



# ANNUAL REPORT

**2024 *to* 2025**

SRWRA is a regional subsidiary established by the Cities of Onkaparinga, Marion and Holdfast Bay, pursuant to Section 43 of the Local Government Act, 1999.

Under our Charter, SRWRA is responsible for providing and operating waste management services on behalf of our Constituent Councils.

Our core business activity is the management of our recycling facilities and landfill. We partner with industry experts and pride ourselves in employing innovative resource recovery approaches to support the circular economy.

Our joint venture operation with Integrated Waste Services (IWS) has continued to develop through the jointly owned Southern Recycling Centre (SRC) which is realising a significant reduction of waste to landfill and continues to work towards the targets set out in the Australian Government National Waste Policy Action Plan.

Our joint venture operation with Re.Cycle (Adelaide), a subsidiary of Re.Group, continues to prosper through the jointly owned Southern Materials Recovery Facility (SMRF). The SMRF, which is the largest in South Australia, is a state-of-the-art facility that provides processing of kerbside commingled recycling and produces the highest product purity levels in Australia.

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**SRWRA** CONSTITUENT  
COUNCILS



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**JOINT** VENTURE  
PARTNERS



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## CHAIRPERSON'S MESSAGE

On behalf of the Board, I am pleased to present the Annual Report for the year ended 30 June 2025 which demonstrates that the Authority continues to meet the objectives outlined in its Charter delivering sustainable waste management solutions for our Constituent Councils and the southern region of Adelaide.

South Australia has a long and proud history of leadership in resource recovery and waste avoidance at SRWRA we contribute to this leadership through the operation of a contemporary integrated waste and recycling facility at Seaford Heights. This facility provides waste and recycling services to southern Adelaide and the Fleurieu Peninsula via its landfill operation and joint ventures with industry experts, including Integrated Waste Services for the operation of the Southern Recycling Centre and Re.Group for the operation of the Southern Materials Recovery Facility, which is South Australia's largest and most technically advanced Materials Recovery Facility.

Over the past twelve months these facilities have received over 200,000 tonnes of waste, diverting approximately 58% of this from landfill into a productive use, of the 41,000 tonnes of kerbside recyclables we received around 85% of these valuable materials were recovered for re-use.

South Australia is set to continue this leadership by striving to create a sustainable economy by reducing reliance on virgin resources, eliminating waste and pollution, and reducing greenhouse gas emissions, the path towards this is set out in Accelerating SA's transition to a circular economy: South Australia's waste strategy 2025–2030. This a 5-year statewide strategy providing a framework of strategic objectives, goals, targets and priority actions to help the State to achieve its ambitions.

The objectives of the draft strategy are aligned with our own strategic priorities:

1. Contemporary service delivery
2. Environmental stewardship
3. Collaborative engagement, and
4. Good governance and sustainability.

We see some significant opportunities for SRWRA to contribute to the advancement of the State strategy.

We are already a strong contributor to the focus area of contributing to net zero emissions, through our arrangement with a private sector provider to generate electricity through the capture of landfill methane gas and through a solar array on a capped area of the landfill and in the recovery



of organics from Municipal Solid Waste at the Southern Recycling Centre providing substantial carbon abatement benefits. In 2026 we will progress further investment in this area to source our electricity needs from renewable sources.

Our Materials Recovery Facility produces recycled glass which is a suitable replacement for much of the 50,000 tonnes per year of virgin sand used in road construction.

In 2026 we will complete a significant investment in the construction of green organics processing facilities to enable SRWRA to process material from each of the kerbside bins collected by our constituent councils.

Over time SRWRA has made a significant investment in the land that surrounds the site and have leveraged this investment into strategic and productive uses such as the 600ML recycled water dam leased to Water Utilities Australia, we will continue to explore further opportunities for the productive use of this buffer land over the coming year.

In conclusion, I would like to express my heartfelt gratitude to everyone who has contributed to our success. I wish to acknowledge the contribution made the staff at SRWRA who manage all aspects of our operation very well, to Chris Adams who stepped down from his role as CEO in April after six years of dedicated service, and to Andrew Aitken for his very capable leadership over the last quarter of FY2025.

I extend my thanks to our joint venture partners who provide a foundation for our success, to our constituent councils for their unwavering support, to the Audit and Risk Committee for their oversight and guidance, and of course to the Board for their visionary leadership in ensuring SRWRA continues to provide a comprehensive waste management solutions for southern Adelaide.

Mark Booth  
**CHAIRPERSON**



## ACTING CHIEF EXECUTIVE OFFICER'S MESSAGE

SRWRA is now a well established and highly valued waste and recycling management entity located at a contemporary and innovative circular economy precinct at Seaford Heights. A recognised and responsible quality provider in the areas of landfill management, recycling, advanced materials recovery and renewable energy, 2024-25 saw another strong performance by SRWRA and its joint ventures.

Our unique, world class and integrated site provides processing facilities for both the kerbside waste and recycling bins, a landfill, a green energy precinct and a recycled water storage dam that supports McLaren Vale. The diversity of our site ensures we are leaders in delivering innovative and sustainable waste management solutions for the benefit of our southern Adelaide community and beyond.

SRWRA is committed to reducing contamination and diverting waste from landfill. In 2024-25, we received around 209,000 tonnes of waste from all streams, with around 58% (121,000 tonnes) of this waste diverted from landfill. The Southern Materials Recovery Facility (SMRF) Joint Venture with national provider Re.Group processed approximately 41,000 tonnes of commingled (yellow bin) recycling with a recovery rate of 85%. The Southern Recycling Centre (SRC) Joint Venture with Integrated Waste Services (IWS) plays a significant role in the diversion of organic waste from landfill. IWS processes Municipal Solid Waste (MSW) (red bin) waste from our Constituent and other Councils, around 30,000 tonnes of which is organics that is diverted from landfill to be further processed for landfill capping purposes.



The SRWRA site also includes a landfill biogas and solar farm facility owned and operated by LMS Energy. During the 2024-25 year, these operations abated 94,016 CO<sub>2</sub>e tonnes, equivalent to removing 37,757 cars from the road. These facilities also generated 15,132,411 kWh, enough to power 2,591 homes, and captured 12,101,761 cubic meters of methane, the size of 4,841 Olympic swimming pools.

The ability of SRWRA to deliver sustainable financial performance was again reflected in 2024-25 with an operating surplus of \$3.651m, including the once-off landfill liability component of \$2.264m, and with net assets of \$36.386m. This strong financial performance also supports the provision of \$13.603m for future landfill capping and post-closure liabilities.

This commitment to a sustainable and prosperous future for SRWRA was also evident during the year when the Board and management worked together to develop a new Long Term Financial Plan (LTFP) and to draft a new Strategic Plan, Vision 2030 Shaping our Future: 2025-2030. SRWRA's commitment to playing our collaborative role in achieving a truly circular economy for our region, our state and the nation remains paramount and is a centrepiece of these two documents.

The success of any organisation is built on its people. I take this opportunity to congratulate and thank our dedicated staff for their excellent teamwork and value-adding service over the course of the year. To this end, I am also grateful for the focused commitment and contribution of the SRWRA Board, adeptly and expertly led by its Chair, Mark Booth. The resoluteness of our Audit & Risk Committee as well as our two Joint Venture Advisory Committees is also greatly appreciated.

I thank the SRWRA Board for the opportunity and privilege of being Acting CEO during the final quarter of 2024-25 and wish SRWRA and its business partners continued success in the future.

Andrew Aitken  
**ACTING CHIEF EXECUTIVE OFFICER**

# BOARD OF MANAGEMENT

AS AT JUNE 30<sup>TH</sup> 2025



**CHAIRPERSON**  
Mark Booth

## MEMBERS



**CITY OF ONKAPARINGA**  
Jordan Pritchard



**CITY OF ONKAPARINGA**  
Kirk Richardson



**CITY OF MARION**  
Angela Allison



**CITY OF MARION**  
Matt Taylor



**CITY OF HOLDFAST BAY**  
Cadel Blunt



**CITY OF HOLDFAST BAY**  
John Smedley



**INDEPENDENT MEMBER**  
Roberto Bria



**INDEPENDENT MEMBER**  
Michael Williams

## DEPUTY MEMBERS



**CITY OF ONKAPARINGA**  
Heidi Greaves



**CITY OF ONKAPARINGA**  
Jessica Tucker



**CITY OF MARION**  
Ian Crossland



**CITY OF HOLDFAST BAY**  
Anthony Venning



**CITY OF HOLDFAST BAY**  
Pamela Jackson



# **FINANCIAL** REPORT

FOR THE FINANCIAL YEAR ENDED **30 JUNE 2025**

# SOUTHERN REGION WASTE RESOURCE AUTHORITY

## General Purpose Financial Report for the financial year ended 30 June 2025

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# SOUTHERN REGION WASTE RESOURCE AUTHORITY

## Annual Financial Statements for the financial year ended 30 June 2025

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### Certification of Financial Statements

I have been authorised by Southern Region Waste Resource Authority to certify the financial statements in their final form. In our opinion:

- the accompanying financial statements comply with the *Local Government Act 1999, Local Government (Financial Management) Regulations 2011 and Australian Accounting Standards*.
- the financial statements present a true and fair view of the Authority's financial position at 30 June 2025 and the results of its operations and cash flows for the financial year.
- internal controls implemented by the Authority provide a reasonable assurance that the Authority's financial records are complete, accurate and reliable and were effective throughout the financial year.
- the financial statements accurately reflect the Authority's accounting and other records.



Joshua Rose  
**Acting Chief Executive Officer**



Mark Booth  
**Chairperson**

**Date:** 22 September 2025

## SOUTHERN REGION WASTE RESOURCE AUTHORITY

### Statement of Comprehensive Income for the financial year ended 30 June 2025

|                                                              | Notes | 2025<br>\$'000 | 2024<br>\$'000 |
|--------------------------------------------------------------|-------|----------------|----------------|
| <b>Income</b>                                                |       |                |                |
| User charges                                                 | 2     | 15,565         | 16,474         |
| Investment income                                            | 2     | 1,338          | 921            |
| Other                                                        | 2     | 2,649          | 324            |
| Net gain - equity accounted Joint Venture                    | 13    | 1,653          | 1,482          |
| <b>Total Income</b>                                          |       | <b>21,205</b>  | <b>19,201</b>  |
| <b>Expenses</b>                                              |       |                |                |
| Employee costs                                               | 3     | 1,378          | 1,199          |
| Finance costs                                                | 6     | 553            | -              |
| Materials, contracts & other expenses                        | 3     | 14,120         | 14,170         |
| Depreciation, amortisation & impairment                      | 3     | 1,503          | 1,266          |
| <b>Total Expenses</b>                                        |       | <b>17,554</b>  | <b>16,635</b>  |
| <b>Operating Surplus</b>                                     |       | <b>3,651</b>   | <b>2,566</b>   |
| Asset disposal & fair value adjustments                      | 3     | 161            | -              |
| Amounts received specifically for new/upgraded assets        |       | -              | -              |
| <b>Net Surplus</b>                                           |       | <b>3,812</b>   | <b>2,566</b>   |
| <b>Other Comprehensive Income</b>                            |       |                |                |
| Changes in revaluation surplus - property, plant & equipment |       | 1,672          | -              |
| <b>Total Other Comprehensive Income</b>                      |       | <b>1,672</b>   | <b>-</b>       |
| <b>Total Comprehensive Income</b>                            |       | <b>5,484</b>   | <b>2,566</b>   |

This Statement is to be read in conjunction with the attached Notes.

# SOUTHERN REGION WASTE RESOURCE AUTHORITY

## Statement of Financial Position as at 30 June 2025

|                                      | Notes | 2025<br>\$'000 | 2024<br>\$'000 |
|--------------------------------------|-------|----------------|----------------|
| <b>Assets</b>                        |       |                |                |
| <b>Current Assets</b>                |       |                |                |
| Cash and cash equivalents            | 4     | 14,602         | 12,311         |
| Trade & other receivables            | 4     | 3,040          | 2,804          |
| Inventory                            | 6     | 6              | 23             |
| <b>Total Current Assets</b>          |       | <b>17,648</b>  | <b>15,138</b>  |
| <b>Non-current Assets</b>            |       |                |                |
| Equity accounted joint venture       | 13    | 9,393          | 9,440          |
| Property, plant & equipment          | 5     | 26,969         | 23,905         |
| <b>Total Non-current Assets</b>      |       | <b>36,362</b>  | <b>33,345</b>  |
| <b>Total Assets</b>                  |       | <b>54,010</b>  | <b>48,483</b>  |
| <b>Liabilities</b>                   |       |                |                |
| <b>Current Liabilities</b>           |       |                |                |
| Trade & other payables               | 6     | 3,865          | 3,716          |
| Provisions                           | 6     | 156            | 116            |
| <b>Total Current Liabilities</b>     |       | <b>4,021</b>   | <b>3,832</b>   |
| <b>Non-Current Liabilities</b>       |       |                |                |
| Provisions                           | 6     | 13,603         | 13,749         |
| <b>Total Non-current Liabilities</b> |       | <b>13,603</b>  | <b>13,749</b>  |
| <b>Total Liabilities</b>             |       | <b>17,624</b>  | <b>17,581</b>  |
| <b>Net Assets</b>                    |       | <b>36,386</b>  | <b>30,902</b>  |
| <b>Equity</b>                        |       |                |                |
| Accumulated surplus                  |       | 32,339         | 28,527         |
| Asset revaluation reserve            |       | 4,047          | 2,375          |
| <b>Total Equity</b>                  |       | <b>36,386</b>  | <b>30,902</b>  |

This Statement is to be read in conjunction with the attached Notes.

## SOUTHERN REGION WASTE RESOURCE AUTHORITY

### Statement of Changes in Equity for the financial year ended 30 June 2025

|                                                    | Accumulated<br>Surplus<br>\$'000 | Asset<br>Revaluation<br>Reserve<br>\$'000 | Total Equity<br>\$'000 |
|----------------------------------------------------|----------------------------------|-------------------------------------------|------------------------|
| <b>Balance at start of period - 1 July 2023</b>    | <b>25,961</b>                    | <b>2,375</b>                              | <b>28,336</b>          |
| Net Surplus/ (Deficit) for Year                    | 2,566                            | -                                         | 2,566                  |
| <b>Other Comprehensive Income</b>                  |                                  |                                           |                        |
| Gain on revaluation of property, plant & equipment | -                                | -                                         | -                      |
| Transfers between reserves                         | -                                | -                                         | -                      |
| Distributions to Member Councils                   | -                                | -                                         | -                      |
| <b>Balance at end of period - 30 June 2024</b>     | <b>28,527</b>                    | <b>2,375</b>                              | <b>30,902</b>          |
| <b>Balance at start of period - 1 July 2024</b>    | <b>28,527</b>                    | <b>2,375</b>                              | <b>30,902</b>          |
| Net Surplus/ (Deficit) for Year                    | 3,812                            | -                                         | 3,812                  |
| <b>Other Comprehensive Income</b>                  |                                  |                                           |                        |
| Gain on revaluation of property, plant & equipment | -                                | 1,672                                     | 1,672                  |
| Transfers between reserves                         | -                                | -                                         | -                      |
| Distributions to Member Councils                   | -                                | -                                         | -                      |
| <b>Balance at end of period - 30 June 2025</b>     | <b>32,339</b>                    | <b>4,047</b>                              | <b>36,386</b>          |

This Statement is to be read in conjunction with the attached Notes

## SOUTHERN REGION WASTE RESOURCE AUTHORITY

### Statement of Cash Flows for the financial year ended 30 June 2025

|                                                               | Notes | 2025<br>\$'000 | 2024<br>\$'000 |
|---------------------------------------------------------------|-------|----------------|----------------|
| <b>Cash Flows from Operating Activities</b>                   |       |                |                |
| Operating receipts from customers                             |       | 15,714         | 17,753         |
| Investment receipts                                           |       | 1,338          | 921            |
| Operating payments to suppliers & employees                   |       | (15,323)       | (15,826)       |
| Finance payments                                              |       | -              | -              |
| <b>Net Cash provided by (or used in) Operating Activities</b> | 7     | <b>1,729</b>   | <b>2,848</b>   |
| <b>Cash Flows from Investing Activities</b>                   |       |                |                |
| Sale of replaced assets                                       | 3     | 161            | -              |
| Distributions from equity accounted Joint Ventures            | 13    | 1,700          | 1,550          |
| Expenditure on renewal/replacement of assets                  | 5     | (895)          | (303)          |
| Expenditure on new/upgraded assets                            | 5     | (404)          | -              |
| <b>Net Cash provided by (or used in) Investing Activities</b> |       | <b>562</b>     | <b>1,247</b>   |
| <b>Cash Flows from Financing Activities</b>                   |       |                |                |
| Repayment Related Party Loans                                 |       | -              | 400            |
| Payment of Related Party Loans                                |       | -              | -              |
| <b>Net Cash provided by (or used in) Financing Activities</b> |       | <b>-</b>       | <b>400</b>     |
| <b>Net Increase (Decrease) in cash held</b>                   |       | <b>2,291</b>   | <b>4,495</b>   |
| Cash & cash equivalents at beginning of period                | 4     | 12,311         | 7,816          |
| <b>Cash &amp; cash equivalents at end of period</b>           | 4     | <b>14,602</b>  | <b>12,311</b>  |

This Statement is to be read in conjunction with the attached Notes

# SOUTHERN REGION WASTE RESOURCE AUTHORITY

## Notes to the Financial Statements

for the year ended 30 June 2025

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### Note 1 – Material Accounting Policies

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### 1 Basis of Preparation

##### 1.1 Compliance with Australian equivalents to International Financial Reporting Standards

This general-purpose financial report has been prepared in accordance with Australian equivalents to International Financial Reporting Standards (AIFRS) as they apply to not-for-profit entities, other authoritative pronouncements of the Australian Accounting Standards Board (AASB), Urgent Issues Group Interpretations (UIGs) and relevant South Australian legislation.

The Authority is a Local Government Authority Section 43 Regional Subsidiary under the control of City of Onkaparinga, City of Marion and the City of Holdfast Bay.

Each Constituent Council hold the following equitable interest in the Authority:

|                        |     |
|------------------------|-----|
| - City of Onkaparinga  | 55% |
| - City of Marion       | 30% |
| - City of Holdfast Bay | 15% |

##### 1.2 Historical Cost Convention

Except where stated below, these financial statements have been prepared in accordance with the historical cost convention.

##### 1.3 Critical Accounting Estimates

The preparation of financial statements in conformity with AIFRS requires the use of certain critical accounting estimates, and requires management to exercise its judgement in applying the Authority's accounting policies.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are specifically referred to in the relevant sections of this Note.

##### 1.4 Rounding

All amounts in the financial statements have been rounded to the nearest thousand dollars (\$'000).

#### 2 The Local Government Reporting Entity

Southern Region Waste Resource Authority operates as a regional subsidiary pursuant to Section 43 of the SA Local Government Act 1999 and Section 25 of the Local Government Implementation Act 1999, and has its principal place of business at 112 Bakewell Dr, Seaford Heights SA 5169.

#### 3 Income recognition

Income is measured at the fair value of the consideration received or receivable. Income is recognised when the Authority obtains control over the assets comprising the income, or when the amount due constitutes an enforceable debt, whichever first occurs.

#### 4 Cash, Cash Equivalents and other Financial Instruments

Cash Assets include all amounts readily convertible to cash on hand at the Authority's option with an insignificant risk of changes in value with a maturity of three months or less from the date of acquisition.

Receivables are generally unsecured and do not bear interest. All receivables are reviewed as at the reporting date and adequate allowance made for amounts the receipt of which is considered doubtful.

# SOUTHERN REGION WASTE RESOURCE AUTHORITY

## Notes to the Financial Statements

for the year ended 30 June 2025

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All financial instruments are recognised at fair value at the date of recognition. A detailed statement of the accounting policies applied to financial instruments forms part of Note 8.

### 5 Infrastructure, Property, Plant & Equipment

All non-current assets purchased or constructed are capitalised as the expenditure is incurred and depreciated as soon as the asset is held "ready for use".

#### 5.1 Initial Recognition

All assets are initially recognised at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition, including architects' fees and engineering design fees and all other costs incurred. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the Authority includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overhead.

Capital works still in progress at balance date are recognised as other non-current assets and transferred to infrastructure, property, plant & equipment when completed ready for use.

#### 5.2 Materiality

Assets with an economic life in excess of one year are only capitalised where the cost of acquisition exceeds materiality thresholds established by Authority for each type of asset. In determining (and in annually reviewing) such thresholds, regard is had to the nature of the asset and its estimated service life. No capitalisation threshold is applied to the acquisition of land or interests in land.

Capitalisation threshold applied of \$1,000 for all asset classes. Any purchases greater than this amount are capitalised and depreciated on the Authority's asset register.

#### 5.3 Depreciation of Non-Current Assets

Other than land, all infrastructure, property, plant and equipment assets recognised are systematically depreciated over their useful lives in a manner which reflects the consumption of the service potential embodied in those assets.

Depreciation is recognised on a straight-line basis. Major depreciation periods for each class are shown below. Depreciation of Landfill Construction and Future Capping, Rehabilitation and Restoration costs are amortised proportionately to the rate of filling based upon the projected remaining airspace of landfill cells as at the beginning of the reporting period. The Authority annually assesses the remaining airspace of landfill cells and accordingly, depreciation and amortisation rates are adjusted to reflect these estimates. Depreciation periods for infrastructure assets have been estimated based on the best information available to the Authority, but appropriate records covering the entire life cycle of these assets are not available, and extreme care should be used in interpreting financial information based on these estimated.

|                                             |                                              |
|---------------------------------------------|----------------------------------------------|
| Plant, Furniture & Equipment                | 3 - 10 years                                 |
| Buildings                                   | 30 - 50 years                                |
| Waste Facility                              | 10 - 15 years                                |
| Landfill construction                       | Amortised proportionately to rate of filling |
| Future capping costs                        | Amortised proportionately to rate of filling |
| Future rehabilitation and restoration costs | Amortised proportionately to rate of filling |

## 6 Payables

### 6.1 Goods & Services

Creditors are amounts due to external parties for the supply of goods and services and are recognised as liabilities when the goods and services are received. Creditors are normally paid 30 days after the month of invoice. No interest is payable on these amounts.

## 7 Employee Benefits

### 7.1 Salaries, Wages & Compensated Absences

Liabilities for employees' entitlements to salaries, wages and compensated absences expected to be paid or settled within 12 months of reporting date are accrued at nominal amounts (including payroll based oncosts) measured in accordance with AASB 119.

Liabilities for employee benefits not expected to be paid or settled within 12 months are measured as the present value of the estimated future cash outflows (including payroll-based oncosts) to be made in respect of services provided by employees up to the reporting date. Present values are calculated using government guaranteed securities rates with similar maturity terms.

The Authority recognises all presently entitled liabilities as current liabilities regardless of whether it is expected to be paid within the preceding 12 months of reporting date.

### 7.2 Superannuation

The Authority makes employer superannuation contributions in respect of its employees to Hostplus (formerly Statewide Super). The Scheme has two types of membership, each of which is funded differently.

#### Accumulation Fund Members

*Accumulation fund members receive both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings in accordance with Superannuation Guarantee Legislation 11.5% in 2024/25 (11% in 2023/24).*

*No further liability accrues to the employer as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.*

#### Salarylink (Defined Benefit Fund) Members

*Defined benefit scheme is where the benefit payable is based on a formula determined by the member's contribution rate, number of years and level of contribution and final average salary. The Authority makes employer contributions as determined by the scheme's Trustee based on advice from the Scheme's Actuarial. The most recent actuarial investigation was conducted by the Fund's actuary, Louise Campbell, FIAA, of Willis Towers Watson as at 30 June 2023.*

*The Trustee has determined that the current funding arrangements are adequate for the expected Salarylink liabilities. However, future financial and economic circumstances may require changes to the Authority's contribution rates at some future time.*

The Authority also makes contributions to other superannuation schemes selected by employees under the 'choice of fund' legislation.

All such schemes are of the accumulation type, where the superannuation benefits accruing to the employee are represented by their share of the new assets of the scheme, and no further liability attaches to the Authority.

# SOUTHERN REGION WASTE RESOURCE AUTHORITY

## Notes to the Financial Statements

for the year ended 30 June 2025

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### 8 Provisions for Landfill Capping, Rehabilitation and Restoration Costs

The Authority's provision for landfill capping, post closure rehabilitation costs and restoration costs are calculated based on the net present value of the future cash outflows expected to be incurred to remediate the landfill which will include the costs of capping, rehabilitating and restoring the landfill site.

The measurement of the provisions requires significant estimates and assumptions such as discount rate, inflation rate, assessment of the requirements of the Environment Protection Authority (EPA) or other government authorities, the timing, extent and costs of activities required and the area of the landfill to be remediated, which is determined by volumetric aerial surveys.

These uncertainties may result in future actual expenditure differing from the amounts currently provided. Expenditure relating to ongoing rehabilitation and restoration will reduce any provision previously established. The Authority monitors the remaining airspace, the airspace consumption efficiency (compaction) ratio, the discount rate and the inflation rate used to calculate the net present value of the future landfill capping, rehabilitation and restoration costs on an annual basis and makes adjustments to the liability as required to ensure an accurate projected cost of the liability is showing in the balance sheet.

A complete review of all future capping, rehabilitation and restoration costs including a review of all the key assumptions and estimates in relation to the measurement of these costs is performed on a regular basis with the assistance of external consultants to ensure all projected costs have been independently verified and details disclosed below.

The dates of the last review of the key assumptions and estimates in relation to the measurement of the future capping, rehabilitation and restoration costs are shown below:

| Costs                             | Effective Date | Independent Assessor        |
|-----------------------------------|----------------|-----------------------------|
| Capping costs                     | 1 July 2024    | Mockinya Consulting Pty Ltd |
| Post Closure Rehabilitation costs | 1 July 2024    | Mockinya Consulting Pty Ltd |

As a result of the valuation conducted in 2024/25, the total movement in liabilities were as follows:

|                                   |                          |
|-----------------------------------|--------------------------|
| Capping costs                     | \$1.841 million increase |
| Post Closure Rehabilitation costs | \$2.509 million decrease |

### 9 GST Implications

In accordance with UIG Abstract 1031 "Accounting for the Goods & Services Tax". Receivables and Creditors include GST receivable and payable. Except in relation to input taxed activities, revenues and operating expenditures exclude GST receivable and payable. Non-current assets and capital expenditures include GST net of any recoupment. Amounts included in the Statement of Cash Flows are disclosed on a gross basis.

### 10 Comparative Information

Comparative information has been reclassified to be consistent with the current year disclosure of equivalent information in accordance with AIFRS.

### 11 New Accounting Standards

No new accounting standards were applied by the Authority during the financial year. The Authority has not elected to early adopt any new accounting standards, interpretations or amendments which are not yet effective.

#### 12 Valuation of Land and Building Assets

Building assets held by the Authority were valued by Opteon (South Australia) Pty Ltd with an effective valuation date of 30 June 2014 applied for financial reporting purposes. Assets were valued to their market value based on highest and best use. The Authority has undertaken an internal valuation of building assets as at 1 July 2024 applying available market indices to reflect the estimated movement in market value of building assets up to the date of valuation. An increase in building asset values totalling \$1.672 million has been recorded in the Statement of Comprehensive Income.

Land assets held by the Authority were valued by AssetVal with an effective valuation date of 30 June 2022 applied for financial reporting purposes. Where there is an active and liquid market as evidenced by sales transactions of similar property types, a Market approach by way of Direct Comparison or Income methods were utilised.

An independent valuation of all land and building assets is being undertaken in the 2025/26 financial year.

Some parcels of land are subject to restrictions as to use and sale and the value of these land assets has been determined after considering suitable market evidence and making necessary adjustment to account for these restrictions.

#### 13 Valuation of Landfill Assets

Landfill assets comprise the acquisition of landfills, cell development costs, landfill improvements costs and the assets related to future landfill capping, rehabilitation and restoration costs.

Assets related to future landfill capping, rehabilitation and restoration costs are valued based on the net present value of the future cash outflows expected to remediate the landfill which will include the costs of capping, rehabilitating and restoring the landfill asset. The assumptions used to estimate these costs and details of their regular review are described in item 8 – Provision for Landfill Capping, Rehabilitation and Restoration Costs.

All landfill assets are amortised proportionately to the rate of filling as described in Note 1.5.3 Depreciation of Non-Current Assets.

#### 14 Equity Accounted Joint Ventures

The Authority accounts for its interest in Joint Ventures applying the equity method per AASB 128. The value of investments held in Joint Venture entities are held at cost.

# SOUTHERN REGION WASTE RESOURCE AUTHORITY

## Notes to the Financial Statements for the financial year ended 30 June 2025

|                               | 2025<br>\$'000 | 2024<br>\$'000 |
|-------------------------------|----------------|----------------|
| <b>Note 2 - Income</b>        |                |                |
| <b>User Charges</b>           |                |                |
| Landfill Operations           | 15,565         | 16,474         |
|                               | <b>15,565</b>  | <b>16,474</b>  |
| <b>Investment Income</b>      |                |                |
| Interest on investments       | 492            | 348            |
| Rental income                 | 846            | 573            |
|                               | <b>1,338</b>   | <b>921</b>     |
| <b>Other Income</b>           |                |                |
| Other income                  | 385            | 324            |
| Landfill Liability Adjustment | 2,264          | -              |
|                               | <b>2,649</b>   | <b>324</b>     |

A reduction in the Post Closure landfill liability resulted in the Authority recognising \$2,264 million in Other Income to offset the reduction recorded in the liability. The income recorded is a non-cash item recorded in the financial statements of the Authority.

### Note 3 - Expenses

|                                                  |               |               |
|--------------------------------------------------|---------------|---------------|
| <b>Employee Costs</b>                            |               |               |
| Salaries and Wages                               | 1,189         | 1,012         |
| Employee leave expense                           | 8             | 3             |
| Superannuation                                   | 145           | 123           |
| Workers' Compensation Insurance                  | 36            | 61            |
| Less: Capitalised and distributed costs          | -             | -             |
|                                                  | <b>1,378</b>  | <b>1,199</b>  |
| <b>Materials, Contracts &amp; Other Expenses</b> |               |               |
| Auditor's Remuneration                           | 34            | 12            |
| Board Expenses                                   | 50            | 42            |
| Contractors                                      | 995           | 612           |
| Fuels & oils                                     | 241           | 204           |
| Equipment hire                                   | 50            | 34            |
| Maintenance                                      | 737           | 417           |
| Legal                                            | 51            | 10            |
| Levies - EPA                                     | 11,448        | 12,300        |
| Professional services                            | 34            | 51            |
| Sundry                                           | 480           | 488           |
|                                                  | <b>14,120</b> | <b>14,170</b> |

## SOUTHERN REGION WASTE RESOURCE AUTHORITY

### Notes to the Financial Statements for the financial year ended 30 June 2025

#### Note 3 - Expenses (cont)

|                                                    | 2025<br>\$'000 | 2024<br>\$'000 |
|----------------------------------------------------|----------------|----------------|
| <b>Depreciation, Amortisation &amp; Impairment</b> |                |                |
| Buildings & Structures                             | 493            | 369            |
| Plant & Equipment                                  | 360            | 302            |
| Office Equipment                                   | 9              | 6              |
| Super Cell                                         | 275            | 301            |
| Super Cell Capping                                 | 366            | 259            |
| Post Closure Rehabilitation                        | -              | 29             |
|                                                    | <b>1,503</b>   | <b>1,266</b>   |
| <b>Asset Disposals</b>                             |                |                |
| Proceeds from disposal                             | 161            | -              |
| Less: Carrying amount of assets sold               | -              | -              |
| <b>Gain (Loss) on disposal</b>                     | <b>161</b>     | <b>-</b>       |

#### Note 4 - Current Assets

##### Cash & Cash Equivalents

|                          |               |               |
|--------------------------|---------------|---------------|
| Cash on Hand and at Bank | 2,331         | 2,046         |
| Short-term deposits      | 12,271        | 10,265        |
|                          | <b>14,602</b> | <b>12,311</b> |

##### Trade & Other Receivables

|                   |              |              |
|-------------------|--------------|--------------|
| Debtors - general | 2,826        | 2,576        |
| Accrued Revenues  | 92           | 115          |
| Prepayments       | 100          | 66           |
| Sundry Debtors    | 22           | 47           |
|                   | <b>3,040</b> | <b>2,804</b> |

## SOUTHERN REGION WASTE RESOURCE AUTHORITY

### Notes to the Financial Statements for the financial year ended 30 June 2025

#### Note 5 - Property, Plant & Equipment

|                             | 2024<br>\$'000 |               |                             |                 | 2025<br>\$'000 |               |                             |                 |
|-----------------------------|----------------|---------------|-----------------------------|-----------------|----------------|---------------|-----------------------------|-----------------|
|                             | At Fair Value  | At Cost       | Accumulated<br>Depreciation | Carrying Amount | At Fair Value  | At Cost       | Accumulated<br>Depreciation | Carrying Amount |
| Land                        | 6,335          | -             | -                           | 6,335           | 6,335          | -             | -                           | 6,335           |
| Buildings & Structures      | 560            | 11,875        | (1,992)                     | 10,443          | 16,871         | -             | (5,162)                     | 11,709          |
| Plant & Equipment           | -              | 5,273         | (3,542)                     | 1,731           | -              | 5,513         | (3,255)                     | 2,258           |
| Office Equipment            | -              | 154           | (141)                       | 13              | -              | 162           | (150)                       | 12              |
| Super Cell                  | -              | 8,988         | (6,432)                     | 2,556           | -              | 9,466         | (6,706)                     | 2,760           |
| Super Cell Capping          | 9,654          | -             | (7,454)                     | 2,200           | 11,495         | -             | (7,820)                     | 3,675           |
| Post Closure Rehabilitation | 6,143          | -             | (5,898)                     | 245             | 6,150          | -             | (6,150)                     | -               |
| Work in Progress            | -              | 382           | -                           | 382             | -              | 220           | -                           | 220             |
|                             | <b>22,692</b>  | <b>26,672</b> | <b>(25,459)</b>             | <b>23,905</b>   | <b>40,851</b>  | <b>15,361</b> | <b>(29,243)</b>             | <b>26,969</b>   |

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
for the financial year ended 30 June 2025

Note 5 - Property, Plant & Equipment

|                             | Movement in Property, Plant & Equipment during the Financial Year |                   |                          |                          |           |             |                          | 2025         |        |
|-----------------------------|-------------------------------------------------------------------|-------------------|--------------------------|--------------------------|-----------|-------------|--------------------------|--------------|--------|
|                             | 2024<br>\$'000                                                    | Carrying<br>Value | Renewal /<br>Replacement | Additions<br>New/Upgrade | Disposals | Revaluation | Adjustment /<br>Transfer | Depreciation | \$'000 |
| Land                        |                                                                   | 6,335             | -                        | -                        | -         | -           | -                        | -            | 6,335  |
| Buildings & Structures      |                                                                   | 10,443            | -                        | -                        | -         | 1,672       | 87                       | (493)        | 11,709 |
| Plant & Equipment           |                                                                   | 1,731             | 887                      | -                        | -         | -           | -                        | (360)        | 2,258  |
| Office Equipment            |                                                                   | 13                | 8                        | -                        | -         | -           | -                        | (9)          | 12     |
| Super Cell                  |                                                                   | 2,556             | -                        | -                        | -         | -           | 479                      | (275)        | 2,760  |
| Super Cell Capping          |                                                                   | 2,200             | -                        | -                        | -         | -           | 1,841                    | (366)        | 3,675  |
| Post Closure Rehabilitation |                                                                   | 245               | -                        | -                        | -         | -           | (245)                    | -            | -      |
| Work in Progress            |                                                                   | 382               | -                        | 689                      | -         | -           | (851)                    | -            | 220    |
|                             |                                                                   | 23,905            | 895                      | 689                      | -         | 1,672       | 1,311                    | (1,503)      | 26,969 |
|                             |                                                                   |                   |                          |                          |           |             |                          |              |        |
| 2024 \$'000                 |                                                                   | 24,868            | 305                      | -                        | -         | -           | (2)                      | (1,266)      | 23,905 |

# SOUTHERN REGION WASTE RESOURCE AUTHORITY

## Notes to the Financial Statements for the financial year ended 30 June 2025

### Note 6 - Liabilities

|                                   | 2025<br>\$'000 |               | 2024<br>\$'000 |               |
|-----------------------------------|----------------|---------------|----------------|---------------|
|                                   | Current        | Non-current   | Current        | Non-current   |
| <b>Trade &amp; Other Payables</b> |                |               |                |               |
| Goods & services                  | 3,849          | -             | 3,699          | -             |
| Payments received in advance      | 16             | -             | 17             | -             |
|                                   | <b>3,865</b>   | <b>-</b>      | <b>3,716</b>   | <b>-</b>      |
| <b>Provisions</b>                 |                |               |                |               |
| Annual Leave                      | 76             | -             | 63             | -             |
| Long Service Leave                | 80             | -             | 53             | 31            |
| Super Cell Capping                | -              | 11,983        | -              | 9,654         |
| Post Closure Rehabilitation       | -              | 1,620         | -              | 4,064         |
|                                   | <b>156</b>     | <b>13,603</b> | <b>116</b>     | <b>13,749</b> |

### Reconciliation of Movement in Landfill & Restoration Provisions

|                                                  | Super Cell<br>Capping | Post Closure<br>Rehabilitation | Total         |
|--------------------------------------------------|-----------------------|--------------------------------|---------------|
| <b>Opening Balance</b>                           | <b>9,654</b>          | <b>4,064</b>                   | <b>13,718</b> |
| Additional Amounts Recognised/<br>(Derecognised) | 1,841                 | (2,509)                        | (668)         |
| Payments                                         | -                     | -                              | -             |
| Unwinding of Present Value Discounts             | 488                   | 65                             | 553           |
| <b>Closing Balance</b>                           | <b>11,983</b>         | <b>1,620</b>                   | <b>13,603</b> |

Please refer to Note 1 part 8 for details regarding the valuation of landfill capping, post closure rehabilitation cost and restoration cost provisions. This information is important for the interpretation of these financial statements.

# SOUTHERN REGION WASTE RESOURCE AUTHORITY

## Notes to the Financial Statements for the financial year ended 30 June 2025

### Note 7 - Cash Flow Reconciliation

#### (a) Reconciliation of Cash

Cash Assets comprise highly liquid investments with short periods to maturity subject to insignificant risk of changes of value. Cash at the end of the reporting period as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

|                                  | 2025<br>\$'000 | 2024<br>\$'000 |
|----------------------------------|----------------|----------------|
| Total cash & equivalent assets   | 14,602         | 12,311         |
| Less: Short-term borrowings      | -              | -              |
| Balances per Cash Flow Statement | <u>14,602</u>  | <u>12,311</u>  |

#### (b) Reconciliation of Change in Net Assets to Cash from Operating Activities

|                                                     |                     |                     |
|-----------------------------------------------------|---------------------|---------------------|
| Net Surplus (Deficit)                               | 3,812               | 2,566               |
| Non-cash items in Income Statement                  |                     |                     |
| Depreciation, amortisation & impairment             | 1,503               | 1,266               |
| Movement in Landfill Provisions                     | (2,264)             | -                   |
| Net (Gain) Loss on equity accounted joint ventures  | (1,653)             | (1,482)             |
| Net (Gain) Loss on Disposal of Assets               | (161)               | -                   |
| Provision unwinding - finance costs                 | 553                 | -                   |
|                                                     | <u>1,790</u>        | <u>2,350</u>        |
| Add (Less): Changes in Net Current Assets           |                     |                     |
| Net (increase) decrease in receivables              | (236)               | 955                 |
| Net (increase) decrease in inventory                | 17                  | (23)                |
| Net increase (decrease) in trade & other payables   | 149                 | (437)               |
| Net increase (decrease) in other provisions         | 9                   | 3                   |
| <b>Net Cash provided by (or used in) operations</b> | <u><b>1,729</b></u> | <u><b>2,848</b></u> |

#### (c) Financing Arrangements

|                                        |     |     |
|----------------------------------------|-----|-----|
| Corporate Credit Cards                 | 20  | 20  |
| Cash Advance Debenture (CAD) Facility* | 500 | 500 |

\*The CAD facility is held with the Local Government Finance Authority (LGFA) and the Authority has no drawdown of funds from the facility as at reporting date.

# SOUTHERN REGION WASTE RESOURCE AUTHORITY

## Notes to the Financial Statements for the financial year ended 30 June 2025

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### Note 8 - Financial Instruments

#### Recognised Financial Instruments

**Bank, Deposits at Accounting Policy:** Carried at lower of cost and net realisable value; Interest is recognised **Call, Short Term** when earned.

##### Deposits

**Terms & conditions:** Deposits on Call do not have a maturity period and have an average interest rates of 4.15% (2024: 4.3%).

**Carrying amount:** approximates fair value due to the short term to maturity.

**Receivables - Gate Accounting Policy:** Carried at nominal values less any allowance for doubtful debts. An Fees & Associated allowance for doubtful debts is recognised (and re-assessed annually) when collection in Charges full is no longer probable.

**Carrying amount:** approximates fair value (after deduction of any allowance).

**Liabilities - Creditors Accounting Policy:** Liabilities are recognised for amounts to be paid in the future for and Accruals goods and services received, whether or not billed to the Authority.

**Terms & conditions:** Liabilities are normally settled on 30 day terms.

**Carrying amount:** approximates fair value.

#### Net Fair Value

All carrying values approximate fair value for all recognised financial instruments. There is no recognised market for the financial assets of the Authority.

#### Risk Exposure

Credit Risk represents the loss that would be recognised if counterparties fail to perform as contracted. The maximum credit risk on financial assets of the Authority is the carrying amount, net of any provision for doubtful debts. All investments are made with the SA Local Government Finance Authority and Bank SA. There is no material exposure to any individual debtor.

Market Risk is the risk that fair values of financial assets will fluctuate as a result of changes in market prices. All of the Authority's financial assets are denominated in Australian dollars and are not traded on any market, and hence neither market risk nor currency risk apply.

Liquidity Risk is the risk that the Authority will encounter difficulty in meeting obligations with financial liabilities. In accordance with the model Treasury Policy (LGA Information Paper 15), liabilities have a range of maturity dates based on cash inflows. The Authority also has available a range of bank overdraft and short-term draw down facilities that it can access.

Interest Rate Risk is the risk that future cash flows will fluctuate because of changes in market interest rates. Most of the Authority's financial instruments are at fixed rates. Any such variations in future cash flows will not be material in effect on either the Authority's incomes or expenditures.

## SOUTHERN REGION WASTE RESOURCE AUTHORITY

### Notes to the Financial Statements for the financial year ended 30 June 2025

#### Note 8 - Financial Instruments

##### Liquidity Analysis

| 2025                         | Maturity      |                       |           | Non-<br>interest<br>bearing | Total         |
|------------------------------|---------------|-----------------------|-----------|-----------------------------|---------------|
|                              | ≤ 1 year      | > 1 year<br>≤ 5 years | > 5 years |                             |               |
|                              | \$'000        | \$'000                | \$'000    | \$'000                      | \$'000        |
| <b>Financial Assets</b>      |               |                       |           |                             |               |
| <b>Amortised Cost</b>        |               |                       |           |                             |               |
| Cash Assets                  | 14,602        | -                     | -         | -                           | <b>14,602</b> |
| Receivables                  | -             | -                     | -         | 3,040                       | <b>3,040</b>  |
| <b>Total</b>                 | <b>14,602</b> | <b>-</b>              | <b>-</b>  | <b>3,040</b>                | <b>17,642</b> |
| <b>Financial Liabilities</b> |               |                       |           |                             |               |
| Payables                     | -             | -                     | -         | 3,865                       | <b>3,865</b>  |
| Borrowings                   | -             | -                     | -         | -                           | <b>-</b>      |
| <b>Total</b>                 | <b>-</b>      | <b>-</b>              | <b>-</b>  | <b>3,865</b>                | <b>3,865</b>  |

| 2024                         | Maturity      |                       |           | Non-<br>interest<br>bearing | Total         |
|------------------------------|---------------|-----------------------|-----------|-----------------------------|---------------|
|                              | ≤ 1 year      | > 1 year<br>≤ 5 years | > 5 years |                             |               |
|                              | \$'000        | \$'000                | \$'000    | \$'000                      | \$'000        |
| <b>Financial Assets</b>      |               |                       |           |                             |               |
| <b>Amortised Cost</b>        |               |                       |           |                             |               |
| Cash Assets                  | 12,311        | -                     | -         | -                           | <b>12,311</b> |
| Receivables                  | -             | -                     | -         | 2,804                       | <b>2,804</b>  |
| <b>Total</b>                 | <b>12,311</b> | <b>-</b>              | <b>-</b>  | <b>2,804</b>                | <b>15,115</b> |
| <b>Financial Liabilities</b> |               |                       |           |                             |               |
| Payables                     | -             | -                     | -         | 3,716                       | <b>3,716</b>  |
| Borrowings                   | -             | -                     | -         | -                           | <b>-</b>      |
| <b>Total</b>                 | <b>-</b>      | <b>-</b>              | <b>-</b>  | <b>3,716</b>                | <b>3,716</b>  |

# SOUTHERN REGION WASTE RESOURCE AUTHORITY

## Notes to the Financial Statements for the financial year ended 30 June 2025

### Note 9 - Commitments for Expenditure

|                            | 2025<br>\$'000 | 2024<br>\$'000 |
|----------------------------|----------------|----------------|
| <b>Capital Commitments</b> |                |                |

The Authority had no committed capital expenditure commitments as at reporting date to disclose.

### Note 10 - Events Occurring After Reporting Date

There were no events that occurred after reporting date that requires to be disclosed.

### Note 11 - Disclosure of Related Party Transactions

The Key Management Personnel include the Chair of the Board, Chief Executive and other officers prescribed under Section 112 of the *Local Government Act 1999*. In all, 5 persons were paid the following total compensation:

|                                                  |            |            |
|--------------------------------------------------|------------|------------|
| Salaries, allowances & other short term benefits | 675        | 454        |
| <b>Total</b>                                     | <b>675</b> | <b>454</b> |

Prior to commencing their role as Acting Chief Executive Officer, the officer received fees totalling \$4,750 for consultancy services provided.

#### Transactions with Related Parties:

The following transactions occurred with Related Parties:

| Related Party Entity                                  | Sale of Goods<br>and Services<br>(\$'000) | Amounts<br>Outstanding<br>from Related<br>Parties<br>(\$'000) | Description of Services<br>Provided to Related<br>Parties |
|-------------------------------------------------------|-------------------------------------------|---------------------------------------------------------------|-----------------------------------------------------------|
| City of Onkaparinga (Member Council)                  | 8,937                                     | 718                                                           | Provision of waste disposal services                      |
| City of Holdfast Bay (Member Council)                 | 1,403                                     | 117                                                           | Provision of waste disposal services                      |
| City of Marion (Member Council)                       | 3,992                                     | 322                                                           | Provision of waste disposal services                      |
| Southern Materials Recycling Facility (Joint Venture) | 2,996                                     | 194                                                           | Provision of waste disposal services                      |
| Southern Recycling Centre (Joint venture)             | 8,455                                     | 599                                                           | Provision of waste disposal services                      |

Amounts recorded as outstanding from Related Parties are recorded in Trade and other receivables in Note 4. Member Councils have equal representation on the Board of the Authority and accordingly have significant influence on the financial and operating decisions of the Authority. No one Member Council individually has control of those policies.

# SOUTHERN REGION WASTE RESOURCE AUTHORITY

## Notes to the Financial Statements for the financial year ended 30 June 2025

### Note 12 - Uniform Presentation of Finances

|                                                                                   | 2025<br>\$'000   | 2024<br>\$'000   |
|-----------------------------------------------------------------------------------|------------------|------------------|
| <b>Income</b>                                                                     |                  |                  |
| <i>User charges</i>                                                               | 15,565           | 16,474           |
| <i>Investment income</i>                                                          | 1,338            | 921              |
| <i>Other</i>                                                                      | 2,649            | 324              |
| <i>Net gain - equity accounted Joint Venture</i>                                  | 1,653            | 1,482            |
|                                                                                   | <b>21,205</b>    | <b>19,201</b>    |
| <b>Expenses</b>                                                                   |                  |                  |
| <i>Employee costs</i>                                                             | 1,378            | 1,199            |
| <i>Finance costs</i>                                                              | 553              | -                |
| <i>Materials, contracts &amp; other expenses</i>                                  | 14,120           | 14,170           |
| <i>Depreciation, amortisation &amp; impairment</i>                                | 1,503            | 1,266            |
|                                                                                   | <b>(17,554)</b>  | <b>(16,635)</b>  |
| <br>Operating Surplus / (Deficit)                                                 | <br><b>3,651</b> | <br><b>2,566</b> |
| <b>Net Outlays on Existing Assets</b>                                             |                  |                  |
| <i>Capital Expenditure on renewal and replacement of Existing Assets</i>          | (895)            | (303)            |
| <i>Depreciation, Amortisation, Impairment and Movement in Landfill Provisions</i> | 1,503            | 1,266            |
| <i>Proceeds from Sale of Replaced Assets</i>                                      | 161              | -                |
|                                                                                   | <b>769</b>       | <b>963</b>       |
| <b>Net Outlays on New and Upgraded Assets</b>                                     |                  |                  |
| <i>Capital Expenditure on New and Upgraded Assets</i>                             | (404)            | -                |
| <i>Amounts received specifically for New and Upgraded Assets</i>                  | -                | -                |
| <i>Proceeds from Sale of Surplus Assets</i>                                       | -                | -                |
|                                                                                   | <b>(404)</b>     | <b>-</b>         |
| <br>Net Lending / (Borrowing) for Financial Year                                  | <br><b>4,016</b> | <br><b>3,529</b> |

## SOUTHERN REGION WASTE RESOURCE AUTHORITY

### Notes to the Financial Statements for the financial year ended 30 June 2025

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#### Note 13 - Equity Accounting Joint Ventures

##### Southern Recycling Centre (SRC)

The Authority has entered into a joint venture arrangement with Integrated Waste Services to operate the Southern Recycling Centre located on the Authority's landfill site.

|                                                   | 2025         | 2024         |
|---------------------------------------------------|--------------|--------------|
|                                                   | \$'000       | \$'000       |
| <b>The Authority's respective interests are:</b>  |              |              |
| - interest in operating result:                   | 50.00%       | 50.00%       |
| - ownership of equity                             | 49.99%       | 49.99%       |
| - the proportion of voting power                  | 50.00%       | 50.00%       |
| <u>Movement in Investment in Joint Operation:</u> |              |              |
| Opening Balance                                   | 1,367        | 1,410        |
| New Capital Contributions                         | -            | -            |
| Share in Operating Result                         | 1,506        | 1,507        |
| Equity Adjustment                                 | -            | -            |
| Distributions Received                            | (1,700)      | (1,550)      |
| <b>Share in Equity of Joint Operation</b>         | <b>1,173</b> | <b>1,367</b> |

##### Expenditure Commitments

There were no expenditure commitments at reporting date that required to be recognised in the financial statements.

##### Contingent Liabilities

There were no contingent liabilities at reporting date that required to be recognised in the financial statements.

## SOUTHERN REGION WASTE RESOURCE AUTHORITY

### Notes to the financial statements for the financial year ended 30 June 2025

#### Note 13 (cont.) - Equity Accounting Joint Ventures

##### Southern Materials Recycling Facility (SMRF)

The Authority has entered into a joint venture arrangement with Re.Cycle (Adelaide) Pty Ltd to operate the Southern Material Recovery Facility located on the Authority's landfill site.

|                                                   | 2025<br>\$'000 | 2024<br>\$'000 |
|---------------------------------------------------|----------------|----------------|
| <b>The Authority's respective interests are:</b>  |                |                |
| - interest in operating result:                   | 50.00%         | 50.00%         |
| - ownership of equity                             | 50.00%         | 50.00%         |
| - the proportion of voting power                  | 50.00%         | 50.00%         |
| <u>Movement in Investment in Joint Operation:</u> |                |                |
| Opening Balance                                   | 8,073          | 8,098          |
| Capital Contributions (cash contribution)         | -              | -              |
| Capital Contributions (transfer of plant assets)  | -              | -              |
| Capital Contribution (conversion to loan)         | -              | -              |
| Share in Operating Result                         | 147            | (25)           |
| <b>Share in Equity of Joint Operation</b>         | <b>8,220</b>   | <b>8,073</b>   |

The Authority applies AASB 1058 when recognising income from Grants in line with the applicable treatment applied by not-for-profit entities. The Joint Venture recognises grant income on a different basis which has resulted in an inconsistent application of accounting policy between the entities on the timing of recognising income from grant revenues. As a result of this different application in accounting standards and policy on grant revenue recognition, this has resulted in an adjustment to the Share in Operating Result of \$0.219 million (decrease) in the current financial year.

##### Expenditure Commitments

There are no capital construction commitments as at reporting date to disclose.

##### Contingent Liabilities

There were no contingent liabilities at reporting date that required to be recognised in the financial statements.

# SOUTHERN REGION WASTE RESOURCE AUTHORITY

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 30 June 2025

### Note 14 - Fair Value Measurements

The Authority measures and recognises the following assets at fair value on a recurring basis after initial recognition:

- Land assets.

The Authority does not subsequently measure any liabilities at fair value on a recurring basis, or any assets or liabilities at fair value on a non-recurring basis.

#### (a) Fair value hierarchy

AASB 13: *Fair Value Measurement* requires the disclosure of fair value information according to the relevant level in the fair value hierarchy. This hierarchy categorises fair value measurements into one of three possible levels based on the lowest level that a significant input can be categorised into. The levels are outlined below:

| Level 1                                                                                                                                                    | Level 2                                                                                                                                                  | Level 3                                                               |
|------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------|
| Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. | Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. | Measurements based on unobservable inputs for the asset or liability. |

The fair value of assets and liabilities that are not traded in an active market is determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

#### *Valuation techniques*

The Authority selects valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the association are consistent with one or more of the following valuation approaches:

- *Market approach*: uses prices and other relevant information generated by market transactions involving identical or similar assets or liabilities.
- *Income approach*: converts estimated future cash flows or income and expenses into a single current (i.e. discounted) value.
- *Cost approach*: reflects the current replacement cost of an asset at its current service capacity.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Authority gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data are not available and therefore are developed using the best information available about such assumptions are considered unobservable.

# SOUTHERN REGION WASTE RESOURCE AUTHORITY

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 30 June 2025

|                                                            | Note | Level<br>\$ | Level 2<br>\$ | Level<br>\$   | Total<br>\$   |
|------------------------------------------------------------|------|-------------|---------------|---------------|---------------|
| <b>2025</b>                                                |      |             |               |               |               |
| Recurring fair value measurements                          |      |             |               |               |               |
| <b>Property, Plant &amp; Equipment and Landfill Assets</b> |      |             |               |               |               |
| - Land                                                     |      |             | 6,335         |               |               |
| - Buildings                                                | 5    | -           |               | -             | 6,335         |
|                                                            | 5    | -           | 16,871        | -             | 16,871        |
| - Super Cell Capping                                       | 5    | -           | -             | 11,495        | 11,495        |
| - Post Closure Rehabilitation                              | 5    | -           | -             | 6,150         | 6,150         |
| <b>Total financial assets recognised at fair value</b>     |      | -           | <b>23,206</b> | <b>17,645</b> | <b>40,851</b> |

|                                                            |   |   |              |               |               |
|------------------------------------------------------------|---|---|--------------|---------------|---------------|
| <b>2024</b>                                                |   |   |              |               |               |
| Recurring fair value measurements                          |   |   |              |               |               |
| <b>Property, Plant &amp; Equipment and Landfill Assets</b> |   |   |              |               |               |
| - Land                                                     | 5 | - | 6,335        | -             | 6,335         |
| - Buildings                                                | 5 | - | 560          | -             | 560           |
| - Super Cell Capping                                       | 5 | - | -            | 9,654         | 9,654         |
| - Post Closure Rehabilitation                              | 5 | - | -            | 6,143         | 6,143         |
| <b>Total financial assets recognised at fair value</b>     |   | - | <b>6,895</b> | <b>15,797</b> | <b>22,692</b> |

### (b) Disclosed fair value measurements

The following tables provide the level of the fair value hierarchy within which the disclosed fair value measurements are categorised in their entirety and a description of the valuation technique(s) and inputs used.

|                                                                                                                                 | Fair Value<br>Hierarchy<br>Level | Valuation<br>Technique | Inputs Used                                                                          |
|---------------------------------------------------------------------------------------------------------------------------------|----------------------------------|------------------------|--------------------------------------------------------------------------------------|
| There has been no change in the valuation technique(s) used to calculate the fair values disclosed in the financial statements. | 2                                | Market Value           | Observable sales of similar properties – both vacant land and land with improvements |

# SOUTHERN REGION WASTE RESOURCE AUTHORITY

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 30 June 2025

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|                                                                                                                                                                        |   |               |                                                                                                                                                                                                                                                                                                                                                                                         |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|---------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| There has been no change in the valuation technique(s) used to calculate the fair values disclosed in the financial statements.                                        | 3 | Cost Approach | Landfill assets unobservable inputs. The measure of these costs requires significant estimates and assumptions such as: discount rate, inflation rate, assessment of EPA requirements, the timing, extent and costs of the required activities and the estimated remaining airspace of the landfill.                                                                                    |
| There has been no change in the valuation technique(s) used to determine the value of parcels of land where there are restrictions as to use and sale of these assets. | 3 | Market Value  | Land assets unobservable inputs. Some parcels of land are subject to restrictions as to use and sale and the value of these land assets has been determined after considering suitable market evidence and making necessary adjustments to account for these restrictions. These adjustments are usually unobservable inputs that are likely to have a significant effect on valuation. |



Southern Region Waste Resource Authority

Audit & Risk Committee – Auditor Independence

### Presiding Member Certification

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of the Southern Region Waste Resource Authority for the year ended 30 June 2025, the Authority's Auditor, Galpins, has maintained its independence in accordance with the requirements of the Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011 made under that Act

This statement is prepared in accordance with the requirements of Regulation 22 (3) Local Government (Financial Management) Regulations 2011.

A handwritten signature in black ink, appearing to read 'D Powell', is positioned above the printed name of the Presiding Member.

19 August 2025

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David Powell  
Presiding Member  
Southern Region Waste Resource Authority  
Audit & Risk Committee

Dated

## SOUTHERN REGION WASTE RESOURCE AUTHORITY

### GENERAL PURPOSE FINANCIAL STATEMENTS For the year ended 30 June 2025

#### Statement by Auditor

I confirm that, for the audit of the financial statements of the Southern Region Waste Resource Authority for the year ended 30 June 2025, I have maintained my independence in accordance with the requirements of APES 110 – *Code of Ethics for Professional Accountants (including Independence Standards)*, Part 4A, published by the Accounting Professional and Ethical Standards Board, in accordance with the Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011 made under that Act.

This statement is prepared in accordance with the requirements of Regulation 22 (5) *Local Government (Financial Management) Regulation 2011*.

#### GALPINS ACCOUNTANTS, AUDITORS & BUSINESS CONSULTANTS



**Tim Muhlhausler** CA, Registered Company Auditor

Director

25 September 2025

#### Mount Gambier

233 Commercial Street West  
PO Box 246, Mount Gambier SA 5262  
P: (08) 8725 3068  
F: (08) 8724 9553  
E: admin@galpins.com.au

#### Stirling

Unit 4, 3-5 Mount Barker Road  
PO Box 727, Stirling SA 5152  
P: (08) 8339 1255  
F: (08) 8339 1266  
E: stirling@galpins.com.au

#### Norwood

3 Kensington Road, Norwood SA  
PO Box 4067, Norwood South SA  
P: (08) 8332 3433  
E: norwood@galpins.com.au

W: www.galpins.com.au

Galpins Trading Pty Ltd

ABN 22 151 822 021



## INDEPENDENT AUDITOR'S REPORT

To the members of the Southern Region Waste Resource Authority

### Report on the Audit of the Financial Report

#### Opinion

We have audited the accompanying financial report of SRWRA (the Authority), which comprises the statements of financial position as at 30 June 2025, the statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the statement by the Executive Officer and the Chairman.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of the Authority as at 30 June 2025, and its financial performance and its cash flow for the year then ended in accordance with the Australia Accounting Standards, *Local Government Act 1999* and *Local Government (Financial Management) Regulations 2011*.

#### Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Authority in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Responsibility for the Financial Report

The Authority is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations), the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* and for such internal control as Authority determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Authority is responsible for assessing the authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Authority either intends to liquidate the Authority or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Authority's financial reporting process.

#### Auditor's Responsibility for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatements, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level 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 decision of users taken on the basis of this financial report.

#### Mount Gambier

233 Commercial Street West  
PO Box 246, Mount Gambier SA 5260  
P: (08) 8725 3068  
F: (08) 8724 9553  
E: admin@galpins.com.au

#### Stirling

Unit 4, 3-5 Mount Barker Road  
PO Box 727, Stirling SA 5152  
P: (08) 8339 1255  
F: (08) 8339 1266  
E: stirling@galpins.com.au

#### Norwood

3 Kensington Road, Norwood SA  
PO Box 4067, Norwood South SA  
P: (08) 8332 3433  
E: norwood@galpins.com.au

W: www.galpins.com.au

Galpins Trading Pty Ltd

ABN 28 151 822 001

As part of an audit of the financial report in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We 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 our 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 of the financial report in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of 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 Authority's ability 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.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

#### **GALPINS ACCOUNTANTS, AUDITORS & BUSINESS CONSULTANTS**



**Tim Muhlhausler** CA, Registered Company Auditor

Director

25 September 2025



## INDEPENDENT ASSURANCE REPORT ON THE INTERNAL CONTROLS OF THE SOUTHERN REGION WASTE RESOURCE AUTHORITY

To the members of the Southern Region Waste Resource Authority

### Opinion

We have audited the compliance of SRWRA (the Authority) with the requirements of Section 125 of the *Local Government Act 1999* in relation only to the internal controls established by the Authority to ensure that financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities for the period 1 July 2024 to 30 June 2025 have been conducted properly and in accordance with the law.

In our opinion, SRWRA has complied, in all material respects, with Section 125 of the *Local Government Act 1999* in relation to internal controls established by the Authority in relation to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities so as to provide reasonable assurance that the financial transactions of the Authority have been conducted properly and in accordance with law for the period 1 July 2024 to 30 June 2025.

### Basis for Opinion

We conducted our engagement in accordance with applicable Australian Standards on Assurance Engagement ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* and ASAE 3150 *Assurance Engagement on Controls*, issued by the Australian Auditing and Assurance Standards Board, in order to state whether, in all material respects, the Authority has complied with Section 125 of the *Local Government Act 1999* in relation only to the internal controls specified above for the period 1 July 2024 to 30 June 2025. ASAE 3000 also requires us to comply with the relevant ethical requirements of the Australian professional accounting bodies.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### The Authority's Responsibility for Internal Control

The Authority is responsible for implementing and maintaining an adequate system of internal controls, in accordance with Section 125 of the *Local Government Act 1999* to ensure that the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities have been conducted properly and in accordance with law.

### Our Independence and Quality Control

We have complied with the independence and other relevant ethical requirements relating to assurance engagements, and applied Auditing Standard ASQC 1 *Quality Control for Firms that Performs Audits and Reviews of Financial Reports and Other Financial Information, and Other Assurance Engagements* in undertaking this assurance engagement.

#### Mount Gambier

233 Commercial Street West  
PO Box 246, Mount Gambier SA 5103  
P: (08) 8725 3068  
F: (08) 8724 9553  
E: [admin@galpins.com.au](mailto:admin@galpins.com.au)

#### Stirling

Unit 4, 3-5 Mount Barker Road  
PO Box 727, Stirling SA 5152  
P: (08) 8339 1255  
F: (08) 8339 1266  
E: [stirling@galpins.com.au](mailto:stirling@galpins.com.au)

#### Norwood

3 Kensington Road, Norwood SA  
PO Box 4067, Norwood South SA  
P: (08) 8332 3433  
E: [norwood@galpins.com.au](mailto:norwood@galpins.com.au)

W: [www.galpins.com.au](http://www.galpins.com.au)

Galpins Trading Pty Ltd

ABN 69 151 822 001

### **Auditor's responsibility**

Our responsibility is to express an opinion on the Authority's compliance with Section 125 of the *Local Government Act 1999* in relation only to the internal controls established by the Authority to ensure that financial transactions relating to receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities, based on our procedures. Our engagement has been conducted in accordance with applicable Australian Standards on Assurance Engagements ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Information* and ASAE 3150 *Assurance Engagements on Controls*, issued by the Australian Auditing and Assurance Standards Board, in order to state whether, in all material respects, the Authority has complied with Section 125 of the *Local Government Act 1999* in relation only to the internal controls specified above for the period 1 July 2024 to 30 June 2025. ASAE 3000 also requires us to comply with the relevant ethical requirements for the Australian professional accounting bodies.

### **Limitations of Controls**

Because of the inherent limitations of any internal control structure it is possible that, even if the controls are suitably designed and operating effectively, the control objectives may not be achieved so that fraud, error, or non-compliance with laws and regulations may occur and not be detected.

An assurance engagement on controls is not designed to detect all instances of controls operating ineffectively as it is not performed continuously throughout the period and the tests performed are on a sample basis. Any projection of the outcome of the evaluation of controls to future periods is subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with them may deteriorate.

### **Limitations of Use**

This report has been prepared for the members of the Authority in accordance with section 129 of the *Local Government Act 1999* in relation to the internal controls specified above. We disclaim any assumption of responsibility for any reliance on this report to any persons or users other than the members of the Authority, or for any purpose other than that for which it was prepared.

### **GALPINS ACCOUNTANTS, AUDITORS & BUSINESS CONSULTANTS**



**Tim Muhlhausler** CA, Registered Company Auditor

Director

25 September 2025



## Southern Region Waste Resource Authority

### Certification of Auditor Independence for the year ending 30 June 2025

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of the Southern Region Waste Resource Authority for the year ended 30 June 2025, the Authority's Auditor, Galpins, has maintained its independence in accordance with the requirements of the Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011 made under that Act

This statement is prepared in accordance with the requirements of Regulation 22 (3) Local Government (Financial Management) Regulations 2011.

14 August 2025

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Mark Booth  
Chairperson  
Southern Region Waste Resource Authority

Dated

Chief Executive Officer's Certificate of Compliance

Auditor Independence

Southern Region Waste Resource Authority

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of the Southern Region Waste Resource Authority for the year ended 30 June 2025, the Authority's Auditor, Galpins, has maintained its independence in accordance with the requirements of the Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011 made under that Act.

This statement is prepared in accordance with the requirements of Regulation 22 (3) Local Government (Financial Management) Regulations 2011.



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Phu Nguyen  
Chief Executive Officer  
City of Onkaparinga

Dated 20 August 2025

## Chief Executive Officer's Certificate of Compliance

### Auditor Independence

#### Southern Region Waste Resource Authority

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of the Southern Region Waste Resource Authority for the year ended 30 June 2025, the Authority's Auditor, Galpins, has maintained its independence in accordance with the requirements of the Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011 made under that Act

This statement is prepared in accordance with the requirements of Regulation 22 (3) Local Government (Financial Management) Regulations 2011.



**Tony Harrison**  
Chief Executive Officer  
City of Marion

20 August 2025

Dated

The City of Marion acknowledges it is part of Kaurna land and recognises the Kaurna people as the traditional and continuing custodians of the land.

**Chief Executive Officer's Certificate of Compliance**

**Auditor Independence**

**Southern Region Waste Resource Authority**

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of the Southern Region Waste Resource Authority for the year ended 30 June 2025, the Authority's Auditor, Galpins, has maintained its independence in accordance with the requirements of the Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011 made under that Act.

This statement is prepared in accordance with the requirements of Regulation 22 (3) Local Government (Financial Management) Regulations 2011.



Marnie Lock  
Acting Chief Executive Officer  
City of Holdfast Bay

20 · 08 · 2025

Dated

# ATTENDANCE AT BOARD MEETINGS

| BOARD MEMBERS                                                             | MEETINGS HELD<br>WHILST MEMBER | MEETINGS<br>ATTENDED |
|---------------------------------------------------------------------------|--------------------------------|----------------------|
| <b>CHAIRPERSON</b> Mark Booth                                             | 6                              | 6                    |
| <b>INDEPENDENT MEMBER</b> Roberto Bria                                    | 2                              | 2                    |
| <b>INDEPENDENT MEMBER</b> Michael Williams                                | 2                              | 2                    |
| <b>CITY OF ONKAPARINGA</b> Kirk Richardson                                | 6                              | 4                    |
| <b>CITY OF ONKAPARINGA</b> Jordan Pritchard                               | 6                              | 6                    |
| <b>CITY OF MARION</b> Angela Allison                                      | 6                              | 5                    |
| <b>CITY OF MARION</b> Ray Barnwell<br><i>Vacated in November 2024</i>     | 3                              | 2                    |
| <b>CITY OF MARION</b> Matt Taylor                                         | 3                              | 2                    |
| <b>CITY OF HOLDFAST BAY</b> Roberto Bria<br><i>Vacated in August 2024</i> | 1                              | 1                    |
| <b>CITY OF HOLDFAST BAY</b> Cadel Blunt                                   | 5                              | 4                    |
| <b>CITY OF HOLDFAST BAY</b> John Smedley                                  | 6                              | 4                    |

## DEPUTY BOARD MEMBERS

Please Note: Deputy Members are only required to attend a Meeting when the Member is an apology

|                                             |   |   |
|---------------------------------------------|---|---|
| <b>CITY OF ONKAPARINGA</b> Heidi Greaves    | 6 | 0 |
| <b>CITY OF ONKAPARINGA</b> Jessica Tucker   | 6 | 3 |
| <b>CITY OF MARION</b> Ian Crossland         | 6 | 0 |
| <b>CITY OF HOLDFAST BAY</b> Anthony Venning | 6 | 5 |
| <b>CITY OF HOLDFAST BAY</b> Pamela Jackson  | 6 | 0 |

# ATTENDANCE AT AUDIT & RISK COMMITTEE MEETINGS

|                                                 | MEETINGS HELD<br>WHILST MEMBER | MEETINGS<br>ATTENDED |
|-------------------------------------------------|--------------------------------|----------------------|
| <b>DAVID POWELL</b> Presiding Member            | 5                              | 5                    |
| <b>JOSH HUBBARD</b>                             | 5                              | 5                    |
| <b>TIM O'LOUGHLIN</b>                           | 5                              | 4                    |
| <b>MARK BOOTH</b>                               | 5                              | 3                    |
| <b>JOHN SMEDLEY</b> Deputy SRWRA Representative | 5                              | 2                    |

Please Note: Deputy Members are only required to attend a Meeting when the Member is an apology

# **PERFORMANCE** AGAINST BUSINESS PLAN



Each year SRWRA prepares an Annual Business Plan, detailing its actions and measures, that is submitted to the Constituent Councils.

## RESOURCE RECOVERY

| NUMBER     | ACTION                                                                                      | KPI/<br>ACTION<br><i>(Strategic Plan)</i> | STATUS/PROGRESS                                                                                                   |
|------------|---------------------------------------------------------------------------------------------|-------------------------------------------|-------------------------------------------------------------------------------------------------------------------|
| <b>1.2</b> | Implement year 2 of the Communication and Education Strategy                                | KPI 3                                     | Strategy to be further reviewed in 2025-26                                                                        |
| 1.2.1      | Develop digital content plan for website                                                    |                                           | Additional content uploaded to website with further content to be considered as part of strategic review.         |
| 1.2.2      | Develop a digital tour                                                                      |                                           | Extent of digital and site tours to be consider as part of strategic review.                                      |
| <b>1.3</b> | Progress the development of the Circular Economy Park                                       | KPI 8                                     | Project has been deferred by the Board.                                                                           |
| 1.3.1      | Undertake economic viability study                                                          |                                           | Results were presented to the Board.                                                                              |
| <b>1.4</b> | Investigate options to increase diversion from landfill                                     | KPI 6                                     | Trailer pad area requires focus. Opportunities for IWS to improve resource recovery.                              |
| 1.4.1      | Assess loads for potential diversion from landfill                                          |                                           | Weighbridge operators have been trained to identify diversion opportunities. Training ongoing.                    |
| 1.4.2      | Develop business case for the processing of green waste                                     |                                           | IWS Prepared the business case for the SRC Joint Venture. JV Committee approved the business case at its meeting. |
| <b>1.5</b> | Seek opportunities to source landfill cell construction and capping material from customers | KPI 4                                     | Completed                                                                                                         |
| 1.5.1      | Assess & plan capping material stockpile locations                                          |                                           | Completed                                                                                                         |
| 1.5.2      | Deliver capping material specification                                                      |                                           | Completed                                                                                                         |
| <b>1.6</b> | Maximise the use of recovered resources on site                                             | KPI 8                                     | Completed                                                                                                         |
| 1.6.1      | Prepare & lodge application for EPA recovered resource Approved Operational Use (AOU)       |                                           | Completed                                                                                                         |

## OPERATIONAL EXCELLENCE

| NUMBER     | ACTION                                                                 | KPI/<br>ACTION<br><i>(Strategic Plan)</i> | STATUS/PROGRESS                                                                                                          |
|------------|------------------------------------------------------------------------|-------------------------------------------|--------------------------------------------------------------------------------------------------------------------------|
| <b>2.1</b> | Continuously review and improve workplace safety systems.              | KPI 1                                     | Completed                                                                                                                |
| 2.1.1      | Monthly WHS Performance Reporting to SRWRA Leadership Group            |                                           | Completed                                                                                                                |
| 2.1.2      | Monthly WHS Action Plan update meeting with LGRS Regional Risk Advisor |                                           | Completed                                                                                                                |
| <b>2.2</b> | Maximise remaining landfill airspace and future landfill cells.        | KPI 5,<br>KPI 6                           | Completed                                                                                                                |
| 2.2.2      | Review the operational efficiency of the landfill.                     |                                           | Completed. Additional operator training completed 21/22 Jan                                                              |
| <b>2.3</b> | Maximise the compatible use of buffer land.                            | KPI 8                                     | Completed. Opportunities were presented to the Board as they arose.                                                      |
| 2.3.1      | Engage with interested parties and scope opportunities.                |                                           | Completed                                                                                                                |
| 2.3.2      | Negotiate commercial leases for buffer land as required.               |                                           | Completed                                                                                                                |
| <b>2.4</b> | Continuous improvement of litter capture on site.                      | KPI 2                                     | Completed                                                                                                                |
| <b>2.5</b> | Investigate sustainable and cost-effective energy solutions.           | KPI 7                                     | City of Onkaparinga are leading an investigation into the use of SRWRA land for a large scale/hybrid solar energy plant. |



## GOVERNANCE AND RISK

| NUMBER | ACTION                                                                                                                      | KPI/<br>ACTION<br><i>(Strategic Plan)</i> | STATUS/PROGRESS                                                                                                                                                |
|--------|-----------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 3.1    | Maintain a contemporary suite of policies.                                                                                  | KPI 1                                     | Suite of policies maintained with selected and relevant policies presented to Board and Audit & Risk Committee for review and updating.                        |
| 3.2    | Work in accordance with the Risk Management Policy and Framework.                                                           | KPI 1                                     | Risk Report provided quarterly.                                                                                                                                |
| 3.2.1  | Regular review of the Strategic Risk Register                                                                               |                                           | Risk registers reviewed regularly at internal management meetings & presented quarterly to ARC & Board                                                         |
| 3.3    | Implement a Records Management System                                                                                       | KPI 3                                     | A review of an updated system has commenced and is yet to be completed.                                                                                        |
| 3.3.1  | Review and assess suitable Records Management system options.                                                               |                                           | Advice sought from State Records on compliant systems; a recommendation discussed by the Management Team & a report tabled to the Apr 25 ARC & Board meetings. |
| 3.4    | Board and Committee meetings are delivered as per the agreed timing and schedule.                                           | KPI 3                                     | Meetings have occurred consistent with timing and schedule.                                                                                                    |
| 3.5    | The Annual Business Plan and Budget is prepared, reviewed, and reported and adopted in accordance with statutory timelines. | KPI 4                                     | The Annual Business Plan and Budget was prepared, reviewed and adopted in accordance with statutory timeframes.                                                |



## AUDIT & RISK COMMITTEE

# ROLE OF THE COMMITTEE

The primary role of the Audit and Risk Committee is to provide suggestions and recommendations to SRWRA on matters relating to financial governance, internal controls, risk management systems, and internal and external audit services and programs.

The Committee operates in accordance with the SRWRA Audit and Risk Committee Terms of Reference (TOR), which outlines its objectives, functions and scope.

In fulfilling its role, the Committee's responsibilities include the following, with a focus on identifying and raising any relevant issues for the attention of the Board:

- Financial Reporting
- Strategic Management Plans
- Internal controls and risk management systems
- Public Interest Disclosure
- Internal Audit
- External Audit
- Economy and efficiency audits

## AUDIT & RISK COMMITTEE



# LETTER FROM THE CHAIRPERSON



Dear Board Members

As Chair of the Audit & Risk Committee, I am pleased to present our Annual Report for the 2024/2025 financial year. Please note that I was reappointed to the Audit & Risk Committee in February 2024, and was appointed Chair for the financial year.

Over the year, the Audit & Risk Committee has provided input into the 2023/2024 Financial Statements, Landfill liability provisions, Strategic Planning, review of policies and review of quarterly reporting to budget. We have also reviewed the 2025/2026 Annual Budget and the Long Term Financial Plan. We have also provided oversight of Risk Management, the development of a Risk Appetite Statement and the appointment of an Internal Audit provider.

I would like to thank the members of the Audit & Risk Committee, Mark Booth and John Smedley and the Independent Members - Tim O'Loughlin and Josh Hubbard, for their ongoing input and commitment to the Committee.

I would welcome the opportunity to present to the Board on the operations of the Audit & Risk Committee at a mutually convenient Board meeting.

Thank you for the opportunity to serve the Board and the operations of SRWRA in this way.

Yours sincerely

David Powell  
INDEPENDENT CHAIR, AUDIT AND RISK COMMITTEE  
SOUTHERN REGION WASTE RESOURCE AUTHORITY

AUDIT & RISK COMMITTEE

MEMBERSHIP OF THE COMMITTEE

The Audit & Risk Committee is made up of four members, Committee members for the financial year ending 30 June 2025 are listed below:

| MEMBER                          | REPRESENTATIVE     | MEETINGS ATTENDED |
|---------------------------------|--------------------|-------------------|
| Independent Member, Chairperson | David Powell       | 5/5               |
| Independent Member              | Timothy O'Loughlin | 4/5               |
| Independent Member              | Josh Hubbard       | 5/5               |
| Board Representative            | Mark Booth         | 3/5               |
| Proxy Board Representative*     | John Smedley       | 2/5               |

*\*Proxy Board Representative is only required to attend in the absence of the Board Representative.*

The Committe met five (5) times during the year. The external auditor was in attendance at the September 2024 meeting.

# HOW THE COMMITTEE DISCHARGED ITS RESPONSIBILITIES



| KEY AUDIT AND RISK COMMITTEE ACTIVITIES          | SEPT<br>2024 | NOV<br>2024 | FEB<br>2025 | APR<br>2025 | JUN<br>2025 |
|--------------------------------------------------|--------------|-------------|-------------|-------------|-------------|
| Budget Reviews                                   | ✓            | ✓           | ✓           | ✓           |             |
| Financial Statements for FY24                    | ✓            |             |             |             |             |
| Reviewed 2025-26 Budget and Annual Business Plan |              |             |             |             | ✓           |
| Draft Budget 2025-2026                           |              |             |             | ✓           |             |
| 2025-26 Budget Assumptions and Parameters        |              |             | ✓           |             |             |
| Reviewed Plant Asset Management Plan             |              |             | ✓           |             |             |
| Meet with External Auditor                       | ✓            |             |             |             |             |
| Reviewed Risk Management & Registers             | ✓            | ✓           | ✓           | ✓           |             |
| Self-Assessed Performance Evaluation             |              | ✓           |             |             |             |
| Reviewed External Audit Report FY24              | ✓            |             |             |             |             |
| External Audit Interim Management Letters        | ✓            |             |             |             |             |
| Policy Review – Treasury Management              |              |             |             |             | ✓           |
| Policy Review – Asset Management                 |              |             | ✓           |             |             |
| Appointed Internal Auditor                       |              |             |             |             | ✓           |
| Reviewed Draft Long Term Financial Plan          |              |             |             | ✓           | ✓           |
| Policy Review – Prudential Management            |              |             |             |             | ✓           |
| Landfill Closure & Post Closure Liabilities      |              |             |             | ✓           |             |
| Policy Review – Drug and Alcohol                 |              |             | ✓           |             |             |
| Procurement Plans                                |              | ✓           |             |             |             |

## EVALUATION

The Committee conducted a performance self-assessment to evaluate its effectiveness, structure, and areas for improvement.

The results highlighted that the Committee has a strong knowledge of the SRWRA business and strategic risks, with members possessing broad skills and knowledge.

Key challenges that were highlighted include improving communication with the Board, ensuring key risks are effectively managed, and clarifying responsibilities around landfill liabilities

### Key Findings:

- Strengths:
  - Clear understanding of SRWRA's operations, activities, and risks.
  - Broad expertise across Committee members, ensuring diverse insights.
  - Effective teamwork and constructive engagement with management.
- Opportunities for improvement:
  - Establishing an annual meeting between the Committee and the Board to discuss risk profiles.
  - Enhancing the Committee's role in shaping risk management strategies.

## AUDIT & RISK COMMITTEE

# SKILLS ASSESSMENT



| REQUIRED/DESIRED COMMITTEE SKILLS      | MEMBER 1 | MEMBER 2 | MEMBER 3 | MEMBER 4 |
|----------------------------------------|----------|----------|----------|----------|
| Financial Management & Reporting       | 3        | 2        | 3        | 3        |
| Audit & Assurance                      | 3        | 2        | 3        | 2        |
| Risk Management                        | 3        | 2        | 3        | 2        |
| Governance & Compliance                | 3        | 2        | 3        | 3        |
| Internal Controls                      | 3        | 2        | 3        | 1        |
| Legal & Regulatory                     | 2        | 1        | 3        | 3        |
| Strategic Planning & Policy            | 2        | 3        | 3        | 3        |
| Industry Knowledge                     | 2        | 1        | 3        | 1        |
| Information Technology & Cybersecurity | 3        | 3        | 2        | 1        |
| Work, Health & Safety (WHS) Risk       | 2        | 3        | 3        | 2        |
| Ethics & Integrity                     | 3        | 2        | 3        | 3        |

**Legend** High = 3 | Medium = 2 | Low = 1

# WORK HEALTH AND SAFETY

At SRWRA, safety is an integral part of our culture and is considered in every decision made by management and staff. SRWRA is committed to providing a healthy and safe work environment that minimises the risk of injury or illness arising from work activities.

## LOST TIME INJURIES

In 2024-2025, SRWRA recorded one Lost Time Injury (LTI), consistent with the previous year's result. LTIs are defined as incidents that result in one full shift or more being lost due to injury.

Annual lost time injuries:

### ANNUAL LOST TIME INJURIES

(Lost time injuries represent one complete shift or more of lost time)

| YEAR        | LOST TIME INJURY |
|-------------|------------------|
| 2022 – 2023 | 0                |
| 2023 – 2024 | 1                |
| 2024 – 2025 | 1                |

## INJURY MANAGEMENT

During 2024 – 2025, SRWRA received no workers' compensation claims, which is a decrease compared to one claim lodged in the previous year.



# PROCUREMENT

SRWRA is committed to a fair, transparent and accountable process when acquiring goods and services, consistent with Section 49 of the Local Government Act 1999.

Each year goods and services are procured to support the delivery of the Annual Business Plan and Budget. The SRWRA Board has adopted the Procurement Policy to govern all procurement activities, excluding the purchase and disposal of land and other assets owned by the Authority.

In certain circumstances, the Authority may, after approval from its Board, waive application of this Policy and pursue a method which will bring the best outcome for the SRWRA. The Authority must record its reasons in writing for waiving application of this Policy.

Annual procurement performance:

## ANNUAL PROCUREMENT PERFORMANCE

| NUMBER OF PROCUREMENT EVENTS | NUMBER OF PROCUREMENT POLICY WAIVERS |
|------------------------------|--------------------------------------|
| 543                          | 2                                    |

Key reasons for the granting of Procurement Policy waivers in the last 12 months include:

- the best value for money outcome for SRWRA
- the limited size of the market and the number of credible suppliers



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## **SRWRA** CONSTITUENT COUNCILS



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## **SRWRA**

112 Bakewell Drive  
Seaford Heights SA 5169

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**T** 08 8327 0304

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**E** [info@srwra.com.au](mailto:info@srwra.com.au)

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**W** [srwra.com.au/contact](http://srwra.com.au/contact)