Brown Hill & Keswick Creeks Stormwater Board

Financial Statements for the year ended - 30 June 2025

Brown Hill & Keswick Creeks Stormwater Board
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As at 30 June 2025

Brown Hill & Keswick Creeks Stormwater Board
Certification of financial statements
As at 30 June 2025

We have been authorised by the Board 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 Brown Hill & Keswick Creeks Stormwater Board'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 Board provide a reasonable assurance that the Board's financial records are complete, accurate and reliable and were effective throughout the financial year; and
- the financial statements accurately reflect the Board's accounting and other records.

On behalf of the Board

______________________________ ______________________________

Board Member Board Member

_____August 2025

Brown Hill & Keswick Creeks Stormwater Board
Statement of comprehensive income
For the year ended 30 June 2025

	Note	2025 $	2024 $
Income			
Operating contributions	3	810,000	700,000
Investment income	4	564,438	445,125
		1,374,438	1,145,125
Total income		1,374,438	1,145,125
Expenses			
Employee costs	5	(413,353)	(384,589)
Materials, contracts & other expenses	6	(517,108)	(546,723)
Depreciation	8	(275,515)	(170,371)
Finance costs	7	(211)	(376)
Total expenses		(1,206,187)	(1,102,059)
Operating surplus		168,251	43,066
Capital Funding / Grants for New / Upgraded assets	9	9,792,269	9,703,874
Asset disposal	10	(1,471,777)	-
Net surplus for the year		8,488,743	9,746,940
Other comprehensive income for the year		-	-
Total comprehensive income for the year		8,488,743	9,746,940

The above statement of comprehensive income should be read in conjunction with the accompanying notes

Brown Hill & Keswick Creeks Stormwater Board
Statement of financial position
As at 30 June 2025

	Note	2025 $	2024 $
Assets			
Current assets			
Cash and cash equivalents	11	9,814,112	13,326,831
Trade and other receivables	12	1,838,340	790,259
Total current assets		11,652,452	14,117,090
Non-current assets			
Infrastructure, property, plant and equipment	13	57,837,999	45,181,818
Total non-current assets		57,837,999	45,181,818
Total assets		69,490,451	59,298,908
Liabilities			
Current liabilities			
Trade and other payables	14	6,125,363	8,434,146
Provisions	15	39,424	31,110
Total current liabilities		6,164,787	8,465,256
Non-current liabilities			
Provisions	15	15,745	12,476
Total non-current liabilities		15,745	12,476
Total liabilities		6,180,532	8,477,732
Net assets		63,309,919	50,821,176
Equity			
Capital contributions of constituent councils	16	28,319,907	24,319,907
Asset revaluation reserve	17	570,390	570,390
Capital funding and grants	18	36,720,650	26,928,381
Accumulated surplus/(deficit)		(2,301,028)	(997,502)
Total equity		63,309,919	50,821,176

The above statement of financial position should be read in conjunction with the accompanying notes

Brown Hill & Keswick Creeks Stormwater Board
Statement of changes in equity
For the year ended 30 June 2025

	Capital Contributions of Council $	Capital Funding and Grants $	Asset Revaluation Reserve $	Accumulated Surplus / (Deficit) $	Total equity $
Balance at 1 July 2023	20,319,907	17,224,448	570,390	(1,040,509)	37,074,236
Net surplus for the year	-	-	-	9,746,940	9,746,940
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive income for the year	-	-	-	9,746,940	9,746,940
Capital contribution of Councils	4,000,000	-	-	-	4,000,000
Transfer to capital funding / grants	-	9,703,933	-	(9,703,933)	-
Balance at 30 June 2024	24,319,907	26,928,381	570,390	(997,502)	50,821,176

	Capital Contributions of Council $	Capital Funding and Grants $	Asset Revaluation Reserve $	Accumulated Surplus / (Deficit) $	Total equity $
Balance at 1 July 2024	24,319,907	26,928,381	570,390	(997,502)	50,821,176
Net surplus for the year	-	-	-	8,488,743	8,488,743
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive income for the year	-	-	-	8,488,743	8,488,743
Capital contribution of Councils	4,000,000	-	-	-	4,000,000
Transfer to capital funding / grants	-	9,792,269	-	(9,792,269)	-
Balance at 30 June 2025	28,319,907	36,720,650	570,390	(2,301,028)	63,309,919

The above statement of changes in equity should be read in conjunction with the accompanying notes

Brown Hill & Keswick Creeks Stormwater Board
Statement of cash flows
For the year ended 30 June 2025

	Note	2025 $	2024 $
Cash flows from operating activities			
Operating receipts from constituent councils		891,000	770,000
Payments to employees		(401,770)	(382,164)
Payments to suppliers		(2,542,221)	(1,463,016)
Interest received		585,188	457,719
Bank fees paid		(211)	(376)
Net cash used in operating activities	28	(1,468,014)	(617,837)
Cash flows from investing activities			
Payments for New / Upgraded assets		(14,403,471)	(12,302,468)
Grants received	9	8,358,766	12,095,735
Net cash used in investing activities		(6,044,705)	(206,733)
Cash flows from financing activities			
Contributions from Constituent Councils	16	4,000,000	4,000,000
Net cash from financing activities		4,000,000	4,000,000
Net increase/(decrease) in cash and cash equivalents		(3,512,719)	3,175,430
Cash and cash equivalents at the beginning of the financial year		13,326,831	10,151,401
Cash and cash equivalents at the end of the financial year	11	9,814,112	13,326,831

The above statement of cash flows should be read in conjunction with the accompanying notes

Note 1. Material accounting policy information

The accounting policies that are material to the Board are set out below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The Board has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Basis of preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards as they apply to not-for-profit entities, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and relevant South Australian Legislation. These financial statements comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The Brown Hill and Keswick Creeks Stormwater Board (the Board) is a Local Government Regional Subsidiary established under Section 43 of and Schedule 2 to the Local Government Act 1999. The Regional Subsidiary is under the control of City of Adelaide, City of Burnside, City of Unley, City of Mitcham and City of West Torrens.

The Board was established by a Gazettal dated 27 February 2018. The Board has been established to implement the construction and maintenance of infrastructure and other measures for the purposes of a stormwater management plan prepared by the constituent councils and approved by the Stormwater Management Authority. The Board's responsibilities extend to the ongoing maintenance and operation of stormwater infrastructure delivered by the Board under the Stormwater Management Plan. The property owner (whether that be a Council or private land owner) is responsible for maintenance and upkeep of any existing assets, all new non-stormwater assets and all landscaping components. Private property owners may also be responsible for maintenance of stormwater infrastructure delivered by the Board, where that infrastructure was delivered under licence without registration of an easement or Land Management Agreement. This may require the transfer of assets to the property owner subsequent to the initial construction phase or after the defects period. The Board's asset register defines ongoing responsibility for completed works.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions to which they apply. Material accounting policies adopted in the preparation of these financial statements are presented below and have been applied consistently unless otherwise stated.

The financial statements, except for cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

The financial statements were authorised for issue on _____August 2025 by the members of the Board.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Board'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 disclosed in Note 2.

Note 1. Material accounting policy information (continued)

(a) Revenue recognition
Revenue from contracts with customers
The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Board expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue as and when control of the performance obligations is transferred

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.
None of the revenue streams have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

All revenue is stated net of the amount of goods and services tax (GST).

Specific revenue streams

The revenue recognition policies for the principal revenue streams of the Board are:

Operating revenue from constituent councils
Operating revenue from constituent councils is recognised as income as and when the Board becomes entitled to receive the funds. This is outlined within the Boards Annual Budget which is agreed with all constituent councils.

Grant revenue
Government grants relating to costs are deferred and recognised in profit or loss over the period necessary to match them with the costs that they are intended to compensate.

When grant revenue received meets the "enforceability" and "sufficiently specific" criteria in accordance with AASB 1058 and AASB 15, the grant revenue is recognised in the statement of financial position as a liability until the performance obligations have been met and delivered to the contributor.

Otherwise the grant is recognised as income in the statement of comprehensive income when the Board obtains control of the grant, it is probable that the economic benefits gained from the grant will flow to the Board and the amount of grant can be measured reliably.

Interest revenue
Interest revenue is recognised using the effective interest method, which for all floating rate financial assets is inherent in the instrument.

Other income
Other income is recognised on an accruals basis when the Board is entitled to it.

(b) Equity
Capital contributions

Capital contributions from constituent councils are recorded directly against equity as and when the Board becomes entitled to receive the funds. This is outlined within the Boards Annual Budget, which is agreed with all constituent councils.

(c) Income tax
The activities of the Board are exempt from taxation under the Income Tax Assessment Act.

Note 1. Material accounting policy information (continued)

(d) Trade and other receivables
The Board has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

(e) Financial instruments
Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the Board has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Financial instruments are recognised initially on the date that the Board becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, the Board classifies its financial assets into the following categories, those measured at:

- amortised cost
- fair value through profit or loss - FVTPL
- fair value through other comprehensive income - equity instrument (FVOCI - equity)
- fair value through other comprehensive income - debt investments (FVOCI - debt)

Financial assets are not reclassified subsequent to their initial recognition unless the Board changes its business model for managing financial assets.

Financial assets at amortised cost
A financial asset is measured at amortised cost only if both of the following conditions are met: (i) it is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and (ii) the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

The Board's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Note 1. Material accounting policy information (continued)

Impairment of financial assets
Impairment of financial assets has been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Board has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Financial liabilities

The Board measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Board comprise trade payables.

(f) Property, plant and equipment
Initial Recognition

All assets are initially recognised at cost. For assets acquired at no cost or nominal consideration, cost is determined as fair value at the date of acquisition. 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'. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition, including architects' fees, engineering design costs and all other costs incurred.

The cost of non-current assets constructed by the Board includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overhead. The Board considers that it controls the infrastructure assets in accordance with its Charter. The constructed infrastructure assets may be located on land owned by constituent councils or private property owners and tenure arrangements with private property owners determine ongoing asset responsibility.

Assets with an economic life in excess of one year are only capitalised where the cost of acquisition exceeds the materiality thresholds set by the Board within the capitalisation policy. In determining (and in biennially reviewing)) such thresholds, regard is had to the nature of the asset and its estimated service life. Current thresholds applicable to Board assets are as follows:

Drains and culverts - $2,000
Paving and footpaths, kerbs and gutter - $2,000
Office furniture and equipment - $1,000
IT hardware and computer equipment - $ 1,000
Other assets - $1,000

Subsequent Measurement

Stormwater infrastructure is subsequently measured at fair value, based on periodic, at least every 5 years, valuations by external independent valuers, less accumulated depreciation and impairment. Fair value is determined with regard to the asset's highest and best use (considering legal or physical restrictions imposed on the asset, public announcements or commitments made in relation to the intended use of the asset) and is determined using the current replacement cost method.

The most recent valuation of infrastructure and land improvements was undertaken on 30 June 2023. The valuation was undertaken by Tina-James Freeman, Asset Consultant at Tonkin. Refer to Note 20 for additional information on fair value determination of stormwater infrastructure.

Computer equipment and office equipment are carried at cost less accumulated depreciation and impairment.

Note 1. Material accounting policy information (continued)

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the assets useful life to the Board, commencing when the asset is ready for use.

The depreciation rates used for each class of depreciable asset are shown below:

Fixed asset class	Depreciation rate
Land improvements	1.67% - 10%
Stormwater structures	1% - 1.25%
Stormwater quality devices	1% - 10%
Footpaths	2% - 20%
Kerbs and gutters	1% - 2.5%
Office furniture and fittings	10%
Other plant and equipment	3.3% - 50%
IT hardware and computer equipment	14.3% - 50%

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed by the Project Director. The Project Director also reviews the asset register to ensure inclusion of all completed projects and correct delineation of maintenance responsibility between the board and the property owner. In addition, the Board's Asset Capitalisation Policy is reviewed every 2 years, with the last review undertaken in June 2023. Any revisions are accounted for prospectively as a change in estimate.

(g) Impairment of non-financial assets

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

(h) Employee benefits

Short-term employee benefits

Provision is made for the Board's liability for employee benefits arising from services rendered by employees to the end of the reporting period.

Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

No accrual is made for sick leave. The Board does not make payment for untaken sick leave.

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Cashflows are discounted using market yields on high quality corporate bond rates, with terms to maturity that match the expected timing of cashflows. Changes in the measurement of the liability are recognised in the profit or loss.

(i) Economic dependence

Brown Hill and Keswick Creeks Stormwater Board is dependent on its constituent councils and other funding bodies for the majority of its revenue used to achieve its objectives. At the date of this report, the Board believe that the Member Councils and other bodies will continue to support the Board.

Note 2. Critical accounting judgements, estimates and assumptions

The Board makes estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

Allowance for expected credit losses
The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience and historical collection rates.

The fair value of assets and liabilities classified as level 3 is determined by the use of valuation models. Level 3 inputs are unobservable inputs. These include discounted cash flow analysis or the use of observable inputs that require significant adjustments based on unobservable inputs. For further information relating to fair value measurement, refer to Note 20.

Impairment of property, plant and equipment
The Board assesses impairment of property, plant and equipment at each reporting date by evaluating conditions specific to the Board and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Key estimates fair valuation of stormwater infrastructure and land improvements
Stormwater infrastructure assets are carried at fair value. As there is no market for the Board to use to determine fair value, all assets have been valued as Level 3 inputs using a cost approach. Level 3 inputs are unobservable inputs. For further information relating to fair value measurement refer to Note 20.

Note 3. Operating contributions

	2025 $	2024 $
City of Mitcham	162,000	140,000
City of Burnside	162,000	140,000
City of West Torrens	162,000	140,000
The Corporation of the City of Adelaide	162,000	140,000
The Corporation of the City of Unley	162,000	140,000
	810,000	700,000

In accordance with the Charter of the Brown Hill and Keswick Creeks Stormwater Board Schedule 1, operating contributions are received equally from each of the constituent councils at an agreed rate. The total value of operating contributions to be received is agreed in the annual budget prepared by the Board.

Note 4. Investment income

	2025 $	2024 $
Bank Interest	564,438	445,125

Note 5. Employee costs

	2025 $	2024 $
Salaries and wages - board	91,000	87,000
Salaries and wages - employee	265,726	254,520
Superannuation contributions	41,024	37,493
Workers compensation	4,020	2,775
Employee entitlement costs	11,583	2,801
Total Employee costs	413,353	384,589

Note 6. Materials, contracts & other expenses

	2025 $	2024 $
Contractor & consultant services	94,245	38,514
Meeting room hire and teleconference	1,529	1,794
Financial services	45,580	37,960
Insurance - mutual liability scheme	54,002	51,430
IT services	6,039	4,809
Legal services	10,278	19,522
Office expenses, printing and postage	2,613	1,933
PR, website and graphic design	18,716	14,755
Professional development	6,000	6,904
Asset operating costs & maintenance	270,809	345,755
Asset management plan & valuations	-	16,171
Prescribed expenses - audit remuneration	5,900	5,700
Sundry	1,397	1,476
Total Materials, contracts & other expenses	517,108	546,723

Asset operating and maintenance costs are budgeted with reference to the Board's Infrastructure and Asset Management Plan. They are generally expected to increase over time as additional project works are completed. Maintenance costs associated with the South Park Lands wetland are, however, expected to be higher in the early establishment phase (years 1-4).

Note 7. Finance costs

	2025 $	2024 $
Bank fees	211	376

Note 8. Depreciation

	2025 $	2024 $
Infrastructure and land improvements	275,320	168,522
Office equipment	195	1,849
	275,515	170,371

Note 9. Capital Funding / Grants for New / Upgraded assets

	2025 $	2024 $
Stormwater Management Authority	5,332,497	5,642,025
Federal Funding	4,459,772	4,061,849
	9,792,269	9,703,874

The table below shows the reconciliation of capital funding received, recognised as revenue and resulting income in advance.

	Stormwater Management Authority	Federal Funding	Total
Income in advance 1 July 2023	-	3,534,119	3,534,119
Funding received	8,500,000	3,595,735	12,095,735
Revenue recognised	(5,642,025)	(4,061,849)	(9,703,874)
Income in advance 30 June 2024	2,857,975	3,068,005	5,925,980
Funding received	4,000,000	4,358,766	8,358,766
Revenue recognised	(5,332,497)	(4,459,772)	(9,792,269)
Income in advance 30 June 2025 (note 14)	1,525,478	2,966,999	4,492,477

Note 10. Asset disposal

	2025 $	2024 $
Carrying amount of assets transferred to council and private property owners	1,468,874	-
Carrying amount of capital works written off	2,903	-
	1,471,777	-

Note 11. Cash and cash equivalents

	2025 $	2024 $
Current assets		
Cash at bank and in hand	9,814,112	13,326,831

As at 30 June 2025, cash held includes an amount of $5,850,283 (2024: $2,254,917) which is restricted for the purpose of approved capital development projects (refer to Note 24 'Commitments').

Note 12. Trade and other receivables

	2025 $	2024 $
Current assets		
Trade receivables	1,212,220	125,432
GST receivable	609,399	629,584
Accrued revenue	-	20,750
Prepayments	16,721	14,493
	1,838,340	790,259

Note 12. Trade and other receivables (continued)

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable in the financial statements.

Note 13. Infrastructure, property, plant and equipment

	2025 $	2024 $
Non-current assets		
Infrastructure and Land Improvements - at independent valuation and at cost	38,616,262	26,728,566
Infrastructure and Land Improvements - accumulated depreciation	(761,889)	(486,569)
	37,854,373	26,241,997
Computer equipment - at cost	4,213	2,454
Less: Accumulated depreciation	(2,649)	(2,454)
	1,564	-
Capital works-in-progress	19,982,062	18,939,821
	57,837,999	45,181,818

Reconciliations
Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	Capital Works in Progress $	Infrastructure and Land Improvements $	Office Equipment $	Total $
Balance at 1 July 2023	4,257,119	26,410,519	1,849	30,669,487
Additions	14,682,702	-	-	14,682,702
Depreciation expense	-	(168,522)	(1,849)	(170,371)
Balance at 30 June 2024	18,939,821	26,241,997	-	45,181,818
Additions	14,401,714	-	1,759	14,403,473
Transfers in/(out)	(13,062,780)	13,062,780	-	-
Write off of assets	(2,903)	-	-	(2,903)
Disposals	(293,790)	(1,175,083)	-	(1,468,873)
Depreciation expense	-	(275,321)	(195)	(275,516)
Balance at 30 June 2025	19,982,062	37,854,373	1,564	57,837,999

Asset valuations
In line with the Board's capitalisation policy, a valuation of assets was not undertaken in the financial year ended 30 June 2025. The last valuation of completed infrastructure and land improvements was undertaken as at 30 June 2023. The valuation was undertaken by Tina-James Freeman, Asset Consultant at Tonkin. The valuation basis used for the infrastructure and land improvement assets is the depreciated replacement cost basis.

Note 13. Infrastructure, property, plant and equipment (continued)

Cost approach for projects completed post asset valuations
The assessment process has involved detailed analysis of project costs for completed works to determine and assign expenditure to asset components. This analysis has been completed by the Board's Project Director, who is a Valuer with extensive experience in the preparation of asset valuations and establishment of depreciation registers for financial reporting purposes, and the Board's Program Manager, an Engineer with extensive stormwater infrastructure experience.

	2025 $	2024 $
Capital works-in-progress		
Betty Long Gardens (Urban Rivers)	110,648	1,915
Reference Design	912,038	912,038
Lower Brown Hill Creek - Package 1	4,291,934	13,410,195
Lower Brown Hill Creek - Package 2	4,486,011	341,052
Lower Brown Hill Creek - Package 3	5,503,522	186,512
Upper Brown Hill Creek - Area 3A Millswood	4,223,464	3,618,084
Upper Brown Hill Creek - Area 1C Forestville	-	148,503
Forestville Reserve (Urban Rivers)	46,693	-
Orphanage park (Urban Rivers)	67,560	-
Flood Model	111,648	-
Flow Diversions	50,933	15,587
Upper Brown Hill Creek - Wilberforce (DRF)	61,194	160
Upper Brown Hill Creek - 1A Everard Park Land	-	2,903
Upper Brown Hill Creek - Denning (DRF)	116,417	9,082
South Park Lands - Remaining works	-	293,790
	19,982,062	18,939,821

Note 14. Trade and other payables

	2025 $	2024 $
Current liabilities		
Trade payables	1,604,896	2,421,974
Accrued expenses	5,900	64,448
Credit card	(595)	(597)
PAYG payable	12,515	12,819
Superannuation payable	10,170	9,522
Payments received in advance (capital grants)	4,492,477	5,925,980
	6,125,363	8,434,146

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

Note 15. Provisions

	2025 $	2024 $
Current liabilities		
Provision for annual leave	39,424	31,110
Non-current liabilities		
Provision for long service leave	15,745	12,476
	55,169	43,586

Note 16. Capital contributions of constituent councils

	2025 $	2024 $
City of Mitcham	2,831,991	2,431,991
City of Burnside	3,398,389	2,918,389
City of West Torrens	13,876,754	11,916,754
Corporation of the City of Adelaide	2,265,593	1,945,593
Corporation of the City of Unley	5,947,180	5,107,180
Total Contributions by Owners	28,319,907	24,319,907

	2025 $	2024 $
City of Mitcham Movement Table		
Opening balance	2,431,991	2,031,991
Contributions	400,000	400,000
	2,831,991	2,431,991

	2025 $	2024 $
City of Burnside Movement Table		
Opening balance	2,918,389	2,438,389
Contributions	480,000	480,000
	3,398,389	2,918,389

	2025 $	2024 $
City of West Torrens Movement Table		
Opening balance	11,916,754	9,956,754
Contributions	1,960,000	1,960,000
	13,876,754	11,916,754

Note 16. Capital contributions of constituent councils (continued)

	2025 $	2024 $
Corporation of the City of Adelaide Movement Table		
Opening balance	1,945,593	1,625,593
Contributions	320,000	320,000
	2,265,593	1,945,593

	2025 $	2024 $
Corporation of City of Unley Movement Table		
Opening balance	5,107,180	4,267,180
Contributions	840,000	840,000
	5,947,180	5,107,180

Capital contributions of constituent councils are payments received for investing in infrastructure. The rates of contributions are agreed in the Charter of the Board.

Summary of capital contributions of constituent councils during the year:

	2025 $	2024 $
City of Mitcham	400,000	400,000
City of Burnside	480,000	480,000
City of West Torrens	1,960,000	1,960,000
City of Adelaide	320,000	320,000
City of Unley	840,000	840,000
	4,000,000	4,000,000

Note 17. Asset revaluation reserve

	2025 $	2024 $
Infrastructure and land improvement		
Opening balance 1 July	570,390	570,390
Net increment/(decrement)	-	-
Closing balance 30 June	570,390	570,390

Note 18. Capital funding and grants

	2025 $	2024 $
Opening balance	26,928,381	17,224,448
Transfer from accumulated surplus	9,792,269	9,703,933
	36,720,650	26,928,381

Capital funding and grants reserve records the total revenue recognised from the funding providers for capital works to date, including funding from the Stormwater Management Authority and other government grant funding.

Note 19. Financial instruments

Financial risk management objectives
The Board is exposed to a variety of financial risks through its use of financial instruments. The most significant financial risks to which the Board is exposed to are described below:

Specific risks
- Liquidity risk
- Credit risk

The principal categories of financial instrument used by the Board are:
- Trade receivables
- Cash at bank
- Trade and other payables

Objectives, policies and processes

The Board Members have overall responsibility for the establishment of the Board's financial risk management framework. This includes the development of policies covering financial governance and the identification and management of financial risk in accordance with the Board's risk management policy.

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

Mitigation strategies for specific risks faced are described below:

Credit risk
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Board.

Credit risk arises from cash and cash equivalents, deposits with banks and financial institutions, as well as credit exposure to customers, including outstanding receivables and committed transactions.

The credit risk for liquid funds and other short-term financial assets is considered negligible, since the counterparties are reputable banks with high quality external credit ratings and the Local Government Finance Authority, which was established under the Local Government Finance Authority Act 1983 as a Body Corporate and is administered by a Board of Trustees.

Credit risk is managed through maintaining procedures to regularly monitor the financial stability of customers and counterparties. There is no collateral held by the Board securing trade and other receivables.

Liquidity risk
Liquidity risk arises from the management of working capital. It is the risk that the Board will encounter difficulty in meeting its financial obligations as they fall due.

The Board manages this risk by preparing and monitoring budgets, only investing surplus cash with major financial institutions and proactively monitoring the recovery of unpaid debts.

At the reporting date, the Board has sufficient liquid resources to meet its obligations under all reasonably expected circumstances. The following table depicts the categorisation of financial instruments held by the Board, noting that due to the nature of the balances held, carrying value is equal to fair value:

Note 19. Financial instruments (continued)

	2025 $	2024 $
Financial assets		
Held at amortised cost		
Cash and cash equivalents (due less than 1 year)	9,814,112	13,326,831
Trade and other receivables (due less than 1 year)	1,838,340	790,259
Total financial assets	11,652,452	14,117,090

	2025 $	2024 $
Financial liabilities		
Held at amortised cost		
Trade and other payables	1,632,886	2,508,166

Remaining contractual maturities
The table below reflects the undiscounted contractual maturity analysis for financial liabilities:

2025	Weighted average interest rate %	1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 years $	Remaining contractual maturities $
Non-derivatives						
Non-interest bearing						
Trade and other payables (excluding estimated annual leave)	-	1,632,886	-	-	-	1,632,886
Total non-derivatives		1,632,886	-	-	-	1,632,886

The timing of expected outflows is not expected to be materially different from contracted cashflows.

Note 20. Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

Note 20. Fair value measurement (continued)

Fair value hierarchy

Infrastructure assets are carried at fair value. AASB 13 Fair Value Measurement requires all assets and liabilities measured at fair value to be assigned to a 'level' in the fair value hierarchy as follows:
Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
Level 3: Unobservable inputs for the asset or liability

In determining fair values for infrastructure and land improvements there is no known market for these assets, and they are valued at depreciated current replacement cost. This method involves:

- The determination of the cost to construct the asset (or its modern engineering equivalent) using current prices for materials and labour, the quantities of each being estimated based on recent experience, or on industry construction guides where these are more appropriate; and

- The calculation of the depreciation that would have accumulated since original construction using current estimates of residual value and useful life under the prime cost depreciation method adopted by the Board.

This method has significant inherent uncertainties, relying on estimates of quantities of materials and labour, residual values and useful lives, and the possibility of changes in prices for materials and labour, and the potential for development of more efficient construction techniques. Accordingly, the fair value of all assets within the infrastructure and land improvements class are considered Level 3 in the fair value hierarchy.

Note 21. Key management personnel disclosures

Compensation
Key management personnel of the Board include the Project Director and members of the Board appointed under section 112 of the *Local Government Act 1999*. The aggregate compensation made to key management personnel of the Board is set out below:

	2025 $	2024 $
Short-term employee benefits	311,726	300,262
Post-employment benefits	35,849	33,029
	347,575	333,291

Note 22. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by the auditor of the Board:

	2025 $	2024 $
Audit remuneration	5,900	5,700

Note 23. Contingent liabilities

In the opinion of the Board Members, the Board is unaware of any liability, contingent or otherwise, which has not already been recorded elsewhere in this financial report at 30 June 2025 (30 June 2024 : None).

Note 24. Commitments

	2025 $	2024 $
Other capital commitments		
UBHC Millswood	38,798	409,939
UBHC 1C Forestville	-	399,729
LBHC Packages 1-3	5,483,127	1,403,089
UBHC Commonwealth Funded	178,048	42,160
Operating	12,500	-
Flood Model	137,810	-
	5,850,283	2,254,917

	2025 $	2024 $
Total contracted commitments	5,850,283	2,254,917

All contracted commitments noted above are expected to be paid within the next twelve months.

The Authority has been awarded the following Commonwealth Government grants:

Grant	Value	Year Awarded	To be paid	Projects
Preparing Australian Communities	$10m	FY22	FY23 - FY26	Lower Brown Hill Creek Packages 1 - 3
Disaster Ready Fund Round 1	$3.7m	FY24	FY25 - FY27	Upper Brown Hill Creek Wilberforce
Disaster Ready Fund Round 1	$2.387m	FY24	FY25 - FY27	Upper Brown Hill Creek Denning St
Urban Rivers & Catchments	$4.93m	FY24	FY24 - FY27	Forrestville Reserve, Orphanage Park and Betty Long Gardens
Disaster Ready Fund Round 2	$150k	FY25	FY25-FY26	Flood Model
Disaster Ready Fund Round 2	$424k	FY25	FY25-FY28	Upper Brown Hill Creek Millswood Design

Note 25. Related parties

Key management personnel
Disclosures relating to key management personnel are set out in note 21.

There were no transactions with related parties during the current and previous financial year.

Other related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members. There were no transactions with other related parties for the year ending 30 June 2025 (2024: Nil).

Note 26. Statutory Information

The registered office and principal place of business of the Board is:
Brown Hill & Keswick Creeks Stormwater Board
PO Box 124 Unley SA 5061

Note 27. Events after the reporting period

No matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect the Board's operations, the results of those operations, or the Board's state of affairs in future financial years.

Note 28. Reconciliation of net surplus to net cash used in operating activities

	2025 $	2024 $
Net surplus for the year	8,488,743	9,746,940
Adjustments for:		
Depreciation and amortisation	275,515	170,371
Capital funding / grants	(9,792,269)	(9,703,874)
Net loss on disposal of non-current assets	1,471,777	(2,380,234)
Change in operating assets and liabilities:		
Increase in trade and other receivables	(1,066,603)	(506,390)
Decrease in accrued revenue	20,750	12,594
Increase in prepayments	(2,229)	(942)
Increase in employee benefits	11,583	2,801
(Decrease)/ increase in trade and other payables (excluding income in advance relating to capital grants)	(875,281)	2,040,897
Net cash used in operating activities	(1,468,014)	(617,837)

Brown Hill & Keswick Creeks Stormwater Board
Certification of auditor independence
As at 30 June 2025

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Brown Hill and Keswick Creeks Stormwater Board for the year ended 30 June 2025, the Board's Auditor, Dean Newbery & Partners 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.

Judith Choate
Board Member
August 2025

Geoff Vogt
Board Member
August 2025

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