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To the Small Business Commissioner

Opinion

I have audited the financial report of the Small Business Commissioner 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 Small Business Commissioner 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 Small Business Commissioner and the Manager, Corporate Operations.

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 Small Business Commissioner. 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 Small Business Commissioner for the financial report

The Small Business Commissioner 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 Small Business Commissioner 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 Small Business Commissioner 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 Small Business Commissioner 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 Small Business Commissioner's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Small Business Commissioner
- conclude on the appropriateness of the Small Business Commissioner'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 Small Business Commissioner 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

30 September 2025

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Small Business Commissioner

Financial Statements

For the year ended 30 June 2025

Small Business Commissioner
Certification of the Financial Statements
for the year ended 30 June 2025

We certify that the:

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



Dan van Holst Pellekaan
Small Business Commissioner
29 September 2025



Monique Hill
Manager, Corporate Operations
29 September 2025

Small Business Commissioner **OFFICIAL**
Statement of Comprehensive Income
for the year ended 30 June 2025

		2025	2024
	Note	\$'000	\$'000
Income			
Intra-government transfers	3.1	2 277	2 244
Recoveries	3.2	344	194
Resources received free of charge	3.3	33	20
Mediation income		12	9
Other income	3.4	19	8
Total income		2 685	2 475
Expenses			
Staff related expenses	4.1	2 007	1 871
Supplies and services	4.2	479	526
Other expenses	4.3	15	13
Total expenses		2 501	2 410
Net result		184	65
Total comprehensive result		184	65

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

Small Business Commissioner
Statement of Financial Position
as at 30 June 2025

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	Note	2025 \$'000	2024 \$'000
Current assets			
Cash and cash equivalents	4.4	1 781	1 661
Receivables	4.5	33	52
Total current assets		1 814	1 713
Total assets		1 814	1 713
Current liabilities			
Staff related liabilities	5.2	171	213
Payables	5.1	13	51
Provisions	5.3	8	6
Total current liabilities		192	270
Non-current liabilities			
Staff related liabilities	5.2	248	256
Provisions	5.3	30	27
Total non-current liabilities		278	283
Total liabilities		470	553
Net assets		1 344	1 160
Equity			
Retained earnings		1 344	1 160
Total equity		1 344	1 160

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

Small Business Commissioner
Statement of Changes in Equity
for the year ended 30 June 2025

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	Retained earnings \$'000	Total equity \$'000
Balance at 1 July 2023	1 095	1 095
Net result for 2023-24	65	65
Total comprehensive result for 2023-24	65	65
Balance at 30 June 2024	1 160	1 160
Net result for 2024-25	184	184
Total comprehensive result for 2024-25	184	184
Balance at 30 June 2025	1 344	1 344

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

Small Business Commissioner
Statement of Cash Flows
for the year ended 30 June 2025

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	2025	2024
	\$'000	\$'000
Cash flows from operating activities		
Cash inflows		
Intra-government transfers	2 277	2 244
Recoveries from the Retail Shop Leases Fund	344	186
GST recovered	38	40
Mediation receipts	12	9
Other receipts	4	8
Cash generated from operating activities	2 675	2 487
Cash outflows		
Staff related payments	(2 065)	(1 918)
Payments for supplies and services	(490)	(522)
Cash used in operating activities	(2 555)	(2 440)
Net cash provided by operating activities	120	47
Net increase in cash and cash equivalents	120	47
Cash and cash equivalents at the beginning of the reporting period	1 661	1 614
Cash and cash equivalents at the end of the reporting period	1 781	1 661

4.4

The accompanying notes form part of these financial statements.

Small Business Commissioner
Notes to and forming part of the financial statements
For the year ended 30 June 2025

1. About the Small Business Commissioner

The Small Business Commissioner (the Commissioner) is a not-for-profit government agency of the State of South Australia, established pursuant to the *Small Business Commissioner Act 2011*.

The financial statements and accompanying notes include all the controlled activities of the Commissioner.

The Commissioner administers the operations of the Retail Shop Leases Fund (RSLF) through its statutory responsibilities under *Retail and Commercial Leases Act 1995*. A separate financial report is prepared for the RSLF as per section 78 of the *Retail and Commercial Leases Act 1995*.

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 applying simplified disclosures.

The financial statements are 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 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 Commissioner is liable for fringe benefits tax (FBT) and goods and services tax (GST).

Income, expenses and assets are recognised net of the amount of GST except:

- when the GST incurred on a purchase of goods or services is not recoverable from the Australian Taxation Office, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item applicable; and
- receivables and payables, which are stated with the amount of GST included.

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 is classified as part of operating cash flows.

The net amount of the GST receivable/payable to the ATO is not recognised as a receivable/payable in the Statement of Financial Position as the Commissioner is a member of an approved GST group of which the Attorney-General's Department (AGD) is responsible for the remittance and collection of GST.

Small Business Commissioner
Notes to and forming part of the financial statements
For the year ended 30 June 2025

1.2. Objectives and Programs

The Commissioner is an independent statutory officer and is responsible for the administration and provision of information on the *Small Business Commissioner Act 2011*, *Retail and Commercial Lease Act 1995*, *Building and Construction Industry Security of Payment Act 2009* and the *Farm Debt Mediation Act 2018* while having statutory responsibilities under the *Fair Trading Act 1987*, *Late Payment of Government Debts Act 2013*, *Work Health and Safety Act 2012*, *COVID-19 Emergency Response Act 2020* and the related regulations.

The key role and objectives of the Commissioner include:

- Facilitate alternative dispute resolution processes between small businesses, and between small businesses and state or local government and provide information and advice about legislative obligations under Acts administered by the Commissioner.
- Amplify the views, challenges and experiences of small business operators on issues that impact their ability to do business, including assisting them navigate complexity & challenges in dealings with state and local government bodies.
- Collaborate and engage with small businesses operators, governments, industry, and the community to create a thriving business environment.
- Strengthen the integrity of the small business sector by ensuring compliance with legislative requirements and Acts administered by the Commissioner where appropriate.
- Deliver a fast, fair and consistent customer experience and ensure the wellbeing of our people.

Small Business Commissioner
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 include the responsible Minister and the Commissioner who have the responsibility for the strategic direction and management of the office.

Total compensation for the key management personnel was \$257,000 in 2025 and \$235,000 in 2024. Note the 2024-25 compensation amount includes the payment of long service leave and annual leave for an officer who has left the Commission.

The compensation disclosed in this note 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) under section 6 the *Parliamentary Remuneration Act 1990*.

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

3. Income

3.1. Intra-government transfers

	2025	2024
	\$'000	\$'000
Intra-government transfers	2 277	2 244
Total intra-government transfers	2 277	2 244

Relates to transfers for operational funding received via AGD. Intra-government transfers are recognised as income on receipt.

3.2. Recoveries

	2025	2024
	\$'000	\$'000
Retail Shop Leases Fund administration fees	344	194
Total recoveries	344	194

Relates to recoveries for part of the cost of administering the RSLF and are recognised as income on receipt.

Small Business Commissioner
Notes to and forming part of the financial statements
For the year ended 30 June 2025

3.3. Resources received free of charge

	2025	2024
	\$'000	\$'000
Services received free of charge - Shared Services SA	14	14
Services received free of charge - Audit Office of SA	13	-
Services received free of charge - Department of Treasury & Finance ICT	6	6
Total resources received free of charge	33	20

The resources received free of charge are measured at fair value. 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.

SBC receives Financial Accounting, Taxation, Payroll, Accounts Payable and Accounts Receivable services from Shared Services SA and ICT services from Department of Treasury and Finance free of charge. SBC also receives audit services free of charge from the Audit Office of South Australia. From 2024-25, audit fees are accounted for as auditing services received free of charge, under *AASB 1058 Income of Not-for-Profit Entities*. A corresponding expense is recognised in the financial statements (see note 4.3).

3.4. Other income

	2025	2024
	\$'000	\$'000
Other	19	8
Total other income	19	8

Small Business Commissioner
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	1 519	1 524
Superannuation	198	185
Annual leave	142	134
Long service leave	45	(71)
Skills and experience retention leave	5	6
Workers' compensation	4	8
Other staff related expenses	94	85
Total staff related expenses	2 007	1 871

Staff expenses

The Commissioner does not employ staff but is assigned staff by the Attorney-General's Department under Part 10 Section 1(a) of the *Small Business Commissioner Act 2011*, "the Commissioner's staff consists of Public Service employees assigned to assist the Commissioner." Staff are employed under Part 7 of the *Public Sector Act 2009*.

The superannuation expense represents the Commissioner's contribution to superannuation plans in respect of current services of current staff.

Staff remuneration

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

	2025	2024
	Number	Number
\$231 001 to \$251 000*	-	1
\$251 001 to \$271 000*	1	-
Total	1	1

The total remuneration received by staff for the year was \$0.26 million (2024: \$0.23 million).

The table includes staff members who have 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, salary sacrifice benefits and any related fringe benefits tax.

Small Business Commissioner
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 communications charges	179	200
Accommodation	93	74
Mediation fees	76	35
Office administration expenses	69	73
Shared Services SA charges	20	14
Marketing	17	33
Travel and related expenses	11	9
Consultants	6	50
Staff related expenses	4	9
Business training and development support	2	25
Repairs, maintenance and minor purchases	1	3
Contractors	1	1
Total supplies and services	479	526

Accommodation

The Commissioner's accommodation is provided by the Department for Infrastructure and Transport under a Memoranda of Administrative Arrangement (MoAA) issued in accordance with Government-wide accommodation policies. These accommodation costs are recognised as expenses as they become due, as the arrangements do not meet the definition of a lease set out in AASB 16.

4.3. Other expenses

	2025	2024
	\$'000	\$'000
Audit fees	13	13
Other	2	-
Total other expenses	15	13

Audit fees represents the fair value of audit services received from the Audit Office of South Australia for work performed under the *Public Finance and Audit Act 1987*. No other services were provided by the Audit Office of South Australia.

Small Business Commissioner
Notes to and forming part of the financial statements
For the year ended 30 June 2025

5. Assets

5.1. Cash and cash equivalents

	2025	2024
	\$'000	\$'000
Deposits with the Treasurer	1 781	1 661
Total cash and cash equivalents	1 781	1 661

Cash is measured at nominal value.

5.2. Receivables

	2025	2024
	\$'000	\$'000
Current		
Contractual receivables	6	4
Total contractual receivables	6	4
Prepayments	3	24
Other receivables	24	24
Total current receivables	33	52

All receivables are non-interest bearing.

Contractual receivables

Contractual receivables arise in the normal course of providing 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.

The Commissioner did not recognise an impairment loss on contractual receivables due to the low value of 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.

Small Business Commissioner
Notes to and forming part of the financial statements
For the year ended 30 June 2025

6. Liabilities

6.1. Payables

	2025	2024
	\$'000	\$'000
Current		
Accrued expenses	13	51
Total current payables	13	51
Total payables	13	51

Payables are measured at nominal amounts.

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.

6.2. Staff related liabilities

	2025	2024
	\$'000	\$'000
Current		
Annual leave	122	158
Staff on-costs	26	30
Long service leave	13	16
Skills and experience retention leave	4	9
Accrued salaries and wages	6	-
Total current staff related liabilities	171	213
Non-current		
Long service leave	224	232
Staff on-costs	24	24
Total non-current staff related liabilities	248	256
Total staff related liabilities	419	469

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 (SERL) and sick leave

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

The annual leave liability and the SERL liability in full is expected to be payable 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.

Small Business Commissioner
Notes to and forming part of the financial statements
For the year ended 30 June 2025

6.2. Staff 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 staff 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 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 the same from 2024 to 2025, at 4.25%. The net financial effect of the changes to actuarial assumptions in the current financial year is immaterial. The impact on future periods is impracticable to estimate as the long service leave liability is calculated using a number of demographical and financial assumptions – including the long-term discount rate.

The actuarial assessment performed by the Department of Treasury and Finance has left the salary inflation rate the same at 3.5% (2024: 3.5%) for long service leave liability. As a result, there is no net financial effect. The current portion of staff related liabilities reflects the amount for which the Commissioner 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 staff within 12 months, and expected amount of leave to be paid on termination to eligible staff within 12 months.

Staff on-costs liabilities

Staff 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 staff benefits that they relate to are discharged. These on-costs liabilities 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 Commissioner 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 superannuation schemes.

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

Small Business Commissioner
Notes to and forming part of the financial statements
For the year ended 30 June 2025

6.3. Provisions

All provisions relate to workers compensation.

	2025 \$'000	2024 \$'000
Carrying amount at the beginning of the period	33	25
Additional provisions recognised	8	13
Reductions arising from payments	-	(31)
Reductions resulting from remeasurement	(3)	26
Carrying amount at the end of the period	38	33

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 staff as required under current legislation.

The Commissioner is responsible for the payment of workers compensation claims.

7. Outlook

7.1. Unrecognised commitments

Commitments arising from contractual sources are disclosed at their nominal value and inclusive of non-recoverable GST. The Commissioner's expenditure commitments relate to agreements for:

- Office accommodation (MoAA with DIT)
- Software licenses

	2025 \$'000	2024 \$'000
Within one year	104	97
Later than one year but not longer than five years	317	318
Later than five years	189	254
Total expenditure commitments	610	669

7.2. Contingent assets and liabilities

The Commissioner is not aware of any contingent assets or liabilities at reporting date.