Brown Hill & Keswick Creeks Stormwater Board

Financial Statements for the year ended - 30 June 2026

Brown Hill & Keswick Creeks Stormwater Board
Contents
As at 30 June 2026

Brown Hill & Keswick Creeks Stormwater Board
Certification of financial statements
As at 30 June 2026

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 2026 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

Judith Choate Judith Choate (Sep 16, 2026 13:02:05 GMT+9.5)	Geoff Vogt Geoff Vogt (Sep 16, 2026 13:44:13 GMT+9.5)
Board Member	Board Member
16/09/2026	16/09/2026

Brown Hill & Keswick Creeks Stormwater Board
Statement of comprehensive income
For the year ended 30 June 2026

	Note	2026 $	2025 Restated $
Income			
Operating contributions	4	860,000	810,000
Investment income and other income	5	476,991	564,438
		1,336,991	1,374,438
Total income		1,336,991	1,374,438
Expenses			
Employee costs	6	(425,168)	(413,353)
Materials, contracts & other expenses	7	(586,048)	(517,108)
Depreciation	9	(419,361)	(275,515)
Finance costs	8	(303)	(211)
Total expenses		(1,430,880)	(1,206,187)
Operating surplus/(deficit)		(93,889)	168,251
Capital Funding (excludes constituent councils)	10	6,109,985	11,439,760
Asset disposal	11	(9,175,547)	(1,471,777)
Net surplus/(deficit) for the year		(3,159,451)	10,136,234
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Gain on the revaluation of infrastructure and land improvements	19	1,599,052	-
Other comprehensive income for the year		1,599,052	-
Total comprehensive income for the year		(1,560,399)	10,136,234

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 2026

	Note	2026 $	2025 Restated $
Assets			
Current assets			
Cash and cash equivalents	12	15,504,593	9,778,606
Trade and other receivables	13	146,892	1,873,846
Total current assets		15,651,485	11,652,452
Non-current assets			
Infrastructure, property, plant and equipment	14	60,365,684	59,485,490
Intangibles	15	266,183	-
Total non-current assets		60,631,867	59,485,490
Total assets		76,283,352	71,137,942
Liabilities			
Current liabilities			
Trade and other payables	16	8,825,825	6,125,363
Provisions	17	60,316	39,424
Total current liabilities		8,886,141	6,164,787
Non-current liabilities			
Provisions	17	200	15,745
Total non-current liabilities		200	15,745
Total liabilities		8,886,341	6,180,532
Net assets		67,397,011	64,957,410
Equity			
Capital contributions of constituent councils	18	32,319,907	28,319,907
Asset revaluation reserve	19	2,169,442	570,390
Capital funding and grants	20	44,478,126	38,368,141
Accumulated surplus/(deficit)		(11,570,464)	(2,301,028)
Total equity		67,397,011	64,957,410

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 2026

	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	-	-	-	10,136,234	10,136,234
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive income for the year	-	-	-	10,136,234	10,136,234
Capital contribution of Councils	4,000,000	-	-	-	4,000,000
Transfer to capital funding / grants	-	11,439,760	-	(11,439,760)	-
Balance at 30 June 2025	28,319,907	38,368,141	570,390	(2,301,028)	64,957,410

	Capital Contributions of Council $	Capital Funding and Grants $	Asset Revaluation Reserve $	Accumulated Surplus / (Deficit) $	Total equity $
Balance at 1 July 2025	28,319,907	38,368,141	570,390	(2,301,028)	64,957,410
Net deficit for the year	-	-	-	(3,159,451)	(3,159,451)
Other comprehensive income for the year	-	-	1,599,052	-	1,599,052
Total comprehensive income for the year	-	-	1,599,052	(3,159,451)	(1,560,399)
Capital contribution of Councils	4,000,000	-	-	-	4,000,000
Transfer to capital funding / grants	-	6,109,985	-	(6,109,985)	-
Balance at 30 June 2026	32,319,907	44,478,126	2,169,442	(11,570,464)	67,397,011

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 2026

	Note	2026 $	2025 Restated $
Cash flows from operating activities			
Operating receipts from constituent councils		2,845,884	891,000
Payments to employees		(419,821)	(401,770)
Payments to suppliers		(1,200,470)	(2,577,727)
Interest received		476,991	585,188
Bank fees paid		(303)	(211)
Net cash from/(used in) operating activities	30	1,702,281	(1,503,520)
Cash flows from investing activities			
Payments for New / Upgraded assets		(8,987,698)	(14,403,471)
Payments for intangibles	15	(154,535)	-
Capital funding (excludes constituent councils)	10	9,165,939	8,358,766
Net cash from/(used in) investing activities		23,706	(6,044,705)
Cash flows from financing activities			
Contributions from Constituent Councils	18	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		5,725,987	(3,548,225)
Cash and cash equivalents at the beginning of the financial year		9,778,606	13,326,831
Cash and cash equivalents at the end of the financial year	12	15,504,593	9,778,606

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 Mitcham, City of Unley and City of West Torrens.

The Board was established by Gazette notice on 27 February 2018 to implement the Stormwater Management Plan (the Plan) prepared by the Constituent Councils and approved by the Stormwater Management Authority.

The Board is responsible for construction, operation and maintenance of stormwater infrastructure delivered under the Plan, along with the implementation of other measures identified in the Plan.

Responsibility for the maintenance and upkeep of existing assets, non-stormwater assets and enhancement assets rests with the relevant property owner, whether a Constituent Council or a private landowner, regardless of who funded the delivery of those assets. Examples of these assets may include footbridges and boardwalks, landscaping, stone cladding, safety fencing, road bridges, service utility infrastructure, and reinstatement works, along with any other ‘value-add’ assets that are delivered by the Board as part of the project.

In some instances, private property owners may also assume responsibility for stormwater infrastructure delivered by the Board where the infrastructure has been constructed under licence without the registration of an Easement or Land Management Agreement. In circumstances where ongoing care, control and management of assets delivered by the Board will rest with the property owner, those assets are transferred to the property owner following completion of construction or upon expiry of the defects liability period.

The Board's Infrastructure Asset and Depreciation Register records the responsibility for ongoing care and control of completed assets.

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 15 September 2026 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.

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 approved by the Board and constituent councils.

Grant revenue
Government grants relating to expenditure are recognised as income over the periods necessary to match the grants with the related costs they are intended to compensate.

Where a grant arrangement contains enforceable and sufficiently specific performance obligations in accordance with AASB 15 and AASB 1058, grant revenue is initially recognised as a contract liability under 'Trade and Other Payables' in the statement of financial position. Revenue is recognised in the statement of comprehensive income as the Board satisfies its performance obligations.

Where these criteria are not met, grant income is recognised in the statement of comprehensive income when the Board obtains control of the grant, it is probable that the associated economic benefits will flow to the Board, and the amount of the 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. Entitlement arises upon the issue of a tax invoice by the Board in accordance with the payment schedule adopted in the Annual Budget.

(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 one of the following measurement categories:

- 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 the statement of profit or loss. Gain or loss on derecognition is recognised in the statement of 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 uncollectible 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

Assets are initially recognised at cost. Assets acquired at no cost or for nominal consideration are initially recognised at their fair value at the date of acquisition.

The cost of an asset includes all costs directly attributable to its acquisition or construction. This includes design, engineering, approvals, materials, project management and other directly attributable costs, together with appropriate allocations of variable and fixed overheads incurred during construction.

Expenditure on the acquisition or construction of non-current assets is capitalised as incurred. Depreciation commences when an asset is complete and available for its intended use.

The Board recognises stormwater infrastructure assets over which it has control in accordance with its Charter and the applicable contractual and tenure arrangements. These assets may be located on land owned by Constituent Councils or private property owners. Where infrastructure is constructed on private land, the applicable tenure arrangements determine the ownership and ongoing care and control of the assets following construction. The location of an asset does not, of itself, determine control. The Board assesses control having regard to its statutory functions, contractual rights and obligations, and the applicable tenure arrangements.

Assets with an estimated useful life exceeding one year are capitalised only where the acquisition or construction cost exceeds the capitalisation thresholds established by the Board's Capitalisation Policy. In determining, and periodically reviewing, these thresholds, consideration is given to the nature of the asset, its estimated useful life and materiality.

The current capitalisation thresholds are:

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, less accumulated depreciation and impairment losses. Fair value is determined following periodic valuations undertaken at intervals not exceeding five years by appropriately qualified personnel and is measured using the current replacement cost approach.

In determining fair value, regard is given to the asset's highest and best use, having regard to any legal, physical or other relevant restrictions affecting its use.

Note 1. Material accounting policy information (continued)

The most recent valuation of stormwater infrastructure assets was undertaken as at 30 June 2026 by Peta Mantzarapis, the Board's Project Director and a Certified Practising Valuer, together with Brett Shuttleworth of Integrated PM, an experienced civil engineer specialising in stormwater infrastructure.

Further information on the determination of fair value is provided in Note 22.

Computer and office equipment are subsequently measured at cost less accumulated depreciation and impairment losses.

Depreciation

Property, plant and equipment, excluding freehold land, is depreciated on a straight-line basis over the asset's 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 September 2025. Any revisions are accounted for prospectively as a change in estimate.

Intangible assets
Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Preliminary expenses
Costs in relation to preliminary expenses are capitalised as an asset and amortised on a straight-line basis over the period of their expected benefit.

(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.

Note 1. Material accounting policy information (continued)

(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 unused 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 is 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 statement of profit or loss.

(i) Economic dependence
The 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 believes 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 22.

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 for 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 22.

Note 3. Restatement of comparatives

Correction of error
During the reporting period, the Board identified that certain reimbursements relating to stormwater assets being constructed that will remain under the Board's care, control and responsibility had been incorrectly presented in the prior year. The misstatement was identified in the financial analysis undertaken upon completion of the projects known as Lower Brown Hill Creek packages 1, 2 and 3. Accordingly, the comparative information has been restated to reclassify these amounts to their appropriate line item in the financial statements. This restatement affects the Board's net result, total assets and equity.

Statement of comprehensive income
When there is a restatement of comparatives, it is mandatory to provide a statement of comprehensive income for the affected period, being the year ended 30 June 2025.

	Reported 2025	Restatement	Restated 2025
Capital Funding (excludes constituent councils)	9,792,269	1,647,491	11,439,760
Net surplus for the year	8,488,743	1,647,491	10,136,234

Statement of financial position at the beginning of the earliest comparative period
Where comparative information has been restated, a statement of financial position is presented as at the end of the current reporting period and the end of the preceding comparative period. An additional statement of financial position as at the beginning of the preceding comparative period is required only where the restatement has a material effect on the information presented in that opening statement of financial position. In the current year, the restatement does not have a material effect on the opening statement of financial position as at 1 July 2024. Accordingly, a third statement of financial position has not been presented.

	Reported 30 June 2025	Restatement	Restated 30 June 2025
Infrastructure, property, plant and equipment	57,837,999	1,647,491	59,485,490
Capital funding and grants	36,720,650	1,647,491	38,368,141
Net assets	63,309,919	1,647,491	64,957,410

Note 4. Operating contributions

	2026 $	2025 $
City of Mitcham	172,000	162,000
City of Burnside	172,000	162,000
City of West Torrens	172,000	162,000
The Corporation of the City of Adelaide	172,000	162,000
The Corporation of the City of Unley	172,000	162,000
	860,000	810,000

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 5. Investment income and other income

	2026 $	2025 $
Bank Interest	466,991	564,438
Other Income	10,000	-
	476,991	564,438

Other income includes $10,000 in prize money received under the LGA Mutual Awards.

Note 6. Employee costs

	2026 $	2025 $
Salaries and wages - board	97,049	91,000
Salaries and wages - employee	275,027	265,726
Superannuation contributions	44,649	41,024
Workers compensation	3,096	4,020
Employee entitlement costs	5,347	11,583
Total Employee costs	425,168	413,353

Note 7. Materials, contracts & other expenses

	2026 $	2025 $
Contractor & consultant services	123,084	94,245
Meeting room hire and teleconference	2,351	1,529
Financial services	44,843	45,580
Insurance - mutual liability scheme	56,702	54,002
IT services	7,265	6,039
Legal services	11,685	10,278
Office expenses, printing and postage	2,304	2,613
PR, website and graphic design	17,486	18,716
Professional development	6,867	6,000
Asset operating costs & maintenance	303,229	270,809
Prescribed expenses - audit remuneration	6,000	5,900
Sundry	4,232	1,397
Total Materials, contracts & other expenses	586,048	517,108

Note 8. Finance costs

	2026 $	2025 $
Bank fees	252	211
Interest expenses	51	-
Total finance costs	303	211

Note 9. Depreciation

	2026 $	2025 $
Infrastructure	418,773	275,320
Office equipment	588	195
	419,361	275,515

Note 10. Capital Funding (excludes constituent councils)

Capital contributions of constituent councils are set out in Note 18. Other capital funding has been provided by the Stormwater Management Authority, various Federal grant programs and in the form of Board controlled capital works funded by the City of West Torrens.

	2026 $	2025 $
Stormwater Management Authority	2,302,182	5,332,497
Federal Funding	3,807,803	4,459,772
Gifted Infrastructure - City of West Torrens	-	1,647,491
	6,109,985	11,439,760

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 2024	2,857,975	3,068,005	5,925,980
Capital 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	1,525,478	2,966,999	4,492,477
Capital funding received	4,000,000	5,165,939	9,165,939
Revenue recognised	(2,302,182)	(3,807,803)	(6,109,985)
Income in advance 30 June 2026 (note 16)	3,223,296	4,325,135	7,548,431

Although the capital funding received from the Stormwater Management Authority in FY26 remained consistent with previous years ($4m received in FY24, FY25 and FY26), the amount recognised as revenue in FY26 decreased. This decrease was the result of 1) decreased capital expenditure (due to LBHC Packages 1-3 being completed) and 2) increased Federal funding supplementing the council contributions and Stormwater Management Authority funding.

Note 10. Capital Funding (excludes constituent councils) (continued)

The Authority has been awarded the following Commonwealth Government grants, recorded as Federal funding:

Grant	Value	Year Awarded	To be paid	Projects
Preparing Australian Communities Program	$10m	FY22	FY23 - FY26	LBHC Packages 1-3
Disaster Ready Fund R1	$3.7m	FY24	FY25 - FY27	UBHC 1b Wilberforce
Disaster Ready Fund R1	$2.387m	FY24	FY25 - FY27	UBHC 5 Cross to Hampton
Urban Rivers & Catchments	$4.93m	FY24	FY24 - FY27	Forestville Reserve, Orphanage Park and Betty Long Gardens
Disaster Ready Fund R2	$150k	FY25	FY25 - FY27	Flood Model
Disaster Ready Fund R2	$424k	FY25	FY25 - FY28	UBHC 2 Victoria to Mitchell

The Preparing Australian Communities Program grant agreement was fully paid in FY26 and has now been acquitted.

Note 11. Asset disposal

	2026 $	2025 $
Carrying amount of assets transferred to councils and private property owners	9,175,547	1,468,874
Carrying amount of capital works written off	-	2,903
	9,175,547	1,471,777

Note 12. Cash and cash equivalents

	2026 $	2025 $
Current assets		
Cash at bank and in hand	15,504,593	9,778,606

As at 30 June 2026, cash held includes an amount of $4,760,585 (2025: $5,850,283) which is restricted for the purpose of approved capital development projects (refer to Note 26 'Commitments').

Note 13. Trade and other receivables

	2026 $	2025 $
Current assets		
Trade receivables	61,548	1,212,220
GST receivable	27,115	609,399
Accrued interest receivable	41,294	35,506
Prepayments	16,935	16,721
	146,892	1,873,846

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 14. Infrastructure, property, plant and equipment

	2026 $	2025 Restated $
Non-current assets		
Infrastructure - at independent valuation and at cost	56,418,032	39,377,153
Infrastructure - accumulated depreciation	(1,180,662)	(761,889)
	55,237,370	38,615,264
Computer equipment - at cost	4,213	4,213
Less: Accumulated depreciation	(3,237)	(2,649)
	976	1,564
Capital works-in-progress	5,127,338	20,868,662
	60,365,684	59,485,490

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 $	Office Equipment $	Total $
Balance at 1 July 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	-	-
Adjustment	886,600	760,891	-	1,647,491
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	20,868,662	38,615,264	1,564	59,485,490
Additions	8,987,200	499	-	8,987,699
Transfers in/(out)	(24,728,524)	24,616,876	-	(111,648)
Revaluation increments	-	1,599,052	-	1,599,052
Disposals	-	(9,175,548)	-	(9,175,548)
Depreciation expense	-	(418,773)	(588)	(419,361)
Balance at 30 June 2026	5,127,338	55,237,370	976	60,365,684

The adjustment relates to reimbursement income received from City of West Torrens for upgrade of assets that will remain under the Board’s care, control and responsibility. The $886,600 reimbursement for Capital Works in Progress relates to channel stiffening and covered culvert upgrades for LBHC Package 3 and the $760,891 reimbursement for Infrastructure relates to channel stiffening for LBHC Package 1.

Asset valuations
A valuation assessment and review of the Infrastructure Asset and Depreciation Register has been undertaken as at 30 June 2026 by:

- Peta Mantzarapis, the Board’s Project Director. Peta is a qualified Certified Practising Valuer with 20+ years of experience in the valuation of assets and the preparation of asset valuations and depreciation registers for financial reporting purposes; and
- Brett Shuttleworth of Integrated PM, who also acts as the Board's technical advisor. Brett is an engineer with 20+ years of experience in the planning, design, construction and lifecycle management of stormwater infrastructure assets.

Note 14. Infrastructure, property, plant and equipment (continued)

This combined expertise provides both valuation and engineering input to ensure that the asset descriptions, componentisation, useful lives, replacement costs and depreciation assumptions appropriately reflect the nature and condition of the Board's infrastructure assets.

The 30 June 2026 revaluation has been undertaken having regard to:

- the replacement cost of the infrastructure assets;
- the condition and remaining useful life of each asset;
- current construction methodologies and unit rates where applicable;
- the functional characteristics of each asset; and
- the Board's adopted useful lives contained within the Asset Capitalisation Policy.

Useful lives and depreciation have been applied using the straight-line depreciation method prescribed by the Policy, with infrastructure assets allocated to the relevant asset classes and useful life ranges.

The Infrastructure Asset and Depreciation Register has been prepared in accordance with the Board's Asset Capitalisation Policy and AASB 116 and provides an appropriate basis for recognition, measurement and depreciation of the Board's infrastructure assets for the purposes of the 2025/26 financial statements.

	2026 $	2025 $
Capital works-in-progress		
Lower Brown Hill Creek - Package 1	-	4,291,934
Lower Brown Hill Creek - Package 2	-	4,486,011
Lower Brown Hill Creek - Package 3	-	6,390,122
Lower Brown Hill Creek - Package 4	85,944	-
Lower Brown Hill Creek - Package 5	74,387	-
Upper Brown Hill Creek Area 1b Wilberforce	244,065	61,194
Upper Brown Hill Creek Area 1d Forestville Reserve	115,888	46,693
Upper Brown Hill Creek Area 2 Victoria to Mitchell	31,401	-
Upper Brown Hill Creek Area 2 Orphanage Park	168,733	67,560
Upper Brown Hill Creek Area 3 Percy to Regent	37,991	-
Upper Brown Hill Creek Area 3a Millswood	-	4,223,464
Upper Brown Hill Creek Area 5 Cross to Hampton	1,850,695	116,417
Upper Brown Hill Creek Area 6 Betty Long Gardens	1,466,458	110,648
Flow Diversions	139,738	50,933
Flood Model	-	111,648
Reference Design	912,038	912,038
	5,127,338	20,868,662

Note 15. Intangibles

	2026 $	2025 $
Non-current assets		
Intangible assets in progress - Flood Model	266,183	-

Note 15. Intangibles (continued)

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

	Intangible assets in progress $	Total $
Balance at 1 July 2024	-	-
Balance at 30 June 2025	-	-
Transfers in	111,648	111,648
Additions	154,535	154,535
Balance at 30 June 2026	266,183	266,183

Note 16. Trade and other payables

	2026 $	2025 $
Current liabilities		
Trade payables	1,262,368	1,604,896
Accrued expenses	6,000	5,900
Credit card	(329)	(595)
PAYG payable	6,605	12,515
Superannuation payable	2,750	10,170
Payments received in advance (capital grants)	7,548,431	4,492,477
	8,825,825	6,125,363

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 17. Provisions

	2026 $	2025 $
Current liabilities		
Provision for annual leave	21,314	39,424
Long service leave	39,002	-
	60,316	39,424
Non-current liabilities		
Provision for long service leave	200	15,745
	60,516	55,169

Note 18. Capital contributions of constituent councils

	2026 $	2025 $
City of Mitcham	3,231,991	2,831,991
City of Burnside	3,878,389	3,398,389
City of West Torrens	15,836,754	13,876,754
Corporation of the City of Adelaide	2,585,593	2,265,593
Corporation of the City of Unley	6,787,180	5,947,180
Total Contributions by Owners	32,319,907	28,319,907

	2026 $	2025 $
City of Mitcham Movement Table		
Opening balance	2,831,991	2,431,991
Contributions	400,000	400,000
	3,231,991	2,831,991

	2026 $	2025 $
City of Burnside Movement Table		
Opening balance	3,398,389	2,918,389
Contributions	480,000	480,000
	3,878,389	3,398,389

	2026 $	2025 $
City of West Torrens Movement Table		
Opening balance	13,876,754	11,916,754
Contributions	1,960,000	1,960,000
	15,836,754	13,876,754

	2026 $	2025 $
Corporation of the City of Adelaide Movement Table		
Opening balance	2,265,593	1,945,593
Contributions	320,000	320,000
	2,585,593	2,265,593

	2026 $	2025 $
Corporation of City of Unley Movement Table		
Opening balance	5,947,180	5,107,180
Contributions	840,000	840,000
	6,787,180	5,947,180

Note 18. Capital contributions of constituent councils (continued)

Capital contributions of constituent councils are payments received for investing in infrastructure. The proportionate funding contributions of the constituent councils are presented in the Board's Charter. The annual contributions are determined through the Long Term Financial Plan and Annual Budget, which are approved by both the Board and constituent councils.

Summary of capital contributions of constituent councils during the year:

	2026 $	2025 $
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 19. Asset revaluation reserve

	2026 $	2025 $
Infrastructure and land improvement		
Opening balance 1 July	570,390	570,390
Net increment/(decrement)	1,599,052	-
Closing balance 30 June	2,169,442	570,390

Note 20. Capital funding and grants

	2026 $	2025 $
Opening balance	38,368,141	26,928,381
Transfer from accumulated surplus	6,109,985	11,439,760
	44,478,126	38,368,141

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 21. 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

Note 21. Financial instruments (continued)

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:

	2026 $	2025 $
Financial assets		
Held at amortised cost		
Cash and cash equivalents (due less than 1 year) (refer Note 12)	15,545,887	9,814,112
Trade and other receivables (due less than 1 year) (refer Note 13)	105,598	1,838,340
Total financial assets	15,651,485	11,652,452

	2026 $	2025 $
Financial liabilities		
Held at amortised cost		
Trade payables (refer Note 16)	1,262,368	1,632,886

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

Note 21. Financial instruments (continued)

2026	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 payables	-	1,262,368	-	-	-	1,262,368
Total non-derivatives		1,262,368	-	-	-	1,262,368

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

Note 22. Fair value measurement

Fair value is 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. Fair value is determined on the assumption that the transaction occurs in the principal market for the asset or liability or, in the absence of a principal market, in the most advantageous market.

In measuring fair value, the Board uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

For non-financial assets, fair value reflects the asset's highest and best use, having regard to its physical characteristics and any legal or other restrictions on its use.

Assets and liabilities measured at fair value are classified according to the following hierarchy, based on the lowest level input that is significant to the measurement:

- Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities.
- 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.

The classification of assets and liabilities within the fair value hierarchy is reviewed at each reporting date.

Fair value measurements are undertaken by suitably qualified internal personnel or independent external specialists with relevant expertise, depending on the nature and significance of the valuation. Valuation methodologies, significant assumptions and key inputs are reviewed at each reporting date to ensure that fair values remain appropriate.

Fair value hierarchy

The Board's stormwater infrastructure assets are measured at fair value and are classified as Level 3 assets within the fair value hierarchy.

There is no active market for these specialised infrastructure assets. Accordingly, fair value is determined using the current replacement cost approach, which reflects the cost of replacing the existing asset with a modern equivalent asset that provides equivalent service potential.

The current replacement cost methodology comprises:

- estimating the current cost of constructing a modern equivalent asset using current construction rates, material costs, labour costs and other directly attributable costs; and
- deducting accumulated depreciation based on the asset's current replacement cost, estimated residual value and remaining useful life.

The principal assumptions adopted in determining current replacement cost include:

Note 22. Fair value measurement (continued)

- current construction costs for comparable infrastructure;
- estimated quantities of materials and labour;
- engineering design standards applicable to a modern equivalent asset;
- residual values; and
- estimated remaining useful lives.

As the valuation relies on significant unobservable inputs and professional judgement, changes in these assumptions may have a material effect on the reported fair values. Accordingly, all stormwater infrastructure assets are classified as Level 3 assets.

Note 23. 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:

	2026 $	2025 $
Short-term employee benefits	325,500	311,726
Post-employment benefits	39,060	35,849
	364,560	347,575

Note 24. Remuneration of auditors

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

	2026 $	2025 $
Audit remuneration	6,000	5,900

Note 25. 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 2026 (30 June 2025 : None).

Note 26. Commitments

	2026 $	2025 $
Contracted commitments		
Lower Brown Hill Creek Packages 1-3	-	5,483,127
Lower Brown Hill Creek Packages 4-5	268,749	-
Upper Brown Hill Creek Commonwealth Funded (marked with * below)	-	178,048
Upper Brown Hill Creek Area 1b Wilberforce*	96,562	-
Upper Brown Hill Creek Area 1d Forestville Reserve*	28,386	-
Upper Brown Hill Creek Area 2 Victoria to Mitchell*	401,273	-
Upper Brown Hill Creek Area 2 Orphanage Park*	64,427	-
Upper Brown Hill Creek Area 3 Percy to Regent	71,972	-
Upper Brown Hill Creek Area 3 Millswood	-	38,798
Upper Brown Hill Creek Area 5 Cross to Hampton*	3,056,035	-
Upper Brown Hill Creek Area 6 Betty Long Gardens*	642,129	-
Flood Model	56,052	137,810
Operating	75,000	12,500
Total contracted commitments	4,760,585	5,850,283

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

Note 27. Related parties

Key management personnel
Disclosures relating to key management personnel are set out in note 23.

There were no transactions with related parties during the current or 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 2026 (2025: Nil).

Note 28. 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 29. Events after the reporting period

No matter or circumstance has arisen since 30 June 2026 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 30. Reconciliation of net surplus/(deficit) to net cash from/(used in) operating activities

	2026 $	2025 Restated $
Net surplus/(deficit) for the year	(3,159,451)	10,136,234
Adjustments for:		
Depreciation and amortisation	419,361	275,515
Capital funding / grants	(6,109,985)	(11,439,760)
Net loss on disposal of non-current assets	9,175,547	1,471,777
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	1,727,167	(1,102,109)
Decrease in accrued revenue	-	20,750
Increase in prepayments	(213)	(2,229)
Increase in employee benefits	5,347	11,583
(Decrease)/ increase in trade and other payables (excluding income in advance relating to capital grants)	(355,492)	(875,281)
Net cash from/(used in) operating activities	1,702,281	(1,503,520)

Brown Hill & Keswick Creeks Stormwater Board
Certification of auditor independence
As at 30 June 2026

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 2026, the Board's Auditor, Dean Newbery has maintained its independence in accordance with the requirements of the Local Government Act 1999 and the Local Government (Financial Management) Regulations 2026 made under that Act.

This statement is prepared in accordance with the requirements of Regulation 22(3) Local Government (Financial Management) Regulations 2026.

Judith Choate
Judith Choate (Sep 16, 2026 13:02:05 GMT+9.5)

Judith Choate
Board Member

16/09/2026

Geoff Vogt
Geoff Vogt (Sep 16, 2026 13:44:13 GMT+9.5)

Geoff Vogt
Board Member

16/09/2026

Brown Hill and Keswick Creeks Stormwater Board

Certification of Auditor Independence

for the year ended 30 June 2026

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of the Brown Hill and Keswick Creeks Stormwater Board for the year ended 30 June 2026, the Board's Auditor, Dean Newbery, has maintained its independence in accordance with requirements of 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.

Angelo Catinari
CEO, City of West Torrens ....

Date 21 / 08 /2026

Brown Hill and Keswick Creeks Stormwater Board

Certification of Auditor Independence

for the year ended 30 June 2026

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of the Brown Hill and Keswick Creeks Stormwater Board for the year ended 30 June 2026, the Board's Auditor, Dean Newbery, has maintained its independence in accordance with requirements of 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.

Peter Tsokas
CEO, City of Unley ....

Date 21 / 8 /2026

Brown Hill and Keswick Creeks Stormwater Board

Certification of Auditor Independence

for the year ended 30 June 2026

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of the Brown Hill and Keswick Creeks Stormwater Board for the year ended 30 June 2026, the Board's Auditor, Dean Newbery, has maintained its independence in accordance with requirements of 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.

Matt Pears
CEO, City of Mitcham

Date 21/8/2026

Brown Hill and Keswick Creeks Stormwater Board

Certification of Auditor Independence

for the year ended 30 June 2026

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of the Brown Hill and Keswick Creeks Stormwater Board for the year ended 30 June 2026, the Board's Auditor, Dean Newbery, has maintained its independence in accordance with requirements of 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.

Michael Sedgman
CEO, City of Adelaide .... M. F. Sedgman

Date 01/ 09 /2026

Brown Hill and Keswick Creeks Stormwater Board

Certification of Auditor Independence

for the year ended 30 June 2026

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of the Brown Hill and Keswick Creeks Stormwater Board for the year ended 30 June 2026, the Board's Auditor, Dean Newbery, has maintained its independence in accordance with requirements of 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.

Julia Grant
CEO, City of Burnside ....

Date 21 / 08 /2026

DeanNewbery

Chartered Accountants

HEAD OFFICE
214 Melbourne Street
North Adelaide SA 5006

PO Box 755
North Adelaide SA 5006

T: (08) 8267 4777
www.deannewbery.com.au

Dean Newbery
ABN: 48 007 865 081

Certification of Auditor's Independence

I confirm that, for the audit of the financial statements of the Brown Hill and Keswick Creeks Stormwater Board 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, Part 4A, published by the Accounting Professional and Ethical Standards Board, in accordance with the *Local Government Act 1999 and the Local Government (Financial Management) Regulations 2026* made under that Act.

This statement is prepared in accordance with the requirements of Regulation 22 (5) *Local Government (Financial Management) Regulations 2026.*

Samantha Creten

Director

DEAN NEWBERY

31 August 2026

DeanNewbery

Chartered Accountants

HEAD OFFICE
214 Melbourne Street
North Adelaide SA 5006

PO Box 755
North Adelaide SA 5006

T: (08) 8267 4777
www.deannewbery.com.au

Dean Newbery
ABN: 48 007 865 081

Independent Auditor's Report

To the members of the Brown Hill Keswick Creek Stormwater Board

Opinion

We have audited the accompanying financial report of the Brown Hill Keswick Creek Stormwater Board (the Authority), which comprises the statement of financial position as at 30 June 2026, statement of comprehensive income, statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and the Certification of the Financial Statements.

In our opinion, the 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 the *Local Government Act 1999* and the *Local Government (Financial Management) Regulation 2011* and the Australian Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described as 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 auditor independence requirements of the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110: *Code of Ethics for Professional Accountants (Including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other 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.

Authority's Responsibility for the Financial Report

The Authority is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations), the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* and for such internal control as the Authority determines is necessary to enable the preparation of the financial report to be 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 relating to going concern and using the going concern basis of accounting unless the Authority either intends to liquidate the Authority or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Authority's financial reporting process.

Auditor's Responsibilities 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 the audit conducted in accordance with the 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 financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Authority to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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.

DEAN NEWBERY

SAMANTHA CRETEN
Director

17 September 2026