

SRWRA

Southern Region Waste Resource Authority

ANNUAL REPORT

2025 *to* 2026





ACKNOWLEDGEMENT OF COUNTRY

We acknowledge and respect the Traditional Custodians whose ancestral lands we live and work upon and we pay our respects to their Elders past and present. We acknowledge and respect their deep spiritual connection and the relationship that Aboriginal and Torres Strait Islanders have to Country.

We also pay our respects to the cultural authority of Aboriginal and Torres Strait Islander People and their nations in South Australia, as well as those across Australia.

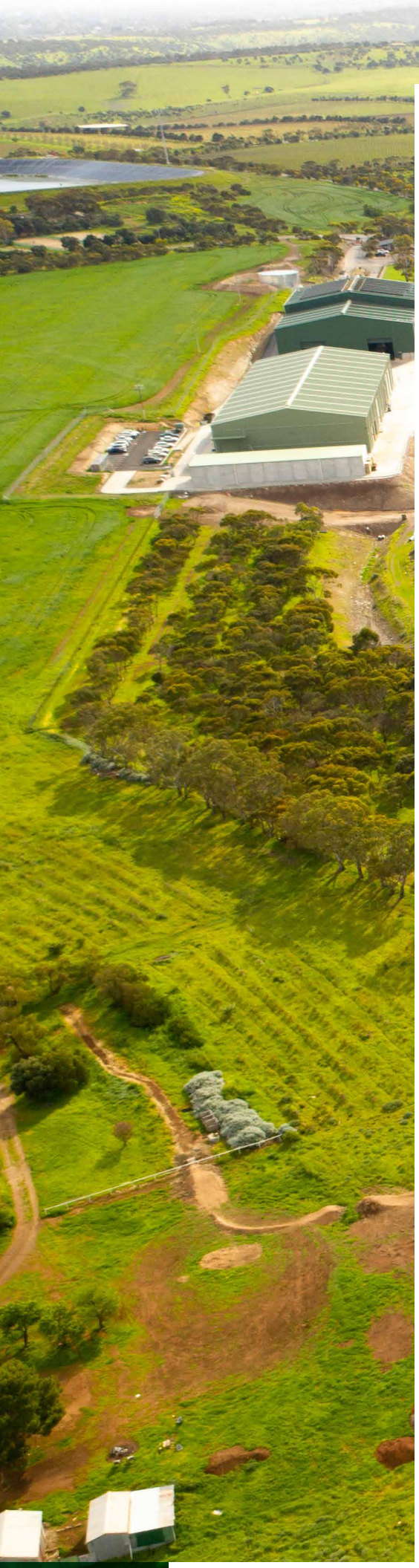
OUR VISION

We are leaders in delivering innovative and sustainable waste management solutions for the benefit of our southern Adelaide communities and the environment.

OUR MISSION

We accept and process waste at a price point that balances cost, environmental outcomes, and community expectations; provide information and market intelligence to assist our Constituent Councils in their waste management strategies; and respond to our Constituent Councils' requests for assessment of waste management methods and/or services.

SRWRA
Southern Region Waste Resource Authority



FOREWORD

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 employ innovative resource recovery approaches to support the circular economy.

Our joint venture operation with Integrated Waste Services (IWS) through the jointly owned Southern Recycling Centre (SRC) continues to develop. The SRC 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, also continues to prosper through the jointly owned Southern Materials Recovery Facility (SMRF). The largest of its kind in South Australia, the SMRF uses state-of-the-art technology to process kerbside commingled recycling and produces recovered materials with some of the highest product purity levels in Australia.

SRWRA CONSTITUENT COUNCILS

CITY OF ONKAPARINGA

CITY OF MARION

CITY OF HOLDFAST BAY

JOINT VENTURE PARTNERS

IWS

Re.Group

SRWRA CONSTITUENT COUNCIL AREAS





SRWRA
Southern Region Waste Resource Authority

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CHAIRPERSON'S MESSAGE

On behalf of the Board, I am pleased to present SRWRA's Annual Report for the year ended 30 June 2026. This report demonstrates our continued leadership in delivering innovative and sustainable waste management solutions on behalf of our communities.

As I conclude my tenure, I am pleased to be 'handing the reins' to Roberto Bria, who commences as Independent Chair at a time of great opportunity for SRWRA

At SRWRA our underpinning philosophy remains that waste should be treated as a resource. Our focus is on providing cost-effective waste management services for local government and the broader community. In FY2026 we received over 213,000 tonnes of municipal and recyclable waste, diverting 63% of this away from landfill to a more productive use.

Over the past year we have reintroduced tours for schools to broaden community understanding of waste management and provided cash grants to 13 schools to support their waste education programs. In FY2027, we will introduce a green waste processing service enabling us to process each of the major waste streams produced by our constituent councils.

We are conscious more must be done. Although Australia has successfully increased its recycling and recovery rates, the volume of waste disposed of through landfill continues to rise. This is being driven by population growth and a throw-away culture in which many items are not designed for reuse or lifetime use, from single-use products to inexpensive fast fashion.

The reality is that there will continue to be residual waste that cannot be addressed through better product design, improved processing of recyclable materials or stronger markets for recovered resources.

At present this leaves us with two principal options: continue to dispose of residual waste through landfill or considering the mature approaches adopted across Europe and examining the potential of energy from waste. The technology is well established and widely used across Europe, where facilities have successfully diverted millions of tonnes from landfill, generated renewable energy and contributed to the circular economy by recovering valuable materials, including metals, for recycling.

Energy to waste is becoming an increasingly viable option in the context of rising landfill levies and a more complex regulatory environment. SRWRA should continue to look for opportunities in this area, both to reduce landfill and to contribute to renewable energy.



I sincerely thank everyone who has contributed to SRWRA's success. In particular, I acknowledge our staff, capably lead by Chief Executive Officer Martin Borgas since his commencement in November 2025 for the commitment they bring to managing every aspect of our operations.

I also acknowledge and thank our Joint Venture partners whose expertise has been invaluable as the waste industry increases in complexity, and the Audit and Risk Committee for their professionalism and oversight.

It has been my privilege to serve as Chairperson for the past 26 years – a period during which SRWRA's operations have evolved and grown to meet the changing waste management needs of southern Adelaide.

I thank our Constituent Councils for their unwavering support and acknowledge every elected member and senior staff member who has given their time to serve as a member of the SRWRA Board during my tenure. To the many SRWRA employees with whom I have worked over the years, thank you. I have been honoured to share the journey with you.

Mark Booth
CHAIRPERSON



CHIEF EXECUTIVE OFFICER'S MESSAGE

It is a privilege to present my first Chief Executive Officer's Report for the Southern Region Waste Resource Authority (SRWRA), having commenced in the role in November 2025. Joining an organisation with an established history, strong commercial and local government partnerships and a clear commitment to sustainable waste management and resource recovery has been both exciting and rewarding.

The year has brought continued focus on the Authority's core responsibilities, while also looking ahead to the opportunities and challenges that will shape the future of waste management. Together with our Joint Venture Partners, SRWRA continues to play a leading role in supporting its Constituent Councils and the broader community through the responsible management of waste, and the operation of our resource recovery, recycling and landfill operations.

We continue to invest in our people and the capability needed to meet the evolving demands and increasing complexity of the waste industry. Having the right people with the right skills is critical to our success. Through targeted recruitment and flexible workplace arrangements, we have brought several previously external roles in-house, strengthening our internal capability and enabling us to respond more effectively to operational needs.

With more than 200 vehicle movements each day and over 200,000 tonnes of waste received each year, our team operates in a complex and demanding environment. The materials we recover are given a new life, helping our Constituent Councils progress their environmental and circular economy targets.

As the waste sector continues to grow in complexity and maturity, our focus remains on improving operational performance, increasing resource recovery and diversion from landfill, maintaining strong environmental standards and ensuring the long-term sustainability of the Authority.



I would like to sincerely thank the members of the SRWRA Board for their support, guidance and commitment throughout the year. Their knowledge, experience and collective stewardship are fundamental to the effective governance of the Authority and to ensuring SRWRA continues to deliver positive outcomes for the communities we serve.

I particularly acknowledge Mr Mark Booth, who has stepped down as Chair following an extraordinary period of service to SRWRA. Mark's more than 26 years of service represents an outstanding contribution to the Authority and to the communities of the City of Onkaparinga, City of Holdfast Bay and City of Marion. His leadership, commitment and institutional knowledge have made a lasting contribution to SRWRA's development and success.

On behalf of the organisation, I extend my sincere thanks to Mark and wish him well for the future.

I am also pleased to welcome Mr Roberto Bria as the incoming Chair of the SRWRA Board. Roberto brings considerable experience, knowledge and leadership to the role, and I look forward to working closely with him and the Board as we continue to build on the strong foundations established by those before us.

Looking ahead, SRWRA is well positioned to respond to the evolving waste and resource recovery landscape. I am confident that, through strong governance, a committed workforce and constructive partnerships with our Constituent Councils and other stakeholders, we can continue to deliver sustainable and innovative outcomes for the region.

Finally, I thank our dedicated staff for their professionalism, hard work and commitment throughout the year. Their contribution is central to SRWRA's operations and ongoing success.

Martin Borgas
CHIEF EXECUTIVE OFFICER

BOARD OF MANAGEMENT

AS AT JUNE 30TH 2026



CHAIRPERSON
Mark Booth

MEMBERS



CITY OF ONKAPARINGA
Jordan Pritchard



CITY OF ONKAPARINGA
Matt Buckell



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
Renee Mitchell



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 2026**

SOUTHERN REGION WASTE RESOURCE AUTHORITY

General Purpose Financial Statements
for the financial year ended 30 June 2026

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SOUTHERN REGION WASTE RESOURCE AUTHORITY

Annual Financial Statements

for the financial year ended 30 June 2026

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 2026 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.



Martin Borgas
Chief Executive Officer



Roberto Bria
Chairperson

Date: 21 September 2026

Statement of Comprehensive Income
for the financial year ended 30 June 2026

	Notes	2026 $'000	2025 $'000
Income			
User charges	2	14,338	15,565
Investment income	2	1,384	1,338
Other	2	399	2,649
Net gain - equity accounted Joint Venture	13	1,812	1,653
Total Income		**17,933**	**21,205**
Expenses			
Employee costs	3	1,257	1,378
Finance costs		84	553
Materials, contracts & other expenses	3	12,615	14,120
Depreciation, amortisation & impairment	3	1,420	1,503
Total Expenses		**15,376**	**17,554**
Operating Surplus		**2,557**	**3,651**
Asset disposal & fair value adjustments	3	-	161
Net Surplus		**2,557**	**3,812**
Other Comprehensive Income			
Changes in revaluation surplus - property, plant & equipment		-	1,672
Total Other Comprehensive Income		**-**	**1,672**
Total Comprehensive Income		**2,557**	**5,484**

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

SOUTHERN REGION WASTE RESOURCE AUTHORITY

Annual Financial Statements for the financial year ended 30 June 2026

Statement of Financial Position

as at 30 June 2026

	Notes	2026 $'000	2025 $'000
Assets			
Current Assets			
Cash and cash equivalents	4	15,481	14,602
Trade & other receivables	4	3,196	3,040
Inventory		5	6
Total Current Assets		**18,682**	**17,648**
Non-current Assets			
Equity accounted joint venture	13	9,705	9,393
Property, plant & equipment	5	26,992	26,969
Total Non-current Assets		**36,697**	**36,362**
Total Assets		**55,379**	**54,010**
Liabilities			
Current Liabilities			
Trade & other payables	6	2,750	3,865
Provisions	6	201	156
Total Current Liabilities		**2,951**	**4,021**
Non-Current Liabilities			
Provisions	6	13,485	13,603
Total Non-current Liabilities		**13,485**	**13,603**
Total Liabilities		**16,436**	**17,624**
Net Assets		**38,943**	**36,386**
Equity			
Accumulated surplus		34,896	32,339
Asset revaluation reserve		4,047	4,047
Total Equity		**38,943**	**36,386**

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

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

	Accumulated Surplus $'000	Revaluation Reserve $'000	Total Equity $'000
Balance at start of period - 1 July 2024	**28,527**	**2,375**	**30,902**
Net Surplus / (Deficit) for Year	3,812	-	3,812
Gain on revaluation of property, plant & equipment	-	1,672	1,672
Transfers between reserves	-	-	-
Distributions to Member Councils	-	-	-
Balance at end of period - 30 June 2025	**32,339**	**4,047**	**36,386**
Balance at start of period - 1 July 2025	**32,339**	**4,047**	**36,386**
Net Surplus / (Deficit) for Year	2,557	-	2,557
Gain on revaluation of property, plant & equipment	-	-	-
Transfers between reserves	-	-	-
Distributions to Member Councils	-	-	-
Balance at end of period - 30 June 2026	**34,896**	**4,047**	**38,943**

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

Statement of Cash Flows
for the financial year ended 30 June 2026

	Notes	2026 $'000	2025 $'000
Cash Flows from Operating Activities			
Operating receipts from customers		14,581	15,714
Investment receipts		1,384	1,338
Operating payments to suppliers & employees		(14,866)	(15,323)
Finance payments		-	-
Net Cash provided by (or used in) Operating Activities	7	**1,099**	**1,729**
Cash Flows from Investing Activities			
Sale of replaced assets	3	-	161
Distributions from equity accounted Joint Ventures	13	1,500	1,700
Expenditure on renewal/replacement of assets	5	(456)	(895)
Expenditure on new/upgraded assets	5	(1,264)	(404)
Net Cash provided by (or used in) Investing Activities		**(220)**	**562**
Cash Flows from Financing Activities			
Repayment Related Party Loans		-	-
Payment of Related Party Loans		-	-
Net Cash provided by (or used in) Financing Activities		**-**	**-**
Net Increase (Decrease) in cash held		**879**	**2,291**
Cash & cash equivalents at beginning of period	4	14,602	12,311
Cash & cash equivalents at end of period	4	**15,481**	**14,602**

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

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 holds 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.

Note 1 - Material Accounting Policies

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 the 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 $5,000 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.

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 estimates.

- 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.

Note 1 - Material Accounting Policies

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 12% in 2025/26 (11.5% in 2024/25). 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 Actuary. 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 net assets of the scheme, and no further liability attaches to the Authority.

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.

Note 1 - Material Accounting Policies

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.

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:

- Capping costs - effective 1 July 2024 - Mockinya Consulting Pty Ltd, with review and update of assumptions in June 2025

- Post Closure Rehabilitation costs - effective 1 July 2024 - Mockinya Consulting Pty Ltd, with review and update of assumptions in June 2026

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.

Land assets held by the Authority were valued by Asset Val with an effective valuation date of 30 June 2022. 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 currently scheduled to commence in the second quarter of FY27 (October 2026- December 2026).

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.

Note 1 - Material Accounting Policies

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 item 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.

Notes to the Financial Statements
for the financial year ended 30 June 2026

	2026 $'000	2025 $'000
Note 2 - Income		
User Charges		
Landfill Operations	14,338	15,565
	14,338	**15,565**
Investment Income		
Interest on investments	572	492
Rental income	812	846
	1,384	**1,338**
Other Income		
Other income	399	385
Landfill Liability Adjustment	-	2,264
	399	**2,649**
Note 3 - Expenses		
Employee Costs		
Salaries and Wages	1,081	1,189
Employee leave expense	(4)	8
Superannuation	133	145
Workers' Compensation Insurance	47	36
	1,257	**1,378**
Materials, Contracts & Other Expenses		
Auditor's Remuneration	24	34
Board Expenses	93	50
Contractors	410	995
Fuels & oils	212	241
Equipment hire	27	50
Maintenance	466	734
Legal	11	54
Levies - EPA	10,566	11,448
Professional services	13	34
Sundry	793	480
	12,615	**14,120**
	2026 $'000	**2025 $'000**
Depreciation, Amortisation & Impairment		
Buildings & Structures	373	493
Plant & Equipment	388	360
Office Equipment	7	9
Super Cell	282	275

Notes to the Financial Statements
for the financial year ended 30 June 2026

Super Cell Capping	370	366
	1,420	**1,503**
Asset Disposals		
Proceeds from disposal	-	161
Less: Carrying amount of assets sold	-	-
Gain (Loss) on disposal	**-**	**161**

Note 4 - Current Assets

Cash & Cash Equivalents		
Cash on Hand and at Bank	404	2,331
Short-term deposits	15,077	12,271
	15,481	**14,602**
Trade & Other Receivables		
Debtors - general	3,015	2,826
Accrued Revenues	114	92
Prepayments	67	100
Sundry Debtors	-	22
	3,196	**3,040**

Note 5 - Property, Plant & Equipment
as at 30 June 2026

	2025 $'000				2026 $'000			
	At Fair Value	At Cost	Accumulated Depreciation	Carrying Amount	At Fair Value	At Cost	Accumulated Depreciation	Carrying Amount
Land	6,335	-	-	6,335	6,335	-	-	6,335
Buildings & Structures	16,871	-	(5,162)	11,709	16,884	-	(5,535)	11,349
Plant & Equipment	-	5,513	(3,255)	2,258	-	6,033	(3,765)	2,268
Office Equipment	-	162	(150)	12	-	162	(157)	5
Super Cell	-	9,466	(6,706)	2,760	-	9,511	(6,988)	2,523
Super Cell Capping	11,495	-	(7,820)	3,675	11,293	-	(8,190)	3,103
Post Closure Rehabilitation	6,150	-	(6,150)	-	6,151	-	(6,151)	-
Work in Progress	-	220	-	220	-	1,409	-	1,409
Total	**40,851**	**15,361**	**(29,243)**	**26,969**	**40,663**	**17,115**	**(30,786)**	**26,992**

Movement in Property, Plant & Equipment during the financial year

$'000	Carrying Amount 2025	Additions New / Upgrade	Additions Renewals	Revaluation Increments	Transfers	Depreciation	Carrying Amount 2026
Land	6,335	-	-	-	-	-	6,335
Buildings & Structures	11,709	-	13			(373)	11,349
Plant & Equipment	2,258	-	398	-	-	(388)	2,268
Office Equipment	12	-	-	-	-	(7)	5
Super Cell	2,760	-	45	-		(282)	2,523
Super Cell Capping	3,675	-	-	-	(202)	(370)	3,103
Post Closure Rehabilitation	-	-	-	-	-	-	-
Work in Progress	220	1,264	-	-	(75)	-	1,409
Total 2026	**26,969**	**1,264**	**456**	**-**	**(277)**	**(1,420)**	**26,992**
Total 2025	23,905	689	895	1,672	1,311	(1,503)	**26,969**

Note 6 - Liabilities
as at 30 June 2026

	2026 $'000		2025 $'000	
	Current	Non-current	Current	Non-current
Trade & Other Payables				
Goods & services	2,750	-	3,849	-
Payments received in advance	-	-	16	-
Total Trade & Other Payables	**2,750**	**-**	**3,865**	**-**
Provisions				
Annual Leave	84	-	76	-
Long Service Leave	117	-	80	-
Super Cell Capping	-	11,865	-	11,983
Post Closure Rehabilitation	-	1,620	-	1,620
Total Provisions	**201**	**13,485**	**156**	**13,603**

Reconciliation of Movement in Landfill & Restoration Provisions

	Super Cell Capping	Post Closure Rehabilitation	Total
Opening Balance	**11,983**	**1,620**	**13,603**
Additional Amounts Recognised / (Derecognised)	(202)	-	(202)
Payments	-	-	-
Unwinding of Present Value Discounts	84	-	84
Closing Balance	**11,865**	**1,620**	**13,485**

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.

Note 7 - Cash Flow Reconciliation
for the financial year ended 30 June 2026

	2026 $'000	2025 $'000
(a) Reconciliation of Cash		
Total cash & equivalent assets	15,481	14,602
Less: Short-term borrowings	-	-
Balances per Cash Flow Statement	**15,481**	**14,602**
(b) Reconciliation of Change in Net Assets to Cash from Operating Activities		
Net Surplus (Deficit)	2,557	3,812
Depreciation, amortisation & impairment	1,420	1,503
Movement in Landfill Provisions	-	(2,264)
Net (Gain) Loss on equity accounted joint ventures	(1,812)	(1,653)
Net (Gain) Loss on Disposal of Assets	-	(161)
Provision unwinding - finance costs	84	553
	2,249	**1,790**
Add (Less): Changes in Net Current Assets		
Net (increase) decrease in receivables	(156)	(236)
Net (increase) decrease in inventory	1	17
Net increase (decrease) in trade & other payables	(1,115)	149
Net increase (decrease) in other provisions	120	9
Net Cash provided by (or used in) operations	**1,099**	**1,729**
(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

Note 8 - Financial Instruments

Recognised Financial Instruments

Bank, Deposits at Call, Short Term Deposits	**Accounting Policy:** Carried at lower of cost and net realisable value; Interest is recognised when earned. **Terms & conditions:** Deposits on Call do not have a maturity period and have an average interest rates of 4.65% (2025: 4.15%). **Carrying amount:** approximates fair value due to the short term to maturity.
Receivables - Gate Fees & Associated Charges	**Accounting Policy:** Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable. **Carrying amount:** approximates fair value (after deduction of any allowance).
Liabilities- Creditors and accruals	**Accounting Policy:** Liabilities are recognised for amounts to be paid in the future for 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.

Note 8 - Financial Instruments

Liquidity Analysis

$'000	< 1 year	> 1 year < 5 years	> 5 years	Non-interest bearing	Total
2026 - Financial Assets (amortised cost)					
Cash Assets	15,481	-	-	-	**15,481**
Receivables	-	-	-	3,196	**3,196**
Total Financial Assets	**15,481**	**-**	**-**	**3,196**	**18,677**
2026 - Financial Liabilities					
Payables	-	-	-	2,750	**2,750**
Borrowings	-	-	-	-	**-**
Total Financial Liabilities	**-**	**-**	**-**	**2,750**	**2,750**
2025 - Financial Assets (amortised cost)					
Cash Assets	14,602	-	-	-	**14,602**
Receivables	-	-	-	3,040	**3,040**
Total Financial Assets	**14,602**	**-**	**-**	**3,040**	**17,642**
2025 - Financial Liabilities					
Payables	-	-	-	3,865	**3,865**
Borrowings	-	-	-	-	**-**
Total Financial Liabilities	**-**	**-**	**-**	**3,865**	**3,865**

Notes 9 to 11
for the financial year ended 30 June 2026

Note 9 - Commitments for Expenditure
Capital Commitments: 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 require to be

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:

	2026	2025
	$'000	$'000
Salaries, allowances & other short term benefits	541	675
Total	**541**	**675**

Transactions with Related Parties

Related Party Entity	Sale of Goods and Services ($'000)	Amounts Outstanding from Related Parties ($'000)	Description of Services Provided
City of Onkaparinga (Member Council)	9,871	834	Provision of waste disposal services
City of Holdfast Bay (Member Council)	1,427	244	Provision of waste disposal services
City of Marion (Member Council)	4,428	367	Provision of waste disposal services
Southern Materials Recycling Facility (Joint Venture)	1,353	63	Provision of waste disposal services
Southern Recycling Centre (Joint Venture)	6,373	(332)	Provision of waste disposal services
Total	**23,452**	**1,176**	

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.

Note 12 - Uniform Presentation of Finances
for the financial year ended 30 June 2026

	2026 $'000	2025 $'000
Income		
User charges	14,338	15,565
Investment income	1,384	1,338
Other	399	2,649
Net gain - equity accounted Joint Venture	1,812	1,653
Total Income	**17,933**	**21,205**
Expenses		
Employee costs	1,257	1,378
Finance costs	84	553
Materials, contracts & other expenses	12,615	14,120
Depreciation, amortisation & impairment	1,420	1,503
Total Expenses	**15,376**	**17,554**
Operating Surplus / (Deficit)	**2,557**	**3,651**
Net Outlays on Existing Assets		
Capital Expenditure on renewal and replacement of Existing Assets	(456)	(895)
Depreciation, Amortisation, Impairment and Movement in Landfill Provisions	1,420	1,503
Proceeds from Sale of Replaced Assets	-	161
	964	**769**
Net Outlays on New and Upgraded Assets		
Capital Expenditure on New and Upgraded Assets	(1,264)	(404)
	(1,264)	**(404)**
Net Lending / (Borrowing) for Financial Year	**2,257**	**4,016**

Note 13 - Equity Accounted Joint Ventures
for the financial year ended 30 June 2026

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.

	2026	2025
	$'000	$'000
Interest in operating result	50.00%	50.00%
Ownership of equity	49.99%	49.99%
Proportion of voting power	50.00%	50.00%
Movement in Investment in Joint Venture		
Opening Balance	1,173	1,367
New Capital Contributions	-	-
Share in Operating Result	1,462	1,506
Equity Adjustment	-	-
Distributions Received	(1,000)	(1,700)
Share in Equity of Joint Operation	**1,635**	**1,173**

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

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

	2026	2025
	$'000	$'000
Interest in operating result	50.00%	50.00%
Ownership of equity	50.00%	50.00%
Proportion of voting power	50.00%	50.00%
Movement in Investment in Joint Venture		
Opening Balance	8,220	8,073
Capital Contributions (cash contribution)	-	-
Capital Contributions (transfer of plant assets)	-	-
Capital Contribution (conversion to loan)	-	-
Distributions Received	(500)	-
Share in Operating Result	350	147
Share in Equity of Joint Operation	**8,070**	**8,220**

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.

Note 13 - Equity Accounted Joint Ventures
for the financial year ended 30 June 2026

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.

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 Authority 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.

Note 14 - Fair Value Measurements (continued)

	Note	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
2025					
Recurring fair value measurements					
Property, Plant & Equipment and Landfill Assets					
- Land	5	-	6,335	-	6,335
- Buildings	5	-	16,871	-	16,871
- Super Cell Capping	5	-	-	11,495	11,495
- Post Closure Rehabilitation	5	-	-	6,150	6,150
Total assets recognised at fair value		**-**	**23,206**	**17,645**	**40,851**
2026					
Recurring fair value measurements					
Property, Plant & Equipment and Landfill Assets					
- Land	5	-	6,335	-	6,335
- Buildings	5	-	16,884	-	16,884
- Super Cell Capping	5	-	-	11,293	11,293
- Post Closure Rehabilitation	5	-	-	6,151	6,151
Total assets recognised at fair value		**-**	**23,219**	**17,444**	**40,663**

(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 Hierarchy Level	Valuation 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
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.

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Independent Auditor's Report

To the members of the Southern Region Waste Resource Authority (SRWRA)

Opinion

We have audited the accompanying financial report of SRWRA (the Authority), which comprises the statement of financial position as at 30 June 2026, 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 2026, and its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards, the *Local Government Act 1999 and the applicable requirements of the 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 of the Authority 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 the 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.

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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 misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report. As part of an audit in accordance with Australian Auditing Standards, 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.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Authority.
- Conclude on the appropriateness of the Authority'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.
- We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf.

Jason Malkoun CA, RCA



Partner

Sydney

21 September 2026

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Independent Auditor's Report on Internal Controls

To the members of the Southern Region Waste Resource Authority (SRWRA)

Opinion

We have audited the compliance of 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 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 year ended 30 June 2026.

In our opinion, the Authority 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 year ended 30 June 2026.

Basis for Opinion

We conducted our engagement in accordance with applicable Australian Standards on Assurance Engagements ASAE 3000 Assurance Engagements Other than Audits or Reviews of Historical Financial 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 year ended 30 June 2026. 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.

Responsibility of the Authority 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.

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Auditor's Responsibility for the Audit of the Financial Report

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 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, 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 Financial 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 year ended 30 June 2026.

Inherent Limitations

Because of the inherent limitations of any internal control system, including the possibility of management override, collusion or error, controls may not prevent or detect all instances of non-compliance or misstatement. Accordingly, the internal controls may not be effective in achieving their objectives in all circumstances.

Restriction on 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.

Jason Malkoun CA, RCA



Partner

Sydney

21 September 2026

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Independence Declaration

To the members of the Southern Region Waste Resource Authority

I confirm that, for the purpose of my audit of the financial statements of the Southern Region Waste Resource Authority for the year ended 30 June 2026, I have maintained my independence in accordance with the requirements of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code), Part 4A, published by the Accounting Professional and Ethical Standards Board, and 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(5) of the *Local Government (Financial Management) Regulations 2011.*

Jason Malkoun CA, RCA



Partner

Sydney

15 September 2026

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SRWRA
Southern Region Waste Resource Authority

Southern Region Waste Resource Authority

Certification of Auditor Independence for the year ending 30 June 2026

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 2026, the Authority's Auditor, Malkoun and Associates, 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.



15/09/2026

Roberto Bria — Dated
Chairperson
Southern Region Waste Resource Authority

Chief Executive Officer's Certificate of Compliance

Auditor Independence

Southern Region Waste Resource Authority

To the best of our knowledge, I confirm that, for the purposes of the Southern Region Waste Resource Authority for the year ended 30 June 2026, the Authority's Auditor, Malkoun Associates, 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.



15 September 2026

Sharon Mason
Chief Executive Officer
City of Onkaparinga

Date

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South Australia 5046

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South Australia 5047

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Chief Executive Officer's Certificate of Compliance
Auditor Independence
Southern Region Waste Resource Authority

To the best of our knowledge, we confirm that, for the purposes of the Southern Region Waste Resource Authority for the year ended 30 June 2026, the Authority's Auditor, Malkoun Associates, 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

Dated 11 September 2026

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.

CITY OF
HOLDFAST BAY

18 September 2026

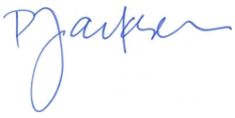
Chief Executive Officer's Certificate of Compliance
Auditor Independence
Southern Region Waste Resource Authority

Dear David,

To the best of our knowledge, we confirm that, for the purposes of the Southern Region Waste Resource Authority for the year ended 30 June 2026, the Authority's Auditor, Malkoun Associates, 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.

Yours sincerely



Pamela Jackson
Chief Executive Officer
City of Holdfast Bay

ATTENDANCE AT BOARD MEETINGS

BOARD MEMBERS	MEETINGS HELD WHILST MEMBER	MEETINGS ATTENDED
CHAIRPERSON Mark Booth	6	4
INDEPENDENT MEMBER Roberto Bria	6	6
INDEPENDENT MEMBER Michael Williams	6	6
CITY OF MARION Angela Allison	6	6
CITY OF MARION Matt Taylor	6	4
CITY OF ONKAPARINGA Jordan Pritchard	6	6
CITY OF ONKAPARINGA Matt Buckell	4	4
CITY OF ONKAPARINGA Jessica Tucker *Vacated in October 2025*	1	1
CITY OF HOLDFAST BAY John Smedley	6	5
CITY OF HOLDFAST BAY Cadel Blunt	6	6

DEPUTY BOARD MEMBERS

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

CITY OF MARION Ian Crossland
CITY OF ONKAPARINGA Heidi Greaves
CITY OF ONKAPARINGA Renee Mitchell
CITY OF HOLDFAST BAY Anthony Venning
CITY OF HOLDFAST BAY Pamela Jackson

PERFORMANCE AGAINST BUSINESS PLAN



STRATEGIC PRIORITY 1 Contemporary Services

We provide a contemporary service mix tailored to our Constituent Councils and the broader community. This includes accepting and processing municipal waste, kerbside recyclables, and green waste at a price point that balances cost, environmental outcomes, and community expectations. We prioritise resource recovery to divert waste from landfill, while operating all facilities, including landfills, with commercial and environmental responsibility. We also strategically acquire and retain ownership of buffer land to minimise operational risks from sensitive receptors.

NO.	ACTION	MEASURE	PROGRESS
1.1	Provide on-site composting service for green waste	Vol green waste composted	Material being received to schedule in SRC Shed and being processed by IWS at Dublin.
1.2	Investigate opportunities to maximise diversion of waste from landfill	Diversion of waste from landfill	Operational inspections and reviews have identified efficiency targets which have been reflected in each JV budgets.
1.3	Investigate Solar Farm & Battery Storage	Investigation undertaken	Unsolicited bid under assessment and clarification. Initial investigations have identified site usage and potential offset targets. Recent infrastructure (rail) investment has changed grid capability and requires investigation.
1.4	Cap landfill cell 5	Capping complete	Final design being redrafted to accommodate FOGO processing infrastructure. Capping application pending with the EPA.
1.5	Plan landfill cells 6 & 7	Planning complete	Concept designs completed
1.6	Improve efficiency & safety in precinct by expanding working area	Precinct plan complete	Masterplan tenders received and preferred supplier finalised.
1.7	Investigate opportunities to divert recovered resources into the circular economy	Investigation undertaken	Not commenced – deferred to 27 FY
1.8	Investigate opportunities to divert plastics from landfill	Investigation undertaken	Re.Group entering 3 year agreement with RPA in Adelaide. Further discussion to occur at SMRF JV Advisory Committee when soft plastic viability occurs.
1.9	Investigate productive buffer land to improve economic and social community prosperity	Investigation finalised	Agreement to Lease entered into with a private third party (see also 1.3)
1.10	Future landfill airspace planned on a rolling 10-year basis	Rolling plan complete	LTFP completed and approved Sept 25



STRATEGIC PRIORITY 2 Environmental Stewardship

We are dedicated stewards to our environment, managing our site responsibly for the benefit of the community. We understand the impact of our operations and actively work to minimise negative effects while maximising positive contributions through modern environmental management practices. We promote conscious, ethical decision making, recognising our role in safeguarding ecosystems and resources for both current and future generations.

NO.	ACTION	MEASURE	PROGRESS
2.1	Landfill capping planned & approved	Plan approved	Works undertaken as required. Interim cover applied.
2.2	Strategically acquire land to provide a buffer from sensitive	Strategy developed	Presented to board as opportunities occur
2.3	Monitor and reduce emissions	Emissions baseline established	Dust and silica monitoring completed
2.4	Identify opportunities to reduce fuel use on site	Opportunities identified	COMPLETE - Bulk Fuel contract executed. Plant and machinery upgrades focus on fuel efficiency.
2.5	Identify opportunities to source 100% renewable energy for the site	Opportunities identified	Unsolicited bid under consideration for solar and battery.
2.6	Ground water monitoring and improvement projects	Measure established and projects identified	BlueSphere continue as monitoring specialist. EPA approved monitoring program. no issues noted to date. Well assessment and suitability under review in late 2026 in line with new management plan being developed.
2.7	Identify opportunities to reduce site activity impact on surrounding properties	Opportunities identified	Dust suppression, monitoring and litter management activities embedded in daily work practices. Independently



STRATEGIC PRIORITY 3 Engagement

We will proactively engage with Constituent Councils, customers, all levels of government, industry, and waste subsidiaries to achieve shared strategic outcomes. By fostering collaboration and providing essential market intelligence, we'll help Constituent Councils refine their waste management strategies and assess new solutions. Our goal is to be a trusted brand, deeply connected with our community and customers on all aspects of SRWRA's service delivery.

NO.	ACTION	MEASURE	PROGRESS
3.1	Proactive communications with Constituent Councils, Customers, Community, Government & Industry	Communications plan established	Met with contractors and coordinating coms and education programs. Also established base line for involvement in site tours.
3.2	Regional advocacy on waste policy and government investment	Advocacy position established	SRWRA submission lodged in July with GISA re: SA Strategic Waste Strategy Participation in State Government Battery Stewardship Forum
3.3	Responses to government waste related consultations	Reported to Board	Ongoing (see also 3.2)
3.4	Developing SRWRA's brand within the community as a trusted and well-regarded organisation		Review as per 3.1 Presentation to KESAB Board. School tour conducted. Les Perry Grant re-focus.



STRATEGIC PRIORITY 4 Good Governance

We are well-governed and financially sustainable, ensuring long-term benefit for our Constituent Councils. By maintaining contemporary governance practices and staying ahead of legislative changes, we foster an environment where fairness, transparency, and accountability are central to every decision. Our mature corporate governance framework enables us to make timely, informed decisions, positioning SRWRA to responsibly meet Constituent Council needs now and into the future.

NO.	ACTION	MEASURE	PROGRESS
4.1	Annual review and update of: Landfill closure and post closure plan. Long Term Financial Plan. Plant Asset Management Plan. Business Continuity Plan	Annual Plan established	Landfill Closure and LTFMP Complete, BCP ongoing.
4.2	Develop and review a Building and Infrastructure Asset Management Plan	Plan developed	To commence in 2027
4.3	Enhance IT information systems and reporting	Plan and Roadmap developed	COMPLETE – hardware and software upgraded. Firewall replaced and redundancy firewall installed.
4.4	Identify opportunities to share services with Constituent Councils and other Waste Authorities	Opportunities identified	Ongoing; Meetings with FRWRA, AHRWMA, NAWMA held. Training and advocacy opportunities identified.
4.5	Annually review emergency response plans and contingency plans	Plans established	Completed and tested on Q3
4.6	Maintain a Strategic Risk Register regularly reviewed by Audit & Risk Committee and Board	Reporting to Board and Committee as planned	COMPLETE – Risk Register and Risk Appetite Statements reviewed regularly with variances or departures reported to Board and ARC.
4.7	Develop an Environmental, Social and Governance (ESG) Strategy and reporting framework	Framework developed	Planned to commence in Q2 27.
4.8	Identify opportunities to improve the financial impact for our Constituent Councils and actively report on the benefit we provide	Opportunities identified; policy and reporting framework established	Annual presentations to Constituents. Distributions communicated at budget development and confirmed in LTFMP.



AUDIT & RISK COMMITTEE

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 2025/2026 financial year.

Over the year, the Audit & Risk Committee has provided input into the 2024/2025 Financial Statements, Strategic Plan and Long-Term Financial Plan, ARC Terms of Reference, quarterly budget reviews, budget assumptions, 2027 budget, ARC performance evaluation, Plant and Asset Management Plan, Internal Audit Assurance Mapping and EPA Compliance report. We have also provided quarterly oversight of Risk Management and the appointment of a new External Auditor.

We also researched and the chair attended a training session, Governance roles and responsibilities in relation to Subsidiaries under the Local Government Act.

I would like to thank the members of the Audit & Risk Committee, Roberto Bria and John Smedley and the Independent Members - Tim O'Loughlin and Josh Hubbard (to December 2025), Paula Davies (since November 2025) for their ongoing input and commitment to the Committee.

I look forward to 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 2026 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	2/2
Independent Member	Paula Davies	3/3
SRWRA Board Representative	Roberto Bria	5/5
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 2025 meeting.

AUDIT & RISK COMMITTEE

HOW THE COMMITTEE DISCHARGED ITS RESPONSIBILITIES



KEY AUDIT AND RISK COMMITTEE ACTIVITIES	SEPT 2025	NOV 2025	FEB 2026	APR 2026	JUN 2026
Budget Reviews	✓	✓	✓	✓	✓
Financial Statements for FY25	✓				
Reviewed 2026-27 Budget and Annual Business Plan					✓
Draft Budget 2026-2027				✓	
2026-27 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 FY25	✓				
External Audit Interim Management Letters	✓				
Appointed External Auditor					✓
Reviewed Draft Long Term Financial Plan				✓	✓
Governance - Planned Meeting Dates for FY26		✓			
Internal Audit Report Review - EPA Compliance					✓

WORK HEALTH & SAFETY

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

With more than 200 external traffic movements per day, our safety responsibilities extend to employees, contractors, commercial operators and other site visitors. A robust site induction process ensures everyone entering the site understands their responsibilities and complies with relevant safety requirements.

Regular meetings with the operation and administration teams of our joint venture partners help maintain a shared understanding of the health and safety responsibilities that extend across all employment groups.

Our safety culture and activities are underpinned by a simple commitment:

"We look out for each other and we look after each other"

ANNUAL LOST TIME INJURIES

The Local Government Association Workers Compensation Scheme (LGAWCS) provides SRWRA with an integrated Claims, Return to Work and Work Health Safety Service. Workers' compensation claims are assessed and coordinated by LGAWCS as SRWRA's Insurer.

There were no lost time injuries for the 2025-26 financial year.

INJURY MANAGEMENT

There were no workers compensation claims during the 2025-26 financial 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.

The National Competition Policy (NCP) establishes principles designed to encourage competitive markets, improve national productivity and prevent unfair competitive advantages. In relation to government activities, it specifies that government-owned businesses should not gain a competitive advantage solely because of their public ownership. Under clause 7 of the NCP Principles Agreement, thse principles also extend to local government.

Each year, SRWRA procures goods and services to support delivery of its Annual Business Plan and Budget. The SRWRA Board has adopted a Procurement Policy governing these activities, excluding the purchase and disposal of land and other assets owned by the Authority.

- The Procurement Policy reflects the principles of the NCP and seeks to:
- Obtain value in the expenditure of public money
- Provide for ethical and fair treatment of participants
- Ensure probity, accountability and transparency in procurement operations.

As part of its competitive neutrality reporting obligations, SRWRA is required to disclose the commencement of cessation of any significant business activities during the financial year.

SRWRA did not commence or cease any significant business activities during the reporting period.

In certain circumstances, and with Board approval, the Authority may waive the application of its Procurement Policy and pursue an alternative procurement method considered to deliver the best outcome for SRWRA. The reasons for any waiver must be recorded in writing. No waivers were approved during the reporting period.

Significant Tenders for the 2025/26 financial year include:

- Excavator Purchase
- Bulk Fuel Tender
- Cell 10A Lining
- Southern Batter Capping

MEMBER GIFTS AND BENEFITS

There were no reportable gifts or benefits received by Board members during the 2025/2026 financial year.

STAFF GIFTS AND BENEFITS

No reportable gifts or benefits were received by staff members during the 2025-2026 financial year.

INTERSTATE TRAVEL AND TRAINING AND DEVELOPMENT

Board Members and staff are provided with opportunities to undertake training and professional development relevant to their role.

Where appropriate, Board Members and staff may also be approved to travel interstate as SRWRA delegates at relevant events.

Interstate travel undertaken during the 2025-26 financial year is detailed below:

Re.Group induction and strategy - Sydney

- Mark Booth
- Martin Borgas

Waste 2026 Conference – Coffs Harbour

- Roberto Bria
- Michael Williams
- Martin Borgas

COMMUNITY GRANTS & EDUCATION



COMMUNITY GRANTS AND EDUCATION

SRWRA welcomed students back to the site for the first school tour in many years, hosting more than 130 students and staff from McLaren Vale Primary School. Participants took part in a comprehensive site tour and an educational presentation in the boardroom. Highlights included seeing SRWRA's machinery up close and testing their waste-sorting knowledge through the 'Which-Bin?' game.

This focus will continue in the coming year, with SRWRA working alongside Education Officers from our Constituent Councils to increase understanding of site operations and showcase the resource recovery outcomes being achieved for our communities.

Since 2010, SRWRA's Les Perry Grant program has supported schools across Southern Adelaide to turn ideas about sustainability, recycling and waste minimisation into practical, hands-on projects.

Under the 2025-26 program, grants of up to $1,200 were made available for innovative projects focused on reducing, reusing, recycling, and composting. Thirteen schools received grants, with total funding of more than $15,000. The recipient schools included:

- Aldinga Payinthi College (City of Onkaparinga)
- Sarah Elizabeth Mcculloch - Aldinga Kinder Haven (City of Onkaparinga)
- Huntfield Heights School P-6 (City of Onkaparinga)
- Stepping Stone Aberfoyle Park (City of Onkaparinga)
- Sheidow Park School (City of Marion)
- Woodend Childrens Centre (City of Marion)
- Warradale Community Childrens Centre - Park Holme Campus (City of Marion)
- Stella Maris Parish School (City of Marion)
- Suneden Specialist School (City of Marion)
- Hallett Cove School (City of Marion)
- McAuley Community School (City of Holdfast Bay)
- Dunbar Terrace Kindergarten (City of Holdfast Bay)
- St Mary's Memorial School (City of Holdfast Bay)

Following a review of the program in late 2025 the program was retained and expanded. Schools are now eligible to apply for individuals grants of up to $5,000 with up to 10 grants available.

The 2026-27 program was launched with an exclusive site briefing and tour attended by 25 senior educators from across SRWRA's Constituent Councils.

FROM WASTE TO ENERGY

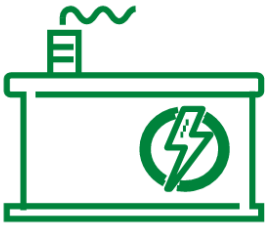
POWER GENERATION FROM LANDFILL GAS

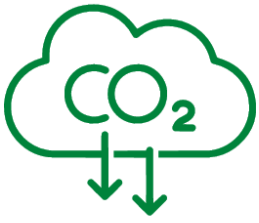
In the 2025/26 financial year



Abated 90,021 CO2e tonnes in FY25-26 equivalent to removing 36,153 cars from the road.

Generated 14,624,641 kWh, enough to power 3,451 homes.





Captured 11,008,749 cubic meters of methane, the same as 4,403 Olympic sized swimming pools.



SRWRA
Southern Region Waste Resource Authority

SRWRA CONSTITUENT COUNCILS

CITY OF ONKAPARINGA

CITY OF MARION

CITY OF HOLDFAST BAY

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