

INDEPENDENT AUDITOR'S REPORT



Government of South Australia

Audit Office of South Australia

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**To the Chief Executive
Premier's Delivery Unit**

Opinion

I have audited the financial report of the Premier's Delivery Unit 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 Premier's Delivery Unit as at 30 June 2025, its financial performance and its 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 – 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 Chief Executive and the Director, Finance and Procurement, Department of the Premier and Cabinet.

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 Premier's Delivery Unit. 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 – 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 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 Premier's Delivery Unit 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 Premier's Delivery Unit'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.



Daniel O'Donohue
Deputy Auditor-General

29 September 2025

Premier's Delivery Unit

Financial Statements

For the year ended 30 June 2025

Premier's Delivery Unit
Financial Statements
for the year ended 30 June 2025

We certify that the:

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



Rik Morris

Chief Executive

Premier's Delivery Unit

27th September 2025



Claire Hodgetts

Director, Finance and Procurement

Department of the Premier and Cabinet

29 September 2025

Premier's Delivery Unit
Statement of Comprehensive Income
for the year ended 30 June 2025

	Note	2025 \$'000	2024 \$'000
Income			
Appropriation	3.1	2 378	1 994
Other income	3.2	47	19
Total income		<u>2 425</u>	<u>2 013</u>
Expenses			
Employee related expenses	4.1	1 917	1 634
Supplies and services	4.2	219	232
Total expenses		<u>2 136</u>	<u>1 866</u>
Net result		<u>289</u>	<u>147</u>
Total comprehensive result		<u>289</u>	<u>147</u>

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

Premier's Delivery Unit
Statement of Financial Position
as at 30 June 2025

	Note	2025 \$'000	2024 \$'000
Current assets			
Cash	5.2	1 840	1 451
Total current assets		1 840	1 451
Non-current assets			
Receivables	5.3	1	-
Total non-current assets		1	-
Total assets		1 841	1 451
Current liabilities			
Payables	6.2	1	27
Employee related liabilities	6.3	236	199
Provisions	6.4	6	5
Total current liabilities		243	231
Non-current liabilities			
Employee related liabilities	6.3	454	364
Provisions	6.4	20	21
Total non-current liabilities		474	385
Total liabilities		717	616
Net assets		1 124	835
Equity			
Retained earnings		1 124	835
Total equity		1 124	835

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

Premier's Delivery Unit
Statement of Changes in Equity
for the year ended 30 June 2025

	Retained earnings \$'000	Total equity \$'000
Balance at 1 July 2023	688	688
Net result for 2023-24	147	147
Total comprehensive result for 2023-24	147	147
Balance at 30 June 2024	835	835
Net result for 2024-25	289	289
Total comprehensive result for 2024-25	289	289
Balance at 30 June 2025	1 124	1 124

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

Premier's Delivery Unit
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			
Cash inflows			
Appropriation		2 378	1 994
Other receipts		17	19
Cash generated from operating activities		2 395	2 013
Cash outflows			
Employee related payments		(1 790)	(1 534)
Payments for supplies and services		(216)	(228)
Cash used in operating activities		(2 006)	(1 762)
Net cash provided by operating activities		389	251
Net increase in cash		389	251
Cash at the beginning of the reporting period		1 451	1 200
Cash at the end of the reporting period	5.2	1 840	1 451

The accompanying notes form part of these financial statements.

Premier's Delivery Unit

Notes to and forming part of the financial statements

for the year ended 30 June 2025

1. About the Premier's Delivery Unit

The Premier's Delivery Unit (PDU) is an attached office of the Department of the Premier and Cabinet (DPC) which came into operation on 14 April 2022, pursuant to the *Public Sector Act 2009*. PDU is an administrative unit acting on behalf of the Crown.

PDU will ensure the timely delivery of the government's election commitments and other major policies, projects and reforms as identified by Cabinet.

1.1 Basis of preparation

These financial statements are general purpose financial statements prepared in accordance 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 and liabilities that are to be sold, consumed or realised as part of the normal 12-month operating cycle have been classified as current assets or current liabilities. All other assets and liabilities are classified as non-current.

Material accounting policies are set out throughout the notes.

Cash flows are exclusive of Goods and Services Tax (GST). The GST component of cash flows which is recoverable from, or payable to, the Australian Taxation Office (ATO) is classified as part of operating cash flows of DPC, not PDU.

1.2 Objectives

The PDU is an independent office established to oversee the delivery of identified Government priorities, including all election commitments.

2. Board and committees

2.1 Key management personnel

Key management personnel of PDU include the Premier and the Chief Executive who has responsibility for the strategic direction and management of PDU.

Total compensation for key management personnel was \$0.419 million (2024: \$0.399 million).

The compensation disclosed in this note excludes salaries and other benefits the Premier receives. The Premier's remuneration and allowances are set by the *Parliamentary Remuneration Act 1990* and the Remuneration Tribunal of SA respectively and are payable from the Consolidated Account via the Department of Treasury and Finance (DTF) under section 6 of the *Parliamentary Remuneration Act 1990*.

See DPC's Financial Statements for disclosures of the Premier's remuneration paid and recovered from the Consolidated Account.

Transactions with key management personnel and other related parties

There were no significant related party transactions.

Premier's Delivery Unit
Notes to and forming part of the financial statements
for the year ended 30 June 2025

3. Income

3.1 Appropriation

Appropriations of \$2.378 million (2024: \$1.994 million) include \$0.366 million (2024: \$nil) received from the Governor's Appropriation Fund.

Appropriation is recognised on receipt.

3.2 Other income

	2025	2024
	\$'000	\$'000
Contingency funding provided by DTF	17	18
Services received free of charge	15	-
Other	15	1
Total other income	47	19

Services received free of charge includes audit services provided by the Audit Office of South Australia (AOSA) in relation to work performed under the Public Finance and Audit Act 1987. No other services were provided by the AOSA. On 5 September 2024, the Treasurer approved the AOSA's request to cease audit fee charging for auditing the public accounts effective for the financial years ending on or after 30 June 2024. PDU received audit services from AOSA valued at \$0.015 million.

Premier's Delivery Unit
Notes to and forming part of the financial statements
for the year ended 30 June 2025

4. Expenses

4.1 Employee related expenses

	2025	2024
	\$'000	\$'000
Salaries and wages	1 191	1 049
Superannuation	350	309
Long service leave	132	57
Annual leave	123	93
Skills and experience retention leave	8	6
Workers compensation revaluation	(1)	22
Other employee related expenses	114	98
Total employee related expenses	1 917	1 634

Employment expenses

PDU's employees are employed under Part 7 of the *Public Sector Act 2009*.

The superannuation expense represents PDU's contributions to superannuation plans in respect of current services of current employees.

Employee remuneration

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

	2025	2024
	Number	Number
\$ 191 001 - \$ 211 000	1	2
\$ 211 001 - \$ 231 000	1	-
\$ 271 001 - \$ 291 000	-	1
\$ 291 001 - \$ 311 000	1	-
\$ 351 001 - \$ 371 000	-	1
\$ 371 001 - \$ 391 000	1	-
Total	4	4

The total remuneration received by those employees for the year was \$1.098 million (2024: \$1.062 million).

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

Premier's Delivery Unit
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
Corporate support services	159	155
Staff development and recruitment	31	6
Audit fees	15	15
Information technology and communication charges	4	12
General administration and consumables	3	4
Contractors	-	30
Other expenses	7	10
Total supplies and services	219	232

Audit fees

Supplies and services include the fair value of services received free of charge provided which is \$0.015 million as disclosed in note 3.2. This includes an amount of \$0.015 million for audit services received from the AOSA work performed under the *Public Finance and Audit Act 1987*. No other services were provided by the AOSA.

Audit fees payable for 2023-24 have been derecognised in accordance with the changes.

5. Assets

5.1 Financial assets

	2025	2024
	\$'000	\$'000
Financial assets measured at amortised cost		
Cash	1 840	1 451
Total financial assets	1 840	1 451

5.2 Cash

PDU has a non-interest bearing deposit account held with the Treasurer, which must be used in accordance with its approved purpose. Cash is measured at nominal amounts.

5.3 Receivables

	2025	2024
	\$'000	\$'000
Non-current		
Statutory receivables		
Workers compensation recoveries	1	-
Total statutory receivables	1	-
Total receivables	1	-

Statutory receivables relate to recoveries determined by the workers compensation actuarial assessment, refer to note 6.4.

Premier's Delivery Unit
Notes to and forming part of the financial statements
for the year ended 30 June 2025

6. Liabilities

6.1 Financial liabilities

	2025 \$'000	2024 \$'000
Financial liabilities measured at amortised cost		
Contractual payables	1	12
Total financial liabilities	1	12

6.2 Payables

	2025 \$'000	2024 \$'000
Current		
Contractual payables	1	12
Accrued expenses	-	15
Total current payables	1	27
Total payables	1	27

Payables and accrued expenses are recognised for all amounts owing but unpaid. Contractual payables are normally settled within 15 days from the date the invoice is first received. All payables are non-interest bearing.

6.3 Employee related liabilities

	2025 \$'000	2024 \$'000
Current		
Annual leave	150	124
Long service leave	46	38
Employment on-costs	31	27
Accrued salaries and wages	5	-
Skills and experience retention leave	4	10
Total current employee related liabilities	236	199
Non-current		
Long service leave	411	330
Employment on-costs	43	34
Total non-current employee related liabilities	454	364
Total employee related liabilities	690	563

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

Premier's Delivery Unit
Notes to and forming part of the financial statements
for the year ended 30 June 2025

6.3 Employee related liabilities (continued)

Long service leave

Long service leave liability 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 are determined through whole-of-government actuarial calculations, which are based on actuarial assumptions on expected future salary and wage levels, experience of employee departures and periods of service. These assumptions are based on employee data over SA Government entities. The discount rate is reflective of the yield on long-term Commonwealth Government bonds. The yield on long-term Commonwealth Government bonds remained unchanged at 4.25% (2024: 4.25%).

The net financial effect of the changes to the actuarial assumption in the current financial year is nil.

The salary inflation rate applied in the actuarial assessment performed by DTF for the long service leave liability has remained unchanged at 3.5% (2024: 3.5%).

The current portion of long service leave reflects DPC's 5-year average experience of long service leave which is expected to continue in the future.

Employment on-costs

Employment on-costs liabilities include payroll tax and superannuation contributions that are settled when the respective employee related liabilities that 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 to be paid on termination, affects the amount of on-costs liabilities recognised as a consequence of long service leave liabilities.

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

As a result of an actuarial assessment performed by DTF, the portion of long service leave taken as leave has remained unchanged at 44% (2024: 44%) and the average factor for the calculation of employer superannuation on-costs has increased to 12.0% (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 is immaterial.

6.4 Provisions

	2025 \$'000	2024 \$'000
<i>Reconciliation of workers compensation</i>		
Carrying amount at the beginning of the period	26	5
Additions	-	21
Carrying amount at the end of the period	26	26

A provision has been reported to reflect unsettled workers compensation claims. The workers compensation provision is based on an actuarial assessment of the outstanding liability as at 30 June 2025 provided by a consulting actuary engaged through the Office of the Commissioner for Public Sector Employment. The provision is for the estimated cost of ongoing payments to employees as required under current legislation.

PDU is responsible for the payment of workers compensation claims.

Premier's Delivery Unit
Notes to and forming part of the financial statements
for the year ended 30 June 2025

7. Outlook

7.1 Unrecognised contractual commitments

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

Contractual commitments

Expenditure contracted for at the reporting date but not yet recognised as liabilities in the financial report, are payable as follows:

	2025	2024
	\$'000	\$'000
Within one year	163	159
Later than one year but not longer than five years	-	163
Total contractual commitments	163	322

Commitments comprise the service level agreement between PDU and DPC for corporate support services.

7.2 Contingent assets and liabilities

PDU is not aware of any contingent assets or liabilities as at 30 June 2025.

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.