INDEPENDENT AUDITOR'S REPORT

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Audit Office of South Australia

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To the Chair
Dog and Cat Management Board

Opinion

I have audited the financial report of the Dog and Cat Management Board (the Board) 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 Board as at 30 June 2026, its financial performance and its cash flows for the year then ended in accordance with relevant Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards – Simplified Disclosures.

The financial report comprises:

- a Statement of Comprehensive Income for the year ended 30 June 2026
- a Statement of Financial Position as at 30 June 2026
- a Statement of Changes in Equity for the year ended 30 June 2026
- a Statement of Cash Flows for the year ended 30 June 2026
- notes, comprising material accounting policy information and other explanatory information
- a Certificate from the Chair, the Acting Manager, Dog and Cat Management and the Chief Financial Officer, Department for Environment and Water.

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 Board. 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 Acting Manager□Dog and Cat Management and the Board for the financial report

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

In preparing the financial report, the Acting Manager, Dog and Cat Management is responsible for assessing the entity's ability to continue as a going concern. The Acting Manager, Dog and Cat Management 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 Board is responsible for overseeing the entity's financial reporting process.

Auditor's responsibilities for the audit of the financial report

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987* and section 25(7) of the *Dog and Cat Management Act 1995*, I have audited the financial report of the Board 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 Board's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Acting Manager, Dog and Cat Management
- conclude on the appropriateness of the Acting Manager, Dog and Cat Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify the opinion. My conclusion is based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

My report refers only to the financial report described above and does not provide assurance over the integrity of electronic publication by the entity on any website nor does it provide an opinion on other information which may have been hyperlinked to/from the report.

I communicate with the Chair and Acting Manager, Dog and Cat Management about, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during the audit.



Daniel O'Donohue
Deputy Auditor-General

30 October 2026

Dog and Cat Management Board

Financial Statements

For the year ended 30 June 2026

Dog and Cat Management Board
Certification of the Financial Statements
for the year ended 30 June 2026

We certify that the:

- financial statements of the Dog and Cat Management Board:
  - are in accordance with the accounts and records of the Board;
  - comply with relevant Treasurer's Instructions;
  - comply with relevant accounting standards; and
  - present a true and fair view of the financial position of the Board at the end of the financial year and the result of its operation and cash flows for the financial year.
- internal controls employed by the Dog and Cat Management Board for the financial year over its financial reporting and its preparation of financial statements have been effective.

H L Holmes-Ross
Chair
28 October 2026

L Burton
A/Manager
Dog and Cat Management
28 October 2026

S O'Brien
Chief Financial Officer
Department for Environment and Water
28 October 2026

Dog and Cat Management Board
Statement of Comprehensive Income
for the year ended 30 June 2026

	Note	2026 $'000	2025 $'000
Income			
Fees and charges	3.1	3 243	3 322
Interest		212	260
Other income		4	-
Total income		**3 459**	**3 582**
Expenses			
Supplies and services	4.1	2 886	2 940
Amortisation	5.3	170	170
Grants and subsidies	4.2	269	408
Board member expenses	2.3	21	34
Other expenses	4.3	846	12
Total expenses		**4 192**	**3 564**
Net result		**(733)**	**18**
Total comprehensive result		**(733)**	**18**

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

Dog and Cat Management Board
Statement of Financial Position
As at 30 June 2026

	Note	2026 $'000	2025 $'000
Current assets			
Cash and cash equivalents	5.1	3 238	3 292
Receivables	5.2	122	16
Total current assets		**3 360**	**3 308**
Non-current assets			
Intangible assets	5.3	308	1 078
Total non-current assets		**308**	**1 078**
Total assets		**3 668**	**4 386**
Current liabilities			
Payables	6.1	81	66
Total current liabilities		**81**	**66**
Total liabilities		**81**	**66**
Net assets		**3 587**	**4 320**
Equity			
Retained earnings		3 587	4 320
Total equity		**3 587**	**4 320**

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

Dog and Cat Management Board
Statement of Changes in Equity
for the year ended 30 June 2026

	Retained earnings $'000	Total equity $'000
Balance at 1 July 2024	**4 302**	**4 302**
Net result for 2024-25	18	18
Total comprehensive result for 2024-25	**18**	**18**
Balance at 30 June 2025	**4 320**	**4 320**
Net result for 2025-26	(733)	(733)
Total comprehensive result for 2025-26	**(733)**	**(733)**
Balance at 30 June 2026	**3 587**	**3 587**

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

Dog and Cat Management Board
Statement of Cash Flows
For the year ended 30 June 2026

	Note	2026 $'000	2025 $'000
Cash flows from operating activities			
Cash inflows			
Fees and charges		3 243	3 322
Interest		211	263
GST recovered from DEW		161	231
Other receipts		4	-
Cash outflows			
Payments for supplies and services		(3 108)	(3 122)
Payments for grants and subsidies		(296)	(449)
Board member payments		(22)	(33)
Other payments		(13)	(13)
Net cash from operating activities		**180**	**199**
Cash outflows			
Purchase of intangibles		(234)	(600)
Net cash used in investing activities		**(234)**	**(600)**
Net (decrease) in cash and cash equivalents		**(54)**	**(401)**
Cash and cash equivalents at the beginning of the reporting period		3 292	3 693
Cash and cash equivalents at the end of the reporting period	5.1	**3 238**	**3 292**

The accompanying notes form part of these financial statements.

1 About the Dog and Cat Management Board

The Dog and Cat Management Board (DCMB) is established pursuant to section 10 of the *Dog and Cat Management Act 1995* (the Act).

The financial activities of the DCMB are administered through the Dog and Cat Management Fund (the Fund) in accordance with the Act. Section 25 of the Act establishes the Fund.

The Fund is an interest bearing Deposit Account with the Department of Treasury and Finance (DTF) pursuant to section 21(1) of the *Public Finance and Audit Act 1987.*

The Fund's sources of revenue consist of:

- money required to be paid into the Fund under the Act, comprising registration fees
- any other money received by the DCMB for professional services
- interest accruing from investment of the Fund.

The DCMB has no employees, as such, the Department for Environment and Water (DEW) provides administrative and workforce support to the DCMB to fulfill the functions and activities required by the Act. These services are provided by DEW employees to the DCMB on a cost recovery basis under a Service Level Agreement (SLA). The DCMB reflects these costs as fee for service expenses (refer to note 4.1).

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

The DCMB has administered activities which are presented separately and disclosed in note 7. Except as otherwise disclosed, administered items are accounted for on the same basis and using the same accounting policies as for the DCMB's controlled activities.

1.1. Basis of preparation

The financial statements are general purpose financial statements prepared in compliance with:

- section 23 of the *Public Finance and Audit Act 1987;*
- Treasurer's Instructions and Accounting Policy Statements issued by the Treasurer under the *Public Finance and Audit Act 1987;* and
- relevant Australian Accounting Standards, applying simplified disclosures.

For the purposes of preparing the financial statements, the Board is a not-for-profit entity. The financial statements are prepared based on a 12 month reporting period and presented in Australian currency. All amounts in the financial statements and accompanying notes have been rounded to the nearest thousand dollars ($'000). The historical cost convention is used unless a different measurement basis is identified in the notes to 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 the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item applicable; and
- receivables and payables, which are stated with the amount of GST included.

DCMB is grouped with DEW for GST purposes, and accordingly DEW prepares Business Activity Statements on behalf of the Board via the grouping provisions of the relevant legislation.

Notwithstanding the use of these grouping provisions, intercompany cash alignment occurs to ensure DCMB either recovers the net amount of GST recoverable from or disburses the amount payable to the ATO from DEW. The net amount of GST recoverable from, or payable to, the ATO is reflected as part of receivables or payables in the Statement of Financial Position as at 30 June.

1.1. Basis of preparation (continued)

Assets that are sold, consumed or realised as part of the normal 12 month operating cycle have been classified as current assets. Liabilities that are due to be settled within 12 months after the end of the reporting period or for which the Board has no right to defer settlement for a least 12 months after the end of the reporting period are classified as current liabilities. All other assets and liabilities are classified as non-current.

Cash flows are included in the Statement of Cash Flows on a gross basis, 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 operating cash flows.

1.2. Objectives and programs

The DCMB's primary objectives are to:

- encourage responsible dog and cat ownership
- reduce public and environmental nuisance caused by dogs and cats
- plan for, promote, and provide advice about the effective management of dogs and cats throughout South Australia
- oversee the administration and enforcement of the provisions of the Act.

The priorities of the DCMB to support achieving the objectives of the Act are to:

- improve dog management through responsible dog ownership and community collaboration
- improve cat management through responsible cat ownership and community collaboration
- connect Councils, community, professionals and agencies interested in and responsible for dog and cat management
- provide leadership in dog and cat management and effective administration of the Act.

The DCMB achieves its objectives through activities identified in its strategic, operational and financial plans approved by the Minister for Climate, Environment and Water (the Minister). Whilst these activities are delivered through two programs, the revenue and expenses cannot be reliably allocated across these programs and therefore, a Statement of Income and Expenses by Program has not been prepared.

2. Board, and committees

2.1. Key management personnel

Key management personnel of the DCMB include the Minister and the members of the Board who have responsibility for the strategic direction and management of the Board.

Total compensation for key management personnel was $20 000 in 2025-26 and $32 000 in 2024-25.

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 under section 6 the *Parliamentary Remuneration Act 1990*.

Transactions with key management personnel and other related parties

Apart from the remuneration for key management personnel, the Board did not have any transactions with key management personnel, their close family members and/or their controlled or jointly controlled entities in 2025-26.

2.2. Board and committee members

Members of the Dog and Cat Management Board during the 2025-26 financial year were:

H Holmes Ross (Chair)
D T Parkin (Chair) (ceased 18/12/2025)
Dr E J Dearsley
E Siami
Dr S J Hazel
A Filipi
B W Thomass
T P McPherson

Board and committee remuneration

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

	2026 No.	2025 No.
$0	-	1
$1 - $19 999	8	9
Total number of members	**8**	**10**

The total remuneration received or receivable by members was $20 000 (2025: $32 000). Remuneration of members includes all costs paid/payable to board members, such as; sitting fees, superannuation contributions, salary sacrifice benefits, fringe benefits and any related fringe benefits tax.

2.3. Board member expenses

	2026 $'000	2025 $'000
Board and committee fees	18	29
Employment on-costs - superannuation	2	3
Employment on-costs - other	1	2
Total board member expenses	**21**	**34**

Board member expenses include all board fees and other costs including superannuation. These are recognised when incurred.

Services to the Board are provided by personnel employed by DEW; hence no employee benefits or related provisions are included in the Board's financial statements. Employee benefits relating to relevant employees are reflected in the financial statements of DEW.

3. Income

3.1. Fees and charges

	2026 $'000	2025 $'000
Registration fees		
Metro Councils	2 262	2 291
Regional Councils	603	612
Breeders registration	378	419
Total registration fees	**3 243**	**3 322**

Revenue from fees and charges relate to registration fees pursuant to the Act. The fees are recognised on receipt.

4. Expenses

4.1. Supplies and services

	2026 $'000	2025 $'000
Fee for service - direct salaries	1 416	1 210
Service Level Agreement (DEW)	390	415
Fee for service - Dogs and Cats Online (DACO) project	355	307
General administration	240	404
Fee for service - other	202	196
Printing and publishing	177	289
Contractors	59	11
Other	24	18
Training and development	14	15
Information technology and communication charges	9	14
Fee for service - educational programs	-	47
Fee for service - legislative review	-	14
Total supplies and services	**2 886**	**2 940**

4.2. Grants and subsidies

	2026 $'000	2025 $'000
Non-Government entities	141	181
Local Councils	128	137
SA Government entities	-	90
Total grants and subsidies	**269**	**408**

4.3. Other expenses

	2026 $'000	2025 $'000
Audit Fees	12	12
Intangible asset write-offs	834	-
Total other expenses	**846**	**12**

Audit fees paid/payable to the Audit Office of South Australia relating to work performed under the *Public Finance and Audit Act 1987* were $12 300 (2025: $12 000). No other services were provided by the Audit Office of South Australia.

Intangible asset write-offs relate to amounts previously recorded as work in progress for an externally developed online system designed to manage dog and cat registrations, refer to note 5.3 for further information.

5. Assets

All financial assets are measured at amortised cost.

5.1. Cash and cash equivalents

	2026 $'000	2025 $'000
Deposits with the Treasurer	3 238	3 292
Total cash and cash equivalents	**3 238**	**3 292**

Deposits with the Treasurer

The Dog and Cat Management Fund deposit account was established under section 25 of the Act. The Fund is a non-interest bearing deposit account with DTF pursuant to section 21 of the *Public Finance and Audit Act 1987*.

Deposits at call and with the Treasurer earn a floating interest rate, based on daily bank deposit rates. Interest earned during the year was $212 000 (2025: $260 000).

5.2. Receivables

Current	2026 $'000	2025 $'000
Contractual receivables		
Accrued revenue	13	12
Total contractual receivables	**13**	**12**
Statutory receivables		
GST recoverable from DEW	7	4
Total statutory receivables	**7**	**4**
Prepayments	102	-
Total current receivables	**122**	**16**

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

5.3. Intangible assets

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

The acquisition of, or internal development of, software is capitalised only when the expenditure meets the definition and recognition criteria and when the amount of expenditure is greater than or equal to $10 000.

The internally developed computer software relates to the DCMB's DACO system that is used for the registering of dogs and cats throughout South Australia. Capital work in progress relates to costs that were incurred on the construction of a new online system, known as DACO 2.0. In 2025-26 a decision was made to terminate the current contract for this work and as such all previous capital work in progress amounts were written off during 2025-26 as it was considered the amounts capitalised no longer had any future economic benefits to the Board, refer to note 7 for more information. The write-off has been recognised in note 4.3.

Reconciliation 2025-26

	Internally developed $'000	Capital work in progress $'000	Total $'000
Carrying amount at 1 July 2025	478	600	1 078
Acquisitions	-	234	234
Amortisation	(170)	-	(170)
Write-offs	-	(834)	(834)
Carrying amount at 30 June 2026	**308**	**-**	**308**

Useful life

Amortisation is calculated on a straight-line basis. Intangible assets amortisation is calculated over the estimated useful life as follows:

Class of asset	Useful life (years)
Application software - internally developed	10

Impairment

There were no indications of impairment for intangible assets at 30 June 2026.

6. Liabilities

All financial liabilities are measured at amortised cost.

6.1. Payables

	2026 $'000	2025 $'000
Current		
Contractual payables	69	54
Statutory payables	12	12
Total current payables	**81**	**66**
Total payables	**81**	**66**

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

Contractual payables

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

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

Statutory payables

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

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

7. Other disclosures

The Dogs and Cats Online (DACO) system is South Australia's central dog and cat registration database that is accessible within each council. DACO is the primary collection process for annual pet registration fees on behalf of Councils, and stores information such as ownership, breeder and microchip data to support Councils and the DCMB in the discharge of their obligations under the Act. In 2024-25 the DCMB entered into an agreement with a third party provider to commission a new online system to replace DACO, which has subsequently been terminated. Refer to note 5.3 for further information.

Registration fees collected by the DCMB through DACO are deposited into the Dog and Cat Management Fund which was established under the *Dog and Cat Management Act 1995*.

Each financial year, the DCMB must transfer to councils the percentage of dog registrations fee collected as fixed in the *Dog and Cat Management Regulations 2017*. The DCMB does not control these funds and they are recorded as administered items below.

7.1. Administered items

Statement of Comprehensive Income for the Year Ended 30 June 2026	2026 $'000	2025 $'000
Income		
Registration fees	11 860	11 818
Total income	**11 860**	**11 818**
Expenses		
Registration fees to Councils	11 860	11 818
Total expenses	**11 860**	**11 818**
Net result	-	-

Statement of Financial Position as at 30 June 2026	2026 $'000	2025 $'000
Current assets		
Cash and cash equivalents	311	517
Receivables	21	28
Total current assets	**332**	**545**
Total assets	**332**	**545**
Current liabilities		
Payables	332	545
Total current liabilities	**332**	**545**
Total liabilities	**332**	**545**
Net assets	-	-
Equity		
Retained earnings	-	-
Total equity	-	-

Statement of Cash Flows for the Year Ended 30 June 2026	2026 $'000	2025 $'000
Cash flows from operating activities		
Cash inflows		
Registration fees	11 867	11 983
Cash outflows		
Registration fees to Councils	(12 073)	(11 970)
Net cash from operating activities	**(206)**	**13**
Net (decrease)/increase in cash and cash equivalents	(206)	13
Cash and cash equivalents at the beginning of the reporting period	517	504
Cash and cash equivalents at the end of the reporting period	**311**	**517**

8. Outlook

8.1. Unrecognised contractual commitments

Contractual commitments

Contractual commitments reflect the DACO system support and maintenance costs, as well as committed grants. The delivery of the new DACO 2.0 system was included in the 2024-25 financial year. Amounts relating to DACO 2.0 have not been included in the disclosure this year as, per note 5.3, the contract was terminated during 2025-26.

	2026	2025
	$'000	$'000
Within one year	421	1 646
Later than one year but not longer than five years	722	58
Total expenditure commitments	**1 143**	**1 704**

The DCMB's contractual commitments comprise:

- an agreement with Safe Pets Safe Families for the provision of funding towards their Community Connections Project
- agreements with third party providers for the provision of services relating to the operation of DACO and the South Australian Dog Attack Incidence Tracking system
- a Service Level Agreement with DEW for the provision of corporate services.

8.2. Contingent assets and liabilities

Contingent assets and liabilities are not recognised in the Statement of Financial Position, but are disclosed by way of a note and, if quantifiable, are measured at nominal value.

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

8.3. Events after the reporting period

There are no known events after balance date that affects these general purpose financial statements in a material manner.