases was \$6.3 million (2024: \$5.9 million).



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## 8. Outlook

### 8.1. Unrecognised contractual commitments

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

#### *Contractual commitments to acquire property, plant and equipment.*

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

	2025	2024
	\$'000	\$'000
Within one year	-	384
<b>Total contractual commitments to acquire property, plant and equipment</b>	<b>-</b>	<b>384</b>

#### *Other contractual commitments.*

Commitments in relation to other contractual commitments contracted for at the reporting date but not recognised as liabilities in the financial statements are payable as follows:

	2025	2024
	\$'000	\$'000
Within one year	218 426	316 417
Later than one year but not longer than five years	412 262	459 465
Later than five years	131 863	205 369
<b>Total other contractual commitments</b>	<b>762 551</b>	<b>981 251</b>

The department's other contractual commitments are for contracted service agreements for out of home care, family support services, South Australian Government Financing Authority (SAFA) vehicle leases, private short-term residential leases and, MoAAs with the Department for Infrastructure and Transport for office accommodation and facilities.

### 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.

Claims for unspecified damages have been lodged against the department during the year. Eligible claims are managed as part of the department's participation in the State Government's insurance program. The Crown Solicitor's Office is negotiating with the claimants, on instruction from SAFA. A reliable estimate for the expenditure is required to settle these claims or whether they will be successful cannot be reasonably determined.

The terms of offer for a proposed new *South Australian Allied Health Professionals, Assistants and Psychologists Enterprise Agreement 2025* were presented on 13 June 2025, contingent on an agreement being reached and approved by the South Australian Employment Tribunal (SAET). In accordance with the terms of the new Enterprise Agreement, eligible staff are entitled to, amongst other things, salary increases of 4.0% per annum backdated to the first full pay period after 1 May 2025. The financial impact of the backpay cannot be reliably measured at this stage.

**Department for Child Protection**  
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### **8.3. Events after the reporting period**

On 6 July 2025, allied health workers supported the terms for a new *South Australian Allied Health Professionals, Assistants and Psychologists Enterprise Agreement 2025*. The Enterprise Agreement was approved by the SAET on 11 August 2025. Also refer to note 8.2.

### **8.4. 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 department's statements.

## **9. Changes in accounting policy**

The department has assessed that the Australian Accounting Standards and Interpretations that first applied in 2024-25 did not have a material impact on the department's financial statements.

## **10. Measurement and risk**

### **10.1. 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 principle or most advantageous market, at the measurement date.

#### ***Initial recognition***

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

Where assets are acquired at no value, or minimal value, they are recorded at fair value in the Statement of Financial Position.

#### ***Revaluation***

Property, plant and equipment 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 \$1.5 million and estimated useful life is greater than three years.

A full valuation is undertaken on a regular cycle every six years for land, buildings and leasehold improvements. If at any time management considers that the carrying amount of an asset materially differs from its fair value, then the asset will be revalued regardless of when the last valuation took place.

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

**Department for Child Protection**  
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**10.1. Fair value (continued)**

***Fair value hierarchy***

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

Level 1: traded in active markets and is based on unadjusted quoted prices in active markets for identical assets or liabilities the entity can access at measurement date.

Level 2: not traded in an active market and are derived from inputs (input 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 2023-24 and 2024-25, 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.

The department measures all assets at level 3 with the exception of land, and a portion of residential buildings of \$7.1m which are valued at level 2.

***Land and residential accommodation housing***

A desktop valuation of land and residential accommodation housing was performed by a Certified Practising Valuer of JLL as at 30 June 2024. The results of the valuation were processed accordingly.

The fair value for land and residential accommodation has been determined using the market approach. The market approach considered recent market evidence for comparable properties, size and location.

The fair value for specialised or restricted use land and buildings has been determined using the current replacement cost method, due to no active market existing. The current replacement cost considered the ongoing need for government services, restrictions to use of the asset, its specialised nature as well as the size, condition and estimated remaining useful life.

Construction materials were a key component of the current replacement cost method. Material costs were determined based on current market prices with consideration given to remoteness of asset location, materials needed, transport, labour, design and construction costs.

***Leasehold Improvements***

The fair value for leasehold improvements has been determined using the current replacement cost method, due to no active market existing. The current replacement cost method considered recent and comparable fit-out projects, fit-out density, size, layout, quality, conditions and estimated remaining useful life.

***Computing, communications, furniture and equipment***

All items of computing, communications, furniture and equipment had a fair value at the time of acquisition less than \$1.5 million. Computing, communications, furniture and equipment has not been revalued in accordance with APS 116.D.

The carrying value of these items are deemed to approximate fair value.

**Department for Child Protection**  
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## 10.2. Financial instruments

### *Financial risk management*

Risk management is managed by the department's legal services directorate. 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 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 note 6.2 for further information.

### *Credit risk*

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

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

### *Impairment of financial assets*

Loss allowances for receivables are measured at an amount equal to lifetime expected credit loss using the simplified approach in AASB 9. The department uses an allowance matrix to measure the expected credit loss of receivables from debtors that are external to SA government.

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

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

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

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

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

	Debtor gross carrying amount \$'000	Loss %	Lifetime expected losses \$'000
<b>Current (not past due)</b>	80	0%	-
1 – 30 days past due	18	0%	-
31 – 60 days past due	1	0%	-
61 – 90 days past due	10	0%	-
More than 90 days past due	251	11%	28
	<b>360</b>		<b>28</b>

**Department for Child Protection**  
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**10.2. Financial instruments (continued)**

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

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

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

The allowance for impairment was recognised in other expenses for specific debtors and debtors assessed on a collective basis for which such evidence existed.

No impairment losses on the department's receivables arose from the department's contracts with customers. No impairment losses were recognised in relation to contract assets during the year.

***Cash and cash equivalents***

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

***Market risk***

The department does not trade in foreign currency, nor enter into transactions for speculative purposes, nor for hedging. There is no exposure to foreign currency or other price risks.

***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.

**Department for Child Protection**  
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**11. Administered items**

*Minister's salary and allowances*

Administered items are for the Minister's salary and allowances pursuant to *Parliamentary Remuneration Act 1990*. Appropriation in administered items is reported on an accrual basis.

	2025 \$'000	2024 \$'000
<b>Administered Income</b>		
Appropriation	413	365
<b>Total administered income</b>	<b>413</b>	<b>365</b>
<b>Administered Expenses</b>		
Employee related expenses	416	396
<b>Total administered expenses</b>	<b>416</b>	<b>396</b>
<b>Net result</b>	<b>(3)</b>	<b>(31)</b>

	2025 \$'000	2024 \$'000
<b>Administered Assets</b>		
Accrued revenue	-	-
<b>Total administered assets</b>	<b>-</b>	<b>-</b>
<b>Administered Liabilities</b>		
Payables	3	31
<b>Total administered liabilities</b>	<b>3</b>	<b>31</b>
<b>Net assets</b>	<b>(3)</b>	<b>(31)</b>