

INDEPENDENT AUDITOR'S REPORT



Government of South Australia

Audit Office of South Australia

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To the Chair Libraries Board of South Australia

Opinion

I have audited the financial report of the Libraries Board of South Australia 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 Libraries Board of South Australia as at 30 June 2025, its financial performance and its cash flows for the year then ended in accordance with relevant Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards – Simplified Disclosures.

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 Chair, Libraries Board of South Australia, the Director, State Library of South Australia and the Associate Director, Public Library and Corporate Services, State Library of South Australia.

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 Libraries Board of South Australia. 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 Director, State Library of South Australia (the Director) and the Board for the financial report

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

In preparing the financial report, the Director 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 Director 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.

The Libraries Board of South Australia is responsible for overseeing the entity's financial reporting process.

Auditor's responsibilities for the audit of the financial report

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987* and section 19(3) of the *Libraries Act 1982*, I have audited the financial report of the Libraries Board of South Australia 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 Libraries Board of South Australia's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Director
- conclude on the appropriateness of the Director'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 Chair, Libraries Board of South Australia and the Director 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.



Daniel O'Donohue
Deputy Auditor-General

26 September 2025

Libraries Board of South Australia

Financial Statements

For the year ended 30 June 2025

Libraries Board of South Australia
Certification of the Financial Statements
For the year ended 30 June 2025

We certify that the:

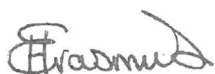
- financial statements of the Libraries Board of South Australia:
 - are in accordance with the accounts and records of the Libraries Board of South Australia;
 - comply with relevant Treasurer's Instructions;
 - comply with relevant accounting standards; and
 - present a true and fair view of the financial position of the Libraries Board of South Australia 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 Libraries Board of South Australia for the financial year over its financial reporting and its preparation of financial statements have been effective.



Bruce Linn
Chair
Libraries Board of South Australia
26 September 2025



Megan Berghuis
Director
State Library of South Australia
26 September 2025



Hanlie Erasmus
Associate Director, Public Library and Corporate Services
State Library of South Australia
26 September 2025

Libraries Board of South Australia
Statement of Comprehensive Income
For the year ended 30 June 2025

	Note	2025 \$'000	2024 \$'000
Income			
Grants and subsidies	3.1	34 955	34 306
Fees and charges	3.2	98	143
Rent and facilities hire	3.3	185	175
Resources received free of charge	3.4	1 320	1 094
Investment income	3.5	737	958
Council contributions		76	91
Recoveries		405	190
Other income		130	106
Total income		37 906	37 063
Expenses			
Staff related expenses	4.1	12 075	12 838
Supplies and services	4.2	10 470	9 539
Accommodation and facilities	4.3	3 506	3 431
Depreciation and amortisation	5.5, 5.6, 5.9	3 626	3 814
Subsidies to public libraries	4.4	12 472	12 729
Net loss from the disposal of non-current assets	4.5	558	2 009
Total expenses		42 707	44 360
Net result		(4 801)	(7 297)
Other Comprehensive Income			
Items that will not be reclassified to net result			
Net gain/(loss) on sale of investments classified as fair value through other comprehensive income	4.5	(21)	277
Net gain/(loss) on revaluation of land, buildings and compactus	5.6	6 625	(1 772)
Changes in fair value of investments classified as fair value through other comprehensive income	5.4	617	354
Total other comprehensive income		7 221	(1 141)
Total comprehensive result		2 420	(8 438)

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

Libraries Board of South Australia
Statement of Financial Position
As at 30 June 2025

		2025	2024
	Note	\$'000	\$'000
Current assets			
Cash and cash equivalents	5.2	6 564	7 076
Receivables	5.3	1 451	1 769
Total current assets		8 015	8 845
Non-current assets			
Receivables	5.3	22	74
Investments	5.4	11 008	11 885
Property, plant and equipment	5.6	74 679	71 045
Intangible assets	5.9	5	15
Research and heritage collections	5.10	140 217	140 413
Total non-current assets		225 931	223 432
Total assets		233 946	232 277
Current liabilities			
Payables	6.2	1 800	1 987
Other financial liabilities	6.3	-	7
Staff related liabilities	6.4	1 346	1 331
Provisions	6.5	65	73
Other non-financial liabilities	6.6	-	4
Total current liabilities		3 211	3 402
Non-current liabilities			
Other financial liabilities	6.3	-	3
Staff related liabilities	6.4	1 574	2 053
Provisions	6.5	242	320
Total non-current liabilities		1 816	2 376
Total liabilities		5 027	5 778
Net assets		228 919	226 499
Equity			
Retained earnings		67 595	72 417
Investment reserve		2 690	2 073
Asset revaluation surplus		158 634	152 009
Total equity		228 919	226 499

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

Libraries Board of South Australia
Statement of Changes in Equity
For the year ended 30 June 2025

	Asset revaluation surplus	Investment reserve	Retained earnings	Total equity
	\$'000	\$'000	\$'000	\$'000
Balance at 1 July 2023	153 781	1 719	79 437	234 937
Net result from 2023-24	-	-	(7 297)	(7 297)
Gain on sale of investments classified as fair value through other comprehensive income	-	277	-	277
Transfer of revaluation gain on sale of investments from investment reserve to retained earnings	-	(277)	277	-
Fair value movement of investments classified as fair value through other comprehensive income	-	354	-	354
Net loss on revaluation of land, buildings and compactus	(1 772)	-	-	(1 772)
Total comprehensive result from 2023-24	(1 772)	354	(7 020)	(8 438)
Balance at 30 June 2024	152 009	2 073	72 417	226 499
Net result from 2024-25	-	-	(4 801)	(4 801)
Loss on sale of investments classified as fair value through other comprehensive income	-	(21)	-	(21)
Transfer of revaluation loss on sale of investments from investment reserve to retained earnings	-	21	(21)	-
Fair value movement of investments classified as fair value through other comprehensive income	-	617	-	617
Net gain on revaluation of land, buildings and compactus	6 625	-	-	6 625
Total comprehensive result from 2024-25	6 625	617	(4 822)	2 420
Balance at 30 June 2025	158 634	2 690	67 595	228 919

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

Libraries Board of South Australia
Statement of Cash Flows
For the year ended 30 June 2025

	2025	2024
	Inflows	Inflows
	(Outflows)	(Outflows)
Note	\$'000	\$'000
Cash flows from operating activities		
<u>Cash inflows</u>		
Grants and funding	34 710	34 306
Fees and charges	105	155
Rent and facilities hire	179	178
Bequests and donations	27	3
Investment income	734	919
Council contributions	84	100
Recoveries	370	200
GST recovered	2 044	1 594
Other receipts	194	64
<u>Cash outflows</u>		
Staff related payments	(12 647)	(12 446)
Payments for supplies and services	(10 214)	(9 563)
Payments for accommodation and facilities	(3 565)	(3 758)
Subsidies paid to public libraries	(13 155)	(13 452)
Net cash used in operating activities	(1 134)	(1 700)
Cash flows from investing activities		
<u>Cash inflows</u>		
Proceeds from the disposal of / maturity of investments	1 691	4 071
Proceeds from disposal of property, plant and equipment	2	2
<u>Cash outflows</u>		
Purchase of heritage collections	(172)	(123)
Purchase of investments	(218)	(4 094)
Purchase of property, plant and equipment	(675)	(650)
Net cash from/(used in) investing activities	628	(794)
Cash flows from financing activities		
<u>Cash outflows</u>		
Repayment of principal portion of lease liabilities	(6)	(10)
Net cash used in financing activities	(6)	(10)
Net decrease in cash and cash equivalents	(512)	(2 504)
Cash and cash equivalents at the beginning of the period	7 076	9 580
Cash and cash equivalents at the end of the period	6 564	7 076

5.2

The accompanying notes form part of these financial statements.

Libraries Board of South Australia
Notes to and forming part of the financial statements
For the year ended 30 June 2025

1. About the Libraries Board of South Australia

The Libraries Board of South Australia (the Board) is a not-for-profit statutory authority established pursuant to section 8 of the *Libraries Act 1982* (the Act). The Board is charged with the management of the State Library of South Australia (SLSA) and the Public Library Services (PLS) under the Act.

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, applying simplified disclosures.

The financial statements have been prepared based on a 12 month reporting period and presented in Australian currency. All amounts in the financial statements and accompanying notes have been rounded to the nearest thousand dollars (\$'000). The historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item measured.

Assets that are to be sold, consumed or realised as part of the normal 12 month 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 Board 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.

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 Board is grouped with the Department of the Premier and Cabinet (DPC) for GST purposes, and accordingly DPC prepares the Business Activity Statement on behalf of the Board via the grouping provisions of the GST legislation. Notwithstanding the use of these grouping provisions, intercompany cash alignment occurs to ensure the Board either recovers the net amount of GST recoverable from or disburses the amount payable to the ATO from DPC.

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

Libraries Board of South Australia
Notes to and forming part of the financial statements
For the year ended 30 June 2025

1.2. Objectives and programs

Objectives

The objectives of the Board as prescribed under the Act are as follows:

- formulate policies and guidelines for the provision of public library services
- establish, maintain and expand collections of library materials
- administer the State Library
- promote, encourage and assist in the establishment, operation and expansion of public libraries and public library services by councils and others

Programs

The Board undertakes the following programs:

- *Provision of State Library Services* - to provide, through the SLSA, a comprehensive library and information service for the economic, educational, cultural and social benefit of South Australia and its citizens.
- *Support of Public Library Services* - to provide, through PLS and the distribution of State subsidies, an equitable and responsible provision of resources, support and services to public libraries and community information agencies.

The tables on the following pages present income, expenses, assets and liabilities attributable to each program.

Libraries Board of South Australia
Notes to and forming part of the financial statements
For the year ended 30 June 2025

1.2. Objectives and programs (continued)

Income and Expenses by program

for the year ended 30 June 2025

	Provision of State Library Services		Support of Public Library Services		Total	
	2025	2024	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Income						
Grants and subsidies	14 798	14 133	20 157	20 173	34 955	34 306
Fees and charges	98	143	-	-	98	143
Rent and facilities hire	185	175	-	-	185	175
Resources received free of charge	1 304	1 094	16	-	1 320	1 094
Investment income	624	771	113	187	737	958
Council contributions	-	-	76	91	76	91
Recoveries	377	82	28	108	405	190
Other income	56	17	74	89	130	106
Total income	17 442	16 415	20 464	20 648	37 906	37 063
Expenses						
Staff related expenses	8 744	9 395	3 331	3 443	12 075	12 838
Supplies and services	5 127	4 040	5 343	5 499	10 470	9 539
Accommodation and facilities	3 506	3 431	-	-	3 506	3 431
Depreciation and amortisation	3 622	3 803	4	11	3 626	3 814
Subsidies to public libraries	-	-	12 472	12 729	12 472	12 729
Net loss from the disposal of non-current assets	542	2 009	16	-	558	2 009
Total expenses	21 541	22 678	21 166	21 682	42 707	44 360
Net result	(4 099)	(6 263)	(702)	(1 034)	(4 801)	(7 297)

Libraries Board of South Australia
Notes to and forming part of the financial statements
For the year ended 30 June 2025

1.2. Objectives and programs (continued)

Assets and liabilities by program

as at 30 June 2025

	Provision of State Library Services		Support of Public Library Services		Total	
	2025	2024	2025	2024	2025	2024
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Current assets						
Cash and cash equivalents	6 745	6 792	(181)	284	6 564	7 076
Receivables	985	1 049	466	720	1 451	1 769
Total current assets	7 730	7 841	285	1 004	8 015	8 845
Non-current assets						
Receivables	22	39	-	35	22	74
Investments	11 008	11 885	-	-	11 008	11 885
Property, plant and equipment	74 679	71 045	-	-	74 679	71 045
Intangible assets	5	13	-	2	5	15
Research and heritage collections	140 217	140 413	-	-	140 217	140 413
Total non-current assets	225 931	223 395	-	37	225 931	223 432
Current liabilities						
Payables	983	1 163	817	824	1 800	1 987
Other financial liabilities	-	7	-	-	-	7
Staff related liabilities	991	1 090	355	241	1 346	1 331
Provisions	65	73	-	-	65	73
Other non-financial liabilities	-	4	-	-	-	4
Total current liabilities	2 039	2 337	1 172	1 065	3 211	3 402
Non-current liabilities						
Other financial liabilities	-	3	-	-	-	3
Staff related liabilities	1 263	1 580	311	473	1 574	2 053
Provisions	242	320	-	-	242	320
Total non-current liabilities	1 505	1 903	311	473	1 816	2 376
Net assets	230 117	226 996	(1198)	(497)	228 919	226 499

Libraries Board of South Australia
Notes to and forming part of the financial statements
For the year ended 30 June 2025

2. Board and committees

2.1. Key management personnel

Key management personnel of the Board include the Minister for Arts, the Chair and members of the Board, and the Director of the State Library of South Australia, the Associate Director, State Library Services, and the Associate Director, Public Library and Corporate Services, all of whom have responsibility for the strategic direction and management of the Board.

Total compensation for the Board's key management personnel was \$1 011 000 (2024: \$881 000). This amount 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 the Department of Treasury and Finance (DTF)) under section 6 of the *Parliamentary Remuneration Act 1990*.

Transactions with key management personnel and other related parties

There were no significant transactions between key management personnel and other related parties.

2.2. Board and committee members

Members during the 2024-25 financial year were:

BM Linn AM (Chair)
MK Berghuis (retired)
A Culley
Prof. J Cys
J den Hartog
H Hennessy
K Kartinyeri
B Mather
Prof. AE Nettelbeck

Board and committee remuneration

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

	2025	2024
\$1 - \$19 999	9	10
Total number of Board members	9	10

The total remuneration received or receivable by members was \$43 000 (2024: \$51 000). Remuneration of members includes all costs paid/payable to board members such as sitting fees, superannuation contributions, salary sacrifice benefits, fringe benefits and any related fringe benefits tax paid.

Libraries Board of South Australia
Notes to and forming part of the financial statements
For the year ended 30 June 2025

3. Income

3.1. Grants and subsidies

	2025	2024
	\$'000	\$'000
SA Government grants and subsidies		
Recurrent operating grants	34 232	34 276
State Library Children's Experience	455	-
SA Literary Awards	203	-
Disaster risk reduction grants	65	30
Total SA Government grants and subsidies	34 955	34 306
Total grants and subsidies	34 955	34 306

Grants are recognised on receipt. The Board received an annual recurrent operating grant of \$34.232 million (2024: \$34.276 million) from DPC. The operating grant is the primary source of revenue for the Board.

3.2. Fees and charges

	2025	2024
	\$'000	\$'000
Photocopying services	10	6
Fees for services	86	133
Other fees and charges	2	4
Total fees and charges	98	143

Revenue from photocopying services is recognised at a point in time as services are provided. Revenue for fees and charges is recognised as services are provided.

3.3. Rent and facilities hire

	2025	2024
	\$'000	\$'000
Rental income	160	146
Facilities hire	25	29
Total rent and facilities hire	185	175

Revenue from facilities hire and rental income is recognised when services are provided.

Libraries Board of South Australia
Notes to and forming part of the financial statements
For the year ended 30 June 2025

3.4. Resources received free of charge

	2025	2024
	\$'000	\$'000
Artlab conservation services	302	179
Donated assets	180	418
Bequests and donations	27	3
Services received free of charge - Shared Services SA	205	262
Audit services provided by the Audit Office of South Australia	59	-
Valuation paid for by DPC	8	3
Services received free of charge - DPC ICT	236	229
Rent at Netley Commercial Park	303	-
Total resources received free of charge	1 320	1 094

Resources received free of charge are recorded as income in the Statement of Comprehensive Income at their fair value.

Under an arrangement with Artlab Australia, a division of DPC, Artlab Australia receives SA Government appropriation to perform conservation services on the Board's heritage collections. The value of this work performed is recognised as resources received free of charge in income and a corresponding amount included as preservation activities in note 4.2. Supplies and services.

Bequests and donations consist of cash and are included in the Statement of Cash Flows.

Contributions of services are recognised only when a fair value can be determined reliably, and the services would be purchased if they had not been donated. The Board receives Financial Accounting, Taxation, Payroll, Accounts Payable and Accounts Receivable services from Shared Services SA and ICT services from DPC free of charge.

The Board also receives audit services free of charge from the Audit Office of South Australia relation to work performed under the *Public Finance and Audit Act 1987*. No other services were provided by the Audit Office of South Australia.

Valuation paid for by DPC relates to a valuation by Liquid Pacific Asset Consultants to determine the fair value of land, buildings, compactus and improvements.

Rent at Netley Commercial Park is for rent paid by the Department of the Premier and Cabinet for off-site storage.

3.5. Investment income

	2025	2024
	\$'000	\$'000
Dividends	245	300
Interest	301	355
Dividend imputation credits	81	106
Distributions	110	197
Total investment revenues	737	958

Interest revenue is recognised taking into account the interest rates applicable to the financial assets. Dividend income is recognised when the right to receive a dividend has been declared.

Libraries Board of South Australia
Notes to and forming part of the financial statements
For the year ended 30 June 2025

4. Expenses

4.1. Staff related expenses

	2025	2024
	\$'000	\$'000
Salaries and wages	8 907	8 879
Annual leave	878	897
Long service leave	158	391
Skills and experience retention leave	87	94
Targeted voluntary separation packages	59	221
Superannuation	1 222	1 258
Board fees	39	46
Workers compensation provision adjustment	(87)	223
Other staff related expenses	812	829
Total staff related expenses	12 075	12 838

Superannuation

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

Staff remuneration

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

	2025	2024
	No.	No.
\$171 001 to \$191 000	2	2
\$191 001 to \$211 000	2	1
\$211 001 to \$231 000	1	-
\$251 001 to \$271 000	-	1
Total	5	4

The total remuneration received by those staff for the year was \$967 000 (2024: \$830 000).

The table includes all staff who received remuneration equal to or greater than the base executive remuneration level during the year. Remuneration of staff reflects all costs of employment including salaries and wages, payments in lieu of leave, superannuation contributions, termination payments, salary sacrifice benefits, fringe benefits and any related fringe benefits tax paid.

Targeted voluntary separation packages (TVSP's)

The number of staff who received a TVSP during the reporting period was 1 (2024:3).

	2025	2024
	\$'000	\$'000
Amounts paid to separated staff:		
Targeted voluntary separation packages	59	221
Leave paid to separated staff	8	52
Net cost to the Board	67	273

Libraries Board of South Australia
Notes to and forming part of the financial statements
For the year ended 30 June 2025

4.2. Supplies and services

	2025	2024
	\$'000	\$'000
Information technology and communication charges	3 400	2 656
Freight, courier, and postage	2 563	2 276
Contractors	962	520
Marketing and promotion	765	513
Preservation activities	333	222
Cataloguing and end processing	307	454
Insurance and risk management	249	236
Consultants' fees	218	165
Business services charge	205	262
Minor equipment purchases	181	300
Electronic resources	170	214
Licences	170	275
Membership / Subscriptions	139	141
Travel and accommodation	69	78
Exhibitions	38	13
Projects	23	285
Maintenance	13	13
Other*	665	916
Total supplies and services	10 470	9 539

* Includes audit fees for audit services received from the Audit Office of South Australia relating to work performed under the *Public Finance and Audit Act 1987* of \$59 000 (2024: \$59 000). No other services were provided by the Audit Office of South Australia.

4.3. Accommodation and facilities

	2025	2024
	\$'000	\$'000
Accommodation	1 574	1 541
Facilities	1 465	1 392
Security	467	498
Total accommodation and facilities	3 506	3 431

Most of the Board's accommodation is provided by the Department for Infrastructure and Transport under Memoranda of Administrative Arrangement issued in accordance with Government-wide accommodation policies. These arrangements do not meet the definition of a lease set out in *AASB 16 Leases* and accordingly are expensed.

4.4. Subsidies to public libraries

	2025	2024
	\$'000	\$'000
Library materials contribution	6 803	6 988
Operating contribution	5 131	5 130
Being digital	-	51
Library materials local purchase contribution	503	525
Community information contribution	35	35
Total subsidies to public libraries	12 472	12 729

Libraries Board of South Australia
Notes to and forming part of the financial statements
For the year ended 30 June 2025

4.5. Net loss from the disposal of non-current assets

	2025	2024
	\$'000	\$'000
Property, plant and equipment		
Proceeds from disposal	2	2
Less net book value of assets disposed	(22)	(254)
Net loss from disposal of property, plant and equipment	(20)	(252)
Research and heritage collections		
Proceeds from disposal	-	-
Less net book value of assets disposed	(538)	(1 757)
Net loss from disposal of research and heritage collections	(538)	(1 757)
Total proceeds from disposal included in Net Result	2	2
Less total net book value of assets disposed included in Net Result	(560)	(2 011)
Total net loss from disposal of non-current assets included in Net Result	(558)	(2 009)
Investments		
Proceeds from disposal through other comprehensive income (OCI)	1 691	4 072
Less net book value of assets disposed through OCI	(1 712)	(3 795)
Total net (loss)/gain on sale of investments classified as fair value through OCI	(21)	277
Total assets		
Proceeds from disposal	1 693	4 074
Less net book value of assets disposed	(2 272)	(5 806)
Total net loss from disposal of non-current assets	(579)	(1 732)

Libraries Board of South Australia
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5. Assets

5.1. Financial assets

	2025	2024
	\$'000	\$'000
Financial assets measured at amortised cost		
Cash and cash equivalents	6 564	7 076
Contractual receivables	372	84
Financial assets measured at fair value through other comprehensive income		
Investments	11 008	11 885
Total financial assets	17 944	19 045

5.2. Cash and cash equivalents

	2025	2024
	\$'000	\$'000
Deposits with the Treasurer	6 563	7 075
Libraries Board of South Australia Investment bank account	1	1
Total cash and cash equivalents	6 564	7 076

Deposits with the Treasurer

Deposits with the Treasurer are funds held in the Libraries Board of South Australia Account and the Arts South Australia Operating Account. These accounts are held with the Treasurer of South Australia pursuant to section 21 of the *Public Finance and Audit Act 1987* (PFAA).

The cash balance includes \$1.019 million (2024: \$1.427 million) of unspent funding allocated to public libraries for the purchase of library materials.

Funds held in Trust

Public Library Services allocates funding to populations located in Aboriginal lands and unincorporated areas that currently do not have a local council authority. These funds are controlled by the Board and are included in the cash balance at 30 June 2025. The total of these accounts is \$464 (2024: \$178 000).

Libraries Board of South Australia
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5.3. Receivables

	2025	2024
	\$'000	\$'000
Current		
Contractual receivables		
Trade receivables	372	84
Total contractual receivables	372	84
Statutory receivables		
Workers compensation recoveries	1	1
GST receivable	85	304
Total statutory receivables	86	305
Prepayments	854	1 219
Accrued revenues	139	161
Total current receivables	1 451	1 769
Non-current		
Statutory receivables		
Workers compensation recoveries	7	5
Total statutory receivables	7	5
Prepayments	15	69
Total non-current receivables	22	74
Total receivables	1 473	1 843

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.

Receivables, prepayments, and accrued revenues are non-interest bearing. Receivables are held with the objective of collecting the contractual cash flows and they are measured at amortised cost. Statutory receivables do not arise from contracts with customers. They are recognised and measured similarly to contractual receivables (except impairment) but are not classified as financial instruments for disclosure purposes.

Impairment losses were nil in 2025 (2024: nil) and relate to receivables arising from contracts with customers that are external to SA Government.

The net amount of GST recoverable from the ATO (via DPC) is included as part of receivables.

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5.4. Investments

	2025 \$'000	2024 \$'000
Non-current		
Shares and other investments		
Carrying amount at the beginning of period	11 885	11 232
Additions	218	4 094
Disposals	(1 712)	(3 795)
Investment market value movement at end of financial year	617	354
Total non-current investments	11 008	11 885
Total investments	11 008	11 885

The equity instruments are carried at fair value. During the year, the equity investments were designated at fair value through other comprehensive income with all changes in fair value being 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 all investments are recognised in the Statement of Comprehensive Income.

5.5. Useful life and depreciation

Depreciation and amortisation are calculated on a straight-line basis. Property, plant and equipment and intangible assets depreciation and amortisation are calculated over the estimated useful life as follows:

Class of asset	Useful life (years)
Buildings and improvements	15-100
Plant and equipment	3-20
Computer equipment	3-10
Compactus and lifts	14-30
Intangible assets	3-10
Right-of-use assets	Lease term

The research and heritage collections are kept under special conditions to minimise deterioration and are anticipated to have very long and indeterminate useful lives. No amount for depreciation has been recognised, as their service potential has not, in any material sense, been consumed during the reporting period.

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 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.

5.6. Property, plant and equipment by asset class

Property, plant and equipment comprise tangible assets owned and right-of-use (leased) assets. The assets presented in the table on the following page do not meet the definition of investment property.

Libraries Board of South Australia
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5.6. Property, plant and equipment by asset class (continued)

Reconciliation 2024-25

	Land	Buildings and improv.	Work in progress	Compactus and lifts	Plant and equip.	Computer equip.	ROU Vehicles	Total Property, plant and equipment
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying amount at the beginning of the period	16 800	52 256	-	1 347	364	267	11	71 045
Additions	-	383	98	7	110	32	17	647
Derecognition	-	-	-	-	-	-	(22)	(22)
Depreciation and amortisation	-	(3 372)	-	(126)	(54)	(58)	(6)	(3 616)
Net revaluation increment	5 300	1 298	-	27	-	-	-	6 625
Transfers between asset classes	-	(32)	-	-	32	-	-	-
Carrying amount at the end of the period	22 100	50 533	98	1 255	452	241	-	74 679
Gross carrying amount								
Gross carrying amount	22 100	169 980	98	3 852	1 711	1 259	-	199 000
Accumulated depreciation	-	(119 447)	-	(2 597)	(1 259)	(1 018)	-	(124 321)
Carrying amount at the end of the period	22 100	50 533	98	1 255	452	241	-	74 679

Revaluation surplus relating to de-recognised property, plant and equipment is transferred to retained earnings on de-recognition.

Libraries Board of South Australia
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5.7. Property, plant and equipment owned by the Board

All non-current assets with a value of \$10 000 or greater are capitalised, with the exception of the compactus and shelving category which is capitalised from \$500. Owned property, plant and equipment is subsequently measured at fair value.

Revaluation of property, plant and equipment is undertaken on a regular cycle and is revalued at least every six years. However, 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.

Land and buildings

An independent valuation of land, buildings and improvements was performed as at 30 June 2025 by a Certified Practising Valuer from Liquid Pacific Asset Consultants.

Fair value of land has been determined using the market approach. The valuation was based on recent market transactions for similar land in the area and includes adjustment for factors specific to the land such as size and location. For land classified as restricted in use, fair value was determined by applying an adjustment to reflect the restriction.

The fair value of buildings was determined using current replacement cost, due to there not being an active market. The current replacement cost considered the need for ongoing provision of government services, specialised nature and restricted use of the assets, their size, condition and location.

The valuation used estimates about construction materials that would be required to replace the buildings, information about current construction costs were derived from building costs guides, internal records such as recent tender documents, construction invoices etc. and the estimated useful life due to age and condition of the building.

Plant and equipment

All items of plant and equipment owned by the Board that had a fair value at the time of acquisition less than \$1.5 million or had an estimated useful life less than three years have not been revalued. The carrying value of these items is deemed to approximate fair value.

5.8. Property, plant and equipment leased by the Board

Right-of-use assets leased by the Board as lessee are measured at cost and are disclosed in note 5.6.

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 Board had 2 (2) motor vehicle leases with the South Australian Government Financing Authority (SAFA). Motor vehicle leases are non-cancellable, with rental payments monthly in arrears. Motor vehicle lease terms can range from 3 years (60,000km) up to 5 years (100,000km). No contingent rental provisions exist within the lease agreements and no options exist to renew the leases at the end of their term.

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 Statement of Comprehensive Income. All related right-of-use assets (ROU) and liabilities up to 31 March 2025 were derecognised in accordance with the changes.

The lease liabilities and interest related to the right-of-use assets are detailed in note 6.3. The Board's maturity analysis of its lease liabilities is disclosed in note 6.3. Cash outflows related to right of use assets are disclosed in note 6.3.

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5.9. 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 accumulated amortisation and any accumulated impairment losses.

The acquisition of 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.

Reconciliation 2024-25

	Computer software	Total
	\$'000	\$'000
Carrying amount at the beginning of the period	15	15
Amortisation	(10)	(10)
Carrying amount at the end of the period	5	5
 Gross carrying amount		
Gross carrying amount	418	418
Accumulated amortisation	(413)	(413)
Carrying amount at the end of the period	5	5

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5.10. Research and heritage collections

	2025				2024			
	Opening balance	Additions	Disposals	Total	Opening balance	Additions	Disposals	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
General Reference Collections	54 644	122	(322)	54 444	55 258	130	(744)	54 644
Published Heritage Collections	20 159	75	(3)	20 231	20 609	283	(733)	20 159
Published Special Collections	24 995	57	(5)	25 047	24 958	50	(13)	24 995
Archival Collections	32 844	88	(208)	32 724	33 029	82	(267)	32 844
Significant or Iconic Collections	7 771	-	-	7 771	7 771	-	-	7 771
Total research and heritage collections	140 413	342	(538)	140 217	141 625	545	(1 757)	140 413

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5.10. Research and heritage collections (continued)

Valuation basis

Research and heritage collections

The collections were valued as at 30 June 2022 by Mr. P Tinslay, NCJV Registered Valuer, of Aon Risk Services (Fine Arts Division).

This valuer specialises in the valuation of heritage assets. This valuation has been carried out in accordance with the principles determined by the International Valuation Standards Committee. These international standards have been followed except where they are altered by Australian Law or by local standards as laid out by the Australian Property Institute.

The market approach has been utilised to determine fair value. The market approach provides an indication of value by comparing the subject asset with identical or similar assets for which price information is available. This approach considers the prices of identical or similar assets that are listed or offered for sale and may necessitate adjusting the price information from other transactions to reflect any differences in the terms of the actual transaction and the basis of value and any assumptions adopted in the valuation being undertaken, as well as differences in the legal, economic or physical characteristics of the assets in other transactions and the asset being valued.

Where inputs to the fair value measurement are considered level 2 in the fair value hierarchy they have been observed from the market and the valuer has made relatively minor adjustments for differences in asset characteristics.

The collection includes digital items received at no cost through legal deposit under the *Libraries Act 1982* and items the State Library has digitised from the physical item or obtained another way. The Board is unable to sell these items. These digital collection items cannot be reliably measured or assigned a value and are immaterial to the overall collection value and/or size.

A review of the financial reporting of the Research and Heritage Collections was undertaken as part of the revaluation process. The outcome of this review is that for financial reporting purposes the collections will be grouped based on collection category rather than location or format.

6. Liabilities

6.1. Financial Liabilities

	2025	2024
	\$'000	\$'000
Financial liabilities measured at amortised cost		
Contractual payables	1 800	1 928
Other financial liabilities	-	10
Total financial liabilities	1 800	1 938

All financial liabilities are measured at amortised cost.

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6.2. Payables

	2025	2024
	\$'000	\$'000
Current		
Contractual payables		
Trade payables	1 800	1 928
Total contractual payables	1 800	1 928
Statutory payables		
Audit fees	-	59
Total statutory payables	-	59
Total current payables	1 800	1 987
Total payables	1 800	1 987

Payables and accruals are recognised for all amounts owing but unpaid. All payables are non-interest bearing.

Contractual payables are normally settled within 15 days from the date the invoice is first received. Payables are measured at nominal amounts. The carrying amount of payables represents fair value due to their short-term nature.

Statutory payables do not arise from contracts. Statutory payables include audit fees from the Audit Office of South Australia. Statutory payables are carried at cost. They are not financial liabilities.

6.3. Other financial liabilities

Other financial liabilities consist of lease liabilities. 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 lease liabilities throughout the year.

The associated interest costs were less than \$1 000 for 2024-25 and 2023-24.

Total cash outflows relating to the repayment of the principal portion of lease liabilities was \$6 000 (2024: \$10 000).

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

	2025	2024
	\$'000	\$'000
Other financial liabilities – lease liabilities		
Within one year	-	7
Later than one year but not longer than five years	-	3
Total other financial liabilities (undiscounted)	-	10

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6.4. Staff related liabilities

	2025	2024
	\$'000	\$'000
Current		
Annual leave	657	688
Long service leave	385	316
Skills and experience retention leave	92	86
Accrued salaries and wages	35	77
Staff on-costs	177	164
Total current staff related liabilities	1 346	1 331
Non-current		
Long service leave	1 425	1 862
Staff on-costs	149	191
Total non-current staff related liabilities	1 574	2 053
Total staff related liabilities	2 920	3 384

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

Salaries and wages, annual leave, skills and experience retention leave, and sick leave

The liability for 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 skills and experience retention leave liability in full are 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 staff is estimated to be less than the annual entitlement for sick leave.

The salary inflation rate for annual leave and skills and experience retention leave liability changed from 2.4% in 2024 to 3.2% in 2025.

Long service leave liability - measurement

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 staff up to the end of the reporting period using the projected unit credit method.

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

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 staff departures and periods of service. These assumptions are based on staff 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 4.25% in 2025.

The actuarial assessment performed by the DTF resulted in the salary inflation rate remaining unchanged at 3.5% in 2025.

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6.4. Staff related liabilities (continued)

The current portion of employee related liabilities reflects the amount for which the Board 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.

Staff on-costs

Staff on-costs include payroll tax, ReturntoWorkSA levies and superannuation contributions and are settled when the respective staff related liabilities that they relate to are discharged. These on-costs primarily relate to the balance of leave owing to staff. The estimated proportion of long service leave to be taken as leave, rather than to be paid on termination, affects the amount of on-costs liabilities recognised as a consequence of long service leave liabilities.

The Board 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 date relates to any contributions due but not yet paid to the 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 unchanged at 44% in 2025 and the average factor for the calculation of staff superannuation on-costs has changed from 11.5% in 2024 to 12% in 2025. These rates are used in the staff on-cost calculation. The net financial impact of these changes in the current financial year is immaterial.

6.5. Provisions

All provisions are for workers compensation:

Reconciliation of the workers compensation provision:	2025	2024
	\$'000	\$'000
Carrying amount at the beginning of the period	393	170
Additional provisions recognised	83	84
Increase / (decrease) resulting from re-measurement	(169)	139
Carrying amount at the end of the period	307	393

The Board is an exempt employer under the *Return to Work Act 2014*. Under a scheme arrangement, the Board 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. The Board is able to seek reimbursement for and payment of workers compensation medical redemption costs from DPC that may arise in the future to resolve claims.

Accordingly, a liability has been reported to reflect unsettled workers compensation claims. The workers compensation provision is based on an actuarial assessment of the outstanding liability as at 30 June 2025 provided by a consulting actuary engaged through the Office of the Commissioner of Public Sector Employment.

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 average claim sizes and other economic and actuarial assumptions.

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6.6. Other non-financial liabilities

	2025	2024
	\$'000	\$'000
Current		
Unearned revenue	-	4
Total other liabilities	<u>-</u>	<u>4</u>

7. Outlook

7.1. Unrecognised commitments

Commitments arising from contractual sources are disclosed at their nominal value.

Contractual commitments to acquire property, plant and equipment were nil in 2025 (2024: nil).

Other contractual commitments

	2025	2024
	\$'000	\$'000
Within one year	4 149	5 226
Later than one year but not longer than five years	2 935	2 764
Total other contractual commitments	<u>7 084</u>	<u>7 990</u>

Other contractual commitments comprise: Preservica digital preservation system and standard support, a sortation and delivery service of South Australian Public Library Network material for distribution to South Australian Public Libraries, committed orders placed by public libraries through Public Library Services for libraries materials at the reporting date not recognised as liabilities in the financial statements and contracts for ICT.

7.2. Contingent assets and liabilities

The Board is not aware of any contingent assets or liabilities.

7.3. Events after the reporting period

There were no events occurring after the end of the reporting period that had a material financial implication on these financial statements.