



Level 9
State Administration Centre
200 Victoria Square
Adelaide SA 5000
Tel +618 8226 9640
ABN 53 327 061 410
enquiries@audit.sa.gov.au
www.audit.sa.gov.au

To the Presiding Officer South Australian Fire and Emergency Services Commission

Opinion

I have audited the financial report of the South Australian Fire and Emergency Services Commission and the consolidated entity comprising the South Australian Fire and Emergency Services Commission and its controlled entities 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 South Australian Fire and Emergency Services Commission and its controlled entities 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.

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 Statement of Administered Comprehensive Income for the year ended 30 June 2026
- a Statement of Administered Financial Position as at 30 June 2026
- a Statement of Administered Cash Flows for the year ended 30 June 2026
- notes, comprising material accounting policy information and other explanatory information for administered items
- a Certificate from the Presiding Officer, the Chief Executive and the Chief Financial Officer.

Basis for opinion

I conducted the audit in accordance with the *Public Finance and Audit Act 1987* and Australian Auditing Standards. My responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial report' section of my report. I am independent of the South Australian Fire and Emergency Services Commission and its controlled entities. 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 and members of the South Australian Fire and Emergency Services Commission Board 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 the Australian Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Chief Executive is responsible for assessing the South Australian Fire and Emergency Services Commission's and consolidated entities 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.

The South Australian Fire and Emergency Services Commission Board is responsible for overseeing the South Australian Fire and Emergency Services Commission's and consolidated entities' 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 21(2) of the *Fire and Emergency Services Act 2005*, I have audited the financial report of the South Australian Fire and Emergency Services Commission and its controlled entities 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 South Australian Fire and Emergency Services Commission'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 and the South Australian Fire and Emergency Services Commission Board 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

18 September 2026

**South Australian Fire and Emergency Services
Commission
(SAFECON)**

Financial Statements

For the year ended 30 June 2026

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South Australian Fire and Emergency Services Commission
Certification of financial statements
for the year ended 30 June 2026

We certify that the:

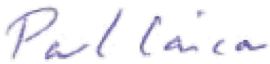
- financial statements of the South Australian Fire and Emergency Services Commission:
 - are in compliance with the accounts and records of the South Australian Fire and Emergency Services Commission;
 - comply with relevant Treasurer's Instructions;
 - comply with relevant accounting standards; and
 - present a true and fair view of the financial position of the South Australian Fire and Emergency Services Commission at the end of the financial year and the result of its operations and cash flows for the financial year.
- internal controls employed by the South Australian Fire and Emergency Services Commission for the financial year over its financial reporting and its preparation of financial statements have been effective.



Hannah Wandel
Chief Executive
South Australian Fire and Emergency Services
Commission
15 September 2026



Julie Best
Chief Financial Officer
15 September 2026



Paul Caica
Presiding Officer
South Australian Fire and Emergency Services
Commission Board
15 September 2026

South Australian Fire and Emergency Services Commission
Statement of Comprehensive Income
for the year ended 30 June 2026

		Consolidated		SAFECOM Entity	
		2026	2025	2026	2025
	Note	\$'000	\$'000	\$'000	\$'000
Income					
Contributions from the Community					
Emergency Services Fund	3.1	353 320	342 346	20 487	19 644
Appropriation	3.2	28 232	20 125	1 160	500
Fees and charges	3.3	10 118	9 157	-	-
Grants and subsidies	3.4	18 268	29 293	10 033	22 379
Intra-government transfers	3.5	67 748	30 093	2 969	435
Interest revenues	3.6	1 208	1 790	968	1 319
Net gain from disposal of non-current assets	3.7	-	-	-	-
Other income	3.8	4 432	3 283	1 395	996
Total income		483 326	436 087	37 012	45 273
Expenses					
Employee related expenses	4.1	253 093	231 025	12 660	11 507
Supplies and services	4.2	149 133	150 409	11 106	10 176
Depreciation and amortisation	5.5, 5.8	30 137	26 444	1 702	1 334
Grants and subsidies	4.3	22 023	17 205	22 379	18 442
Borrowing costs		260	315	-	1
Net loss from disposal of non-current assets	3.7	3 658	556	51	-
Other expenses	4.4	646	1 560	-	68
Total expenses		458 950	427 514	47 898	41 528
Net result		24 376	8 573	(10 886)	3 745
Other comprehensive income					
<i>Items that will not be reclassified to net result</i>					
Gain on revaluation of property, plant and equipment	5.5	-	185 338	-	2 156
<i>Items that will be reclassified to net result when specific conditions are met</i>					
Gains or losses recognised directly in equity		9	13	-	-
Total other comprehensive income		9	185 351	-	2 156
Total comprehensive result		24 385	193 924	(10 886)	5 901

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

South Australian Fire and Emergency Services Commission
Statement of Financial Position
as at 30 June 2026

		Consolidated		SAFECOM Entity	
		2026	2025	2026	2025
	Note	\$'000	\$'000	\$'000	\$'000
Current assets					
Cash and cash equivalents	5.2	58 087	52 314	24 571	36 120
Receivables	5.3	12 327	7 044	850	1 046
Other financial assets	5.4	4 384	3 627	-	-
Total current assets		74 798	62 985	25 421	37 166
Non-current assets					
Property, plant and equipment	5.5	646 498	637 348	10 971	12 144
Intangible assets	5.8	2 750	2 652	2 709	2 550
Capital works in progress	5.9	90 167	81 188	1 018	577
Total non-current assets		739 415	721 188	14 698	15 271
Total assets		814 213	784 173	40 119	52 437
Current liabilities					
Payables	6.2	11 055	18 724	1 469	2 004
Employee related liabilities	6.4	33 488	33 916	1 763	1 663
Other financial liabilities	6.3	1 900	2 127	-	-
Provisions	6.5	19 097	14 726	55	65
Other non-financial liabilities	6.6	886	886	886	886
Total current liabilities		66 426	70 379	4 173	4 618
Non-current liabilities					
Payables	6.2	-	-	-	-
Employee related liabilities	6.4	32 712	32 383	1 924	1 974
Other financial liabilities	6.3	9 789	9 458	-	-
Provisions	6.5	84 530	74 696	183	234
Other non-financial liabilities	6.6	8 339	9 225	8 339	9 225
Total non-current liabilities		135 370	125 762	10 446	11 433
Total liabilities		201 796	196 141	14 619	16 051
Net assets		612 417	588 032	25 500	36 386
Equity					
Retained earnings		173 220	148 844	23 323	34 209
Asset revaluation surplus		439 159	439 159	2 177	2 177
Investment market value reserve		38	29	-	-
Total equity		612 417	588 032	25 500	36 386

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

South Australian Fire and Emergency Services Commission
Statement of Changes in Equity
for the year ended 30 June 2026

Consolidated					
	Note	Investment market value reserve \$'000	Asset Revaluation surplus \$'000	Retained earnings \$'000	Total equity \$'000
Balance at 1 July 2024		16	253 821	140 271	394 108
Net result for 2024-25		-	-	11 333	11 333
Gain on revaluation of land during 2024-25	5.5	-	181 400	-	181 400
Gain on revaluation of vehicles during 2024-25		-	2 372	-	2 372
Gain on revaluation of plant and equipment during 2024-25		-	1 566	-	1 566
Gains or losses recognised directly in equity		13	-	-	13
Total comprehensive result for 2024-25		13	185 338	11 333	196 684
Original balance at 30 June 2025		29	439 159	151 604	590 792
Prior period error	1.5	-	-	(2 760)	(2 760)
Restated balance at 30 June 2025		29	439 159	148 844	588 032
Net result for 2025-26				24 376	24 376
Gains or losses recognised directly in equity		9	-	-	9
Balance at 30 June 2026	7.1	38	439 159	173 220	612 417

South Australian Fire and Emergency Services Commission
Statement of Changes in Equity
for the year ended 30 June 2026

SAFECOM Entity				
		Asset Revaluation surplus \$'000	Retained earnings \$'000	Total equity \$'000
	Note			
Balance at 1 July 2024		21	30 464	30 485
Net result for 2024-25		-	3 745	3 745
Gain on revaluation of land and buildings during 2024-25		2 120	-	2 120
Gain on revaluation of plant and equipment during 2024-25		36	-	36
Total comprehensive result for 2024-25		2 156	3 745	5 901
Balance at 30 June 2025		2 177	34 209	36 386
Net result for 2025-26		-	(10 886)	(10 886)
Balance at 30 June 2026	7.1	2 177	23 323	25 500

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

South Australian Fire and Emergency Services Commission
Statement of Cash Flows
for the year ended 30 June 2026

		Consolidated		SAFECOM Entity	
	Note	2026 \$'000	2025 \$'000	2026 \$'000	2025 \$'000
Cash flows from operating activities					
Cash inflows					
Contributions from the Community Emergency Services Fund		353 320	342 346	20 487	19 644
Appropriation		28 232	20 125	1 160	500
Intra-government transfers		61 935	29 700	3 065	578
Fees and charges		10 853	9 735	-	832
Grants and funding		19 063	29 967	10 044	22 217
Investment and interest received		1 208	1 790	968	1 319
GST recovered		21 234	18 548	3 691	3 866
Other receipts		3 977	3 281	865	985
		499 822	455 492	40 280	49 941
Cash outflows					
Employee related payments		(238 984)	(227 079)	(12 681)	(11 606)
Payments for supplies and services		(180 999)	(164 637)	(15 588)	(16 685)
Payments of grants and subsidies		(22 023)	(17 205)	(22 379)	(18 442)
Interest paid		(260)	(315)	-	(1)
		(442 266)	(409 236)	(50 648)	(46 734)
Net cash from operating activities	7.2	57 556	46 256	(10 368)	3 207
Cash flows from investing activities					
Cash inflows					
Proceeds from the sale of property, plant and equipment	3.7	532	627	-	-
		532	627	-	-
Cash outflows					
Purchase of property, plant and equipment		(49 863)	(44 622)	(1 181)	(2 066)
Payments for financial assets held-to-maturity		(748)	(94)	-	-
Payments for the disposal of property		(3)	(26)	-	-
		(50 614)	(44 742)	(1 181)	(2 066)
Net cash used in investing activities		(50 082)	(44 115)	(1 181)	(2 066)
Cash outflows					
Repayment of principal portion of lease liabilities		(1 701)	(1 648)	-	(110)
		(1 701)	(1 648)	-	(110)
Net cash from / (used in) financing activities		(1 701)	(1 648)	-	(110)
Net increase/ (decrease) in cash and cash equivalents		5 773	493	(11 549)	1 031
Cash and cash equivalents at the beginning of the reporting period		52 314	51 821	36 120	35 089
Cash and cash equivalents at the end of the reporting period	5.2	58 087	52 314	24 571	36 120

The accompanying notes form part of these financial statements.

South Australian Fire and Emergency Services Commission
Notes to and forming part of the financial statements
for the year ended 30 June 2026

1 About the Emergency Services Sector

The Consolidated Entity – Emergency Services Sector

The not for profit Consolidated Entity known as the Emergency Services Sector (ESS), consists of the following controlled entities:

- South Australian Fire and Emergency Services Commission (Parent)
- South Australian State Emergency Service (SES)
- South Australian Country Fire Service (CFS)
- South Australian Metropolitan Fire Service (MFS)

with transactions occurring between these entities.

The ESS operates within the *Fire and Emergency Services Act 2005 (the Act)*.

Section 21 of the Act requires the Commission to have consolidated statements of account for the ESS to be prepared in respect of each financial year.

The consolidated financial statements have been prepared in compliance with AASB 10 *Consolidated Financial Statements* and incorporate the assets and liabilities of all entities comprising the ESS as at 30 June 2026 and the results of these entities for the year then ended. The effects of all transactions between entities in the consolidated entity are eliminated in full. The ESS does not control any other entity and has no interest in unconsolidated structured entities.

South Australian Fire and Emergency Services Commission (SAFECOM) - Parent Entity

The South Australian Fire and Emergency Services Commission (SAFECOM) is established under the Act. SAFECOM is a not-for-profit body corporate and agency of the Crown, established under the Act.

Administered items

SAFECOM has administered activities and resources. As administered, the activities of the Community Emergency Services Fund (the Fund) items are significant in relation to SAFECOM's overall financial performance and position and therefore are disclosed in the administered financial statements (schedule of administered items) at the back of the controlled general purpose financial statements. Except as otherwise disclosed, administered items are accounted for on the same basis and using the same accounting policies as for SAFECOM and the ESS.

1.1 Objectives and Activities

Objectives

SAFECOM has the following objectives:

- to develop and maintain a strategic and policy framework as well as sound corporate governance across the ESS
- to provide adequate support services to the emergency services organisations and to ensure the effective allocation of resources within the ESS
- to ensure relevant statutory compliance by the emergency services organisations
- to build a safer community through integrated emergency service delivery
- to undertake a leadership role in the emergency management
- to report regularly to the Minister about relevant issues.

South Australian Fire and Emergency Services Commission
Notes to and forming part of the financial statements
for the year ended 30 June 2026

1.1 Objectives and Activities (continued)

Activities of SAFECOM

In achieving its objectives, SAFECOM provides strategic and corporate support services to the CFS, MFS, SES and emergency management initiatives across the state, administering a range of joint state and Commonwealth Government grant funded initiatives. These services are classified under one activity titled "Fire and Emergency Services Strategic Services and Business Support".

Objectives and activities of the Consolidated Entity

The ESS has the objectives of ensuring safer communities and protecting life, property, the environment and economy from fire and other emergencies whilst safeguarding the health and wellbeing of the sector's workforce. In achieving its objectives, the ESS provides support to the community through a workforce consisting of dedicated volunteers and paid staff to deliver professional fire and rescue services to metropolitan, outer metropolitan, regional and rural South Australia and responding to extreme weather and flooding events, road crash, marine, swift water, vertical and confined space rescues.

1.2 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 (PFAA)*
- Treasurer's Instructions and Accounting Policy Statements issued by the Treasurer under the provisions of the *Public Finance and Audit Act 1987*; and
- relevant Australian Accounting Standards.

The financial statements have been prepared based on a 12-month 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 on a different basis.

Assets and liabilities that are to be sold, consumed or realised as part of the normal operating cycle have been classified as current assets or current liabilities. All other assets and liabilities are classified as non-current.

The ESS is liable for Payroll Tax, Fringe Benefits Tax (FBT) and Goods and Services Tax (GST).

Material accounting policy information is set out in the notes of the financial statements.

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

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

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.

GST receivables/payables associated with administered items transactions are included in SAFECOM statements.

South Australian Fire and Emergency Services Commission
Notes to and forming part of the financial statements
for the year ended 30 June 2026

1.3 Budget performance

The budget performance table compares SAFECOM's outcomes against budget information presented to Parliament (2025-26 Budget Paper 4). The budget amounts have not been adjusted to reflect revised budgets or administrative restructures. The budget process is not subject to audit.

		Original budget 2026 \$'000	SAFECOM Actual 2026 \$'000	Variance 2026 \$'000
Statement of Comprehensive Income	Note			
Income				
Contribution from the Community Emergency Services Fund		20 182	20 487	305
Appropriation		700	1 160	460
Fees and charges		772	-	(772)
Grants and subsidies	(a)	-	10 033	10 033
Intra-government transfers		2 610	2 969	359
Interest revenues		101	968	867
Other income		175	1 395	1 220
Total income		24 540	37 012	12 472
Expenses				
Employee related expenses		10 876	12 660	1 784
Supplies and services		9 829	11 106	1 277
Depreciation and amortisation		1 135	1 702	567
Grants and subsidies		20 234	22 379	2 145
Other expenses		143	51	(92)
Total expenses		42 217	47 898	5 681
Net result		(17 677)	(10 886)	6 791
Total comprehensive result		(17 677)	(10 886)	6 791

The following are brief explanations of variances between original budget and actual amounts. Explanations are provided for variances where the variance exceeds the greater of 10% of the original budgeted amount and 5% of original budgeted total expenses.

- (a) Primarily relates to grant funding received for the Commonwealth Disaster Ready Fund.

South Australian Fire and Emergency Services Commission
Notes to and forming part of the financial statements
for the year ended 30 June 2026

1.3 Budget performance (continued)

	Original budget 2026 \$'000	SAFECOM Actual 2026 \$'000	Variance 2026 \$'000
Investing expenditure summary			
Total existing projects	167	459	292
Total annual programs	-	-	-
Total investing expenditure	167	459	292

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

1.4 Significant transactions with government entities

Significant transactions with the SA Government are identifiable throughout this financial report.

The following transactions were significant for the ESS:

- Contributions from the Fund of \$353.320 million (refer to note 3.1).
- Payments to the Attorney-General's Department for the government radio network of \$21.469 million (refer to note 4.2).

The following transactions were significant for SAFECOM:

- Contributions from the Fund of \$ 20.487 million (refer to note 3.1).

South Australian Fire and Emergency Services Commission
Notes to and forming part of the financial statements
for the year ended 30 June 2026

1.5. Prior period error

During 2025-26 the ESS identified capital work-in-progress (CWIP) transactions that had been incorrectly capitalised in 2024-25.

Consequently, the ESS has recognised a prior period error correction that has been reflected in these financial statements through a restatement of some comparative balances.

The impact of the restatement on these financial statements is summarised below:

			Consolidated	
	Note	Original opening balance	Restated opening balance	Change
		2025	2025	
		\$'000	\$'000	\$'000
Supplies and services	4.2	147 651	150 411	2 760
Capital WIP	5.9	83 948	81 188	(2 760)
		231 599	231 599	-

2 Board and committees

2.1 Key Management Personnel

The ESS key management personnel includes the Minister, the Chief Executive of SAFECOM, the members of the SAFECOM Board, the Chief Officers of MFS, CFS and SES, and six members of the Executive Teams, who have responsibility for the strategic direction and management of the ESS.

Key management personnel of SAFECOM include the Minister, the members of the SAFECOM Board and the Chief Executive, who have responsibility for the strategic direction and management of the ESS.

The compensation detailed below for the ESS includes salaries and other benefits for all key management personnel paid by SAFECOM, MFS, CFS and SES. The compensation detailed below for SAFECOM includes salaries and other benefits for the Chief Executive of SAFECOM and non-government Board members paid by SAFECOM.

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 DTF) under section 6 of the *Parliamentary Remuneration Act 1990*.

	Consolidated		SAFECOM Entity	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Compensation				
Salaries and other short-term employee benefits	2 971	2 115	496	401
Post-employment benefits	376	332	59	45
Other long-term employment benefits	-	21	-	-
Total compensation	3 347	2 468	555	446

Transactions with key management personnel and other related parties

The ESS and SAFECOM did not enter into any transactions with key management personnel or their close family during the reporting period that were not consistent with normal procurement arrangements.

South Australian Fire and Emergency Services Commission
Notes to and forming part of the financial statements
for the year ended 30 June 2026

2.2 Board and committee members

Members of boards and committees during 2025-26 were:

**South Australian Fire and Emergency Services
Commission Board**

P DeCure
H Wandel*
J Waddington-Powell*
J Swann*
B Loughlin*
C Beattie*
M Adlam
S Caracoussis
S St Alban
C King
N Gatis
W Hicks
M Stratton*
P Seager*
C Devey*
K Phelps*
J Clark*
B Whitlock*
P D Russell
P Caica
A L Chia
S A Weinert
M Grantham

State Bushfire Coordination Committee

B Loughlin* (Ex Officio)
A J May*
B M Bartel*
B A Swaffer*
F J Gill*
K N Lee-Jones*
M J Garrod*
M J Blason*
P D Button*
P L Newitt*
S L Elding*
H J Hopton
J D Ferguson OAM
M Henderson
R A Cadd AFSM
S Maddocks
K M Egan
P A Yeomans
V Dzeladini

**South Australian Fire and Emergency Services
Commission Audit and Risk Committee**

P J de Cure
A L Chia
N Gatis*
C Kings*
P D Russell

**South Australian Metropolitan Fire Service
Disciplinary Committee**

L D P Holland (Chair)
J Abbott*
P Rogers*
A Westbrook

A P Harvey*
B W Hastie*
D Boddington*
E G Petrenas*
J S Crocker*
J W Sewart*
M J Shotton*
P D Merry*
S A Allison*
W J Durack*
A M Walsh
A R Vaughan ASM
B J Browne
H L Greaves
J D Lindner
J R Fischer
M W Pearson

South Australian Fire and Emergency Services Commission
Notes to and forming part of the financial statements
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*In compliance with the premier and cabinet Circular number 016, government employees did not receive any remunerations for board/committee duties during the financial year.

2.2 Board and committee members (continued)

Board and committee remuneration

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

	Consolidated		SAFECOM Entity	
	2026	2025	2026	2025
	Number of members	Number of members	Number of members	Number of members
The number of members whose remuneration received/receivable falls within the following bands:				
\$0	45	56	14	15
\$1 - \$19 999	12	13	4	3
\$20 000 - \$39 999	5	4	5	3
\$40 000 - \$59 999	-	1	-	1
Total number of members	62	74	23	22

The total remuneration received or receivable by members was ESS \$189 000 (2025: \$141 000) and SAFECOM \$181 000 (2025: \$132 000). Remuneration of members reflects all costs of performing board/committee member duties including sitting fees, superannuation contributions, salary sacrifice benefits and fringe benefits and any related fringe benefits tax paid.

3 Income

3.1 Contributions from the Community Emergency Services Fund

Contributions from the fund are recognised as revenue when the ESS obtains control over the funding. Control over contributions is normally obtained upon receipt. Total contributions for the year were ESS \$ 353.320 million (2025: \$342.346 million) and SAFECOM \$ 20.487 million (2025: \$19.644 million).

3.2 Appropriation

	Consolidated		SAFECOM Entity	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Appropriation from Consolidated Account pursuant to the <i>Appropriation Act</i>	4 338	4 125	700	500
Appropriations from Governor's Appropriation Fund	23 894	16 000	460	-
Total appropriation	28 232	20 125	1 160	500

Appropriation is recognised on receipt.

South Australian Fire and Emergency Services Commission
Notes to and forming part of the financial statements
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3.3 Fees and charges

	Consolidated		SAFECOM Entity	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Fire alarm attendance fees	4 365	3 568	-	-
Fire alarm monitoring fees	4 061	3 404	-	-
Incident cost recoveries	500	1 181	-	-
Facilities hire fees	273	107	-	-
Fire safety fees	919	897	-	-
Total fees and charges	10 118	9 157	-	-

All revenue from fees and charges is revenue recognised from contracts with customers.

Fees and charges revenue is recognised at a point in time when ESS satisfies performance obligations by transferring the promised goods or services to its customers.

The ESS recognises revenue (contracts with customers) from the following major sources:

Fire alarm attendance and fire safety fees

The ESS provides a range of fire alarm attendance and fire safety services to customers and charge prescribed fees for these services as regulated under the Act. Revenue for these services is recognised in arrears once the relevant deliverables have been provided to the customer in line with the ESS legislated responsibilities and internal policies.

The ESS is a referral agency under the *Planning, Development and Infrastructure Regulations 2017* and receive revenue from customers for undertaking development assessments in designated bushfire prone areas under the Planning and Design Code.

Payments for development assessments are received in advance upon referral of the development application to the ESS from the AGD or direct from the customer. The ESS is required to undertake an assessment of the development and provide statutory advice to the relevant parties. Revenue is recognised in arrears once statutory advice has been provided.

Fire alarm monitoring fees

The ESS undertakes fire alarm monitoring services for customers and charge prescribed fees for these services as regulated under the Act. Customers are charged an annual fee for this service and generally pay upfront in the first quarter of the financial year. Revenue is recognised for monitoring services over the time services are provided, with all services delivered by 30 June at the end of the financial year.

South Australian Fire and Emergency Services Commission
Notes to and forming part of the financial statements
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3.4 Grants and subsidies

	Consolidated		SAFECOM Entity	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Commonwealth-sourced grants				
Commonwealth Government	11 877	23 870	10 033	22 217
Total Commonwealth-sourced grants	11 877	23 870	10 033	22 217
 SA Government grants and subsidies				
Intra agency grants	-	-	-	162
Embed BOM Meteorologist	-	83	-	-
Private industry and local government	6 391	5 340	-	-
Total grants and subsidies income	18 268	29 293	10 033	22 379

Commonwealth Government grants and funding are recognised as income on receipt.

Commonwealth grants and funding are usually subject to terms and conditions set out in the contract correspondence or legislation however there were no sufficiently specific performance obligations.

SAFECOM Commonwealth Government grant funding relates to the Commonwealth Disaster Ready Fund (DRF).

ESS Commonwealth Government grant funding primarily relates to the Commonwealth Disaster Ready Fund (DRF) and cost of providing fire and emergency services to Commonwealth properties under the Memorandum of Understanding for the Provision of Fire Services.

Private industry and local government funding for the ESS mainly relates to contributions towards aerial firefighting costs which are recognised as income on receipt.

South Australian Fire and Emergency Services Commission
Notes to and forming part of the financial statements
for the year ended 30 June 2026

3.5 Intra-government transfers

	Consolidated		SAFECOM Entity	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Contingency funding provided by the Department of Treasury and Finance	6 082	2 676	236	315
Intra-government transfers	61 666	27 417	2 733	120
Total Intra-government transfers	67 748	30 093	2 969	435

Intra-government transfers revenue are recognised under *AASB 1058 Income of Not-for-Profit Entities*.

3.6 Interest revenues

	Consolidated		SAFECOM Entity	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Dividend income	2	2	-	-
Interest on deposit accounts	1 206	1 788	968	1 319
Total interest revenues	1 208	1 790	968	1 319

South Australian Fire and Emergency Services Commission
Notes to and forming part of the financial statements
for the year ended 30 June 2026

3.7 Net gain / (loss) from disposal of non-current assets

	Consolidated		SAFECOM Entity	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Vehicles				
Proceeds from disposal	390	627	-	-
Costs of disposal	(3)	(26)	-	-
Less net book value of assets disposed	(424)	(1 222)	-	-
Net gain / (loss) from disposal of vehicles	(37)	(621)	-	-
Plant and equipment				
Proceeds from disposal	142	-	-	-
Less net book value of assets disposed	(3 765)	-	(51)	-
Net gain / (loss) from disposal of plant and equipment	(3 623)	-	(51)	-
Total assets				
Proceeds from disposal	532	627	-	-
Costs of disposal	(3)	(26)	-	-
Less net book value of assets disposed	(4 189)	(1 222)	(51)	-
Net gain / (loss) on disposal of owned assets	(3 660)	(621)	(51)	-
Gain / (loss) on modification of right-of-use assets	2	65	-	-
Net gain / (loss) from disposal of non-current assets	(3 658)	(556)	(51)	-

Gains/losses on disposal are recognised at the date at which control of the asset is passed to the buyer and are determined after deducting the cost of the asset from the proceeds at that time. When revalued assets are sold, the revaluation surplus is transferred to retained earnings.

South Australian Fire and Emergency Services Commission
Notes to and forming part of the financial statements
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3.8 Other income

	Consolidated		SAFECOM Entity	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Sundry revenues	448	276	79	221
Salary recoveries	1 357	1 211	775	754
Insurance recoveries	340	108	-	-
Donations	27	566	15	20
Groups/Brigades/Units fundraising	543	335	-	-
Property income	856	754	-	-
Recoveries from legal cases	-	3	-	-
Other recoveries	292	-	106	-
Resources received free of charge	69	-	420	-
Other	500	30	-	1
Total other income	4 432	3 283	1 395	996

Other income is generally recorded as income on receipt, except for rental income. Sundry revenue is mainly comprised of reimbursements which are recognised on receipt.

Rental income consists of operating lease income as lessor. The ESS receives revenue from long term lease agreements with tenants for land controlled by the Minister for Emergency Services (the Minister). Payment is made by the tenant on a monthly basis in advance and revenue is recognised on a time proportionate basis over the lease period.

Contribution of services are recognised only when fair value can be determined reliably, and the services would be purchased if they had not been donated. Although not recognised, SES and CFS volunteer members contribute a significant number of hours providing front line emergency response services to the community and in other support roles.

South Australian Fire and Emergency Services Commission
Notes to and forming part of the financial statements
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4 Expenses

4.1 Employee related expenses

	Consolidated		SAFECOM Entity	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Salaries and wages	161 582	156 267	9 429	8 783
Workers compensation	30 368	18 360	75	(79)
Superannuation	25 927	24 037	1 283	1 148
Additional compensation	(2 046)	(1 823)	(1)	12
Annual leave	20 233	17 807	888	832
Payroll tax	10 446	9 959	560	519
Long service leave	4 393	4 035	176	106
Skills and experience retention leave	1 542	1 451	60	52
Board and committee fees	169	127	161	113
Targeted voluntary separation payments	-	169	-	-
Other employee related expenses	479	636	29	21
Total employee related expenses	253 093	231 025	12 660	11 507

The ESS's staff are employed under various parts of Act.

The superannuation expense represents the ESS' contribution to superannuation plans in respect of current services of current staff. There are no liabilities for payments to beneficiaries recognised by the ESS as the DTF centrally recognises the superannuation liability in the whole-of-government financial statements.

South Australian Fire and Emergency Services Commission
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4.1. Employee related expenses (continued)

Employee remuneration

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

	Consolidated		SAFECOM Entity	
	2026	2025	2026	2025
	Number	Number	Number	Number
\$171 001 to \$177 000 *	N/A	24	N/A	1
\$177 001 to \$197 000	124	111	2	1
\$197 001 to \$217 000	91	82	-	1
\$217 001 to \$237 000	49	38	2	1
\$237 001 to \$257 000	24	7	-	-
\$257 001 to \$277 000	8	1	-	-
\$277 001 to \$297 000	3	-	1	-
\$317 001 to \$337 000	-	2	-	1
\$337 001 to \$357 000	1	1	-	-
\$357 001 to \$377 000	1	1	-	-
\$437,001 to \$457,000	-	1	-	-
Total	301	268	5	5

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

The table includes all employees who received remuneration equal to or greater than the base executive remuneration level during the year. Remuneration of employees reflects all costs of employment including salaries and wages, payments in lieu of leave, superannuation contributions, salary sacrifice benefits and any related fringe benefits tax paid. The total remuneration received by these employees for the year was ESS \$62.595 million (2025: \$55.061 million) and SAFECOM \$1.095 million (2025: \$1.136 million).

The number of employees included in the ESS banding for 2026 has increased from 2025 predominantly due to the introduction of the new MFS enterprise bargaining agreement and the payment of overtime penalties.

TVSPs

	Consolidated		SAFECOM Entity	
	2026	2025	2026	2025
	Number of employees	Number of employees	Number of employees	Number of employees
The number of employees who received/owed a TVSP during the reporting period was:	-	1	-	-
Amount paid to separated employees:				
Targeted voluntary separation packages	-	171	-	-
Total amount paid	-	171	-	-
Net cost of TVSPs	-	171	-	-

South Australian Fire and Emergency Services Commission
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4.2 Supplies and services

	Consolidated		SAFECOM Entity	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Aerial support costs	31 782	36 127	-	-
Government radio network	21 649	21 128	-	-
Vehicles	15 619	14 106	77	37
Operational costs	10 634	12 245	743	409
Computing costs	11 465	10 698	3 783	4 174
Property Costs	11 337	9 471	196	162
Uniforms and protective clothing	5 796	8 004	17	3
Communications	8 210	7 144	1 618	1 575
Contractor	7 727	6 487	1 051	773
Travel and training	5 059	4 926	175	219
Accommodation	4 729	4 298	241	169
Shared Services SA fees	2 360	2 253	2 256	2 150
Consultancy	3 489	1 837	427	55
Insurance premiums	1 622	1 597	18	17
Legal fees	938	641	31	67
Short term leases	157	453	3	-
Postage and freight	363	286	7	6
Low-value leases	48	63	-	-
CWIP write off- prior period error	1.5	-	-	-
Other expenses	6 149	5 885	463	360
Total supplies and services	149 133	150 409	11 106	10 176

Accommodation

A part of the ESS's accommodation is provided by Department for Infrastructure and Transport (DIT) under MoAA issued in compliance with Government wide accommodation policies. These arrangements do not meet the definition of a lease and accordingly are expensed (disclosed within in 'Accommodation').

Leases

The ESS recognises lease payments associated with short-term leases (12 months or less) and low value leases (less than \$15 000) as an expense on a straight-line basis over the lease term. Lease commitments for short-term leases is similar to short term lease expenses disclosed.

Other

Includes audit fees paid/payable to the Audit Office of South Australia relating to work performed under the *Public Finance and Audit Act 1987* of the ESS \$273 300 (2025: \$258 800) and SAFECOM \$93 600 (2025: \$88 700).

South Australian Fire and Emergency Services Commission
Notes to and forming part of the financial statements
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4.3 Grants and subsidies

Grants and subsidies expense mainly relate to payments under the Commonwealth Disaster Ready Fund and Coastal Estuarine Risk Mitigation Program. Payments are made by SAFECOM upon receipt of milestone completion.

	Consolidated		SAFECOM Entity	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Recurrent grants	22 023	17 205	22 379	18 442
Total grants and subsidies	22 023	17 205	22 379	18 442

4.4 Other expenses

	Consolidated		SAFECOM Entity	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Other expenses	94	349	-	68
Donated assets	132	120	-	-
Derecognition of assets	420	1 091	-	-
Total other expenses	646	1 560	-	68

5 Assets

5.1 Financial assets

	Consolidated		SAFECOM Entity	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Financial assets measured at amortised cost				
Cash and cash equivalents	58 087	52 314	24 571	36 120
Receivables	8 922	2 828	109	24
Total financial assets	67 009	55 142	24 680	36 144

All financial assets are measured at amortised cost excluding listed equity instruments which are designated at Fair Value through Other Comprehensive Income. Refer Note 5.4.

South Australian Fire and Emergency Services Commission
Notes to and forming part of the financial statements
for the year ended 30 June 2026

5.2 Cash and cash equivalents

	Consolidated		SAFECOM Entity	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
5.2: Cash and cash equivalents				
Operating account with the Treasurer	50 322	44 358	24 571	36 120
Cash on hand	9	9	-	-
Cash at bank	8	8	-	-
Cash at bank - Groups/Brigades/Units	5 713	6 175	-	-
Short-term deposits - Groups/Brigades/Units	1 859	1 602	-	-
Short-term deposits	176	162	-	-
Total cash and cash equivalents in the Statement of Financial Position	58 087	52 314	24 571	36 120
Total cash and cash equivalents in the Statement of Cash Flows	58 087	52 314	24 571	36 120

Cash is 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.

The ESS has one operating account held with the Treasurer. This account is interest bearing.

Cash at bank – Groups/Brigades/Units

Accounts held at CFS and SES Brigade, Group and Unit level comprising of proceeds from fundraising, donations and other local activities.

Short term deposits

Short-term deposits are made for varying periods of between one day and three months. The deposits are lodged with various financial institutions at their respective short-term deposit rates.

South Australian Fire and Emergency Services Commission
Notes to and forming part of the financial statements
for the year ended 30 June 2026

5.3 Receivables

	Consolidated		SAFECOM Entity	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Current				
Receivables	8 962	2 852	109	24
Less impairment loss on receivables	(40)	(24)	-	-
Prepayments	1 259	1 125	225	397
Accrued revenues	82	276	3	-
GST	2 064	2 815	513	625
Total current receivables	12 327	7 044	850	1 046
Total receivables	12 327	7 044	850	1 046

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

Receivables arise in the normal course of selling goods and services to other government agencies and to the public. Contractual receivables are normally settled within 30 days after the issue of an invoice or the goods/services have been provided under a contractual arrangement.

Other than as recognised in the allowance for impairment loss on contractual receivables, it is not anticipated that counterparties will fail to discharge their obligations. The carrying amount of receivables approximates net fair value due to being receivable on demand. There is no concentration of credit risk.

Refer to note 9.2 for further information on risk management.

The ESS has adopted the simplified impairment approach under AASB 9 and measured lifetime expected credit losses on all contractual receivables using an allowance matrix as a practical expedient to measure the impairment allowance.

Allowance for impairment loss on contractual receivables

	Consolidated		SAFECOM Entity	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Carrying amount at the beginning of the period	24	11	-	-
Increase/(decrease) in the allowance recognised in profit or loss	16	13	-	-
Carrying amount at the end of the period	40	24	-	-

Impairment losses relate to receivables arising from contracts with customers that are external to the SA Government.

Refer to note 9.2 for details regarding credit risk and the methodology for determining impairment.

South Australian Fire and Emergency Services Commission
Notes to and forming part of the financial statements
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5.4 Other financial assets

	Consolidated		SAFECOM Entity	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Current				
Medium Term Deposits - Groups/Brigades/Units	4 247	3 499	-	-
<i>Investments</i>				
Listed equity instruments	137	128	-	-
Total current financial assets	4 384	3 627	-	-
Total other financial assets	4 384	3 627	-	-

Medium-term deposits are made for varying periods of between three and twelve months. Because of their maturity dates exceeding three months, these funds are not reported within Cash and Cash Equivalents or the Statement of Cash Flows. The deposits are lodged with various financial institutions at their respective medium-term deposit rates.

The equity instruments are carried at fair value.

During the current year, the investments were designated at fair value through other comprehensive income with all changes in fair value being taken to the investment reserve. These investments are not subject to impairment testing.

On disposal of these equity investments, any related balance within the investment reserve will be reclassified to retained earnings. Dividends arising from these investments will be recognised in the statement of comprehensive income.

For further information on risk management refer to note 9.2.

South Australian Fire and Emergency Services Commission
Notes to and forming part of the financial statements
for the year ended 30 June 2026

5.5 Property, plant and equipment

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

Reconciliation of property, plant and equipment during 2025-26

Consolidated - ESS	Land	Buildings	Vehicles	Plant & equipment	ESS HQ Right of use	Right of use	Right of use	Right of use plant	Total
	\$'000	\$'000	\$'000	\$'000	Fitout	land	buildings	and equipment	\$'000
Carrying amount at 1 July 2025	214 860	214 738	174 639	7 324	11 904	2 709	5 064	6 110	637 348
Acquisitions	-	-	33	-	-	-	1 587	-	1 620
Disposals	-	-	(371)	(3 764)	-	-	(49)	-	(4 184)
Transfers from capital WIP ⁽¹⁾	1 584	10 825	26 896	1 893	-	-	-	-	41 198
Donated assets	-	-	(185)	-	-	-	-	-	(185)
Remeasurement	-	-	-	-	-	-	137	152	289
Assets written off	-	-	-	(55)	-	-	-	-	(55)
Subtotal:	216 444	225 563	201 012	5 398	11 904	2 709	6 739	6 262	676 031
Gains/(losses) for the period recognised in net result:									
Depreciation	-	(10 797)	(14 587)	(1 084)	(1 082)	(183)	(1 179)	(621)	(29 533)
Subtotal:	-	(10 797)	(14 587)	(1 084)	(1 082)	(183)	(1 179)	(621)	(29 533)
Carrying amount at the end of the period	216 444	214 766	186 425	4 314	10 822	2 526	5 560	5 641	646 498
Gross carrying amount									
Gross carrying amount	216 444	225 667	201 740	5 030	11 904	4 230	10 699	9 018	684 732
Accumulated depreciation	-	(10 901)	(15 315)	(716)	(1 082)	(1 704)	(5 139)	(3 377)	(38 234)
Carrying amount at the end of the period	216 444	214 766	186 425	4 314	10 822	2 526	5 560	5 641	646 498

*All owned property, plant and equipment are classified in the level 2 and level 3 fair value hierarchy. This excludes right of use assets and refer to note 3 about the lease liability for additional details. Refer note 9.1 for more details.

⁽¹⁾ Refer to note 5.9.

South Australian Fire and Emergency Services Commission
Notes to and forming part of the financial statements
for the year ended 30 June 2026

5.5 Property, plant and equipment (continued)

Reconciliation of property, plant and equipment during 2024-25

	Building			Plant &	ESS HQ	Right of use	Right of use	Right of use	Right of use	Total
Consolidated - ESS	Land	s	Vehicles	equipment	Fitout	land	buildings	vehicles	plant and equipment	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying amount 1 July 2024	115 024	139 266	169 555	4 844	10 640	2 892	2 400	2 128	6 438	453 187
Acquisitions	-	-	201	112	-	-	2 461	2 092	-	4 866
Disposals	-	-	(1 341)	-	-	-	-	-	-	(1 341)
Transfers from capital WIP ⁽¹⁾	-	2 851	19 095	2 174	-	-	-	-	-	24 120
Revaluation increment	99 411	79 869	2 372	1 566	2 120	-	-	-	-	185 338
Derecognition of assets	(52)	-	(717)	(322)	-	-	-	(3 281)	-	(4 372)
Transfers between asset classes	477	(373)	-	-	-	-	-	-	-	104
Remeasurement	-	-	-	-	-	-	1 161	-	278	1 439
CWIP write off	-	-	2	(1)	-	-	-	-	-	1
Subtotal:	214 860	221 613	189 167	8 373	12 760	2 892	6 022	939	6 716	663 342
Gains/(losses) for the period recognised in net result:										
Depreciation	-	(6 875)	(14 528)	(1 049)	(856)	(183)	(958)	(939)	(606)	(25 994)
Subtotal:	-	(6 875)	(14 528)	(1 049)	(856)	(183)	(958)	(939)	(606)	(25 994)
Carrying amount at the end of the period	214 860	214 738	174 639	7 324	11 904	2 709	5 064	-	6 110	637 348
Gross carrying amount										
Gross carrying amount	214 860	214 842	175 510	7 394	11 904	4 230	9 243	-	8 865	646 848
Accumulated depreciation	-	(104)	(871)	(70)	-	(1 521)	(4 179)	-	(2 755)	(9 500)
Carrying amount at the end of the period	214 860	214 738	174 639	7 324	11 904	2 709	5 064	-	6 110	637 348

*All property, plant and equipment are classified in the level 3 fair value hierarchy except for land valued at \$23.65 million (classified as level 2). Refer to note 6.3 for details about the lease liability for right-of-use assets. ⁽¹⁾ Refer to note 6.

South Australian Fire and Emergency Services Commission
Notes to and forming part of the financial statements
for the year ended 30 June 2026

5.5 Property, plant and equipment (continued)

Reconciliation of property, plant and equipment during 2025-26

Parent - SAFECOM

	Vehicles	Plant & equipment	ESS HQ Fitout	Total
	\$'000	\$'000	\$'000	\$'000
Carrying amount 1 July 2025	86	154	11 904	12 144
Disposals	-	(51)	-	(51)
Transfers from capital WIP ⁽¹⁾	-	39	-	39
Subtotal:	86	142	11 904	12 132
Gains/(losses) for the period recognised in net result:				
Depreciation	(6)	(71)	(1 082)	(1 159)
Subtotal:	(6)	(71)	(1 082)	(1 159)
Carrying amount at the end of the period	80	71	10 822	10 973
Gross carrying amount				
Gross carrying amount	86	109	11 904	12 099
Accumulated depreciation	(6)	(38)	(1 082)	(1 126)
Carrying amount at the end of the period	80	71	10 822	10 973

*All property, plant and equipment are classified in the level 3 fair value hierarchy. Refer to note 6.3 for details about the lease liability for right-of-use assets.

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5.5 Property, plant and equipment (continued)

Reconciliation of property, plant and equipment during 2024-25

Parent - SAFECOM	Vehicles \$'000	Plant & equipment \$'000	ESS HQ Fitout \$'000	Right of use vehicles \$'000	Total \$'000
Carrying amount 1 July 2024	-	186	10 640	34	10 860
Acquisitions	86	-	-	14	100
Revaluation increment	-	36	2 120	-	2 156
Derecognition of assets	-	-	-	(27)	(27)
Subtotal:	86	222	12 760	21	13 089
Gains/(losses) for the period recognised in net result:					
Depreciation	-	(68)	(856)	(21)	(945)
Subtotal:	-	(68)	(856)	(21)	(945)
Carrying amount at the end of the period	86	154	11 904	-	12 144
Gross carrying amount					
Gross carrying amount	86	154	11 904	-	12 144
Carrying amount at the end of the period	86	154	11 904	-	12 144

*All property, plant and equipment are classified in the level 3 fair value hierarchy. Refer to note 6.3 for details about the lease liability for right-of-use assets.

⁽¹⁾ Refer to note 5.9.

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5.5 Property, plant and equipment (continued)

Depreciation expense

All non-current assets, having a limited useful life, are systematically depreciated over their useful lives in a manner that reflects the consumption of their service potential.

Useful life

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	Consolidated Useful life (years)	SAFECOM Entity Useful life (years)
Buildings	1-56	n/a
Vehicles	1-30	15
Plant and equipment	1-25	1-15
ESS HQ Fitout	11	11
ROU Land	1-77	n/a
ROU Buildings	2-77	n/a
ROU Plant and equipment	15	n/a

Review of accounting estimates

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

5.6 Property, plant and equipment owned by the ESS

Property, plant and equipment with a value equal to or in excess of \$15 000 is capitalised.

Property, plant and equipment is recorded at fair value. Detail about ESS's approach to fair value is set out in note 9.1.

Impairment of property, plant and equipment

Property, plant and equipment owned by the ESS are non-cash generating assets, that are specialised in nature and held for continual use of their service capacity. These assets are not tested for impairment as they are regularly revalued to fair value.

As at 30 June 2026, the impact on the MFS's land and building fair values from per- and polyfluoroalkyl substances (PFAS) contamination and other damage could not be reliably determined. Therefore, the fair value of all but one of these MFS properties has remained unchanged as at reporting date. However as explained in detail at Note 8.2, all 37 current and 27 divested MFS sites have been risk profiled for potential PFAS contamination. The MFS is continuing to work through the cost implications of PFAS contamination which is expected to include costs to remediate contaminated land and dispose contaminated materials.

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5.7 Property, plant and equipment leased by the ESS

Right-of-use property, plant and equipment assets leased by the ESS as lessee are recorded at cost and there was no indication of impairment of right-of-use assets.

Short-term leases of 12 months or less and low value leases where the underlying asset value is less than \$15 000 are not recognised as right-of-use assets. The associated lease payments are recognised as an expense and are disclosed in note 4.2.

The ESS has a limited number of leases:

- 17 Commercial leases for land and buildings used for the purpose of operational and administrative activities.
- The CFS holds a commercial lease over plant used for PFAS remediation purposes.

Five new leases were entered into during 2025-26.

The lease liabilities related to the ROU assets, the related maturity analysis and the interest expense are disclosed in note 6.1. Cash outflows related to leases are disclosed in note 7.2. The ESS has not committed to any lease arrangements that have not commenced from 1 July.

Concessionary (peppercorn) leases

The ESS has a number of leases over land with significantly below market terms. These leases are entered into with the principal aim of enabling the ESS to further its objectives and are all of a similar nature. The lease terms vary from 1 to 99 years with annual rental of \$0 or \$1.

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5.8 Intangible assets

Computer software	Consolidated		SAFECOM Entity	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Carrying amount at the beginning of the period	2 652	719	2 550	556
Transfers from capital WIP ⁽¹⁾	702	2 383	702	2 383
Subtotal:	3 354	3 102	3 252	2 939
Gains/(losses) for the period recognised in net result:				
Amortisation	(604)	(450)	(543)	(389)
Subtotal:	(604)	(450)	(543)	(389)
Carrying amount at the end of the period	2 750	2 652	2 709	2 550
Gross carrying amount				
Gross carrying amount	9 318	8 933	8 510	8 088
Accumulated amortisation	(6 568)	(6 281)	(5 801)	(5 538)
Carrying amount at the end of the period	2 750	2 652	2 709	2 550

⁽¹⁾ Refer to note 5.9

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

Amortisation of computer software is calculated on a straight-line basis over the estimated useful life of 5-10 years for both the ESS and SAFECOM.

The amortisation period and the amortisation method for intangible assets is reviewed on an annual basis. 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 \$15 000.

All research and development costs that do not meet the capitalisation criteria outlined in AASB 138 *Intangible Assets* are expensed.

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5.9 Capital works in progress

	Consolidated		SAFECOM Entity	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Carrying amount 1 July 2025	81 188	66 107	577	910
Acquisitions	50 973	44 562	1 181	2 066
Transfers to property, plant and equipment	(41 900)	(24 120)	(39)	-
Transfers to intangible assets	-	(2 383)	(702)	(2 383)
CWIP write off	(94)	(218)	-	(16)
CWIP write off- prior period error	-	(2 760)	-	-
Carrying amount at the end of the period	90 167	81 188	1 017	577

Capital works in progress are recognised as the cumulative costs of capital projects to balance date. Projects completed during the year have been recognised as property, plant and equipment (refer to note 5.5) or intangible assets (refer to note 5.8) and are valued at cost.

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6 Liabilities

6.1 Financial liabilities

	Consolidated		SAFECOM Entity	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Financial liabilities measured at amortised cost				
Payables	11 055	18 724	1 469	2 004
Lease liabilities	11 689	11 585	-	-
Total financial liabilities	22 744	30 309	1 469	2 004

All financial liabilities are measured at amortised cost.

6.2 Payables

	Consolidated		SAFECOM Entity	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Current				
Creditors	430	4 201	7	615
Contractual Payables	10 625	14 523	1 462	1 389
Total current payables	11 055	18 724	1 469	2 004
Total payables	11 055	18 724	1 469	2 004

Payables and accruals are recognised for all amounts owing but unpaid. Creditors are normally settled within 15 days from the date the invoice is first received. All payables are non-interest bearing. The carrying amount of payables represents fair value due to their short-term nature.

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6.3 Other financial liabilities

The ESS measures financial liabilities at amortised cost. Lease liabilities have been measured via discounting future lease payments using either the interest rate implicit in the lease or the DTF's incremental borrowing rate. There were no defaults or breaches throughout the year.

Interest expense paid on lease liabilities during 2025-26 was \$260 000 (2024: \$234 000). The ESS does not capitalise borrowing costs.

	Consolidated		SAFECOM Entity	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Current				
Lease liabilities	1 900	2 127	-	-
Total current financial liabilities	1 900	2 127	-	-
Non-current				
Lease liabilities	9 789	9 458	-	-
Total non-current financial liabilities	9 789	9 458	-	-
Total other financial liabilities	11 689	11 585	-	-

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

	Consolidated	
	2026	2025
	\$'000	\$'000
Lease liabilities		
within 1 year	4 328	2 391
1 to 5 years	7 342	6 788
More than 5 years	7 538	6 152
Total lease liabilities (undiscounted)	19 208	15 331

All material cash outflows are reflected in the lease liabilities disclosed above.

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6.4 Employee related liabilities

	Consolidated		SAFECOM Entity	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Current				
Accrued salaries and wages	2 287	2 025	106	57
Annual leave	17 004	18 010	1 063	999
Skills and experience retention leave	2 889	2 627	70	72
Long service leave	5 044	5 015	237	269
Employment on-costs	6 264	6 239	287	266
Total current employee related liabilities	33 488	33 916	1 763	1 663
Non-current				
Long service leave	27 868	27 580	1 741	1 787
Employment on-costs	4 844	4 803	183	187
Total non-current employee related liabilities	32 712	32 383	1 924	1 974
Total employee related liabilities	66 200	66 299	3 687	3 637

Employee benefits accrue as a result of services provided up to the reporting date that remain unpaid. Non-current employee benefits are measured at present value and current employee benefits are measured at nominal amounts.

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

The liability for salary 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 skills and experience retention leave liability is expected to be payable within 12 months and is measured at the undiscounted amount expected to be paid. The salary inflation rate applied to the annual leave and SERL liabilities increased to 3.5% in 2026 from 3.2% in 2025.

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 of sick leave.

Long service leave

The liability for long service leave is measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method.

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 employee departures and periods of service. These assumptions are based on employee data over the police and the ESS.

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 increased in 2026 to 5.0% (4.50% in 2025). This increase in the bond yield, which is used as the rate to discount future long service leave cash flows, results in an overall decrease in the reported long service leave liability.

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6.4 Employee related liabilities (continued)

Long service leave (continued)

The net financial effect of the changes to actuarial assumptions in the current financial year is a decrease in the long service leave liability and employee benefits expense of \$1.183m (SAFECOM \$0.067m). 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 DTF maintained the salary inflation rate at 3.5% (2025: 3.5%) for the long service leave liability. Consequently, there was no net financial effect.

The current portion of long service liabilities reflects the amounts expected to be taken (approved or paid out on termination) to eligible employees within 2026-27.

Employment on-costs

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 is 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.

The ESS 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 scheme. The only liability outstanding at reporting date relates to any contributions due but not yet paid to State Government and externally managed superannuation schemes.

As a result of the actuarial assessment performed by the DTF, the portion of long service leave taken as leave has remained unchanged from 44% in 2025, except for MFS which decreased to 87% from 89.95% in 2025. MFS portion of long service leave taken is calculated as the actual percentage of leave taken during the last three years. The average factor for the calculation of employer superannuation on-costs has maintained at 12% (2025: 12%) and for MFS employer superannuation on cost rate has maintained at 16% (2025: 16%). These rates are used in the employment on-cost calculation. The net financial effect of the changes in the current financial year is not material. The estimated impact on future periods is not expected to be materially different to the effect on the current period as shown above.

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6.5 Provisions

	Consolidated		SAFECOM Entity	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Current				
Provision for workers compensation	16 720	12 584	53	63
Additional compensation	2 377	2 142	2	2
Total current provisions	19 097	14 726	55	65
Non-current				
Provision for workers compensation	59 539	47 382	152	202
Additional compensation	24 991	27 314	31	32
Total non-current provisions	84 530	74 696	183	234
Total provisions	103 627	89 422	238	299

Movement in workers compensation provisions

	Consolidated		SAFECOM Entity	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Workers compensation				
Carrying amount at the beginning of the period	59 966	54 100	265	346
Reductions arising from payments	(9 136)	(8 541)	(140)	(2)
Changes from remeasurement	8 764	(1 882)	25	(149)
New accident liability	16 665	16 289	55	70
Carrying amount at the end of the period	76 259	59 966	205	265

Additional compensation

	Consolidated		SAFECOM Entity	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Carrying amount at the beginning of the period				
Carrying amount at the beginning of the period	29 456	31 986	34	21
Reductions arising from payments	(2 214)	(2 880)	-	-
Changes from remeasurement	(3 690)	(3 173)	(10)	3
New accident liability	3 816	3 523	9	10
Carrying amount at the end of the period	27 368	29 456	33	34

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6.5 Provisions (continued)

Workers Compensation provision (statutory and additional compensation schemes)

The ESS is an exempt employer under the *Return to Work Act 2014*. Under a scheme arrangement, the ESS is responsible for the management of workers rehabilitation and compensation and is directly responsible for meeting the cost of workers' compensation claims and the implementation and funding of preventive programs.

Accordingly, a liability has been reported to reflect unsettled workers compensation claims (statutory and additional compensation schemes).

The workers compensation provision is based on an actuarial assessment of the outstanding liability as at 30 June 2026 provided by a consulting actuary engaged through the Office of the Commissioner for Public Sector Employment.

The additional compensation scheme provides continuing benefits to workers who have suffered eligible work-related injuries and whose entitlements have ceased under the statutory workers compensation scheme. Eligible injuries are nonserious injuries sustained in circumstances which involved, or appeared to involve, the commission of a criminal offence, or which arose from a dangerous situation.

There is a significant degree of uncertainty associated with estimating future claim and expense payments and also around the timing of future payments due to the variety of factors involved. The liability is impacted by agency claim experience relative to other agencies, average claim sizes and other economic and actuarial assumptions.

In addition to these uncertainties, the additional compensation scheme is impacted by the limited claims history and the evolving nature of the interpretation of, and evidence required to meeting, eligibility criteria. Given these uncertainties, the actual cost of additional compensation claims may differ materially from the estimate.

The significant movement in workers compensation provisions in 2025-26 is due to the impact of legislative change that relate to the scope of Firefighter Cancer presumptive cover.

6.6 Other non-financial liabilities

	Consolidated		SAFEKOM Entity	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Current				
Accommodation incentive	886	886	886	886
Total current other liabilities	886	886	886	886
Non-current				
Accommodation incentive	8 339	9 225	8 339	9 225
Total non-current other liabilities	8 339	9 225	8 339	9 225
Total other non-financial liabilities	9 225	10 111	9 225	10 111

The MoAA between DIT and SAFEKOM for the ESS HQ includes an incentive of \$9.225 million under the lease terms and conditions. The accommodation incentive liability is being amortised over the term of the MoAA (15 years) and the asset depreciated over the same period. The incentive liability is amortised against the accommodation expense being paid to DIT (refer note 4.2).

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7 Other disclosures

7.1 Equity

Asset revaluation surplus

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

Investment market value reserve

The reserve is used to record all changes in fair value of investments classified as fair value through other comprehensive income.

7.2 Cash flow reconciliation

	Consolidated		SAFECOM Entity	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Reconciliation of net cash provided by operating activities to net result				
Net cash provided by operating activities	57 556	46 256	(10 368)	3 207
Add / (less) non-cash items				
Depreciation and amortisation	(30 137)	(26 444)	(1 702)	(1 334)
Donated assets	(132)	(120)	-	-
Resources received free of charge	69	-	420	-
CWIP write off	(94)	(2 979)	-	-
Net gain/(loss) from disposal of non-current assets	(3 658)	(621)	(51)	-
Net loss from disposal of intangible assets	-	-	-	-
Incentive amortisation	886	885	886	885
Derecognition of assets	(420)	(1 092)	-	-
Capital accruals	1 110	1 177	-	-
Movement in assets and liabilities				
Increase/(decrease) in receivables	5 283	698	(196)	(307)
(Increase)/decrease in payables	8 019	(4 015)	114	1 263
(Increase)/decrease in employee benefits	99	(1 836)	(50)	(37)
(Increase)/decrease in provisions	(14 205)	(3 336)	61	68
Net result	24 376	8 573	(10 886)	3 745

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8 Outlook

8.1 Unrecognised contractual commitments

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

Contractual commitments to acquire property, plant and equipment

	Consolidated		SAFECOM Entity	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Within one year	6 816	10 585	625	-
Later than one year but not later than five years	18 919	-	2 226	-
Later than five years	177	-	-	-
Total contractual commitments to acquire property, plant and equipment	25 912	10 585	2 850	-

These contractual commitments to acquire property, plant and equipment are for Fraser fire and rescue build appliances, aerial appliances, property and vehicles.

Other contractual commitments

	Consolidated		SAFECOM Entity	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Within one year	12 725	14 825	4 477	4 479
Later than one year but not later than five years	58 094	22 196	20 831	5 965
Later than five years	2 286	33 445	-	8 627
Total other contractual commitments	73 105	70 466	25 308	19 071

The ESS's other contractual commitments relate primarily to accommodation, aerial firefighting (CFS), Emergency Alert national emergency warning system (SAFECOM), National Flood mitigation infrastructure program (SAFECOM), and protective firefighting equipment (MFS).

8.2 Contingent assets and liabilities

Contingent assets and contingent liabilities are not recognised in the Statement of Financial Position. They are disclosed where the inflow or outflow of economic benefits is not remote and, where practicable, the financial effect can be estimated. The Emergency Services Sector is not aware of any contingent assets at the reporting date.

PFAS Contamination

The Emergency Services Sector has identified potential obligations arising from the historical storage and use of per- and polyfluoroalkyl substances (PFAS), including PFAS-containing firefighting foams, at current and former emergency services sites in South Australia.

CFS Impact

PFAS contamination has been identified at the Brukunga, Naracoorte and Cherry Gardens CFS sites. These sites are subject to notices of site contamination issued under section 83A of the Environment Protection Act 1993. Testing has also identified PFAS contamination at the Hamley Bridge divested site and at the Geranium, Millicent, Peterborough and Willalooka CFS stations.

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8.2 Contingent assets and liabilities (continued)

The CFS has engaged an environmental consultant to assess the risk of site contamination associated with historical PFAS storage or use across 465 sites. This work will rank the sites by risk and inform whether further assessment is required, the priority of that assessment and future funding requirements.

MFS Impact

All 37 current and 27 divested MFS sites have been risk profiled for potential PFAS contamination. Initial investigations at current MFS stations have been completed and reports provided to the Environment Protection Authority. Of the 23 standard and low-priority site investigations commenced during 2026, no further action has been recommended for 13 stations. Mount Barker, Noarlunga, Oakden and Salisbury are also no longer under EPA consideration. Other sites may require further investigation, monitoring or remediation.

2025-26 Reporting Impact.

The extent of any obligation and the associated financial effect will depend on the results of continuing site assessments, regulatory requirements and the nature and extent of any investigation, monitoring, remediation or disposal activities required. Accordingly, the amount and timing of any future expenditure cannot presently be reliably estimated.

8.3 Impact of standards not yet implemented

The ESS assessed *Australian Accounting Standards and Interpretations* that first applied in 2025-26 and determined that they did not have a material impact on its financial statements. No new *Australian Accounting Standards or Interpretations* have been early adopted.

8.4 Trust funds

The SES administers, but does not control, certain activities on behalf of the Australian Council of State and Territory Emergency Services. It is accountable for the transactions relating to those trust activities but does not have the discretion, for example, to deploy the resources for the achievement of the SES's own objectives.

Transactions and balances relating to the trust assets are not recognised as SES's income, expenses, assets and liabilities, but are disclosed in the table below.

	Consolidated		SAFECOM Entity	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Cash at bank	364	335	-	-
Receivables	5	-	-	-
Total trust funds	369	335	-	-

The trust funds represent funds held by the Australian Council of State Emergency Services. The funds will be utilised to meet expenses incurred by each of the State Emergency Services Headquarters in Australia. The SES will administer these funds until they are fully expended. In 2025-26, total income earned by the Council was \$34 300 (2025: \$33 000) and no expenses were incurred (2025: \$0).

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8.5 Events after the reporting period

No events have occurred after the reporting date that require adjustment to, or disclosure in, these financial statements.

9 Measurement and risk

9.1 Fair value

AASB 13 *Fair Value Measurement* defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants, in the principal or most advantageous market, at the measurement date.

Initial recognition

Where assets are acquired at significantly less than fair value, they are recorded at fair value in the Statement of Financial Position. However, if the assets are acquired at significantly less than fair value as part of a restructure of administrative arrangements, then the assets are recognised at book value (i.e. the amount recorded by the transferor public authority immediately prior to the restructure).

Revaluation

Property, plant and equipment, other than right of use assets, is subsequently measured at fair value after allowing for accumulated depreciation.

Non-current tangible assets are valued at fair value, and revaluation of non-current assets or a group of assets is only performed when the fair value at the time of acquisition is greater than \$1.5 million and estimated useful life is greater than three years.

Revaluation is undertaken on a regular cycle as detailed below. 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. As at 30 June 2026 management's assessment did not identify any material variance between the reported carrying amount of the ESS's assets and their estimated fair value as at reporting date.

Fair value hierarchy

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

- Level 1: traded in active markets and is based on unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at measurement date.
- Level 2: not traded in active market and are derived from inputs (inputs other than quoted prices included within level 1) that are observable for the asset, either directly or indirectly.
- Level 3: not traded in active market and are derived from unobservable inputs.

The ESS's policy is to recognise transfers into and out of fair value hierarchy levels as at the end of the reporting period.

During 2026 and 2025, the ESS had no valuations categorised into level 1; there were no transfers of assets between level 1 and 2 fair value hierarchy levels and there were no changes in valuation technique.

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9.1 Fair Value (continued)

Land, buildings and vehicles

An independent valuation of land, vehicles and buildings was performed by JLL (Certified Practising Valuer) in 2025. The buildings values at revaluation were considered relevant for 30 June 2025.

Fair value of land at that time was 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 next independent valuation of land, vehicles and buildings will occur in 2030-31.

Plant and equipment

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

	Note	Consolidated			SAFEKOM Entity	
		Level 2	Level 3	Total	Level 3	Total
Recurring fair value measurements		\$'000	\$'000	\$'000	\$'000	\$'000
Land		23 565	192 879	216 444	-	-
Buildings	5.5	275	225 313	225 588	10 822	10 822
Vehicles	5.5	118 904	67 601	186 505	80	80
Plant and equipment	5.5	179	4 204	4 383	69	69
Intangible	5.6	6	2 744	2 750	2 709	2 709
Total recurring fair value measurements		142 929	492 741	635 670	13 680	13 680
Total fair value measurements		142 929	492 741	635 670	13 680	13 680

9.2 Financial Instruments

Financial risk management

Risk management is managed by the ESS corporate services section and risk management policies are in compliance with the *SA Government Risk Management Guide* and the principles established in the Australian Standard *Risk Management Principles and Guidelines*.

The exposure of the ESS to financial risk (liquidity risk, credit risk and market risk) is low due to the nature of the financial instruments held. There have been no changes in risk exposure since the last reporting period.

Liquidity risk

Liquidity risk arises from the possibility that the ESS is unable to meet its financial obligations as they fall due. The ESS is funded principally from the Fund. The ESS works with the Fund to determine the cash flows associated with its government approved program of work to ensure funding meets the expected cash flows.

Refer to notes 1.1 and 3.1 for further information.

South Australian Fire and Emergency Services Commission
Notes to and forming part of the financial statements
for the year ended 30 June 2026

9.2 Financial Instruments (continued)

Credit risk

The ESS has minimal concentration of credit risk. The ESS has policies and procedures in place to ensure that transactions occur with customers with appropriate credit history. No collateral is held as security and no credit enhancements relate to financial assets held by the ESS.

Impairment of financial assets

Loss allowances for receivables are measured at an amount equal to lifetime expected credit loss (ECL) using the simplified approach in AASB 9. The ESS uses an allowance matrix to measure the expected credit loss of receivables from non-government debtors which comprise a large number of small balances.

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

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

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

The expected credit loss for government debtors for the ESS is nil. The expected credit loss for government debtors for SAFECOM is nil. This is based on the external credit ratings and nature of the counterparties.

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

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

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

	Debtor gross carrying amount	Loss %	Lifetime expected losses
2026	\$'000		\$'000
Current (not past due)	6 599	0.38%	20
1-30 days past due	105	1.11%	-
31-60 days past due	86	1.97%	-
61-90 days past due	61	3.22%	-
More than 90 days past due	721	5.94%	19
Loss allowance	7 572		39

South Australian Fire and Emergency Services Commission
Notes to and forming part of the financial statements
for the year ended 30 June 2026

9.2 Financial Instruments (continued)

Cash and debt instruments

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

All of the ESS's debt investments at amortised cost are considered to have low credit risk and the consideration of expected credit loss was limited to 12 months expected losses. The expected credit loss is nil.

Market risk

The ESS does not trade in foreign currency, nor enter into transactions for speculative purposes, nor for hedging. The ESS does not undertake any hedging in relation to interest or foreign currency risk and manages its risk as per the Government's risk management strategy articulated in TI 23 *Management of Foreign Currency Exposures*.

The ESS has non-interest-bearing assets (cash on hand and receivables) and liabilities (payables) and interest-bearing assets (cash at bank and investments). SAFECOM's exposure to market risk and cash flow interest risk is minimal.

Categorisation of financial instruments

Details of the material accounting policies and methods adopted including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised with respect to each class of financial asset, financial liability and equity instrument are disclosed in the respective financial asset / financial liability note.

Classification of financial assets and liabilities

The ESS measures all financial instruments at amortised cost other than lease liabilities which are measured at the present value of expected future cash payments. Listed equity instruments were designated at fair value through other comprehensive income with all changes in fair value being taken to the investment reserve. All financial assets and liabilities carrying amount equals their fair value as at 30 June 2026 and are expected to be settled within one year excluding lease liabilities. Maturity analysis for financial liabilities is presented in note 6.3.

Community Emergency Services Fund (The Fund)

Administered Financial Statements

For the year ended 30 June 2026

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Community Emergency Services Fund
Statement of Administered Comprehensive Income
for the year ended 30 June 2026

Statement of Administered Comprehensive Income

		2026	2025
	Note	\$'000	\$'000
Administered income			
Levy sources	A2.1	405 195	391 469
Fees and charges	A2.2	582	535
Interest		3 468	4 262
Total administered income		409 245	396 266
Administered expenses			
Contributions to SA Government administrative units	A3.1	396 585	384 496
Grants and subsidies	A3.2	3 983	3 482
Other	A3.3	9 816	9 207
Total administered expenses		410 384	397 185
Net result		(1 139)	(919)
Total comprehensive result		(1 139)	(919)

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

Community Emergency Services Fund
Statement of Administered Financial Position
as at 30 June 2026

Statement of Administered Financial Position

		2026	2025
	Note	\$'000	\$'000
Administered current assets			
Cash and cash equivalents	A4.1	19 217	20 749
Receivables		1 226	1 481
Total current assets		20 443	22 230
Administered current liabilities			
Payables		678	1 327
Total current liabilities		678	1 327
Net assets		19 765	20 903
Administered equity			
Retained earnings		19 765	20 903
Total equity		19 765	20 903

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

Community Emergency Services Fund
Statement of Administered Cash Flows
for the year ended 30 June 2026

Statement of Administered Cash Flows

		2026	2025
	Note	\$'000	\$'000
Cash flows from operating activities			
Cash inflows			
Receipts from levy sources		405 455	391 654
Fees and charges		577	535
Interest received		3 468	4 265
		<u>409 500</u>	<u>396 454</u>
Cash outflows			
Payments to SA Government administrative units		(396 584)	(384 496)
Payments of grants and subsidies		(4 677)	(3 566)
Other payments		(9 771)	(9 187)
		<u>(411 032)</u>	<u>(397 249)</u>
Net cash from (used in) operating activities	A5.1	<u>(1 532)</u>	<u>(795)</u>
Net increase / (decrease) in cash and cash equivalents		<u>(1 532)</u>	<u>(795)</u>
Cash and cash equivalents at the beginning of the period		<u>20 749</u>	<u>21 544</u>
Cash and cash equivalents at the end of the period	A4.1	<u>19 217</u>	<u>20 749</u>

The accompanying notes form part of these financial statements

Community Emergency Services Fund
Notes to and forming part of the financial statements
For the year ended 30 June 2026

Notes to the financial statements

A1. About the Community Emergency Services Fund

A1.1. Basis of preparation and accounting policies

The basis of preparation for the Community Emergency Services Fund (the Fund) is the same as outlined in SA Fire and Emergency Services Commission's (SAFECOM) financial statements. The Fund applies the same accounting policies as set out in the notes of SAFECOM's financial statements.

A1.2. Establishment, objectives and funding arrangements

Establishment

The Fund was established pursuant to the *Emergency Services Funding Act 1998* (the Act).

Objectives

The Fund is the primary source of funding for the State Government's key emergency services agencies: the SA Metropolitan Fire Service (SAMFS), SA Country Fire Service (SACFS), SA State Emergency Service (SASES) and SAFECOM. The Fund also provides funding to other State Government agencies and Non-Government Organisations for the provision of emergency services and related activities, and collection and administration costs, as allowed under section 28(4) of the Act.

Funding arrangements

Under section 28(3) of the Act, funds collected through the Emergency Services Levy (ESL) (fixed and mobile property) for both private and Government property owners, Government contributions for concessions and remissions to property owners and interest earned on cash balances are paid into the Fund. The administration, collection and policy-setting of the ESL fall within the portfolio responsibilities of the Treasurer.

Community Emergency Services Fund
Notes to and forming part of the financial statements
For the year ended 30 June 2026

A1.3. Budget performance

The budget performance table compares the Fund's outcomes against budget information presented to Parliament (2025-26 Budget Paper 4). The budget amounts have not been adjusted to reflect revised budgets or administrative restructures. The budget process is not subject to audit.

	Original budget 2026 \$'000	Actual 2026 \$'000	Variance \$'000
Statement of Comprehensive Income			
Income			
Levy sources	401 344	405 195	3 851
Fees and charges	523	582	59
Interest	3 000	3 468	468
Total administered income	404 867	409 245	4 378
Expenses			
Contributions to SA Government administrative units	395 234	396 585	1 351
Grants and subsidies	10 310	3 983	(6 327)
Other	9 814	9 816	2
Total administered expenses	415 358	410 384	(4 974)
Net result	(10 491)	(1 139)	9 352
Total comprehensive result	(10 491)	(1 139)	9 352

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

In 2025-26 there were no variances that exceeded the greater of 10% of the original budget amount and 5% of original budgeted total expenses.

Community Emergency Services Fund
Notes to and forming part of the financial statements
For the year ended 30 June 2026

A2. Income

A2.1. Levy sources

	2026	2025
	\$'000	\$'000
Fixed property collections	214 636	202 795
Fixed property remissions	129 174	128 275
Mobile collections	51 448	50 551
Government concessions	6 834	6 735
Mobile remissions	3 103	3 113
Total revenues from levy sources	405 195	391 469

Various SA Government entities administer revenue from levy sources on behalf of the Fund, remitting revenue to the Fund once collected. The Fund recognises revenue when it obtains the right to receive which is generally when the revenue has been collected by the administering entity.

A2.2. Fees and charges

Revenue SA administers certificate sales on behalf of the Fund, remitting revenue to the Fund once collected. The Fund recognises revenue when it obtains the right to receive which is generally when the revenue has been collected by the administering entity \$582,000 (2025: \$535 000).

Community Emergency Services Fund
Notes to and forming part of the financial statements
For the year ended 30 June 2026

A3. Expenses

A3.1. Contributions to SA Government administrative units

	2026	2025
	\$'000	\$'000
South Australian Metropolitan Fire Service	195 208	189 790
South Australian Country Fire Service	106 417	106 146
South Australian State Emergency Service	31 208	26 766
South Australian Police	26 321	25 677
South Australian Fire and Emergency Services Commission	20 487	19 644
Department for Environment and Water	13 521	13 133
South Australian Ambulance Service	1 413	1 379
South Australian Police - Government radio network	901	879
Attorney-General's Department - State Rescue Helicopter Service	837	817
South Australian Ambulance Service - Government radio network	272	265
Total contributions to SA Government administrative units	396 585	384 496

A3.2. Grants and subsidies

	2026	2025
	\$'000	\$'000
Surf Life Saving South Australia	1 620	1 128
Volunteer Marine Rescue	1 682	1 645
Shark Beach Patrol	681	709
Total grants and subsidies	3 983	3 482

A3.3. Other expenses

	2026	2025
	\$'000	\$'000
Revenue SA - collection costs	7 983	7 421
Department of Infrastructure and Transport - collection costs	1 056	1 031
Administration costs	777	755
Total other expenses	9 816	9 207

Community Emergency Services Fund
Notes to and forming part of the financial statements
For the year ended 30 June 2026

A4. Financial assets

A4.1. Cash and cash equivalents

The Fund consists of one operating account held with the Treasurer of \$19.217 million (2025: \$20.749 million). This account is interest bearing.

A5. Other disclosures

A5.1. Cash flow reconciliation

	2026 \$'000	2025 \$'000
Reconciliation of cash and cash equivalents at the end of the reporting period		
Cash and cash equivalents disclosed in the Statement of Financial Position	19 217	20 749
Balance as per the Statement of Cash Flows	19 217	20 749
Reconciliation of net cash from (used in) operating activities to net result		
Net cash from (used in) operating activities	(1 532)	(795)
Movement in assets and liabilities		
Increase/(decrease) in receivables	(256)	(188)
(Increase)/decrease in payables	649	64
Net result	(1 139)	(919)

Community Emergency Services Fund
Notes to and forming part of the financial statements
For the year ended 30 June 2026

A6. Measurement and risk

A6.1. Financial instruments

Financial risk management

Risk management is managed by SAFECOM corporate services section and the Fund's risk management policies are in accordance with the *SA Government Risk Management Guide* and the principles established in the Australian Standard *Risk Management Principles and Guidelines*.

The exposure of the Fund to financial risk (liquidity risk, credit risk and market risk) is low due to the nature of the financial instruments held. There have been no changes in risk exposure since the last reporting period.

Liquidity risk

The Fund is funded principally from ESL contributions, government concessions and remissions, and interest. The payments from the Fund are referred by the Economic and Finance Committee, pursuant to the Act, and approved by the Minister for Emergency Services. The Fund is an Administered item and cash flows associated with its approved payments and budgeted receipts are managed to ensure funding is available to meet the expected cash flows.

Payables and accruals are raised for all amounts owing but unpaid. Sundry payables are normally settled within 30 days from the date the invoice is first received. All payables are non-interest bearing. The carrying amount of payables represents fair value due to their short-term nature.

Credit risk

The Fund has minimal concentration of credit risk. The Fund is dependent on funds collected through the ESL (fixed and mobile property). The Fund does not engage in high risk hedging for its financial assets. No collateral is held as security and no credit enhancements relate to financial assets held by the Fund.

Impairment of financial assets

All of the Fund's debtors at balance date were government debtors. The expected credit loss of government debtors is considered to be nil based on the external credit ratings and nature of the counterparties. The expected credit loss is nil.

Market risk

The Fund has non-interest-bearing assets (receivables) and liabilities (payables) and interest-bearing assets (cash at bank). The Fund's exposure to market risk and cash flow interest risk is minimal. There is minimal exposure to foreign currency or other price risks.

The Fund does not trade in foreign currency, enter into transactions for speculative purposes, nor for hedging. The Fund does not undertake any hedging in relation to interest or foreign currency risk and manages its risk as per the Government's risk management strategy articulated in *TI 23 Management of Foreign Currency Exposures*.

Categorisation of financial instruments

Details of the significant accounting policies and methods adopted including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised with respect to each class of financial asset, financial liability and equity instrument are disclosed in note A1.1.

The Fund's financial assets and liabilities, receivables and payables are held at cost therefore their carrying is a reasonable approximation of their fair values due to the short-term nature of these.

All financial assets and liabilities are expected to be settled within 1 year.