INDEPENDENT AUDITOR'S REPORT

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Audit Office of South Australia

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To the Clerk
Legislative Council

Opinion

I have audited the financial report of the Legislative Council for the financial year ended 30 June 2026.

In my opinion, the accompanying financial report gives a true and fair view of the financial position of the Legislative Council as at 30 June 2026, 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 2026
- a Statement of Financial Position as at 30 June 2026
- a Statement of Changes in Equity for the year ended 30 June 2026
- a Statement of Cash Flows for the year ended 30 June 2026
- notes, comprising material accounting policy information and other explanatory information
- a Certificate from the Clerk, Legislative Council and Chief Finance Officer, Joint Parliamentary Service.

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 Legislative Council. 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 Clerk for the financial report

The Clerk 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 Clerk is responsible for assessing the Legislative Council'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 Legislative Council. The Clerk 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)(a) of the *Public Finance and Audit Act 1987*, I have audited the financial report of the Legislative Council for the financial year ended 30 June 2026.

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 Legislative Council's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Clerk

- conclude on the appropriateness of the Clerk'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 Legislative Council'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 the Legislative Council 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 Legislative Council 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 Clerk about, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during the audit.



Andrew Blaskett
Auditor-General

15 October 2026

Legislative Council
Certification of the Financial Statements
for the year ended 30 June 2026

We certify that the:

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

Clerk
Legislative Council

25/9/2026

Chief Finance Officer
Joint Parliamentary Service

25/9/2026

Legislative Council
Statement of Comprehensive Income
for the year ended 30 June 2026

	Note	2026 $'000	2025 $'000
Income			
Appropriation	2.1	11 672	11 523
Intra-government transfers in	2.2	1 678	1 433
Resources received free of charge	2.3	30	30
Net gain on revaluation of non-current assets	4.3	10	-
Other income	2.4	245	85
Total income		**13 635**	**13 071**
Expenses			
Employee related expenses	3.1	3 019	2 834
Members' salaries and allowances	3.2	6 563	6 515
Supplies and services	3.3	2 215	2 176
Intra-government transfers out	2.2	866	-
Depreciation	4.3	7	13
Net loss on revaluation of non-current assets	4.3	22	-
Assets provided for nil consideration to the Joint Parliamentary Service		-	624
Cash alignment transfers to Consolidated Account	4.1	867	182
Other expense		4	-
Total expenses		**13 563**	**12 344**
Net result		**72**	**727**
Other comprehensive income			
Changes in property, plant and equipment asset revaluation surplus		18	-
Total other comprehensive income		**18**	**-**
Total comprehensive result		**90**	**727**

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

Legislative Council
Statement of Financial Position
As at 30 June 2026

	Note	2026 $'000	2025 $'000
Current assets			
Cash and cash equivalents	4.1	4 729	4 628
Receivables	4.2	81	104
Total current assets		**4 810**	**4 732**
Non-current assets			
Receivables	4.2	2	-
Property, plant and equipment	4.3	977	803
Total non-current assets		**979**	**803**
Total assets		**5 789**	**5 535**
Current liabilities			
Payables	5.1	158	151
Employee related liabilities	5.2	359	299
Provisions	5.3	48	11
Total current liabilities		**565**	**461**
Non-current liabilities			
Employee related liabilities	5.2	1 605	1 559
Provisions	5.3	57	43
Total non-current liabilities		**1 662**	**1 602**
Total liabilities		**2 227**	**2 063**
Net assets		**3 562**	**3 472**
Equity			
Retained earnings		3 533	3 461
Asset revaluation surplus		29	11
Total equity		**3 562**	**3 472**

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

Legislative Council
Statement of Changes in Equity
for the year ended 30 June 2026

		Asset Revaluation Surplus $'000	Retained earnings $'000	Total equity $'000
Balance at 1 July 2024		38	2 835	2 873
Prior Period Adjustment	6.1	(27)	(101)	(128)
Restated balance at 1 July 2024		11	2 734	2 745
Restated net result for 2024-25		-	727	727
Restated total comprehensive result for 2024-25		**-**	**727**	**727**
Balance at 30 June 2025		**11**	**3 461**	**3 472**
Net result for 2025-26		-	72	72
Gain from revaluation of plant and equipment during 2025-26		5	-	5
Gain from revaluation of works of art during 2025-26		13	-	13
Total comprehensive result for 2025-26		**18**	**72**	**90**
Balance at 30 June 2026		**29**	**3 533**	**3 562**

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

Legislative Council
Statement of Cash Flows
for the year ended 30 June 2026

	Note	2026 $'000	2025 $'000
Cash flows from operating activities			
Cash inflows			
Appropriation		11 672	11 523
Intra-government transfers in		1 678	1 433
GST recovered		179	236
Other receipts		135	85
Cash outflows			
Employee related payments		(2 922)	(2 583)
Intra-government transfers out		(866)	-
Members' salaries and allowances		(6 512)	(6 515)
Payments for supplies and services		(2 396)	(2 661)
Cash alignment transfers to Consolidated Account		(867)	(182)
Net cash provided by operating activities		**101**	**1 336**
Cash flows from investing activities			
Purchase of property, plant and equipment		-	(194)
Net cash used in investing activities		**-**	**(194)**
Net increase in cash and cash equivalents		**101**	**1 142**
Cash and cash equivalents at the beginning of the reporting period		4 628	3 486
Cash and cash equivalents at the end of the reporting period	4.1	**4 729**	**4 628**

The accompanying notes form part of these financial statements.

1. About the Legislative Council

The Legislative Council is the Upper House of the Parliament of South Australia and is established pursuant to the *Constitution Act 1934*. Members of the Legislative Council are elected for a term of eight years, with half of the Legislative Council's 22 seats declared vacant at each election. Each Member of the Legislative Council is elected to represent the whole State on a system of proportional representation.

The Legislative Council, together with the House of Assembly, constitute the Parliament of South Australia. The principal purpose of Parliament is to legislate for peace, order and responsible governance of South Australia.

The Legislative Council does not control any other entity and has no interests in unconsolidated structured entities. The financial statements and accompanying notes include all the controlled activities of the Legislative Council.

1.1. Basis of preparation

The financial statements are general purpose financial statements prepared in line 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.

For the purposes of preparing the financial statements, the Legislative Council is a not-for-profit entity. The financial statements are prepared based on a 12-month reporting period and presented in Australian currency. The historical cost convention is used unless a different measurement basis is specifically disclosed in the notes associated with the item measured.

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

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

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

Assets that are to be sold, consumed or realised as part of the normal 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 Legislative Council has no right to defer settlement for at least 12 months after the end of the reporting period are classified as current liabilities. All other assets and liabilities are classified as non-current.

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

The Legislative Council is grouped with the Joint Parliamentary Service for GST purposes. The Joint Parliamentary Service prepares Business Activity Statements on behalf of the Legislative Council via the grouping provisions of the GST law. Notwithstanding the use of these grouping provisions, intercompany alignment occurs to ensure the Legislative Council either recovers the net amount of GST recoverable from or disburses the amount payable to the ATO via the Joint Parliamentary Service. The net amount of GST recoverable from, or payable to, the ATO is reflected as a part of receivables or payables in the Statement of Financial Position as at 30 June.

Material accounting policies are set out below and throughout the notes.

2. Income

2.1. Appropriation

	2026	2025
	$'000	$'000
Appropriation from Consolidated Account pursuant to the *Appropriation Act*	6 077	5 962
Appropriation received under the *Parliamentary Remuneration Act 1990* and the *Parliamentary Committees Act 1991*	5 595	5 561
Total appropriation	**11 672**	**11 523**

Appropriation comprises money issued and applied to the Legislative Council as per Schedule 1 of the *Appropriation Act*. Appropriations are recognised on receipt.

2.2. Intra-government transfers

The Legislative Council received funds from the Joint Parliamentary Service's Administered items. These funds reflect on-costs and supplementation for Members of Parliament's salaries and allowances ($1.528 million). Intra-government transfers are recognised on receipt.

In addition, the Legislative Council received funds towards the question on notice project and furniture located within Parliament House from the House of Assembly ($150,000).

During the year, the Legislative Council contributed funds towards the:

- upgrade of the north-east amenities and replacement of boilers within Parliament House $791,000 to the Joint Parliamentary Services; and
- new Office of the Parliamentary Counsel's legislative drafting and publishing system $75,000 to the Attorney General's Department.

2.3. Resources received free of charge

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

2.4. Other Income

During the year, the Legislative Council recognised non-current tangible assets for the first time ($175,000). The asset adjustment was identified during the current year's valuation process and included works of art ($160,000) and furniture ($15,000). Refer to note 4.3 for further information. In addition, the Legislative Council received $60,000 (2025: $30,000) for the outreach program.

3. Expenses

3.1. Employee related expenses

	2026	2025
	$'000	$'000
Salaries and wages	2 523	2 427
Superannuation	303	268
Other employee related expenses	140	136
Workers compensation	53	3
Total employee related expenses	**3 019**	**2 834**

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

Employee remuneration

	2026	2025
$177 001 – $197 000	1	-
$257 001 – $277 000	-	1
$277 001 – $297 000	1	-
$317 001 – $337 000	-	1
$337 001 – $357 000	1	-
Total	**3**	**2**

The total remuneration received by those employees for the year was $807,000 (2025: $604,000).

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 and fringe benefits, and any fringe benefits tax paid or payable in respect of those benefits.

The remuneration table does not include any Members of Parliament, as Members are elected to their respective position, that is, they do not have employment contracts.

Key management personnel

Key management personnel of the Legislative Council include the President and the Clerk. Total compensation for key management personnel for the year was $956,000 (2025: $928,000).

Apart from the remuneration for key management personnel, the Legislative Council does not have material transactions with key management personnel, their close family members and/or their controlled or jointly controlled entities.

3.2. Members' salaries and allowances

	2026	2025
	$'000	$'000
Members' salaries and electorate allowances	5 636	5 575
Superannuation	883	896
Other employee related expenses	44	44
Total members' salaries and allowances	**6 563**	**6 515**

Members' salaries, electorate allowances and other related payments are funded via appropriations provided under the *Parliamentary Remuneration Act 1990* and the *Parliamentary Committees Act 1991* and intra-government transfers from the Joint Parliamentary Service's administered items.

Ministers' salaries and allowances totalling $1.32 million (2025: $1.04 million) and superannuation of $192,000 (2025: $156,000) are not reported in these financial statements but in the financial statements of each Minister's respective department.

Under the *Parliamentary Remuneration Act 1990*, Members of Parliament have an option to a motor vehicle for private use in lieu of their remuneration. Members lease the vehicles from Fleet SA. There is no added cost to the Legislative Council due to this scheme, as payments for the vehicles are made from Members' remuneration packages disclosed above.

3.3. Supplies and services

	2026 $'000	2025 $'000
Supplies and services - Members of Parliament		
Country members accommodation	111	108
Postage	149	97
Printing, stationery and publications	80	74
Advertisements and constituent communications	98	104
Telephone	51	52
Minor asset purchases	62	25
Information technology	19	25
Fringe benefits tax	65	52
Travelling expenses	21	16
Administrative Services	31	18
Ex-members allowances	15	14
Other	22	12
Total supplies and services - Members of Parliament	**724**	**597**
Supplies and services - other		
Security	699	620
Information technology	102	12
Printing, stationery and publications	300	340
Consultants fees	1	1
Accommodation	74	69
Advertising	4	38
Community engagement	26	48
Travelling expenses	31	122
Minor works and equipment	92	29
Audit services	30	30
Uniforms and allowances	15	12
Subscription television	7	7
Souvenirs	1	26
Commonwealth Parliamentary Association	17	45
Fringe benefits tax	8	19
Other	84	161
Total supplies and services - Other	**1 491**	**1 579**
Total supplies and services	**2 215**	**2 176**

Supplies and services to Members of Parliament

Members of Parliament can access the country members' accommodation allowance, determined by the Remuneration Tribunal of South Australia. Former Members of Parliament are entitled to an allowance for rail travel, as approved by the Executive Council.

Accommodation

A portion of the Legislative Council's accommodation is provided by the Department for Infrastructure and Transport under 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 Leases*.

Audit services

Audit services were performed by the Audit Office of South Australia relating to work performed under the *Public Finance and Audit Act 1987*. No other services were provided by the Audit Office of South Australia.

4. Assets

4.1. Cash and cash equivalents

	2026	2025
	$'000	$'000
Deposits with the Treasurer (Special deposit accounts):		
Accrual Appropriation Excess Funds	3 458	3 265
Operating bank account	1 271	1 363
Total cash and cash equivalents	**4 729**	**4 628**

Cash and cash equivalents are measured at nominal amounts.

Deposits with the Treasurer

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

Some of the Legislative Council's appropriation is deposited into the Accrual Appropriation Excess Funds account. Although the Legislative Council controls the money reported above in the Accrual Appropriation Excess Funds Account, its use must be approved by the Treasurer. The Legislative Council does not earn interest on its deposits with the Treasurer.

During the year, the Legislative Council provided $867,000 (2025: $182,000) to the Treasurer, pursuant to the Cash Alignment Policy. If payments under the Cash Alignment Policy had not occurred, the net result would have been $939,000.

4.2. Receivables

	2026	2025
Current Receivables	**$'000**	**$'000**
Salaries and wages overpayments	22	-
Members remuneration recovery	1	5
Other	-	94
Total Contractual Receivables	23	99
Statutory Receivables		
GST Receivables	48	5
Total Statutory Receivables	48	5
Prepayments	10	-
Total current receivables	**81**	**104**
Non-current Receivables		
Prepayments	2	-
Total non-current receivables	**2**	**-**
Total receivables	**83**	**104**

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

Contractual receivables

Contractual receivables are largely related to the recovery of salaries and wages. The receivable balance represents amounts outstanding at reporting date and is expected to be recovered through agreed repayment arrangements or payroll deductions.

No impairment loss was recognised for these receivables.

Statutory receivables

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

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

Where there are Workers compensation recoveries, they are related to the interim benefits receivables from employees pursuant to section 32(3) of *Return to Work Act 2014*. This receivable is recognised when the relevant employees' claims are rejected.No impairment loss was recognised to statutory receivables.

4.3. Property, plant and equipment by class

Property, plant and equipment comprises tangible assets owned.

Reconciliation of movements in carrying amount of property, plant and equipment

	Plant and equipment	Fixtures and fittings	Computer Equipment	Works of art	Total
	$'000	$'000	$'000	$'000	$'000
Carrying amount at the beginning of the period	3	427	4	369	803
First-Time Recognition	-	15	-	160	175
Depreciation	(3)	(3)	(1)	-	(7)
Net revaluation increment / (decrement)	5	(22)	-	23	6
Carrying amount at the end of the period	**5**	**417**	**3**	**552**	**977**
Gross carrying amount					
Gross carrying amount	5	417	3	552	977
Carrying amount at the end of the period	**5**	**417**	**3**	**552**	**977**

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

Property, plant and equipment owned by the Legislative Council

Property, plant and equipment with a value equal to or in excess of $10,000 is capitalised, otherwise it is expensed. 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.

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

Useful Life

Except for works of art, antiques and capital work in progress all property, plant and equipment are systematically depreciated over their useful lives in a manner that reflects the consumption of their service potential. Depreciation is calculated on a straight-line basis. Property, plant and equipment depreciation is calculated over the estimated useful life as follows:

Class of asset	Useful life (years)
Plant and equipment	3-5 years
Fixtures and fittings (non-antique)	15 years
Computer equipment	6 years

Works of art and antiques (fixtures and fittings) controlled by the Legislative Council are anticipated to have very long and indeterminate useful lives. Their service potential has not, in any material sense, been consumed during the reporting period. Consequently, no amount for depreciation has been recognised during the reporting period for these classes of assets.

Review of accounting estimates

Assets' residual values, useful lives and depreciation methods are regularly reviewed and adjusted, if appropriate. 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.

Property, plant and equipment have not been assessed for impairment as they are non-cash generating assets, that are specialised in nature and held for continual use of their service capacity and are subject to regular revaluation.

Revaluation

An independent valuation of the property, plant and equipment owned by the Legislative Council was performed by Certified Practising Valuers from Liquid Pacific Solutions as at 30 June 2026.

- Works of Art and Antiques were valued by: Stephen Sinclair, Senior Fine Arts Valuer and Member of the Associate Auctioneer and Valuers Association. Fair value was determined using market approach. The valuation is based on comparable sales for similar works by same artist/ craftsman, adjusting for date, size, medium, subject, condition and quality.
- Plant and equipment/Fixtures and Fittings/Computer Equipment were valued by: Simon O'Leary Certified Practising Valuer, Associate member of the Australian Property Institute. Fair value was determined using a combination of market approach and cost approach. Values had regard to market information available adjusted for age, condition, capacity and existing use.

5. Liabilities

5.1. Payables

	2026 $'000	2025 $'000
Current Payable		
Contractual Payables	103	146
Statutory Payables	55	5
Total current Payables	158	151
Total payables	**158**	**151**

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

Contractual Payables

Contractual payables are liabilities that arises from contracts. They include trade payables and accrued expenses. Accrued expenses are expenses incurred but not yet invoiced or paid. The balances are transferred to trade payables when invoices are received.

Contractual payables are normally settled within 15 days from the date the invoice is first received.

Statutory Payables

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

Statutory payables are carried at cost. They are not financial liabilities.

5.2. Employee related liabilities

	2026 $'000	2025 $'000
Current		
Annual leave	199	171
Long service leave	29	13
Skills and experience retention leave	36	47
Employment on-costs	47	38
Accrued salaries and wages	48	30
Total current employee related liabilities	**359**	**299**
Non-current		
Annual leave	231	243
Employment on-costs	240	236
Long service leave	1 134	1 080
Total non-current employee related liabilities	**1 605**	**1 559**
Total employee related liabilities	**1 964**	**1 858**

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

Long service leave liability

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 services. These assumptions are based on employee data over SA Government entities across government. The long-term salary inflation rate remained at 3.5%. The discount rate is reflective of the yield on long-term Commonwealth Government bonds. The yield on long-term Commonwealth Government bonds increased to 4.75% (4.25%). The current portion of long service leave liability is estimated based on historical experience.

Employment on-costs liabilities

Employment on-costs liabilities include payroll tax, fringe benefits tax, Pay As You Go Withholding, ReturnToWorkSA levies and superannuation contributions. They are settled when the respective employee benefits 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 estimated to be taken as leave, rather than paid on termination, affects whether certain on-costs are recognised as a consequence of long service leave liabilities.

The Legislative Council 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 Department of Treasury and Finance, the proportion of long service leave taken as leave remained at 44% and the average factor for the calculation of employer superannuation on-cost has remained at 12%. These rates are used in the employment on-cost calculation.

5.3. Provisions

All provisions relate to workers compensation.

	2026 $'000	2025 $'000
Provision movement		
Carrying amount at the beginning of the period	54	57
Additional provisions recognised	52	-
Reduction in provisions recognised	(1)	(3)
Carrying amount at the end of the period	**105**	**54**

The Legislative Council is an exempt employer under the *Return to Work Act 2014*. Under a scheme arrangement, the Legislative Council 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.

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 2026 provided by a consulting actuary engaged through the Office of the Commissioner for 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 agency claim experience relative to other agencies, average claim sizes and other economic and actuarial assumptions.

6. Equity

6.1. Prior period adjustments

In preparing the 2025-26 financial statements, it was identified that in 2021-22 the revaluation of non-current tangible assets was accounted for incorrectly. This has resulted in a misalignment between the Asset Revaluation Surplus and increments/decrements through profit and loss.

In addition, at the time, it was also identified that the 'additional compensation' component of the Provision for Worker's Compensation had not previously been recognised.

Change in Asset Accounting Policy

In 2025-26, the Legislative Council implemented a voluntary change in its accounting policy for property, plant and equipment. The capitalisation threshold for individual assets was raised from $5,000 to $10,000. Assets acquired below the revised threshold are now recognised as expenses when incurred.

These adjustments have largely impacted the Statement of Financial Position, with comparatives restated. The financial reporting impact of these changes are detailed below:

Account adjusted	2025 Reported Balance $'000	Prior Period Adjustment $'000	2025 Restated Balance $'000
Property Plant & Equipment Gross carrying amount	991	(144)	847
Accumulated Depreciation	(73)	29	(44)
Depreciation Expense	18	(5)	13
Workers Compensation Provision	(47)	(7)	(54)
Decrease in Asset Revaluation Surplus	(38)	27	(11)
Decrease in Retained earnings	(2 835)	101	(2 734)

7. Outlook

7.1. Unrecognised commitments

Commitments arising from contractual sources are disclosed at their nominal value and inclusive of non-recoverable GST.

	2026 $'000	2025 $'000
Commitments in relation to arrangements contracted at the reporting date but not recognised as liabilities are payable as follows:		
Not later than one year	866	152
Later than one year but not longer than five years	1 470	168
Total expenditure commitments	**2 336**	**320**

The Legislative Council's contractual commitment is largely for police security services, through MoAAs with the South Australia Police. Fees and charges are payable in arrears. Other contractual commitments include office accommodation, through MoAAs with the Department for Infrastructure and Transport. Rent is payable in arrears.

7.2. Contingent assets and liabilities

Following the 2026 State Election, some Members of Parliament retired involuntarily. When a former Member of Parliament does not meet section 6(2) of the *Parliamentary Superannuation Act 1974*, they need to apply to a Judge to determine whether the Judge is satisfied if section 6(1) of that Act is met. Legislative Council is awaiting a Judge's determination for a few former Members.

7.3. Events after reporting period

There are no known events after balance date that affect these financial statements.