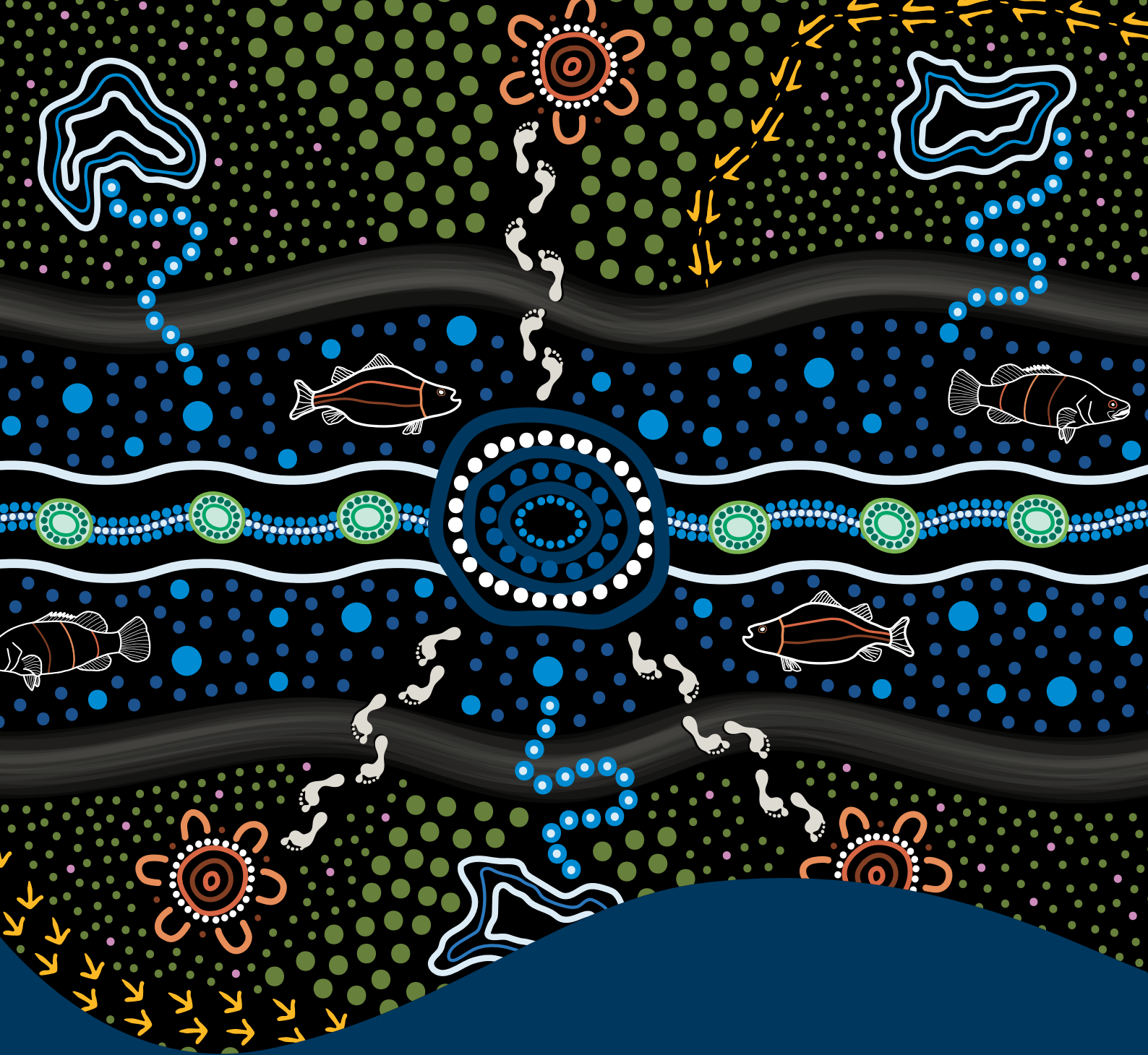


2025-26 South Australian Water Corporation Annual Report

For the year ending
30 June 2026





Acknowledgement of Country

We acknowledge the Traditional Owners of Country throughout South Australia and in other areas of Australia where we operate and recognise their unique and continuing connection to lands and waters. We pay respect to Elders past and present and extend that respect to all Aboriginal and Torres Strait Islander peoples visiting or living in South Australia.



Scan to learn more about
our reconciliation artwork
(pictured above)

Letter of transmittal

30 September 2026

The Honourable Nick Champion MP
Minister for Housing Infrastructure

Dear Minister

On behalf of the Board of SA Water, I am pleased to present the Corporation's Annual Report for the financial year ending 30 June 2026.

The report is submitted for your information and presentation to Parliament, in accordance with requirements of the *Public Corporations Act 1993* and the *Public Sector Act 2009*.

This report is verified as accurate for the purposes of annual reporting to the Parliament of South Australia.

A handwritten signature in black ink, consisting of a stylized 'A' followed by a long horizontal stroke.

Allan Holmes
Chair of the Board

Contents

A message from the Chair	5
A message from the Chief Executive	6
About SA Water	8
Our vision	10
Our organisation	10
Our strategy	10
Our services	10
Overview of our network and assets	11
Year in review	14
Highlights	15
Driving customer outcomes	16
Water for the future	22
Healthy communities	25
Proactive environmental leadership	28
Our people for the future	30
Water quality	32
Effective governance	38
Legislation	40
Key regulators	40
The Board	40
Directors' interests and benefits	40
Board committees	41
Organisation structure	41
Financial performance	42
Financial performance summary	44
Contributions to government	44
Capital expenditure	45
Consultants	45
Contracts entered into with SA businesses and non-SA businesses	45
Supplementary reporting items	46
Fraud and corruption	47
Public interest disclosure	47
Assurance and risk management	47
Complaints	47
Ministerial directions	48
Appendices	52
Appendix A: Audited financial statements	54
Appendix B: Source water quality data	122

A message from the Chair



South Australia continues to grow, and with this comes increasing demand for the essential services SA Water provides.

The organisation continues to deliver strong operational performance while providing safe drinking water and wastewater services to communities across a vast and diverse state. At the same time, the impacts of climate change and the need to renew ageing infrastructure are creating challenges that require careful planning and sustained investment.

As a state-owned corporation, SA Water operates within a unique environment. The Board provides strategic oversight of the organisation while working closely with government to help deliver broader priorities for South Australia. This requires balancing the needs of today's customers with the responsibility to invest for future generations.

During 2025-26, SA Water delivered another year of record capital investment, reflecting the scale of infrastructure required to support South Australia's growth and future prosperity. Across metropolitan and regional areas, investment continued in projects that will strengthen water and wastewater services, improve resilience and provide capacity for future communities. The Board's role is to ensure these investments are responsibly managed and deliver lasting benefits for customers and the state.

The Board also maintained a strong focus on the challenges and opportunities that lie ahead. Decisions made today about water resources, infrastructure renewal and network capacity will shape our water and wastewater for decades to come. Significant work is underway to plan for future water sources that will help respond to a changing climate while supporting population growth and economic development. We are also seeing the need for major investment in critical infrastructure across the state, including upgrades to key assets such as the Bolivar Wastewater Treatment Plant.

The South Australian Government has announced its intention to establish the SA Gas and Water Trust. As work gets underway to deliver this policy, the Board welcomes the opportunity to help shape this next chapter for the organisation.

I thank Chief Executive David Ryan, the Executive team and all employees for their efforts throughout the year. I also acknowledge the many contractors, delivery partners and stakeholders who contribute to the services SA Water provides across the state.

Finally, I thank my fellow Board members for their continued commitment and contribution during the year. The Board's work is strengthened by the diverse experience and perspectives of its members, and I value their ongoing support as we guide the organisation through a period of significant investment, change and opportunity.

A handwritten signature in black ink, consisting of a stylized 'A' followed by a long horizontal stroke.

Allan Holmes
Chair of the Board

A message from the Chief Executive



This year saw one of the largest infrastructure investment programs in our history, while we continued to deliver the essential services our customers rely on every day. Across metropolitan and regional South Australia, our people maintained water and wastewater services, supported customers, delivered major projects and planned for the future.

As I reflect on the year, what stands out most is the scale of work being undertaken across the business. We are investing in the infrastructure needed to support a growing state, while also preparing for the challenges that come with climate change, ageing assets and changing patterns of water use.

Supporting South Australia's future growth remained a major focus throughout 2025-26. We continued delivering infrastructure under the South Australian Government's Housing Roadmap, laying more than 36 kilometres of pipe and enabling water and wastewater services for more than 5,000 new allotments across Greater Adelaide. This work is creating capacity for new homes and ensuring infrastructure keeps pace with growth in the state.

We continued planning for South Australia's future water security. Construction progressed on the Eyre Peninsula Desalination Plant and work continued on longer-term planning for future water sources and regional water security initiatives.

The year also brought significant reform activity through the South Australian Government's announcement of its intention to establish the SA Gas and Water Trust. The formation of a Taskforce to progress this work reflects the government's commitment to streamlining the way essential services are governed and regulated in South Australia. The proposed reforms will expand our remit to include gas services and transition SA Water from a statutory corporation to a trust structure. While there is considerable work ahead, we will build on the strengths that already exist within the organisation and create opportunities to deliver services in a more coordinated and efficient way. The Trust will be an important contributor to state prosperity while managing our water resources responsibly and sustainably for the future.

Another major announcement during the year was the decision for us to take responsibility for water treatment and delivery services in Coober Pedy. This is an important development for the community and reflects the confidence placed in our people and expertise. We look forward to working with local stakeholders as this transition progresses.

Alongside these strategic priorities, we continued delivering environmental initiatives that support our long-term sustainability goals. These included expanding recycled water opportunities, increasing renewable energy generation through our wastewater operations and progressing our Reservoirs for Nature program. These projects show how we can deliver essential services while reducing waste, reusing resources and improving environmental outcomes.

The safety of our people and contractors remains our highest priority. During the year, we strengthened our Critical Risk Program and continued embedding critical risk controls across the business. We also expanded collaboration with delivery partners through our Executive Contractor Safety Forum, bringing together leaders from across our broader workforce to share insights and drive improvements in safety performance. These efforts contributed to a united focus on safety across our business and partners, resulting in a major reduction in significant incidents.

As a signatory to the United Nations Global Compact, we remain committed to operating responsibly and aligning our activities with its principles covering human rights, labour, environment and anti-corruption. Those principles continue to guide the way we work with our employees, partners, suppliers and communities.

We also continued making progress on our commitments to reconciliation and inclusion. During the year we launched branding developed by our Kauwi Miyurna employee network group, progressed actions under our Reconciliation Action Plan and Aboriginal and Torres Strait Islander Employment and Retention Plan, strengthened cultural capability across the organisation, and increased Aboriginal employment. While we are proud of the progress being made, we know there is more work to do. Building strong relationships with Aboriginal communities and creating meaningful opportunities remains an important focus for our business.

Most importantly, I want to thank our people.

Every day, I see examples of employees going above and beyond for our customers, supporting one another and finding better ways of doing things. Their professionalism, commitment and willingness to take on challenges to continue to strengthen our organisation and make me immensely proud.

I would also like to thank the many delivery partners, contractors and suppliers who work alongside us. From our major alliance and framework partners through to smaller regional businesses and specialist contractors, their expertise and commitment play an important role in helping us deliver for South Australians.

Finally, I thank the Board for its ongoing support and leadership, and I acknowledge my Executive team. I am grateful for the support, leadership and commitment they bring to the organisation every day. I am fortunate to work alongside such a capable and committed group of leaders whose expertise and dedication continue to strengthen our organisation.



David Ryan
Chief Executive

About SA Water





Our vision

Delivering trusted water services for a sustainable and healthy South Australia

Our organisation

We are South Australia's leading provider of water services for more than 1.8 million people. For 170 years, we have been working together with South Australians to ensure a reliable supply of safe, clean water and a dependable sewerage system. We deliver for customers by ensuring continuity of service, making smart asset decisions, responding to changing operational environments and achieving operational efficiencies to keep costs down.

As a statutory corporation, we report to an independent board and balance the delivery of services in a competitive market with our responsibility to provide a financial return to government.

We are included in the portfolio of Minister for Housing Infrastructure, and work closely with South Australian government agencies including:

- Department of the Premier and Cabinet
- Department of Treasury and Finance
- Department for Housing and Urban Development
- Department for Infrastructure and Transport
- Department for Environment and Water
- Department for Energy and Mining
- Department for Health and Wellbeing
- Department for Infrastructure and Transport
- SA Health
- Environment Protection Authority

Our strategy

Our vision is to deliver trusted water services for a sustainable and healthy South Australia. While our current strategy was originally intended to guide the organisation from 2020 to 2025, it remains relevant and the Board has extended it to guide us until organisational changes associated with the future SA Gas and Water Trust are implemented. This extension provides continuity and a stable strategic foundation for our workforce while future governance and operating arrangements are determined.

Our services

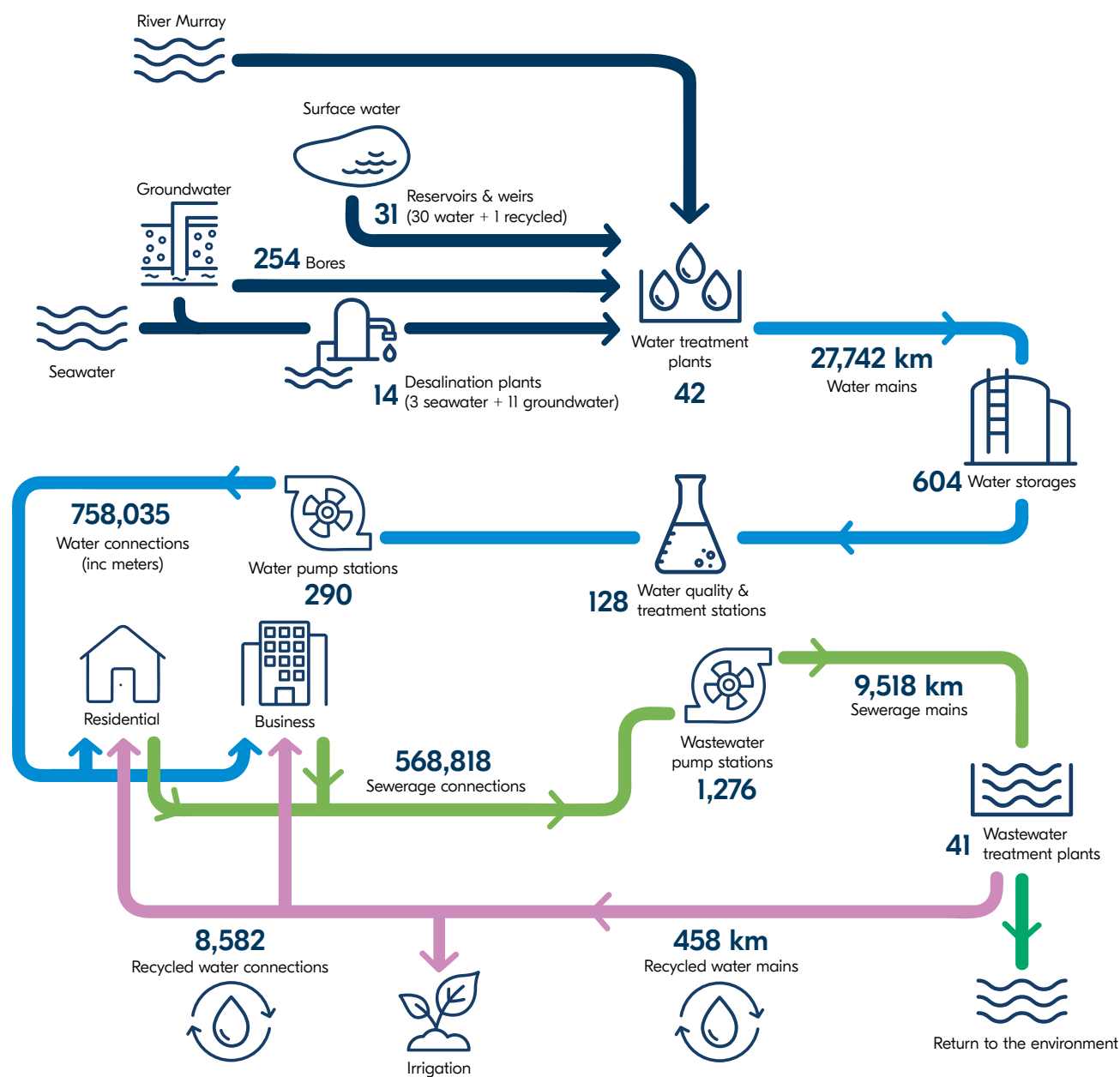
Every day we provide essential water services to cities, suburbs and towns across South Australia.

As one of the most efficient water utilities in Australia, we are continually improving the way we do this for our customers to keep prices as low and stable as possible over time. To deliver value for money, we strive to make smart, long-term investments, and the best use of new technologies. We remain focused on what is important to our customers and meeting our legal and regulatory responsibilities.

We are the custodians of the longest water mains supply network of any Australian water utility at a length of more than 27,000 kilometres. In addition, we manage more than 9,000 kilometres of sewerage mains and a 453-kilometre recycled water network.

We manage drinking water quality from catchment to tap, working cooperatively with SA Health to ensure the continued protection of public health and supply of high quality, safe drinking water for our customers across the state.

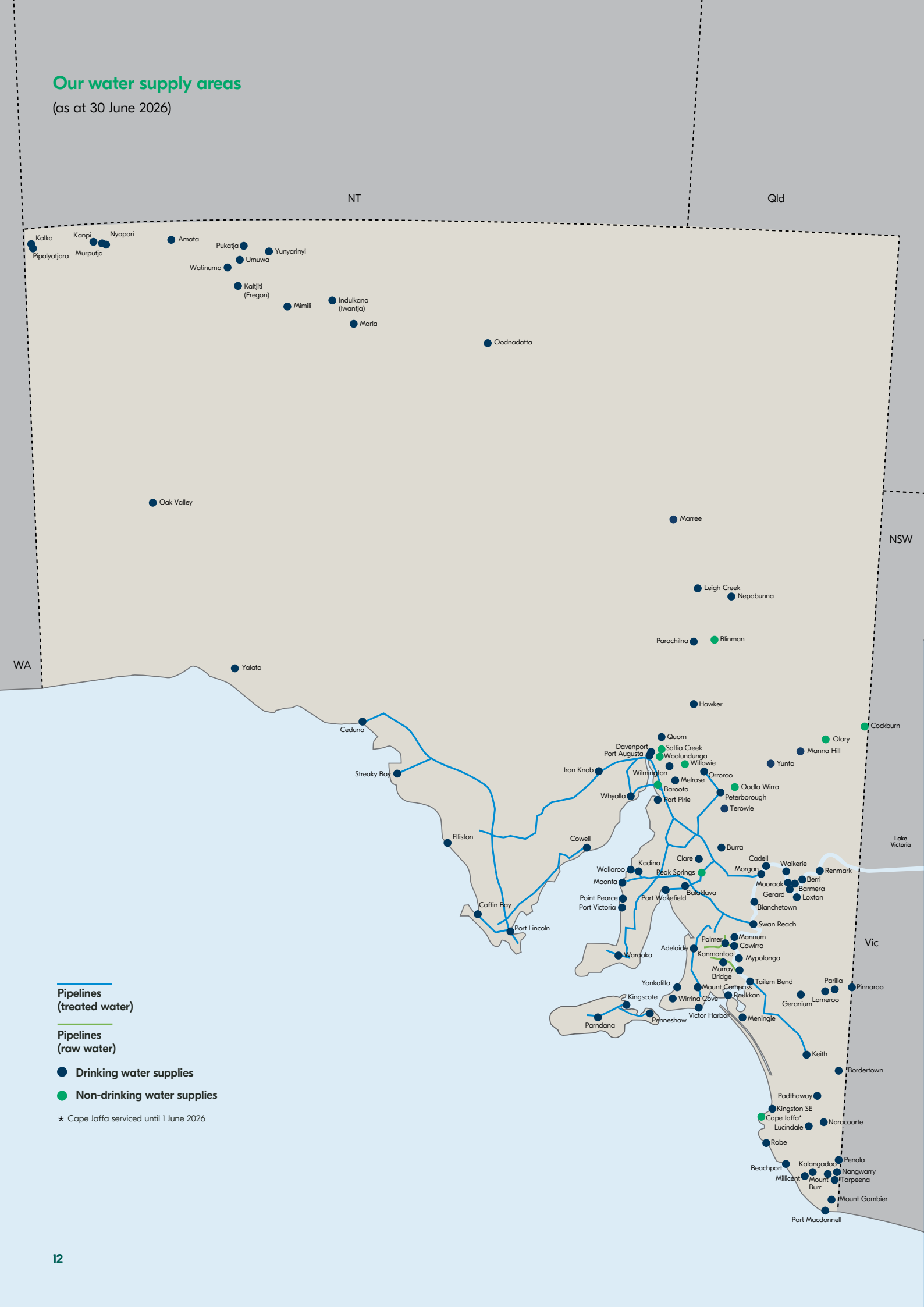
Overview of our network and assets



As at June 2026

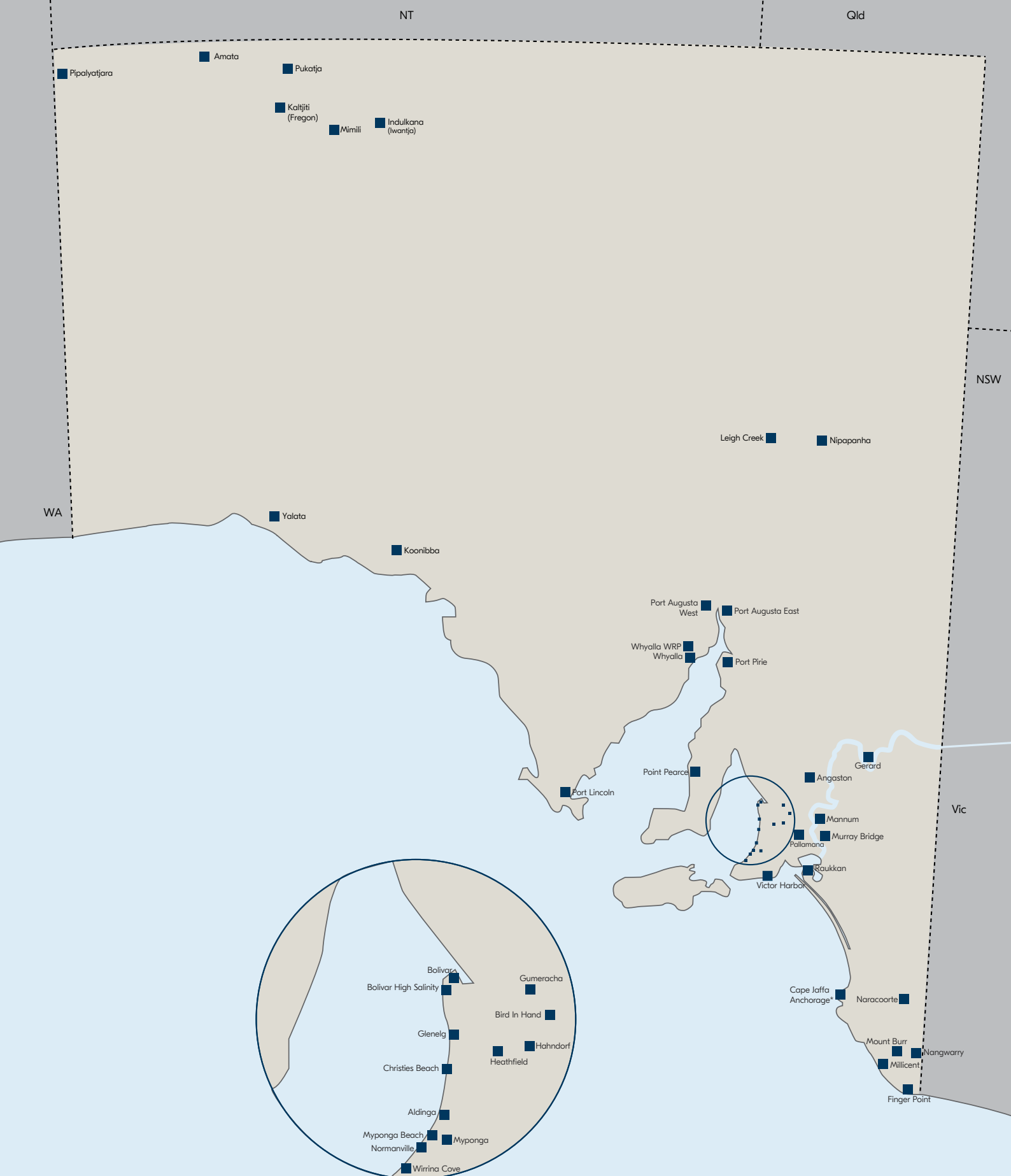
Our water supply areas

(as at 30 June 2026)



Our sewage treatment plants

(as at 30 June 2026)



★ Cape Jaffa serviced until 1 June 2026

Year in review



Highlights



252 billion litres of water delivered to customers
from our water treatment facilities



90 billion litres of wastewater safely treated and returned
to the environment, with 33 billion litres of water recycled



23.3% renewable electricity generated
(biogas/solar/hydro) of total electricity consumed



93% customer satisfaction



\$1.3 billion in capital investment



390,000+ customers receiving eBills



50.3 kilometres of new water mains installed



445,000+ water quality test results analysed



271,000 visitors to reservoir reserves



Driving customer outcomes

We provide our customers with safe, reliable and affordable water services. To achieve this, we maintain trust by ensuring water quality and asset reliability and provide continuity of service by preventing or minimising temporary service interruptions. We use data, technology and connected assets to make smart operational decisions, improve efficiency and maintain affordable services for customers.

Meeting our customer service standards

Performance measures and service standards set by our economic regulator, the Essential Services Commission of South Australia, guide how we measure our success in delivering for our customers and the community.

In 2025-26, we met all 22 of our customer service standards.

Measure	Target	Achieved
Customer satisfaction	93%	93%
Telephone responsiveness	85%	87%
First contact resolution	85%	100%
Complaint responsiveness	95%	97%
Complaint escalation	10% or lower	7%
Connection application responsiveness	95%	98%
Water network connection timeliness	95%	96%
Sewer network connection timeliness	94%	97%
Water quality responsiveness (metropolitan Adelaide)	97%	100%
Water quality responsiveness (regional South Australia)	99%	100%
Water event responsiveness — high priority (metropolitan Adelaide)	99%	100%
Water event responsiveness — high priority (regional South Australia)	99%	99%
Water event responsiveness — low priority (metropolitan Adelaide)	83%	92%
Water event responsiveness — low priority (regional South Australia)	97%	98%
Sewer event responsiveness (metropolitan Adelaide)	99%	100%
Sewer event responsiveness (regional South Australia)	99%	99%
Water service restoration timeliness (metropolitan Adelaide)	98%	99%
Water service restoration timeliness (regional South Australia)	98%	98%
Sewerage service restoration timeliness (metropolitan Adelaide)	95%	98%
Sewerage service restoration timeliness (regional South Australia)	99%	99%
Sewer overflow clean-up timeliness (metropolitan Adelaide)	98%	98%
Sewer overflow clean-up timeliness (regional South Australia)	99%	99%

Sustaining and maintaining our existing networks

Our continued focus to improve and maintain our water and wastewater networks saw us invest \$842 million in our water network and infrastructure, and \$470 million in our wastewater pipe network and infrastructure.

In 2025-26 we installed 50.3 kilometres of new water mains as part of our 4-year, \$140 million water main management program. New water mains were installed across the state, including at the following locations:

Location	Mains installed (m)
Maitland	4,872
Nurom	4,820
Brinkworth	3,745
Kangaroo Flat	3,697
Sellicks Hill	1,875
Warramboo	1,400
Ceduna	1,141
Warradale	1,070
Highbury	924
Saltia	772
Parafield Gardens	687
Ascot Park	599
Nailsworth	443
Morphett Vale	377
Elizabeth North	364
Prospect	364
St Peters	359
Linwood	347
Whyalla	342
Panorama	310
Marden	308
Adelaide	281
Hope Valley	280
Manningham	260
Windsor Gardens	233
Moonta Bay	225
Brahma Lodge	225
Holden Hill	215



Customer bills support investment in reliable water and wastewater services.



Our Payment Assistance Program helps customers experiencing financial difficulty.

Main leaks and breaks

In 2025-26, 4,798 water main leaks and breaks were reported across our 27,742 kilometre network, a 3 per cent reduction from the 4,930 recorded in 2024-25.

Dry conditions causing excessive soil movement around our water network led to a greater rate of breaks in the first half of the year. However, increased rainfall during the second half of the year helped reduce the overall tally.

While we work to keep main breaks to a minimum, our modelling anticipated the increased water main break frequency which helped us plan and manage resources to ensure we continued to meet our service delivery targets.

Investing in a resilient water future for South Australia

From 1 July 2025, the average metropolitan customer's bill increased by 3.5 per cent plus Consumer Price Index, ensuring we can continue making the vital investments to maintain and improve services for our customers while supporting unprecedented levels of housing growth. This meant the average metropolitan residential customer with typical water use and average property value paid around \$19 per quarter more in 2025-26 (based on 2.4 per cent inflation).

Promoting our Payment Assistance Program

In 2025-26, we promoted our Payment Assistance Program to ensure customers know what support is available if they have difficulty paying their water bill. We encouraged customers experiencing or anticipating bill stress to contact us early, so we could work with them on flexible options including payment plans and extensions.

We used targeted advertising to direct customers to information about bill assistance on our website and worked with community and support organisations across metropolitan and regional South Australia to share information through their channels.

This activity increased visits to our bill support webpage and helped raise awareness of the assistance available. Our brand health research found that awareness of our flexible payment options reached 75 per cent, the highest annual result recorded to date and a significant increase on the previous financial year.

Greater protections for customers experiencing domestic violence

We strengthened protections for customers experiencing domestic, family and sexual violence by introducing stronger systems and privacy safeguards across our services. These changes align with new requirements under the Essential Services Commission of South Australia's Water Retail Code and are designed to better protect customer safety, privacy and wellbeing.

To support customers who may be at risk of financial abuse, unsafe contact arrangements or service disruption, we embedded additional protections across our business, including safer account and contact arrangements, enhanced privacy controls, flexible billing options and confidential support pathways.

Customer-facing employees received specialist training to recognise when support may be needed and respond appropriately. We also introduced specialist customer support roles, improved business processes, enhanced account systems and clearer customer information on our website to reduce the risk of harm.

Bolivar's new upgrade opens for first flush

Eighty Olympic-sized swimming pools worth of sewage from across Adelaide is now flowing through Bolivar Wastewater Treatment Plant's newly upgraded inlet structure.

Completed in September 2025, the new inlet can process up to 630 million litres of sewage per day, more than doubling the plant's average daily flow capacity.

It includes 4 new 6-metre-high screen trains, which remove solid materials, such as wet wipes, and help protect downstream infrastructure from blockages and damage.

This upgrade is preparing the facility for increased flow volumes as Adelaide's northern growth areas continue to expand.

Together with the replacement of 10 existing inlet pipes, the \$64 million investment will help ensure our wastewater system can keep pace with population growth and future housing development.

Connection progress in Adelaide's north east

The Tea Tree Gully Sustainable Sewers Program, continued to make strong progress in 2025-26, connecting a further 1,100 properties to our wastewater network. A total of 2,276 properties are now connected — almost half-way to our target. The program will deliver new sewer connections to more than 4,800 properties across 13 suburbs in the City of Tea Tree Gully area.

Wastewater mains are now in place in St Agnes, Tea Tree Gully and Surrey Downs and works continue across the remaining suburbs. Two new wastewater pumping stations are also operational. We are working closely with property owners and the community as the project progresses. Customers who received new sewer connections reported an average satisfaction rating of 95 per cent.



Bolivar's upgraded inlet structure is increasing wastewater treatment capacity to support Adelaide's growth.



New sewer connections are helping improve wastewater services for Tea Tree Gully communities.



New water infrastructure has connected Wellington East to our drinking water network.

Network expands to Wellington East

About 220 homes in Wellington East now have access to safe, clean drinking water, following the town's transition to our drinking water network in June 2026.

As part of the transfer of the water supply network from the Coorong District Council, the community was connected to an existing water main along the Princes Highway. This links to the Lake Alexandrina trunk main, which sources water from the River Murray before it's treated at our Tailm Bend Water Treatment Plant.

As SA Water customers, Wellington East residents now have access to a 24/7 customer response service, bill payment support when needed and inclusion in our statewide pricing structure.

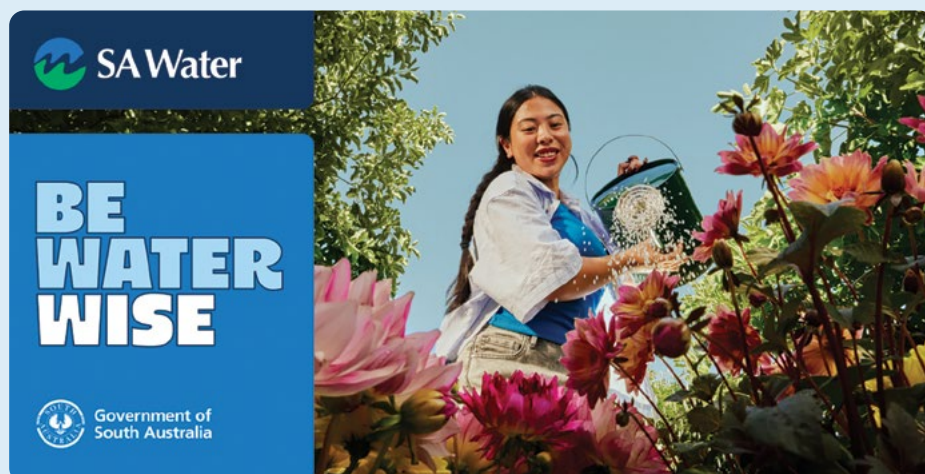
Riverland's Lock 3 back in business after vital refurbishments

Overland Corner's century-old Lock 3 reopened in September 2025 following the completion of important maintenance works. The lock chamber's 8-million-litre water capacity was drained to enable safe access to the base of the 120-metre-long structure.

Refurbishments included replacing all 12 water control valves, re-sealing the four 18-tonne hydraulic gates, repairing sections of the lock floor and completing other maintenance works across the site. The upgrades will improve the lockage process for boats by halving their transit time through the lock from about 30 minutes down to 15 minutes.



Morgan Water Treatment Plant produces approximately 40 per cent of the drinking water supplied across regional South Australia.



Our Be Water Wise campaign encouraged customers to use water efficiently at home and in the garden.

Easy ways to be water wise

Our summer messaging campaign provided customers with practical tips on how to be water wise in their home and garden during the warmer months. In 2025-26, we built on the success of previous campaigns by focusing on simple, practical advice delivered through social media channels. We also shared information through our website and engaged directly with the community at events including the Tour Down Under and WOMADelaide.

The campaign exceeded its goals for reaching customers across South Australia, generating positive sentiment and prompting customers to share their own water wise tips.

Morgan tap water crowned the best in the state

Morgan Water Treatment Plant won the title of South Australia's best tasting tap water in IXOM's 2025 competition. The Water Industry Operations Association of Australia competition judges 17 water samples from across the state based on colour, clarity, odour and taste.

Operating since 1986, the plant at Morgan supplies drinking water to about 130,000 homes and businesses from the state's Mid North to central Eyre Peninsula.

The plant produces an average of 31 billion litres of water each year, and accounts for around 40 per cent of the drinking water supplied across regional South Australia.



Higher rainfall helped replenish Adelaide's reservoir catchments and boost storage levels in 2025-26.

Wetter year bolsters Adelaide reservoirs

During 2025-26, a total of 89 billion litres of water flowed into Adelaide's reservoirs. In June 2026, storages were sitting at 49 per cent capacity — 9 per cent higher than in June 2025.

Rainfall in July, August and November 2025, then again in June 2026, played a significant role in replenishing our catchments and helping storages recover from the dry conditions experienced in recent years.

In the first half of 2025-26, 61 billion litres flowed into Adelaide's reservoirs — compared to 41 billion litres in 2024-25.

The combined impact of a growing population and changing climate is continuing to drive higher water use across Adelaide, with the past 2 summers recording exceptionally high levels of consumption.

In summer 2025-26, a total of 58.2 billion litres of water was supplied to our customers across Adelaide — the highest volume since 2002-03.

Research, development and innovation build capability

Research, development and innovation enable us to meet changing business needs, prepare for future challenges and opportunities, and build the knowledge, capability and problem-solving skills of our people.

In 2025-26, we delivered an industry-leading Innovation Accelerator program in partnership with Flinders University's New Venture Institute, enabling cross-functional teams to develop and test solutions to strategic business challenges.

Specific research and development projects progressed during the year included:

- Wastewater monitoring across South Australia to provide public health intelligence as part of the Australian Centre for Disease Control's National Wastewater Surveillance Program.
- Developing new methods for rapid detection and prediction of cyanobacterial blooms using advanced molecular and remote sensing technologies.
- Piloting ozone nanobubble water treatment systems to improve removal of taste and odour compounds while reducing chemical use.
- Developing a framework for managing the risk of antimicrobial organisms in the environment.
- Improving water supply resilience through research into alternative water sources, recycled water opportunities and regional water security solutions.

Our Adelaide service delivery partnership

Our Adelaide service delivery partnerships with Service Stream and SUEZ continued in 2025-26.

Our metro field operations service provider, Service Stream:

- Completed 172,250 work orders — a 15.9 per cent annual increase in total work order volumes — and achieved 7 out of 7 customer service standards set by the Essential Services Commission of South Australia (including best endeavours).
- Delivered services for our customers with an average customer satisfaction score of 93 per cent for metropolitan fault reports.
- Delivered 1,300 meter replacements across 17 remote communities in the Anangu Pitjantjatjara Yankunytjatjara Lands.
- Installed 11,300 new water meters on Eyre Peninsula as part of the statewide program to replace 120,000 ageing water meters.
- Supported our capital delivery teams in delivering 3,229 metres of new and replacement water mains in metropolitan areas.
- Ensured our water and wastewater networks were ready for increased customer demand during the bp Adelaide Grand Final. More than 4 kilometres of sewer main were cleaned as a preventative measure and 52 valves were isolated across the circuit. This year, crews successfully reduced the number of required isolations by 9 compared to the previous year, helping to lessen the impact of low-flow conditions on local customers. Chamber lids across the circuit were also carefully secured.
- Provided support for field crews across 8 regional centres, including Woodside in the Adelaide Hills, Seaford and wider Fleurieu Peninsula, Port Lincoln, Roseworthy, and Port Augusta.
- Delivered diversity and inclusion outcomes with 2.8 per cent of employees identifying as Aboriginal or Torres Strait Islander and strengthening ties with First Nations community through involvement with Clontarf Foundation.
- Launched our first ever all-female sewer crew, with 12 women now employed in field roles.



We established our first all-female sewer crew, expanding opportunities in field-based roles.

Our production and treatment alliance (P&T) partner SUEZ delivered:

- Project works worth \$13 million, including an upgrade of our Hope Valley offices, Seacliff electrical safety works and a major water main valve replacement in Athelstone.
- A new integrated tank at the Glenelg Wastewater Treatment Plant to store cheese whey from dairy manufacturers, doubling capacity for co-digestion alongside other sources of organic waste and wastewater and enabling a boost in biogas production. The plant now generates about 589 megawatt hours of electricity every month, which is enough to power about 1,000 homes.
- A record 158,387 megalitres of drinking water from metropolitan water treatment plants — the highest volume since the alliance contract began. The Happy Valley plant produced 12,676 megalitres in January 2026 alone — an amount equivalent to the entire volume of Happy Valley Reservoir. Peak daily water production reached 911 megalitres on Australia Day (26 January 2026) when the daytime temperature reached 44.7°C.
- Approximately 30,000 hours of labour to support our program of works delivering housing growth across metropolitan Adelaide.

One of our 2 Bolivar recycled water treatment plants recorded its highest monthly production since July 2021, producing 2.85 billion litres of fit-for-purpose recycled water in January 2026. The water supports properties across the Northern Adelaide Plains, including animal husbandry and poultry operations, fruit and nut orchards, table and wine grapes, horticulture and floriculture. Water from the plant also supports dual reticulation services, including garden irrigation and toilet flushing, for Mawson Lakes homes.

Production from Bolivar's second recycled water plant also increased in January 2026, reaching 231 megalitres — its third-highest monthly production since July 2021. Water from this plant supports our Northern Adelaide Irrigation Scheme, which supplies the agricultural food bowl north of Adelaide.

Other initiatives included collaborating with local land care and biodiversity groups and community members to continue revegetation projects at our Glenelg and Aldinga wastewater treatment plants, which has seen 40,000 native plants grown and planted across 2 projects since 2021.



Water for the future

Our production and treatment activities ensure the water we provide is fit for our customers to use and to be recycled or returned to the environment. We harvest, store, treat, distribute and reuse water to provide fit-for-purpose water services to our customers to stimulate economic growth and meet customer needs, and look for opportunities to positively influence policy and decisions.



Major network upgrades are helping unlock land for new housing across Greater Adelaide.



New water storage at Sandy Creek will help meet growing demand across northern Adelaide and surrounding communities.

Housing Roadmap program accelerates growth across Greater Adelaide

In the second year of delivering infrastructure under the South Australian Government's Housing Roadmap, we continued expanding metropolitan water and wastewater networks to support housing growth across Greater Adelaide.

Major works progressed across Adelaide's northern growth corridor, including Angle Vale, Elizabeth North, Davoren Park, Craigmore, Blakeview, Munno Para, Smithfield, Virginia, Roseworthy and the Gawler Belt. Together, these projects form part of the largest expansion of our metropolitan water and wastewater networks in decades.

During 2025-26, crews laid more than 36,000 metres of pipe, with up to 32 teams working across multiple sites. We also issued 148 Development Agreement Formal Instruments, enabling water and wastewater services for 5,192 new allotments.

These network upgrades are helping unlock land for housing, support growing communities and ensure essential infrastructure keeps pace with South Australia's growth.

Sandy Creek water storage project reaches key milestones

Construction of two 10,000 kilolitre water storage tanks at Sandy Creek progressed significantly during the year, bringing the major infrastructure project closer to completion.

The tanks will provide an additional 20,000 kilolitres of drinking water storage, to help meet growing demand across Adelaide's northern suburbs, the western Barossa and surrounding communities.

Key milestones included the completion of the tank walls on the 48-metre-wide, 7-metre-tall structures and installation of the roof on the first tank. Once complete, the tanks will be the largest water storage tanks built in Greater Adelaide in more than a decade, strengthening network resilience and increasing water supply capacity for northern Adelaide communities.



Major upgrades at Gawler East are strengthening water services for future growth.

Gawler East booster pump station

Upgrades to the Gawler East booster pump station reached significant milestones during 2025-26, supporting reliable water services for growing communities in Adelaide's northern suburbs.

Key milestones included completion of the booster pump station building structure, comprising more than 150 cubic metres of concrete foundations and base slab, installation of 22 precast concrete wall panels and completion of the roof structure. Internal fit-out also progressed, including installation of pumps, pipework, electrical systems, security infrastructure and a 4-tonne gantry crane.

The upgrade will increase the station's pumping capacity from 90 litres per second to 240 litres per second in Stage 1, with provision to expand to 445 litres per second in the future. The project remains on track for completion in late 2026.

Driving growth in Adelaide's south

We continued to support housing growth in Adelaide's southern corridor through the delivery of critical water and wastewater infrastructure under the government's Housing Roadmap.

In January 2026, more than 1,000 metres of new water mains and associated infrastructure was completed and commissioned ahead of schedule to enable the next stage of residential development in Onkaparinga Heights with around 1,000 new homes planned for the area.

We also started construction on major wastewater upgrades to support future growth in Onkaparinga Heights and surrounding suburbs.



We're supporting water security by providing practical water-saving advice for residents and visitors.

Securing the Eyre Peninsula's future water supply

We continued to safeguard water supply for the Eyre Peninsula in 2025-26, with construction of the Eyre Peninsula Desalination Plant remaining the key long-term solution to secure the region's future water supply.

While the plant is being constructed, we have implemented actions under our Water Security Response Plan, which includes supporting customers through the region's 'save water' campaign and promoting rebates available for water-efficient fixtures and appliances.

We also worked with primary producers through the Eyre Peninsula Farm Water Security Project, a collaboration with the Department of Primary Industries and Regions and the Eyre Peninsula Landscape Board. The project delivered workshops and resources on water harvesting, storage and quality management for farmers across the region.

Together, these measures helped maintain water security for the 35,000 people living and working across the Eyre Peninsula.



The completed Tailem Bend to Keith Pipeline upgrade will improve water reliability for regional communities.



Marree now has access to safe, clean drinking water through its new desalination plant.

Morgan to Whyalla Pipeline works

In 2025-26, we renewed 9.3 kilometres of the 358-kilometre Morgan to Whyalla Pipeline, following extensive preparation works.

This is part of a \$61.8 million upgrade to South Australia's longest pipeline which supplies safe, clean drinking water to more than 130,000 homes and businesses across the Mid North, Yorke Peninsula and Eyre Peninsula.

Built in the 1940s, the Morgan to Whyalla Pipeline has long been a vital part of South Australia's water network. Its renewal will strengthen future water security for the communities it serves and marks the first stage of a long-term program to replace the pipeline section by section over the coming decades.

Tailem Bend to Keith Pipeline upgrade

We completed a major upgrade of the 132-kilometre Tailem Bend to Keith Pipeline, reinforcing water reliability for more than 3,000 homes and businesses across the Lower Murray, Mallee and Upper Southeast regions.

Water delivered through the 52-year-old pipeline is sourced from the River Murray, treated at the Tailem Bend Water Treatment Plant and transported through a further 800 kilometres of connected water mains. At full capacity, the pipeline can transport up to 44 megalitres of drinking water each day.

The \$5.8 million project reached its final milestone in 2025-26 with the installation of a seventh valve at Tintinara. The new and upgraded valves will help reduce the number of customers affected during maintenance and unplanned outages, and will benefit around 688 properties in Coonalpyn, Culburra and Tintinara.

A historic milestone for Marree's water supply

For the first time, safe, clean drinking water is flowing to customers in the South Australian outback town of Marree following the construction of a new desalination plant.

Historically, Marree's water supply was designated as non-drinking, requiring residents to source drinking water from rainwater tanks, water deliveries or bottled supplies.

Water quality testing has confirmed the desalinated water is safe to drink and meets the requirements of the Australian Drinking Water Guidelines, and customers no longer need to rely on alternative drinking water sources.

We partnered with Aboriginal-owned South Australian company Birubi Australia and major contract partner John Holland Guidara O'Connor Joint Venture to deliver the pipeline connecting the desalination plant to the community.

This plant can produce more than 120,000 litres of safe, clean drinking water each day, delivering a historic milestone for the Marree community.



Healthy communities

We support and promote the health and wellbeing of an active, thriving South Australia. This is achieved by building sustainable and liveable communities. We share new ways of using water effectively and efficiently to create comfortable green spaces that support wellbeing. Through actions to achieve reconciliation, we support stronger Aboriginal and Torres Strait Islander communities by helping to create economic opportunities.

Continuing our Reconciliation Action Plan actions

We continued to deliver the actions outlined in our 2024-27 Reconciliation Action Plan. Key achievements during 2025-26:

- We launched new branding, developed by our graphic designer, Bree Ah Chee, a proud Arrernte, Yankunytjatjara and Bundjalung woman together with members of our Kauwi Miyurna employee network group. The piece, titled, Country flows through water features prominently throughout the business, including signage, fleet vehicles, water infrastructure, uniforms, corporate materials, and SA Water House itself, and ensures Aboriginal voices and stories are visible every day.
- We provided our people with the opportunity for a cultural immersion session at the Karrawirra-tya-illa Campground near South Para Reservoir, where they learned directly from local Kurna and Peramangk people about their connection to Country and waters.
- We spent \$23 million with more than 70 Aboriginal suppliers, exceeding our target of 1.3 per cent total business spend, strengthening economic participation and contributing social and economic value to Aboriginal communities.



New branding developed by our Kauwi Miyurna employee network group is now featured across our sites and vehicles.



We supported cultural understanding through on-Country learning experiences.



The Lenswood mural is one of 4 new artworks created through our Art on Infrastructure program (photo supplied by Ella Germain).

Community, education, connection and events

Over the past year, our Art on Infrastructure program engaged local artists to deliver 4 new artworks across the state. New installations can now be seen at Lenswood, Lobethal, along the Palmer–Mannum pipeline and on the Glenside water tower in Adelaide’s eastern suburbs.

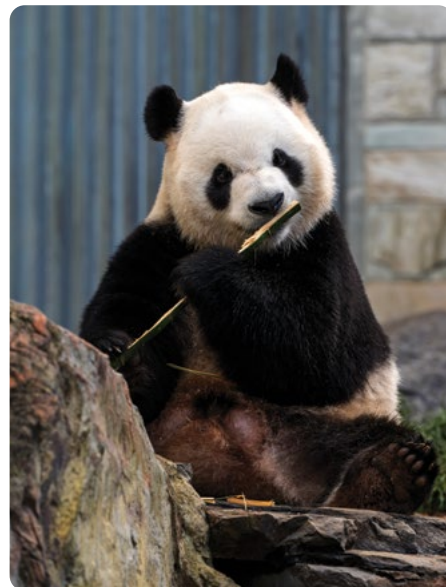
In 2025-26, we also delivered:

- Presentations to 7,256 students through The Well education program, including 2,158 students in regional and remote schools.
- Quench Benches and drinking fountains at 257 events, providing more than 114,000 litres of water.
- Community presentations and site tours for 1,608 people, including our first twilight and weekend tours at the Adelaide Desalination Plant.
- 1,022 hours of community connection by our Brand Ambassadors across 15 major South Australian events, including LIV Golf, the bp Adelaide Grand Final, WOMAdelaide and the National Pharmacies Christmas Pageant.

Partnerships

We continued working with corporate and industry partners, and community organisations across South Australia to support projects that deliver environmental, reconciliation and community benefits. Through our Community Partnership Programs, we:

- Continued our partnership with Zoos South Australia, helping provide raw water to build habitats and watering holes, and enabling elephants to be housed at Monarto Safari Park.
- Supported the development of the Eyre Permaculture and Environment Centre, helping create a community hub focused on sustainable water use, environmental education and resilience.
- Supported the Multicultural Communities Council of South Australia to develop an illustrated storybook inspired by water, in collaboration with local children.
- Partnered with OzFish to deliver hands-on water education sessions for young people in the South East.
- Supported Lobethal Community Kindergarten to create a reconciliation garden co-designed with Peramangk. The garden, including a water course, sculpture and mural is used to teach students about nature and the kindergarten’s connection to Peramangk culture.



Our partnership with Zoos South Australia supports water efficiency, animal care and conservation outcomes.



More than 1,600 people attended our community presentations and site tours across South Australia.



Happy Valley Reservoir Reserve remained our most visited reservoir reserve in 2025-26.

Welcoming people to our reservoirs

In 2025-26, our 10 reservoir reserves welcomed more than 271,000 visitors, with Happy Valley Reservoir Reserve attracting 111,584 visits and remaining our most popular destination. Through our Reservoir Partnerships program, we supported 5 organisations — Paddle SA, Bike South Australia, Adelaide Canoe Club, Murraylands Multisports Inc and TAFE SA — to deliver a diverse range of activities across our reservoir reserves.

Refreshing our fountains

With 117 water fountains across South Australia, we continued our program to refresh this important community infrastructure. In 2025-26, we delivered 16 refreshed water fountains, the majority located in regional areas of the state, which now feature our new Kauwi Miyurna artwork.



Refreshed water fountains featuring our new Kauwi Miyurna artwork provide free drinking water for communities across South Australia.



Proactive environmental leadership

As a leader in environmental management, and by partnering with our stakeholders, customers and community, we are taking action to adapt to climate change and finding ways to reduce our greenhouse gas emissions. We make decisions that reduce waste and create opportunities to reuse resources and by-products of our production processes to deliver environmental benefits.

Keeping our sewers healthy

Sewer blockages reduced from 29,082 in 2024-25 to 26,847 in 2025-26, a 7.7 per cent decrease. Tree roots remained the leading cause, accounting for almost two-thirds of all blockages, particularly in Morphett Vale, Flagstaff Hill, Happy Valley, Athelstone and Rostrevor.

Encouragingly, many South Australians have continued changing household habits, and more people are disposing of wet wipes, rags and other sanitary items in general waste bins. Crews experienced 150 fewer blockages due to wet wipes (1,223 in 2024-25 to 1,073 in 2025-26) and 86 fewer blockages due to foreign objects and anything else that isn't flushable (690 in 2024-25 to 604 in 2025-26).

Further education on household grease disposal is needed, as crews experienced an increase of 62 blockages (941 in 2024-25 to 1,003 in 2025-26).

We continued to encourage customers to use our tree planting guide to help prevent root intrusion and to only flush the 'four Ps' — pee, poo, toilet paper and products proven to be flushable.

Our Healthy Sewers functional advertising was shared during peak sewer blockage periods in November 2025 and April 2026. It used clear messaging targeted to areas with higher blockage rates to help encourage the right flushing and rinsing behaviours to reduce sewer blockage and overflow incidents. Messages were delivered through digital channels including Facebook, Instagram, and TikTok, as well as on posters on the backs of toilet doors and digital signage in targeted locations.



Tree roots remain the leading cause of sewer blockages across our wastewater network.

Hey there!
You might think
we missed them,
but your tampons
are clogging our
system.



We know what you're flushing.
Put it in the bin, South Australia.

SAWater

Government of
South Australia

Hey there!
Are you having
issues? We can
see all your
tissues.



We know what you're flushing.
Put it in the bin, South Australia.

SAWater

Government of
South Australia

Hey Adelaide!
We can see your
pipes and they're
full of wet wipes.



We know what you're flushing.
Put it in the bin, South Australia.

SAWater

Government of
South Australia

Our Healthy Sewers campaign promoted simple actions to help keep South Australia's sewer network flowing.



The Reservoirs for Nature program will help restore native vegetation and biodiversity at reservoir reserves.



Native grass sowing is underway as part of our Reservoirs for Nature program at Mount Bold and Myponga reservoir reserves.

Restoring native landscapes in our reservoir reserves

Our Reservoirs for Nature program is a long-term investment in South Australia's environment, people, communities and climate resilience. The program will deliver lasting environmental outcomes across several of our reservoir reserve sites. In 2025-26, we started projects to restore 320 hectares of previously cleared land at Myponga and Mount Bold reservoir reserves.

By regenerating native landscapes and improving biodiversity, this initiative will help restore ecological balance to some of our most important natural areas, and support stronger communities, deeper cultural connections, and healthier environments for generations to come. The project is also estimated to generate around 67,000 Australian Carbon Credit Units over 25 years, helping us offset some of the operational emissions associated with our infrastructure.

Site preparation works completed in 2025-26 included weed control, soil preparation and native grass sowing to prepare for shrub and tree seedling planting. Fencing was also installed to protect newly planted seedlings.

Getting climate ready

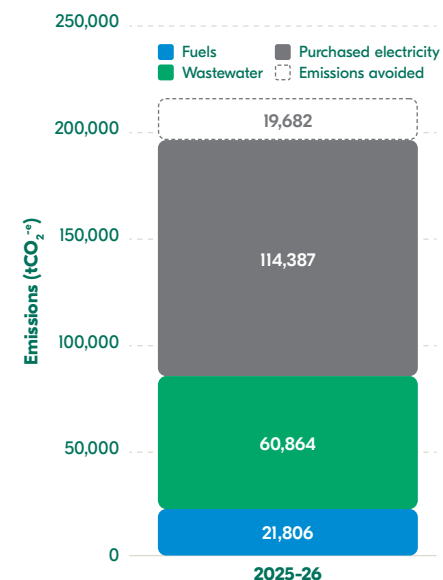
As a Phase 1 agency under the South Australian Government's Climate Ready Government program, we completed all requirements scheduled for delivery by 30 June 2026 under the *Climate Change and Greenhouse Emissions Reduction Act 2007*. This included implementation of a new Climate Change Framework to support the integration of climate considerations into governance, planning and investment decisions. We scanned more than 6,000 assets and facilities for their exposure to climate hazards, and identified bushfire, flooding, extreme heat and sea level rise as the biggest concerns. More detailed climate risk analysis was also prepared for sites including the Whyalla Wastewater Treatment Plant, which will support long-term investment strategies that consider climate adaptation measures to protect essential infrastructure.

Climate resilience is being integrated into every investment project through our Sustainability By Design technical standard. The Materiality Assessment process has identified several capital projects where climate vulnerability can be addressed from the outset, using engineering design to minimise or avoid exposure to future climate risks.

Our carbon emissions for 2025-26 were measured as 197,058 tonnes of carbon dioxide equivalent (tCO₂e), with 19,682 tonnes avoided by our renewable energy systems and biogas use at wastewater treatment plants. We also completed a review of future potential opportunities to manage emissions through electrification, wastewater fugitive gas mitigation, data management systems and leveraging renewable energy from South Australia's low carbon grid. This review will inform ongoing refinement of our carbon management plan and emissions abatement actions.

Total emissions*

*Preliminary NGERs reporting profile





Our people for the future

We proactively grow a diverse and inclusive workforce that reflects the community we serve. This brings diverse perspectives and creative thinking that support innovation and help us embrace technology to work more safely and efficiently. Our people work safely and contribute to a high-performing culture where learning and collaboration deliver great customer outcomes.

Improving safety, health and wellbeing

In 2025-26, our Health and Safety team accelerated its improvement agenda, strengthening frontline safety capability through the deployment of regional health and safety coordinators.

Our collective, sustained and targeted efforts to protect our people and contractors from workplace incidents contributed to a 33 per cent reduction in significant incidents. Our end-of-year total recordable injury frequency rate remained below target (8.5) at 7.4, reflecting that our continued focus on injury prevention and early intervention is having a positive impact.

Key programs of work delivered:

- We developed and deployed new health and safety inspection dashboards, providing real-time visibility of hazards, risks, corrective actions, incidents and inspections to support data-driven decision-making and improved organisational oversight.
- We established the Health and Safety Risk Committee, chaired by the General Manager People and Safety, with representation from all business units. This has strengthened enterprise-wide governance, oversight, and management of health and safety risks.
- We enhanced major hazard facility governance and assurance processes, including improvements to audits, consultation frameworks, risk assessments, and compliance management to support regulatory obligations and operational safety.
- We increased safety leadership observations by 83 per cent, improving leader visibility in the field, strengthening verification of critical controls, and supporting higher-quality safety conversations.
- We significantly increased facilities compliance inspections, enabling earlier identification of health and safety risks and supporting proactive improvement initiatives across our sites.
- We strengthened psychosocial risk management through enhanced governance, targeted training, increased awareness and wellbeing initiatives, creating a safer and more supportive workplace.
- We established the collaborative Executive Contractor Safety Forum, bringing together our Executive team and senior leaders from key contracting partners to share insights, address challenges, and jointly drive improvements in health and safety performance across the broader workforce.
- We insourced our claims and injury management process, enabling more proactive, people-centred support, strengthening early intervention and helping our people recover and return to work safely.

safe
EVERY JOB. EVERY DAY.
EVERYONE



Employee networks, partnerships and targeted programs helped strengthen diversity, equity and inclusion across our organisation.



Diversity, equity and inclusion

Over the past year we continued embedding Diversity, Equity and Inclusion (DEI) across our business, ensuring it remains an integral part of how we work and make decisions.

We also continued initiatives aimed at removing barriers for women working in field-based roles. In response to findings from a 2024 review, we focused on addressing barriers identified by our people and creating opportunities for connection and support. A dedicated network for women in field roles was established, enabling participants to share experiences, exchange ideas and build connections across the organisation.

Our DEI Council, which oversees implementation of our DEI Strategic Plan, continued to mature as an important governance body.

This year we:

- Launched Voices Together, our employee network for culturally and linguistically diverse employees and allies.
- Continued our partnership with the University of Adelaide's Women in STEM Careers program.
- Progressed initiatives to support women working in field roles, including facility improvements, targeted engagement and the establishment of a dedicated employee network.
- Progressed towards our Reconciliation Action Plan and Aboriginal and Torres Strait Islander Employment and Retention Plan target of 3 per cent workforce representation by 2027, with 2.2 per cent of our workforce identifying as Aboriginal and/or Torres Strait Islander.
- Finalised key resources to support the implementation of our Aboriginal and Torres Strait Islander Employment and Retention Plan, including a Cultural Capability Framework and guidelines for engaging and working with Aboriginal and/or Torres Strait Islander people and communities.
- Expanded engagement and partnership activities through participation in metropolitan and regional employment expos.
- Continued collaboration with the Clontarf Foundation, including hosting students from the Christies Beach Clontarf Academy during National Reconciliation Week and supporting the Southern Cup Senior Football Carnival at Noarlunga Downs.

We achieved:

- 43.15 per cent of leadership positions held by women (target: 40 per cent).
- 44 employees identifying as Aboriginal and/or Torres Strait Islander, representing 2.2 per cent of the workforce (target: 3 per cent by 2027).

Disability access and inclusion

We continued to build awareness of disability access and inclusion through initiatives that support both employees and customers. In 2025-26, we delivered 2 pilot sessions of our Leading Neurodivergent Teams program, which helps leaders better understand and support neurodiverse team members and strengthens inclusive workplace practices.

We improved accessibility for customers through initiatives such as our Priority Assist program and expanded the range of accessible communications available including 3 accessible videos explaining customer bills in a clear and easy-to-understand way, helping customers to access information and services in ways that best meet their needs.

Performance management

Our annual performance and development cycle is aligned to the financial year and supports goal setting, development and performance conversations across the organisation.

In 2025-26, 87.5 per cent of our people completed their annual performance reviews.

Water quality

SA Health statement

SA Health and SA Water continue to work cooperatively to deliver safe, clean drinking water to communities throughout South Australia. SA Water continues to meet all requirements of the *Safe Drinking Water Act 2011* including water quality monitoring, the notification and management of defined water quality incidents, and successfully completed an independent audit against the Act's criteria during March.

Monitoring of drinking water supplies aligned with SA Health approved programs. During 2025-26, SA Water collected 49,666 samples from customer tap locations within drinking water supplies throughout the State. Samples were analysed for microbiological and health-related chemical parameters against the Australian Drinking Water Guidelines (2011) (ADWG) and results reported to SA Health in line with agreed reporting protocols. Compliance for *E. coli* was achieved in 99.93 per cent of samples at customer tap locations statewide. In addition, overall compliance with the ADWG for health-related parameters was 99.98 per cent for metropolitan systems and 99.97 per cent for regional areas.

In close consultation with SA Health, SA Water has actively expanded its investigative monitoring for per- and polyfluoroalkyl substances (PFAS) for drinking water sources across South Australia. By 30 June 2026, SA Water had tested drinking water supplies covering 98 per cent of their customers. Testing included resampling at major metropolitan reservoirs, such as Barossa, Happy Valley, Hope Valley, Little Para, Millbrook, and Myponga, and regional areas including targeted locations in the River Murray, Mount Gambier's Blue Lake and surrounding groundwater supplies, Eyre Peninsula and APY Lands. All PFAS results were below detection limits, indicating compliance with the ADWG. This initiative is consistent with the national and local interest in emerging contaminants and provides valuable data to inform future monitoring.

All incidents were managed under the interagency Water/Wastewater Incident Notification and Communication Protocol (WWINC). Coordinated actions by SA Health and SA Water ensured timely communication and immediate remedial responses, fully maintaining public health safeguards.

The total number of reportable incidents notified by SA Water during 2025-26 (189) has increased since 2024-25 (138) including two Priority Type 1 incidents raised during this period. None required public notification. These Priority Type 1 incidents were reported due to the detection of non-infectious *Cryptosporidium* in drinking water produced at Anstey Hill Water Treatment Plant and Mount Gambier's Blue Lake. In both cases, full investigations were conducted on the potential source of the *Cryptosporidium* and changes were made to the operation of the water treatment plants and management of the supplies. Follow up monitoring and ongoing review of water treatment performance and management of the supplies continued for a considerable duration after both incidents. Both events were considered not to represent a significant risk to public health.

The following comparative analysis reviews reportable incidents under the WWINC Protocol, evaluating performance and key trends between the 2024-25 and 2025-26 reporting periods.

- Health-related chemicals rose from 5 in 2024-25 to 26 in 2025-26. This increase was primarily driven by the implementation of stricter ADWG values for lead and manganese in June 2025 and targeted network flushing.
- Significantly wetter conditions for most of the State during 2025-26 contributed to an increase in reported detections of enteric protozoa (*Cryptosporidium* and *Giardia*) in drinking water catchments and source waters from 14 reported incidents in 2024-25 to 26 in 2025-26.
- Microbiological detections increased from 8 in 2024-25 to 16 in 2025-26. These detections occurred across metropolitan and regional tanks and distribution networks.
- The number of recorded clustered customer complaint incidents increased from 3 in 2024-25 to 12 in 2025-26. Most of these complaints were from dirty water in metropolitan Adelaide or taste and odours in drinking water because of cyanobacteria blooms in source waters. These complaints had aesthetic impacts only.
- A decrease in the reported incidents from potential contamination in surface water and/or distribution network mains and tanks from 45 in 2024-25 to 39 incidents in 2025-26. This includes a reduction from 7 (2024-25) to 4 (2025-26) incidents in drinking water reservoirs open to recreational activities with most involving non-compliant water access including swimming. These incidents did not have a measurable impact on drinking water quality.
- The number of reported incidents for elevated cyanobacteria concentrations in drinking water source waters including River Murray and reservoirs decreased to 15 in 2025-26 compared to 19 detections in 2024-25.

Safe drinking water legislation

The *Safe Drinking Water Act 2011* (the Act) and Safe Drinking Water Regulations 2012 provide the regulatory framework for drinking water providers in South Australia and are administered primarily by SA Health.

Provisions in the Act are underpinned by the Australian Drinking Water Guidelines (ADWG) and prescribe requirements for drinking water providers, including:

- registration of drinking water providers with SA Health
- development and implementation of risk management plans
- establishment of approved drinking water quality monitoring programs
- notification of incidents or non-compliance
- audits and inspections to determine compliance with the Act
- use of National Association of Testing Authorities (NATA) accredited laboratories for sample testing
- reporting of water quality test results to SA Health and providing consumers with drinking water quality information.

As a registered drinking water provider, we have established risk management plans, including SA Health-approved monitoring programs and an incident notification protocol. We provide water quality testing reports for metropolitan and regional water supplies on a monthly basis.

An independent audit was undertaken in March 2026, as required by the Act. Conducted over 8 days, the audit assessed a selection of representative drinking water supplies through a combination of on-site inspections and desktop reviews. Site visits included the Little Para Water Treatment Plant and its associated metropolitan network, along with regional sites of Berri, Wirrina Cove, Lucindale, Padthaway, and the Aboriginal community of Gerard. Desktop audits were also completed for remote Aboriginal communities of Mimili and Yunyarinyi.

The audit confirmed compliance with the requirements of the Act and recognised that we have implemented a comprehensive risk management plan and supporting framework that is demonstrably resulting in improvements to the safety and quality of water being provided to South Australians. Highlights identified by the auditor included:

- The breadth and frequency of water quality training programs.
- Delivery of both short- and long-term improvements, including filter repair works and broader system enhancement initiatives at Wirrina Cove.
- Research and development capability, including in-house scientific expertise that has led to beneficial outcomes for water quality management.
- The high standard of organisation at the Port Elliott stores.
- Reactive works — Service Stream allowing the audit of an emergency hydrant replacement in which there was significant time pressure to restore supply.
- Positive engagement from staff all through the audit, including from our partner/contractor organisations.

While the audit was positive overall, 3 non-conformances and a number of improvement actions were identified. Consistent with previous years, these matters will be addressed through established corrective action processes and achieved in a timely manner with regular reporting to SA Health.

Catchment to customer

Our Drinking Water Quality Management System adopts a proactive, whole-of-system approach to ensure the safety and reliability of drinking water at every stage, from catchment to customer tap. The system is aligned with the Framework for Management of Drinking Water Quality outlined in the ADWG and endorsed by the National Health and Medical Research Council. The framework is based on the best available scientific evidence and supports continuous improvements in water quality management.



Safe, clean drinking water is carefully managed and monitored from catchment to customer.

Water quality monitoring and testing

We operate 91 drinking water supply systems serving customers across metropolitan, regional and remote South Australia. This included a new drinking water supply commissioned in August 2025 located at Marree. The site features a newly constructed desalination plant that uses reverse osmosis technology to treat and remove salt and other impurities that are naturally present in the ground water.

We implemented SA Health-approved drinking water quality monitoring programs, ensuring the quality of our supply. These programs involve collecting over 445,000 results from samples at various stages of the water supply system, including catchment areas, source water, treatment processes, and distribution networks up to the water meter on individual properties.

We monitor for health and aesthetic compliance and to optimise water quality. Samples are collected by our trained field workers to make sure they are taken correctly and field results have a high degree of integrity. The AWQC, our laboratory services, conducts laboratory analyses in compliance with ISO 9001 Quality Systems and NATA requirements.



A new desalination plant commissioned at Marree is supporting safe and reliable drinking water supplies.

Number of sample locations and test analytes – statewide, metropolitan and regional water supply systems, 2025-26

Drinking water systems	Statewide	Metropolitan	Regional
Supply systems	91	7	84
Customer tap sample locations	533	173	360
Catchment to tap sample locations*	1,562	342	1,220
Catchment to tap routine test analytes	≈445,000	≈65,000	≈380,000

*Includes customer tap sample locations

Drinking water quality and performance

In 2025-26, we demonstrated robust management of water quality by consistently providing safe, clean drinking water to our customers.

Statewide, metropolitan and regional drinking water supply systems health-related performance, 2025-26

Health-related parameters	Statewide	Metropolitan	Regional
Samples free from <i>E. coli</i>	99.93% (10,457)	99.94% (3,189)	99.93% (7,268)
Samples compliant with ADWG health parameters*	99.97% (49,666) Target: 99.90%	99.98% (12,860) Target: 99.90%	99.97% (36,806) Target: 99.90%

*Percentage of routine results at customer tap sample locations within drinking water systems which comply with the ADWG health limits (including *E. coli*).

Direct exceedances of the ADWG were used rather than the 95th percentiles for compliance of individual chemical parameters.

Prior to calculating per cent compliance for health-related chemicals, individual results are rounded to the same number of significant figures as the guideline value in the ADWG (as prescribed in the ADWG and agreed with SA Health).

We analysed 49,666 samples from our drinking water supplies (customer tap sample locations) throughout South Australia to determine ADWG health-related compliance.

- Statewide *E. coli* compliance achieved 99.93 per cent, exceeding our performance target. Isolated non-compliance events were recorded in 2 metropolitan and 5 regional systems. Comprehensive investigations were undertaken for each event, including assessment of treatment performance, disinfectant residuals and monitoring results from surrounding locations. Follow-up sampling confirmed the absence of *E. coli* and the necessary corrective actions were promptly implemented to ensure the ongoing safety and reliability of drinking water supplies.
- Overall compliance with all ADWG health-related parameters achieved 99.97 per cent, also exceeding our targets and reinforcing the continued safety and reliability of our water supplies. The number of lead exceedances increased during the reporting period. This was partly attributable to the adoption of the lower ADWG lead guideline value, together with operational challenges associated with changing population dynamics and reduced water demand in some remote community water supplies. Targeted flushing programs have been implemented in affected systems to improve water turnover and maintain water quality.

While we strive for 100 per cent compliance at all times, the ADWG acknowledges that occasional exceedances may occur and, for most characteristics, these occasional excursions beyond the guideline value are not necessarily an immediate threat to health. In accordance with the guidelines and the interagency Water/Wastewater Incident Notification and Communication Protocol, all detections were immediately communicated to SA Health, investigated by us and corrective actions were implemented as agreed. SA Health confirmed that the drinking water we provide to customers is safe, and our responses effectively mitigated any risks to public health.

Incident management

We apply the ADWG Framework for Management of Drinking Water Quality which includes 2 components for the management of incidents:

1. communication
2. incident and emergency response protocols.

Our Water Quality and Environmental Incident Management Protocol ensures we are prepared to respond swiftly and effectively to any water quality issue. We use a web-based incident management system to record, track and generate notifications for all water quality incidents. This is aligned with the interagency Water/Wastewater Incident Notification and Communication Protocol that is maintained by SA Health. This protocol adopts the principles of the ADWG and meets the regulatory requirements of the Act and Safe Drinking Water Regulations 2012.

SA Health defines 3 types of health-related incident classifications based on a precautionary approach:

Priority Type 1 incident notification

An incident that, without immediate appropriate response or intervention, could cause serious risk to human health and is likely to require immediate interagency meetings to consider responses. Procedures for Type 1 incident notifications also apply.

Type 1 incident notification

An incident that, without appropriate response or intervention, could cause serious risk to human health.

Type 2 incident notification

An incident that, without appropriate response or intervention, represents a low risk to human health.

Statewide drinking water supplies number of incident notification (metropolitan and regional)

Reporting period	Priority Type 1	Type 1	Type 2
2025-26	2	53	134
2024-25	0	45	93
2023-24	0	50	129
2022-23	2	48	129
2021-22	0	50	86

Note: these notifications do not include wastewater, recycled water and non-drinking supplies.

Priority Type 1 and Type 1 incidents are immediately reported to SA Health, while all Type 2 notifications are reportable within 24 hours, in line with the interagency Water/Wastewater Incident Notification and Communication Protocol.

In 2025-26, two Priority Type 1 incidents were reported following the detection of *Cryptosporidium* at Anstey Hill Water Treatment Plant and Mount Gambier's Blue Lake. Subsequent assessment confirmed the organisms were non-infectious and posed no significant risk to public health.

Overall, the number of reportable incidents increased compared with previous years. This increase was primarily driven by a combination of enhanced monitoring and detection capabilities, infrastructure-related issues, operational events, variable source water conditions, and improved reporting practices. Updates to the Australian Drinking Water Guidelines, and SA Health's Water/Wastewater Incident Notification and Communication Protocol, also expanded notification and reporting requirements during the reporting period.

Despite the overall increase in notifications, reductions were achieved across several incident categories, reflecting the effectiveness of ongoing improvements in treatment processes, operational controls, asset management practices and preventative risk management measures. These outcomes demonstrate continued progress in strengthening drinking water quality management and reducing key risks across South Australia.

Throughout 2025-26, we remained focused on reducing preventable Type 1 notifications through targeted operational improvements, infrastructure investment, enhanced monitoring programs and continued strengthening of our Drinking Water Quality Management System. We maintained a proactive approach to managing drinking water quality risks across our supply systems, with an emphasis on early identification, assessment and mitigation of potential issues.

Updates to SA Health reporting requirements were incorporated into our systems, procedures and training programs to support ongoing compliance, timely communication and effective incident management. Together, these activities contributed to the resilience of our drinking water systems.

Incident Response Index

The Incident Response Index (IRI) drives and guides correct responses when a Priority Type 1 or Type 1 incident is detected. The IRI is assessed against a number of criteria, with each component designed to help manage water quality incidents.

Criteria used in the IRI based on total reportable SA Health Priority Type 1 and Type 1 incident notifications are:

- incident reported to relevant agencies by phone immediately (less than one hour)
- incident entered into the incident management system in less than 2 hours
- initial effective response taken within 3 hours
- written report to the Minister for Housing Infrastructure by 3pm the next business day
- root cause analysis completed within 10 working days
- preventive actions implemented within agreed timeframes.

The overall 2025-26 strategic target for the IRI is 85 per cent compliance.

The Incident Response Index achieved for metropolitan and regional incidents in 2025-26

System	IRI
Metropolitan	100%
Regional	96%
Target	85%



Effective governance





Legislation

SA Water was established as a public corporation on 1 July 1995 under the *South Australian Water Corporation Act 1994*. Our operations are guided significantly by the following legislation:

- *Public Corporations Act 1993*
- *Water Industry Act 2012*
- *Safe Drinking Water Act 2011*
- *South Australian Public Health Act 2011*
- *Work, Health and Safety Act 2012*
- *Environment Protection Act 1993*
- *Landscape South Australia Act 2019*.

Key regulators

The Essential Services Commission of South Australia is the state's independent economic regulator that determines our allowable revenue, sets service standards, and monitors our performance and compliance in the delivery of essential water and sewerage services for our customers.

SA Health sets and monitors standards for drinking water quality and regulates recycled water use in the state.

The Office of the Technical Regulator sets standards and requirements for water and sewerage infrastructure, and the operation of that infrastructure, to ensure public safety.

The Environment Protection Authority sets standards for acceptable discharge from wastewater treatment facilities and monitors our operations and activities to minimise impact on the environment.

The Department for Environment and Water regulates access to natural water sources, protects water catchments and native vegetation and is the state body responsible for the River Murray as part of arrangements for managing the Murray–Darling Basin.

The Board

The Board of SA Water is the governing body of the Corporation and is responsible for overseeing its operations and safeguarding its long-term financial interests and viability. In doing so, the Board sets the strategic directions of the Corporation, monitors performance against approved plans and targets, and ensures SA Water operates in accordance with commercial principles while meeting its community service obligations.

Directors are appointed by the Governor of South Australia pursuant to the *South Australian Water Corporation Act 1994* and *Public Corporations Act 1993*, and the Board is subject to direction by the Minister in accordance with those Acts.

During 2025-26, the following Directors appointed by the Governor served on the Board:

- Allan Holmes, *Chair*
- Monish Bhindi
- Tricia Blight
- Celine McInerney
- Kenneth Williams
- Denise Picton
- David Ryan

The Board has delegated authority for the day-to-day management of SA Water to the Chief Executive, who in turn delegates to the Executive, consistent with the Board's approved delegations and governance framework.

In accordance with section 12 of the *Public Corporations Act 1993*, a charter jointly prepared by the Minister and the Treasurer, in consultation with the Board, was in effect during 2025-26. The charter sets out the nature and scope of the Corporation's commercial and non commercial activities and guides the Board in balancing community service objectives with prudent commercial principles.

Directors' interests and benefits

For 2025-26, no Director had a material interest in any contract or proposed contract with SA Water, other than contracts in the ordinary course of business. No Director received any benefits by virtue of a contract that was made with SA Water, other than on normal commercial terms as disclosed in the financial statements.

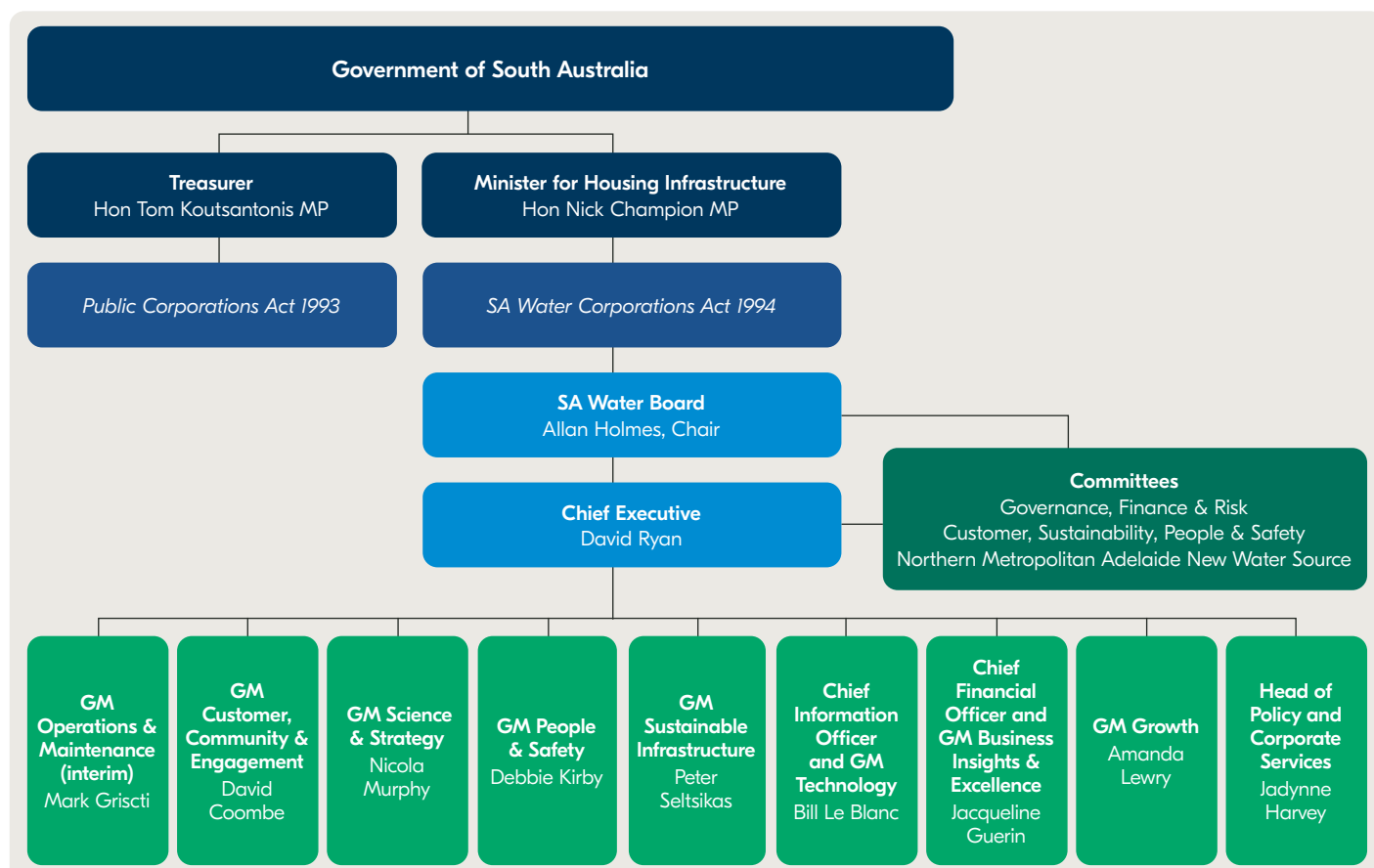
Board committees

The Board has established a committee structure to assist in the effective discharge of responsibilities. Each committee operates under a Board-approved charter that sets out its role, responsibilities and authority. Committee charters are reviewed regularly to ensure they remain fit for purpose.

- **Governance, Finance and Risk Committee** — supports the Board in fulfilling its corporate governance and oversight responsibilities including oversight of financial planning and reporting, internal and external audit functions, internal control systems, risk management frameworks, legal and regulatory compliance, and fraud control.
- **Customer, Sustainability, People and Safety Committee** — supports the Board and has oversight on matters relating to customer outcomes, environmental sustainability and climate considerations, organisational culture and capability, and workforce health and safety. The committee focuses on strategic matters that may significantly impact our business and contributes to the development and oversight of relevant strategies, ensuring appropriate capabilities, policies and plans are in place to respond to evolving community, environmental and workforce expectations.
- **Northern Metropolitan Adelaide New Water Source Committee** — a special purpose advisory subcommittee of the Board. The committee provides strategic oversight of the investigation and development of the Northern Metropolitan Adelaide New Water Source project. It reports regularly to the Board on the development and assessment of project options and offers strategic guidance on stakeholder engagement and project funding and makes recommendations on matters within its charter.

Organisation structure

As at 30 June 2026



Financial performance





Financial performance summary

In the 2025-26 financial year, we recorded year-end profit before tax of \$248.7 million.

Revenue was \$1.842 billion with some of the contributors to this being:

- strong water sales
- significant contributed assets arising from mains extension contributions and infrastructure assets gifted to us from developers
- capital contributions for work we perform, due to strong statewide development activities.

Total expenses were \$1.594 billion.

Some of the contributors to this were:

- interest expense and depreciation of infrastructure assets make up more than 44 per cent of the total expenses
- substantial operating costs including Alliance contracts and framework partner costs
- significant materials costs due to an increase in the volume of maintenance activities.

Contributions to government

As a significant revenue contributor to the Government of South Australia, for the broader benefit of the people of South Australia, an amount of \$436.6 million was paid in 2025-26.

This saw \$88.4 million of business operating expenditure contributed to other government agencies and/or councils through:

- external fees and charges paid to other government agencies
- provision of services delivered by other government agencies
- operational taxes such as land tax or council rates.

Within interest expense, \$108.8 million was paid to the South Australian Financing Authority as guarantee fees and margins. An income tax equivalent of \$72.4 million and a dividend of \$167.0 million were also paid.

Contributions to government	2025-26 actuals \$'000
External fees and charges	62,051
Contract services provided	1,348
Operational taxes and tax equivalents	25,004
Total contained within operating expenses	88,403
As a percentage of total operating expenses	9.9%
Interest expense — guarantee fees*	103,681
South Australia Government Financing Authority margin fees	5,138
Additional interest paid to owner	108,819
Income tax equivalents	72,362
Dividends at 100% of profit after tax**	167,016
Total amounts paid to government	436,600

*Guarantee fees are paid to the South Australian government to remove any competitive advantage we might have due to our ability to borrow under the South Australian government credit rating.

**Dividend was paid based on 100 per cent of the forecast profit after tax (PAT) as at April 2026. The actual year end PAT position was higher. This will be adjusted in the 2026-27 dividend payment.

Capital expenditure

This year, we spent \$1.3 billion on capital expenditure, with \$29.5 million spent on information technology and \$1.29 billion on infrastructure and mandated growth (extensions and connections).

We continue to focus on improvements to our water and wastewater infrastructure assets and water security of the state, and invest in major infrastructure projects, all of which have a positive impact on our customers and the state. In 2025-26 these included:

- growth infrastructure \$335 million
- Eyre Peninsula Desalination Plant \$238 million
- Tea Tree Gully sustainable sewers \$105 million
- metro water and wastewater connections \$71 million.

Consultants

The following is a summary of external consultants engaged in 2025-26, and the nature and cost of the work undertaken.

Consultant	Amount (\$)	Purpose
Less than \$10,000		
Adelaide Workplace Mediation	2,450	Advice for staff matters and industrial action
EMA Consulting	5,063	Advice for staff matters and industrial action
Between \$10,000 and \$50,000		
Nil to report		
Greater than \$50,000		
Converge International Pty	10,919	Employee Assistance Program for Customer Call Centre
Marsden Jacob Associates Pty	49,924	Economic analysis - Greater Adelaide Response Plan
KPMG	193,751	Contracts and labs review
Alvarez & Marsal Australia	3,119,145	Consulting for growth projects
Total	3,381,252	

Contracts entered into with SA businesses and non-SA businesses

The following reflects contracts entered into during the financial year as reported to the Department of Treasury and Finance pursuant to Treasurer's Instructions 18 – Procurement. The information is unaudited and exclusive of GST.

Contracts entered into	2025-26 Number of contracts	2025-26 Contract value \$000s
With South Australian businesses	803	\$1,360,549
With non-South Australian businesses	184	\$115,126
Total	987	\$1,475,674

Note: 'South Australian business' has the same meaning as in Treasurer's Instructions 18 – Procurement.

Supplementary reporting items



Fraud and corruption

Our Fraud and Corruption Framework (the Framework) outlines our commitment to creating an honest and ethical business environment with zero tolerance for misconduct, fraud or corruption.

We undertake a range of activities to prevent, detect and respond to fraud and corruption, including:

- Executive oversight by the Governance, Finance and Risk Committee (GFRC), with the Chief Executive responsible for ensuring the Framework is in place and for providing assurance to the GFRC.
- The General Manager Business, Insight & Excellence as the framework owner is responsible for maintaining and regularly reviewing the Framework and coordinating the performance reporting to the GFRC. Regular fraud and corruption risk assessments are undertaken with risk treatment plans for high-risk areas.
- Investigation of all alleged fraud and corruption matters are conducted in accordance with the Public Interest Disclosure Procedure, coordinated by Responsible Officers as defined in the Framework.
- Annual data analytic reviews of higher-risk transactions (payroll, accounts payable and purchasing card transactions) by internal audit.
- Regular communication and mandatory ethics and behaviour training for staff on the Ethical Standards Procedure, how to report concerns and the protections available under the *Public Interest Disclosure Act 2018*.
- Reporting and escalation to external bodies where applicable.

This Framework applies to all our workers including employees, consultants, contracted staff and outsourced service providers engaged by SA Water.

Public interest disclosure

Through our Public Interest Disclosure Procedure, we are committed to encouraging and facilitating disclosure, in the public interest, of information about substantial risks to public health, safety or the environment, or about corruption, misconduct and maladministration in public administration.

SA Water reports requisite allegations of fraud, corruption, misconduct or maladministration to the Office for Public Integrity or the Independent Commission Against Corruption in South Australia and acts in accordance with their advice, while maintaining statutorily required confidentiality.

Assurance and risk management

Our enterprise risk management approach is aligned with the South Australian Government Risk Management Guide and with the principles, framework and process set out in the international risk management standard ISO 31000:2018 Risk Management – Guidelines. Our commitment to effective risk management enables consideration and treatment of risk that is integrated into functions, programs and operations with well-informed, risk-based decision-making aligned with our Board-established risk appetite. Our enterprise risk profile is reported regularly to our Board through its Governance, Finance and Risk Committee.

Complaints

Our Customer Care Centre serves as the first point of contact for all customer feedback, while our Customer Advocate team manages responses for escalated complaints and complex investigations. Together, these teams play a key role in proactively identifying and driving improvements in feedback management processes across the organisation.

We value all forms of customer feedback, including complaints, as they provide critical insights that help build trust and confidence, and support continuous improvement in the delivery of excellent customer experiences.

In 2025-26, we received 5,515 complaints, representing 6.42 complaints per 1,000 customers. This is an increase from 4.28 complaints per 1,000 customers in 2024-25. The rise reflects our ongoing commitment to improving complaint recognition and capture, supported by expanded training for our people. Importantly, our analysis has not identified any specific emerging trends or systemic operation issues underlying the increase, which we consider a positive indication of improved complaint awareness and reporting practices.

The most common complaint categories in 2025-26 were:

1. water quality
2. operations and maintenance in the metropolitan Adelaide area
3. meter reading, high water use and estimated usage.

Of all complaints received, 72.38 per cent were resolved at first contact, an improvement from 50.03 per cent in 2024-25. We responded to 96.69 per cent of complaints within target timeframes, with 7.38 per cent escalated to the industry ombudsman.

A total of 358 complaints were escalated to the Energy and Water Ombudsman of South Australia (EWOSA) in 2025-26, up from 297 in 2024-25. The most common issue raised with EWOSA continues to relate to costs associated with high water use, consistent with trends observed over the past 3 years.

We remain committed to reviewing and strengthening our processes, aligning with best practice, and enhancing the early identification and capture of complaints. This ensures we generate valuable insights to inform business improvements and continue to enhance the overall customer experience.

Ministerial directions

PUBLIC CORPORATIONS ACT 1993

SECTION 6

Direction to the South Australian Water Corporation

I, Nicholas David Champion, Minister for Housing and Urban Development, direct SA Water to charge the following augmentation charges for connection to SA Water infrastructure:

1. All persons who receive SA Water Development Approval between 1 July 2026 and 30 June 2027 for an additional allotment, new connection or a variation to an existing connection with more than one new premises that connect to SA Water's water and/or sewerage infrastructure in the Greater Adelaide Region will be charged an augmentation charge in respect of each connection or new allotment, subject to this direction.
2. Augmentation charges will still be imposed in addition to any requirement to fund the augmentation of SA Water's infrastructure to service a greenfield or infill development and avoid impacting services to SA Water's customers.
3. An augmentation charge is not payable in relation to:
 - 3.1. a like-for-like replacement of an existing connection; or
 - 3.2. a connection to premises being built by or on behalf of a community housing provider, or a not-for-profit entity that is registered with the Australian Charities and Not-for-profit Commission; or
 - 3.3. an apartment; or
 - 3.4. any other connection determined by SA Water, subject to my consent.
4. The following augmentation charges will be payable to additional allotments and in relation to connections to land with the following classifications and, where a single connection is intended to facilitate the provision of a service to multiple new premises on the land, each premises will be treated as a connection for the purpose of imposing augmentation charges:

Greenfield	Residential	Commercial/Industrial	Reserves	
			<400m ²	>400m ²
Augmentation Charge	100%	225%	100%	225%
Water	\$5,356	\$12,051	\$5,356	\$12,051
Sewer	\$5,356	\$12,051	\$5,356	\$12,051

All Other Locations	Residential	Commercial/Industrial	Reserves	
			<400m ²	>400m ²
Augmentation Charge	100%	225%	100%	225%
Water	\$4,017	\$9,038	\$4,017	\$9,038
Sewer	\$4,017	\$9,038	\$4,017	\$9,038

5. An augmentation fee will be payable in addition to any other applicable fees or charges (including a connection fee and trade waste discharge fee) per SA Water's general fees and charges.

Definitions

“Greenfield” are locations within the Greater Adelaide region that come within the definition of “greenfield” in Table 1 of the [Land Supply Report for Greater Adelaide](#) (July 2023).

“Greater Adelaide Region” means the planning region of that name proclaimed by the Governor under Section 5 of the *Planning, Development and Infrastructure Act 2015* on 19 March 2020, a map of which is available in Figure 1 of the [Land Supply Report for Greater Adelaide](#) (July 2023).

A “Residential” is a property classified with the use of land for detached dwelling, group dwelling, multiple dwelling, residential flat building, or dwelling or semi-detached dwelling for the purposes of the *Planning, Development and Infrastructure Act 2015*.

A “Commercial/Industrial” is a property classified with the use of land that is not residential or is part of a mixed-use property.

A “Reserve” is a property classified with the use of land that is set aside to protect natural resources, maintain public spaces or serve other public interests.

“Premises” is a dwelling, house or building together with its land.

“SA Water Development Approval” means the point at which a binding commercial agreement is established for the provision of water and/or wastewater services, demonstrated by either:

- Execution of a Developer Agreement Formal Instrument; and/or
- Issuance of a Land Development/Connections Approval Letter and/or Tax Invoice.



HON NICK CHAMPION MP
Minister for Housing Infrastructure

8 / 6 / 2026

Appendices





Appendix A — Audited financial statements

South Australian Water Corporation
annual financial statements for the year
ending 30 June 2026.

INDEPENDENT AUDITOR'S REPORT**Government of South Australia**

Audit Office of South Australia

Level 9
 State Administration Centre
 200 Victoria Square
 Adelaide SA 5000
 Tel +618 8226 9640
 ABN 53 327 061 410
 enquiries@audit.sa.gov.au
 www.audit.sa.gov.au

**To the Chair
 South Australian Water Corporation**

Opinion

I have audited the financial report of the South Australian Water Corporation for the financial year ended 30 June 2026.

In my opinion, the accompanying financial report gives a true and fair view of the financial position of the South Australian Water Corporation as at 30 June 2026, its financial performance and its cash flows for the year then ended in accordance with relevant Treasurer's Instructions issued under the provisions of the *Public Finance and Audit Act 1987* and Australian Accounting Standards.

The financial report comprises:

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

Basis for opinion

I conducted the audit in accordance with the *Public Finance and Audit Act 1987* and Australian Auditing Standards. My responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial report' section of my report. I am independent of the South Australian Water Corporation. The *Public Finance and Audit Act 1987* establishes the independence of the Auditor-General. In conducting the audit, the relevant ethical requirements of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* have been met.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of the Chief Executive and the Board for the financial report

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

In preparing the financial report, the Chief Executive is responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the assessment indicates that it is not appropriate.

The Board is responsible for overseeing the entity's financial reporting process.

Auditor's responsibilities for the audit of the financial report

As required by section 31(1)(b) of the *Public Finance and Audit Act 1987* and section 32(4) of the *Public Corporations Act 1993*, I have audited the financial report of the South Australian Water Corporation for the financial year ended 30 June 2026.

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the South Australian Water Corporation's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Chief Executive
- conclude on the appropriateness of the Chief Executive's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify the opinion. My conclusion is based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause an entity to cease to continue as a going concern
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

I communicate with the Chief Executive and the Board about, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during the audit.

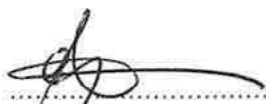


Andrew Blaskett
Auditor-General

21 September 2026

We certify that the:

- Financial Statements of SA Water Corporation:
 - are in accordance with the account and records of the authority; and
 - comply with relevant Treasurer's instructions; and
 - comply with relevant accounting standards; and
 - present a true and fair view of the financial position of the authority at the end of the financial year and the result of its operations and cash flows for the financial year.
- Internal controls employed by SA Water Corporation for the financial year over its financial reporting and its preparation of financial statements have been effective.


.....
David Ryan
Chief Executive
.....
Tony Jacka
Acting Chief Financial Officer
.....
Allan Holmes
Chair

16/9/2026
.....
Date

	Notes	2026 \$'000	2025 \$'000
Income			
Revenue from ordinary activities	4	1,840,074	1,767,652
Other income	5	2,413	1,309
Total income		1,842,487	1,768,961
Expenses			
Depreciation and amortisation expense	6	(280,434)	(281,650)
Borrowing costs	6	(416,120)	(359,861)
Electricity expense		(88,627)	(103,109)
Services and supplies	6	(257,021)	(225,416)
Operational and service contracts		(331,451)	(339,914)
Employee benefits expense	6	(203,238)	(199,488)
Other expenses	6	(16,916)	(69,535)
Total expenses		(1,593,807)	(1,578,973)
Profit before income tax equivalents		248,680	189,988
Income tax equivalent expense	7	(72,362)	(54,873)
Profit after income tax equivalents		176,318	135,115
Other comprehensive income			
Items that will not be reclassified to net result			
Gain/(loss) on revaluation of infrastructure, plant and equipment assets	32(a)	(801,285)	76,653
Income tax equivalent relating to items of other comprehensive income	7(c)	248,850	(19,050)
Other comprehensive income for the year, net of tax		(552,435)	57,603
Total comprehensive result		(376,117)	192,718
Total comprehensive result for the year is attributable to:			
The SA Government as owner		(376,117)	192,718

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

	Notes	2026 \$'000	2025 \$'000
ASSETS			
Current assets			
Cash and cash equivalents	29	11,277	4,350
Receivables	8	248,759	214,788
Inventories	9	18,213	13,698
Intangible assets	13	962	2,418
Other financial assets	11	48	-
Other current assets	10	20,030	18,349
Total current assets		299,289	253,603
Non-current assets			
Deferred tax assets	12	109,989	111,263
Intangible assets	13	146,559	146,576
Infrastructure, plant and equipment	14	12,064,222	11,762,375
Right-of-use assets	16	41,151	59,543
Other non-current assets	17	2,020	2,674
Total non-current assets		12,363,941	12,082,431
Total assets		12,663,230	12,336,034
LIABILITIES			
Current liabilities			
Payables	18	321,337	280,712
Financial liabilities/borrowings	19	66,023	43,842
Tax liabilities	20	9,404	818
Provisions	21	40,162	40,883
Other financial liabilities	22	920	-
Other current liabilities	23	25,605	29,015
Total current liabilities		463,451	395,270
Non-current liabilities			
Payables	24	2,451	2,336
Financial liabilities/borrowings	25	9,178,032	8,173,855
Deferred tax liabilities	26	397,284	594,314
Provisions	27	41,622	39,215
Other non-current liabilities	28	288,565	297,836
Total non-current liabilities		9,907,954	9,107,556
Total liabilities		10,371,405	9,502,826
Net assets		2,291,825	2,833,208
EQUITY			
Contributed equity		252,800	251,050
Asset revaluation surplus	32(a)	1,714,345	2,268,443
Retained earnings	32(b)	324,680	313,715
Total equity		2,291,825	2,833,208

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

	Notes	Contributed equity \$'000	Asset revaluation surplus \$'000	Retained earnings \$'000	Total \$'000
Balance at 1 July 2025		251,050	2,268,443	313,715	2,833,208
Deferred income tax finance lease	7(c)	-	-	64	64
Restated total equity at the beginning of the financial year		251,050	2,268,443	313,779	2,833,272
Profit for the year		-	-	176,318	176,318
Transfer to retained earnings on (disposal)/transfer from asset revaluation surplus	32	-	(1,599)	1,599	-
Income tax relating to components of other comprehensive income	7(c)	-	248,786	-	248,786
(Loss)/gain on revaluation of infrastructure, plant and equipment assets	32(a)	-	(801,285)	-	(801,285)
Total comprehensive result for the period		-	(554,098)	177,917	(376,181)
Transactions with the SA Government in their capacity as owners:					
Contributions of equity*		1,750	-	-	1,750
Dividends provided for or paid	35	-	-	(167,016)	(167,016)
		1,750	-	(167,016)	(165,266)
Balance at 30 June 2026		252,800	1,714,345	324,680	2,291,825

*In 2025/26, SA Water received the following contributions of equity:

\$1.75m from the SA Government to fund upgrades to the Myponga Reservoir to enhance public access, recreational fishing opportunities and visitor facilities.

In accordance with Interpretation 1038 Contributions by Owners made to Wholly-Owned Public Sector Entities, these payments have been recognised as contributed equity.

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

	Notes	Contributed equity \$'000	Asset revaluation surplus \$'000	Retained earnings \$'000	Total \$'000
Balance at 1 July 2024		250,429	2,219,755	312,673	2,782,857
Deferred income tax finance lease	7(c)	-	-	(243)	(243)
Restated total equity at the beginning of the financial year		250,429	2,219,755	312,430	2,782,614
Profit for the year		-	-	135,115	135,115
Transfer to retained earnings on (disposal)/transfer from asset revaluation surplus	32	-	(9,158)	9,158	-
Income tax relating to components of other comprehensive income	7(c)	-	(18,807)	-	(18,807)
(Loss)/gain on revaluation of infrastructure, plant and equipment assets	32(a)	-	76,653	-	76,653
Total comprehensive result for the period		-	48,688	144,273	192,961
Transactions with the SA Government in their capacity as owners:					
Contributions of equity*		621	-	-	621
Dividends provided for or paid	35	-	-	(142,988)	(142,988)
		621	-	(142,988)	(142,367)
Balance at 30 June 2025		251,050	2,268,443	313,715	2,833,208

*In 2024/25, SA Water received the following contributions of equity:

- \$0.413m from the SA Government to partially fund the construction of the Thomas Foods International Wastewater Treatment Plant.
- \$0.208m from the SA Government to partially fund the opening of South Australian reservoirs for recreational use.

In accordance with Interpretation 1038 Contributions by Owners made to Wholly-Owned Public Sector Entities, these payments have been recognised as contributed equity.

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

	Notes	2026 \$'000	2025 \$'000
Cash flows from operating activities			
Receipts from customers		1,718,308	1,627,144
Payments to suppliers and employees		(1,058,010)	(987,819)
Interest received		221	243
Receipts from community service obligations		141,466	143,019
Receipts from contributions		69,942	47,023
Receipts from government grants		4,835	1,644
Borrowing costs paid		(410,145)	(362,274)
Income tax equivalents paid		(10,682)	(16,667)
Income tax equivalents refunded		-	16,800
Net cash inflow from operating activities	30	455,935	469,113
Cash flows from investing activities			
Payments for construction and purchase of infrastructure, plant and equipment		(1,292,709)	(781,437)
Payments for settlement of foreign exchange forward contracts		(17,668)	-
Proceeds from settlement of foreign exchange forward contracts		17,028	-
Payments for intangible assets		(19,927)	(12,503)
Proceeds from sale of temporary water allocations		1,269	-
Proceeds from sale of infrastructure, plant and equipment		1,536	639
Proceeds from sale of renewable energy certificates		35	2,970
Net cash (outflow) from investing activities		(1,310,436)	(790,331)
Cash flows from financing activities			
Proceeds from borrowings		2,757,100	1,685,300
Repayment of borrowings		(1,723,500)	(1,203,300)
Proceeds from equity contributions		1,750	621
Dividends paid	35	(167,016)	(142,988)
Repayments of finance lease liability		(7,029)	(17,608)
Net cash inflow from financing activities		861,305	322,025
Net increase in cash and cash equivalents		6,804	807
Cash and cash equivalents at the beginning of the financial year		4,350	3,543
Effects of exchange rate changes on cash and cash equivalents		123	-
Cash and cash equivalents at end of period	29	11,277	4,350

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

1 About these Financial Statements

The South Australian Water Corporation ("SA Water" or the "Corporation") was established on 1 July 1995, as a State owned statutory corporation by the South Australian Water Corporation Act 1994, to which the provisions of the *Public Corporations Act 1993* apply. SA Water provides retail water supply and sewerage services in accordance with its licence, provided by the *Water Industry Act 2012* (the Act) which came into operation on 1 July 2012.

The Corporation has prepared these financial statements in compliance with section 23 of the *Public Finance and Audit Act 1987*.

The Corporation does not control any other entity and has no interests in unconsolidated structured entities. The financial statements and accompanying notes include all the controlled activities of the Corporation.

(a) Basis of preparation

These general purpose financial statements have been prepared in accordance with relevant Australian Accounting Standards and comply with the Treasurer's Instructions and Accounting Policy Statements promulgated under provisions of the *Public Finance and Audit Act 1987*, as well as complying with Interpretations issued by the Australian Accounting Standards Board and the *Corporations (South Australia) Act 1990*. SA Water is a for-profit entity for the purpose of preparing the financial statements. Where the Treasurer's Instructions are more prescriptive than the equivalent Australian Accounting Standards, SA Water has applied the Treasurer's Instructions in the application of accounting frameworks.

The financial statements are prepared based on a 12 month reporting period and presented in Australian currency/ dollars. The historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item measured.

The Corporation's Statement of Comprehensive Income, Statement of Financial Position and Statement of Changes in Equity have been prepared on an accrual basis and are in accordance with the historical cost convention, except for infrastructure, plant and equipment and derivative financial instruments which are measured on a fair value basis in accordance with the valuation policy applicable.

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

Changes in accounting policy

There were no changes in accounting policy during the financial period.

Comparative information

The presentation and classification of items in the financial statements are consistent with prior periods except where specific accounting standards and/or accounting policy statements have required a change.

Where presentation or classification of items in the financial statements have been amended, comparative figures have been adjusted to conform to changes in presentation or classification in these financial statements unless impracticable.

The restated comparative amounts do not replace the original financial statements for the preceding period.

Rounding

All amounts in the financial statements and accompanying notes have been rounded to the nearest thousand dollars (\$'000) unless otherwise stated.

(b) Taxes

SA Water is liable for income tax equivalents, land tax and council rate equivalents, payroll tax, fringe benefits tax, goods and services tax (GST) and emergency services levy.

1 About these Financial Statements (continued)

(b) Taxes (continued) Income tax equivalents

From 1 July 2001, the Corporation has operated under the National Tax Equivalent Regime (NTER) pursuant to the Memorandum of Understanding on NTER between the Commonwealth of Australia, the Commissioner of Taxation and all of the States and Territories. The NTER is administered by the Australian Taxation Office.

Income tax expense is calculated in accordance with AASB 112 *Income Taxes* using the balance sheet liability method. The income tax expense for the period is the tax payable on the current period's taxable income measured at the current national income tax rate adjusted for permanent differences and movements in deferred tax assets and liabilities.

Deferred tax assets and liabilities are recognised for temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. The measurement of deferred tax assets and liabilities reflects the tax consequences that would follow from the manner in which the Corporation expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are recognised at the tax rates expected to apply when the assets are recovered or liabilities are settled. Current and deferred tax is recognised as an expense in the statement of comprehensive income except where it relates to items that are credited or debited to equity, in which case the deferred tax is also recognised directly in equity.

Deferred tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

Land tax and council rate equivalents

The charge for land tax and council rate equivalents has been calculated by Revenue SA, based on valuations supplied by the Valuer-General of South Australia.

Goods and services tax

Income, expenses and assets are recognised net of the amount of GST except:

- when the GST incurred on a purchase of goods or services is not recoverable from the Australian Taxation Office, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item applicable; and
- receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the Australian Taxation Office is included as part of receivables or payables in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the Australian Taxation Office is classified as part of operating cash flows.

1 About these Financial Statements (continued)

(c) *New accounting standards and interpretations not yet effective*

Australian accounting standards and interpretations that have recently been issued or amended but are not yet effective, have not been adopted by the Corporation for the period ending 30 June 2026.

(i) AASB 2024-2 Amendments to Australian Accounting Standards - Classification and Measurement of Financial Instruments

The amendment was issued in August 2024 and is effective for annual reporting periods beginning on or after 1 January 2026. The Standard amends AASB 9 Financial Instruments and AASB 7 Financial Instruments: Disclosures, including requirements relating to the classification of financial assets with ESG-linked features, settlement of financial liabilities through electronic payment systems, and enhanced disclosure requirements for certain financial instruments.

(ii) AASB 2025-1 Amendments to Australian Accounting Standards - Contracts Referencing Nature-dependent Electricity

The amendment was issued in February 2025 and is effective for annual reporting periods beginning on or after 1 January 2026, with early adoption permitted. The standard amends AASB 7 Financial Instruments: Disclosures and AASB 9 Financial Instruments in relation to contracts referencing nature-dependent electricity, including certain renewable energy supply arrangements and power purchase agreements.

The Corporation has not early adopted these standards. Management is currently assessing the potential impact of the amendments on the Corporation's financial statements.

2 Financial risk management

(a) Market risk

Market risk is the risk to the Corporation's earnings that arise from fluctuations in market prices. The Corporation has exposure to fluctuations in interest rates, commodity (electricity) prices and foreign exchange.

(i) Interest rate risk exposures - financial liabilities

The Corporation's financial liabilities are exposed to interest rate risk. The Corporation constantly analyses its interest rate exposure and consideration is given to renewal of existing positions and the use of risk mitigation strategies. To minimise interest rate risk, the Corporation enters into forward starting loans (FSLs) with the South Australian Government Financing Authority (SAFA) where it agrees to borrow specified amounts in the future at a pre-determined interest rate. FSLs are non-derivative financial instruments which are outside the scope of AASB 9 *Financial Instruments*, and are disclosed as unrecognised fixed rate loan commitments. Refer note 2c.

A key component of the Corporation's interest rate risk management framework is the requirement for a permissible duration range to be maintained, which reflects the average term to maturity of the Corporation's core debt portfolio. SA Water's Treasury Risk Management Policy allows for a permissible duration range of 2.1 - 6.5 years.

The following sensitivity analysis is based on the interest rate risk exposures in existence at the balance date, assuming all other variables are held constant. The movements in post-tax profit and equity for the year are due to higher/lower interest costs from floating rate debt and cash balances. The movement in interest expense is estimated by applying the interest rate movement to the balance of floating rate debt and cash balances outstanding at balance date. For 30 June 2026, there is no exposure to interest rate risk for excess foreign currency cash deposits held at SAFA in a non-interest bearing account so it has been excluded from the sensitivity analysis. Refer note 29.

At 30 June 2026, a possible shift in interest rates over the next reporting period could be 1.00% upwards and -1.00% downwards.

	Carrying amount \$'000	Interest rate risk			
		-1.00%		+1.00%	
		Profit \$'000	Equity \$'000	Profit \$'000	Equity \$'000
30 June 2026					
Financial assets					
Cash and cash equivalents (note 29)	8,358	(59)	(59)	59	59
Financial liabilities					
Short term borrowings (note 19)	(60,200)	421	421	(421)	(421)
Total increase/(decrease)		362	362	(362)	(362)

	Carrying amount \$'000	Interest rate risk			
		-1.00%		+1.00%	
		Profit \$'000	Equity \$'000	Profit \$'000	Equity \$'000
30 June 2025					
Financial assets					
Cash and cash equivalents (note 29)	4,350	(30)	(30)	30	30
Financial liabilities					
Short term borrowings (note 19)	(36,600)	256	256	(256)	(256)
Total increase/(decrease)		226	226	(226)	(226)

2 Financial risk management (continued)

(a) *Market risk (continued)*

(ii) *Electricity price risk exposure*

The Corporation has established a multi-faceted risk management framework incorporating an overarching Energy Price Risk Management Policy to manage its energy price exposure in the wholesale National Electricity Market.

The energy portfolio is managed to mitigate the associated financial risk through activities including demand management, electricity self-generation and financial market hedging.

The Corporation monitors its energy consumption profile and uses permitted electricity derivatives, where the pre-determined risk limits are forecast to be exceeded, to manage its exposure to electricity spot prices on energy purchases.

Permitted electricity derivatives include exchange traded futures, electricity swaps and caps.

The Corporation has elected to prohibit the selling of electricity derivative financial instruments.

The following sensitivity analysis is based on electricity price risk exposures in existence at balance date assuming all other variables are held constant. The movements in post-tax profit and equity for the year are due to higher/lower electricity costs associated with electricity purchased at a floating market price.

A possible change in the relevant forward prices for wholesale electricity prices over the next reporting period could be 10% upwards and 10% downwards. Sensitivity of 10% is based on industry standards and historical volatility in the electricity pool prices.

For the comparative period ending 30 June 2025 the Corporation did not hold any derivatives.

	Carrying amount \$'000	Electricity price risk			
		-10%		+10%	
30 June 2026		Profit \$'000	Equity \$'000	Profit \$'000	Equity \$'000
Financial liabilities					
Derivative financial instrument - Electricity swaps (note 22)	689	(177)	(177)	177	177
Total increase/(decrease)		(177)	(177)	177	177

(iii) *Foreign exchange risk exposure*

Foreign exchange risk represents the risk resulting from contractual obligations to buy or sell goods and or services in a currency other than Australian Dollars or where the price is quoted in Australian Dollars, and the quoted price is dependent upon a foreign currency price component. The foreign currency value of the goods or services to be bought or sold, or the value of the foreign currency price component is deemed to be the Corporation's exposure to price risk

Foreign currency derivatives are used on a needs basis to ensure any identified foreign currency exposures are appropriately managed in line with SA Water's Foreign Exchange Risk Management Policy and Treasurer's Instruction 23 Management of Foreign Currency Exposures. Permitted foreign currency derivatives as outlined in SA Water's Treasury Risk Management Policy includes forward foreign currency contracts and currency options to maximum maturity of 3 years. In all instances, SA Water's foreign exchange derivatives are arranged through SAFA.

The following table illustrates the sensitivity of profit and equity to changes in exchange rates in relation to forward foreign currency contracts in existence at balance date, with all other variables held constant.

There were no foreign exchange forward contracts recognised at 30 June 2025 so a prior year sensitivity analysis was not applicable.

2 Financial risk management (continued)

(a) Market risk (continued)

(iii) Foreign exchange risk exposure (continued)

Based on the financial instruments held at 30 June 2026, a strengthening/weakening of the Australian dollar against NZD, USD, CNY and EUR would have affected post-tax profit and equity by the amounts shown below. A sensitivity of 10% has been selected for use at reporting date as this is considered reasonable based on historical volatility of the AUD against other currencies. The currencies are abbreviated as follows:

AUD Australian Dollars
NZD New Zealand Dollars
USD US Dollars
CNY Chinese Yuan
EUR Euros

	Carrying amount \$'000	Foreign exchange risk			
		Profit		Equity	
Derivative financial asset		+10% \$'000	-10% \$'000	+10% \$'000	-10% \$'000
Forward foreign exchange contracts					
EUR	47	(201)	319	(201)	319
CNY	1	(32)	41	(32)	41
Total increase/(decrease)		(233)	360	(233)	360

	Carrying amount \$'000	Foreign exchange risk			
		Profit		Equity	
Derivative financial liability		+10% \$'000	-10% \$'000	+10% \$'000	-10% \$'000
Forward foreign exchange contracts					
NZD	118	(288)	168	(288)	168
USD	54	(166)	119	(166)	119
EUR	59	(85)	12	(85)	12
CNY	-	(26)	32	(26)	32
Total increase/(decrease)		(565)	331	(565)	331

(b) Credit risk

Credit risk is the risk of financial loss to the Corporation resulting from the failure of a customer or a counterparty to a financial instrument to meet its financial obligations as and when they fall due.

Water rates and charges are secured via a first charge on the property under the South Australian Water Corporation Act 1994, which provides a level of protection against credit losses.

Credit management policies and procedures are in place to ensure there is an appropriate level of due diligence in relation to credit history and financial integrity for financial transactions undertaken by SA Water. In addition, receivable balances are monitored on an ongoing basis and actions to recover outstanding debt are instigated in accordance with the Corporation's collection policies and practices.

During the reporting period ending 30 June 2025, a significant customer entered administration, resulting in an impairment of the associated receivable. The Corporation has recognised a provision for doubtful debts in relation to this exposure. While this event has increased credit risk in the short term, the Corporation does not have any other significant concentrations of credit risk.

Refer to Note 8 for further details on receivables and impairment provisions.

2 Financial risk management (continued)

(b) Credit risk (continued)

Electricity and foreign exchange derivatives are entered into with highly rated financial counterparties.

(c) Liquidity risk

The Corporation has in place a Treasury Risk Management Policy to provide a prudential framework for managing liquidity risk. The policy was reviewed by the SA Water Board in November 2024 and approved by the Treasurer on 10 February 2025. SA Water is required to hold cash or committed facilities with sufficient capacity to meet immediate funding requirements and provide any unforeseen cash flow needs. Liquidity levels are monitored on a daily basis.

Contractual maturities

The table below analyses the Corporation's financial liabilities as at the reporting date based on the remaining period to the contractual maturity date. The amounts disclosed are the future contractual undiscounted cash flows. The contractual cash flows for fixed rate and floating rate borrowings include principal, interest, guarantee fees and SAFA margins.

Maturing borrowings are included in the table at their maturity date and are refinanced at prevailing market interest rates. Fixed rate borrowings are interest only with a fixed maturity date for the principal component. Any principal component of fixed rate borrowings that has already been refinanced prior to the reporting date via forward starting loans (FSLs) is excluded from the relevant maturity grouping. The future cash flows relating to FSLs are separately disclosed in the table below as unrecognised fixed rate loan commitments.

In assessing and managing liquidity risks of derivative financial instruments the corporation considers both contractual inflows and outflows. The inflows/(outflows) disclosed in the table below represent the contractual undiscounted cash flows relating to derivative financial liabilities held for risk management purposes. The disclosure shows net cash flow amounts for derivatives that are net cash-settled and gross cash inflow and outflow amounts for derivatives that have simultaneous gross cash settlement.

For the comparative period ending 30 June 2025 the Corporation did not hold any derivatives.

	Less than 1 year \$'000	Between 1 and 2 years \$'000	Between 2 and 5 years \$'000	Over 5 years \$'000	Total contractual cash flows \$'000
At 30 June 2026					
Derivatives					
Gross settled forward foreign exchange contracts (note 15):					
Cash inflow	(10,542)	-	-	-	(10,542)
Cash outflow	10,726	-	-	-	10,726
Total	184	-	-	-	184
Electricity swap - Net settled (note 22)	689	-	-	-	689
Total derivatives	873	-	-	-	873
Non-derivatives					
Non-interest bearing liabilities*	246,520	-	-	-	246,520
Fixed rate borrowings	915,752	2,099,040	3,245,685	4,277,219	10,537,696
Floating rate borrowings	60,220	-	-	-	60,220
Unrecognised fixed rate loan commitments**	40,457	87,398	333,001	672,323	1,133,179
Lease liabilities	8,309	10,053	36,469	31,059	85,890
Total non-derivatives	1,271,258	2,196,491	3,615,155	4,980,601	12,063,505

2 Financial risk management (continued)

(c) Liquidity risk (continued)

* Non-interest bearing liabilities disclosed are financial liabilities at cost and exclude amounts relating to statutory payables such as tax equivalents and commonwealth taxes including fringe benefits tax and PAYG withholding.

**For 30 June 2026, the principal component relating to FSLs that were refinanced prior to reporting date have been excluded from the less than 1 year category, and included in the 1 to 2 years category, 2 to 5 years category and over 5 years category in which the FSLs will mature.

	Less than 1 year \$'000	Between 1 and 2 years \$'000	Between 2 and 5 years \$'000	Over 5 years \$'000	Total contractual cash flows \$'000
At 30 June 2025					
Non-derivatives					
Non-interest bearing liabilities*	209,798	-	-	-	209,798
Fixed rate borrowings	780,428	1,152,941	4,168,384	4,010,602	10,112,355
Floating rate borrowings	36,608	-	-	-	36,608
Lease liabilities	9,971	8,309	34,005	43,576	95,861
Total non-derivatives	1,036,805	1,161,250	4,202,389	4,054,178	10,454,622

* Non-interest bearing liabilities disclosed are financial liabilities at cost and exclude amounts relating to statutory payables such as tax equivalents and commonwealth taxes including fringe benefits tax and PAYG withholding.

(d) Fair value measurements

The fair value of financial assets and financial liabilities is the price that would be received to sell the asset or paid to transfer a liability in an orderly transaction between market participants at the balance date.

(i) Fair value of financial liabilities

The fair value for long term borrowings is estimated by discounting the anticipated future cash flows to their present value based on current market interest rates at the respective balance dates.

The carrying amounts and fair values of long term borrowings at balance date are:

	2026		2025	
	Carrying amount \$'000	Fair value \$'000	Carrying amount \$'000	Fair value \$'000
Long term borrowings (note 25)	9,108,810	8,814,957	8,098,810	7,945,593

The fair values of all other financial liabilities approximate the carrying values.

The contractual cash flow amounts reported as part of the liquidity risk disclosure in Note 2(c) differ from the carrying value of borrowings recognised in the statement of financial position as the liquidity risk disclosure is based on undiscounted contractual cash flows, including future interest payments, while borrowings are measured at their carrying amount at the reporting date.

3 Accounting estimates and judgements

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise judgement in the process of applying the Corporation's accounting policies.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

In particular, the areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are material to the financial statements, are listed below:

- Contributed assets (refer note 4);
- Emissions certificates (refer note 13);
- Configuration or customisation in a cloud computing environment (refer note 13);
- Asset valuation methodology and useful lives of assets (refer note 6 & note 14);
- Impairment of assets (refer note 14);
- Tax depreciation assumptions incorporated within the discounted cash flow valuation model for infrastructure assets (refer note 14)
- Unbilled water sales (refer note 4 & note 8);
- Provisions (refer note 21 & note 27).

4 Revenue from ordinary activities

	2026 \$'000	2025 \$'000
Revenue from contracts with customers		
Water and sewer rates and charges	1,382,724	1,342,902
Contributed assets and developer fees	122,909	101,064
Recoverable works	80,308	80,553
Fees and charges	84,415	70,463
	1,670,356	1,594,982
Other revenue		
Community service obligations	146,595	146,265
Government grants	15,124	15,838
Rents	1,896	2,133
Miscellaneous	5,886	8,198
Interest	217	236
	169,718	172,670
Total	1,840,074	1,767,652

Water and sewer rates and charges

SA Water sets its water and sewerage prices in accordance with a pricing methodology that is guided by the principles outlined in the National Water Initiative and the South Australian Government's statewide pricing policy. Statewide pricing means that most customers pay the same price regardless of where they live or the actual cost of providing the service. Prices are set to ensure that the revenue caps set by the Essential Services Commission of South Australia (ESCOSA) are not exceeded. The water demand and sewerage customer growth inputs are consistent with ESCOSA's regulatory determination.

The revenue for water and sewerage charges is comprised of the following:

(i) Water usage charge

This is a volumetric charge based on the number of kilolitres of water that are used by the customer. This is charged to customers quarterly for costs associated with pumping, treatment and the filtration of water. The supply of water to the customer is deemed to be a distinct performance obligation under the contract with the customer.

Revenue is recognised over time as water is received and consumed by the customer. The amount of revenue recognised is comprised of water usage billed for the period and an accrual for unbilled usage at 30 June.

The underlying revenue recognition principle is to recognise revenue in the period water is consumed. The period ended 30 June calculation is based on state-wide water supplied, customer billing information, and an assessment and adjustment for non-revenue water (includes water produced and then lost or unaccounted for, such as evaporation, fire fighting and leaks).

(ii) Water access charge

This is a fixed charge that is billed to customers quarterly whose properties have been provided with access to the water supply network (connected or unconnected). This is charged to customers for costs associated with building, maintaining and replacing water mains, pipes, reservoirs and other water infrastructure. Commercial customers receive a fixed charge per annum, plus additional property rate charge per \$1000 that applies to the portion of property value greater than \$10 million. Commercial property rate charges are updated every year on the basis of the latest Valuer General property values. Most other customers receive a fixed charge equivalent to the minimum charge.

Revenue is recognised over time as customers require access to their water service connection.

4 Revenue from ordinary activities (continued)

Water and sewer rates and charges (continued)

(iii) Sewerage access charge

This is a charge that is billed to the customer quarterly for the removal and treatment of sewage. Properties that have been provided with access to the sewerage network (connected or unconnected) pay this charge. Charges are associated with building, maintaining and replacing sewer pipes, sewerage pump stations, sewerage treatment plants and other sewerage infrastructure.

A performance obligation exists to enable customers to have access to SA Water's sewerage infrastructure. Revenue is recognised over time as customers require access to the sewerage services. All customers are billed quarterly with the last bill of the year being for the period ended 30 June. Revenue is recognised as the performance obligation is satisfied.

Sewerage charges are updated every year on the basis of the latest Valuer-General property values. The number of cents charged per \$1,000 of property value is varied to ensure alignment with the regulatory revenue allowance. Therefore, SA Water does not incur revenue gains or losses from changes to property values as a result of the regulatory revenue cap.

Contributed assets and developer fees

Contributed assets principally arise from:

(i) Mains extensions contributions:

Contributions are received from customers or developers where a requested service or connection requires the construction of a new main.

A performance obligation exists to construct infrastructure for customers based on the cash contributions that are received by SA Water. This performance obligation is satisfied at a point in time and revenue is recognised when the constructed assets are practically completed. When the customer initially makes the payment the amount received is recognised as a contract liability.

(ii) Gifted assets:

Developers who make contributions where they construct water and sewer infrastructure and transfer them to SA Water for nil consideration. This contribution at initial recognition is recognised at the fair value of these assets based upon an estimate of the Greenfield's* replacement cost as at the date of acceptance. Contributed asset revenue is recognised when the Corporation issues a certificate of practical completion to the developer and the ownership of the constructed assets is transferred to SA Water.

*Greenfield is the estimated expense required to build or acquire a brand-new, modern equivalent asset on a completely undeveloped site, without accounting for existing infrastructure, or site constraints.

(iii) Miscellaneous capital contributions:

The Corporation constructs the infrastructure at the developer's request.

The performance obligation is satisfied over time and revenue recognised at key milestones during the construction of the asset.

(iv) Augmentation charges:

All persons who receive development approval between 1 July 2025 and 30 June 2026 for an additional allotment, new connection or a variation to an existing connection with multiple new premises that connect to SA Water's water and/or sewerage infrastructure in the Greater Adelaide Region will be charged an augmentation charge in respect of each connection or new allotment.

4 Revenue from ordinary activities (continued)

Contributed assets and developer fees (continued)

New residential greenfield allotments make a fixed contribution towards water and sewerage infrastructure that they are connecting to.

New residential infill developments in the greater Adelaide region will also make a contribution based on the number of new premises connecting to SA Water's network.

Recoverable works

SA Water is requested by local councils and other government departments to undertake capital works and make alterations to the water and sewerage network in accordance with contract specifications. The performance obligation for these contracts is satisfied over time as the work is undertaken.

SA Water provides a comprehensive range of water and sewerage services including sampling, analysis, advice and research. The performance obligation for these contracts is satisfied at a point in time. Revenue is recognised as customers are billed, which is after testing has been undertaken and the results have been reported to the customer.

Fees and charges

This includes ancillary services that are associated with the provision of water and sewerage services. These services include the connection of the customer to the water and sewerage network. A performance obligation exists for SA Water to connect customers to the water and sewerage network. As the service provided requires the construction of an asset, revenue is recognised at a point in time as the constructed assets are substantially completed and the customers are connected to the network. In accordance with the contract with the customer, payment must be received before works can be undertaken. When the customer initially makes the payment, the amount received is recognised as a contract liability. For other fees and charges the performance obligation is satisfied and revenue recognised at a point in time once the service has been provided by SA Water.

A performance obligation also exists to provide customers access to dispose of hazardous waste through SA Water infrastructure. The amount charged is based on volume of waste that is disposed. Revenue is recognised at a point in time once the service is provided.

Community service obligations (CSOs)

The Corporation is required under its charter to provide a number of non-commercial activities to the community on behalf of the Government. The Government provides SA Water with funding to compensate for these non-commercial activities. The main CSOs are for the implementation of statewide pricing to ensure that regional customers pay the same water charges and similar sewerage charges as Metropolitan customers and the provision of water and sewerage concessions to certain properties (eg charities, churches, public schools and remote communities).

Government grants

In accordance with AASB 120 *Accounting for Government Grants and Disclosure of Government Assistance*, grants from the Government are recognised at their fair value when there is reasonable assurance that the grant will be received and the Corporation will comply with all attached conditions to the grant.

Government grants relating to construction of infrastructure, plant and equipment are initially recognised as unearned revenue (current and non-current liability) and then transferred to income over the periods, and in the proportions, in which depreciation on those assets is charged.

SA Water receives large-scale generation certificates (LGCs) from the Australian Government for generating renewable energy. The award of LGCs are treated as non-monetary government grants and initially measured at fair value in accordance with AASB 120 Government Grants on the date they are created, being the date they are registered in the name of SA Water. The fair value being determined as the number of LGCs received multiplied by the current market value.

4 Revenue from ordinary activities (continued)

Disaggregation of revenue from contracts with customers

In accordance with AASB 15 *Revenue from Contracts with Customers*, revenue has been disaggregated based on the provision of water and wastewater services to customers.

30 June 2026	Water \$'000	Wastewater \$'000	Total \$'000
Revenue from contracts with customers			
Water and sewer rates and charges	950,397	432,327	1,382,724
Contributed assets and developer fees	63,236	59,673	122,909
Recoverable works	55,673	24,635	80,308
Fees and charges	40,708	43,707	84,415
Total revenue from contracts with customers	1,110,014	560,342	1,670,356

30 June 2025	Water \$'000	Wastewater \$'000	Total \$'000
Revenue from contracts with customers			
Water and sewer rates and charges	943,384	399,518	1,342,902
Contributed assets and developer fees	57,995	43,069	101,064
Recoverable works	69,795	10,758	80,553
Fees and charges	35,727	34,736	70,463
Total revenue from contracts with customers	1,106,901	488,081	1,594,982

5 Other income

	2026 \$'000	2025 \$'000
Net gain on disposal of infrastructure, plant and equipment	641	341
Gain on derecognition of right-of-use asset	-	190
Net gain on disposal of water allocations	1,257	-
Reversal of prior year infrastructure, plant and equipment revaluation decrement*	498	778
Net gain on disposal of renewable energy certificates	17	-
Total	2,413	1,309

The gain or loss on disposal of non-current assets is recognised at the date that control of the asset passes to the buyer. The gain or loss on disposal is calculated as the difference between the carrying amount of the asset at the time of the disposal and net proceeds from the sale. Upon disposal or derecognition, any asset revaluation surplus relating to a particular asset being sold is transferred to retained earnings.

* Reversal of prior year revaluation decrement relates to land and buildings asset classes.

6 Expenses

	Notes	2026 \$'000	2025 \$'000
<u>Depreciation and amortisation</u>			
Infrastructure, plant and equipment	14	260,703	245,551
Intangible assets	13	13,607	20,429
Right-of-use assets	16	6,124	15,670
Total depreciation and amortisation		280,434	281,650
<u>Borrowing costs</u>			
Interest paid/payable on borrowings		413,403	356,090
Interest expense on lease liabilities		2,717	3,771
Total borrowing costs		416,120	359,861
<u>Services & supplies</u>			
Water planning management		36,007	35,136
External fees and charges		34,359	32,118
Cost of goods/services provided		37,059	33,655
Materials and chemicals*		44,155	34,394
Licences		35,776	30,552
Other services and supplies		25,804	24,817
Facility maintenance		12,645	10,770
Operational taxes		11,063	10,884
Plant, equipment and vehicles**		16,772	10,941
Short-term leases		-	1,152
Consultancy costs		3,381	997
Total services & supplies		257,021	225,416
<u>Employee benefits</u>			
Salaries and wages		148,008	136,688
Superannuation contribution		28,558	37,748
Annual leave		19,726	16,765
Long service leave		5,512	7,436
Workers compensation		1,434	851
Total employee benefits		203,238	199,488
<u>Other expenses</u>			
Write-off in value of infrastructure, plant and capital WIP		6,296	38,839
Net bad and doubtful debts		281	20,311
Infrastructure, plant and equipment revaluation decrement		7,436	8,257
Write-off in value of intangible capital WIP		1,622	1,541
Net loss on disposal of renewable energy certificates		-	463
Net loss from electricity derivatives at fair value through P&L		689	-
Impairment loss renewable energy certificates		(124)	124
Net foreign exchange loss		716	-
Total other expenses		16,916	69,535

* SA Water took over ownership and operation of the Riverland water treatment plants following the expiry of the BOOT agreements in January 2025 and therefore increased the requirements for chemicals and materials for operation of the plants.

** Motor vehicle leases with SAFA are no longer captured by AASB 16 Leases and are now recognised in operating expenses.

6 Expenses (continued)

Depreciation

Leased infrastructure, plant and equipment are depreciated over the term of the lease. For Build-Own-Operate-Transfer (BOOT) arrangements, as ownership of the underlying asset is transferred to the Corporation at the end of the lease term, depreciation is calculated over the useful life of the underlying asset. Owned infrastructure, plant and equipment and other assets are depreciated using the straight line method over their estimated useful lives ranging from 2 to 170 years. The useful lives of assets are reviewed annually and have been assessed as follows:

<u>Class of assets</u>	<u>Useful life (years)</u>
- Water and sewer	7 - 170 years
- Renewable energy assets	4 - 25 years
- Right-of-use infrastructure assets	20 - 50 years
- Buildings	50 years
- Plant and equipment	3 - 15 years
- Other	2 - 50 years

The method of depreciation has regard to the underlying nature of the assets and their expected use in operations of the Corporation. Work in progress is not depreciated until assets are completed and have been commissioned for operation.

Borrowing costs

Borrowing costs include interest expense, government guarantee fees, SAFA margins and finance lease charges.

In accordance with AASB 123 *Borrowing Costs*, borrowing costs attributable to the acquisition or construction of infrastructure, plant and equipment are capitalised after considering materiality. The Corporation has not capitalised borrowing costs in the year as the proportion related to the acquisition and construction of infrastructure was assessed as not material.

The Corporation's Treasury Risk Management Policy and Energy Price Risk Management Policy provide a prudential framework for the management of the Corporation's financial risks including interest rate risk, foreign exchange price risk and commodity price (e.g. electricity) risk. Within the parameters of these policies, SA Water utilises derivative financial instruments for foreign exchange and commodity price risk to implement appropriate financial risk mitigation strategies. Interest rate risk arising from borrowings is managed in accordance with the debt management strategies outlined in note 2(a)(i).

Superannuation

The amount charged to the statement of comprehensive income represents the contributions made by the Corporation to the superannuation plan in respect of employment services of current staff. The contributions are made to the state government superannuation schemes and several non-state government superannuation schemes. In relation to the state government superannuation schemes, the Department of Treasury and Finance centrally recognises the superannuation liability in the whole of government financial statements.

During the prior reporting period, the Corporation made a lump sum payment to Super SA in relation to its obligations under the defined benefit superannuation scheme.

Foreign currency transactions

Foreign currency transactions are translated using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the remeasurement of monetary assets and liabilities denominated in foreign currency at year end exchange rates are recognised in profit or loss.

Non-monetary items are not retranslated at year end and are measured at historical cost (translated using the exchange rates at the date of the transaction).

6 Expenses (continued)

Derivatives

All derivatives are categorised as financial assets or financial liabilities at fair value through profit and loss and classified as economic hedges in the Statement of Financial Position as the Corporation has elected not to apply hedge accounting under AASB 9 Financial Instruments: Recognition and Measurement.

Derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and subsequently remeasured to fair value.

Any changes in the fair value of derivatives are recognised immediately as an adjustment to other income or other expenses in the Statement of Comprehensive Income.

Electricity and foreign currency derivatives are remeasured to fair value with reference to published market prices.

Water planning management

In accordance with Section 6 of the Public Corporations Act 1993, SA Water are directed to pay the Department for Environment and Water an amount in order to support water planning and management activities.

Short term and low-value leases

In accordance with AASB 16 *Leases* and *Treasurer's Instructions (Accounting Policy Statements)* the Corporation must apply the recognition exemption for short-term leases and leases for which the underlying asset is of low value. The recognition exemption for short-term leases is applied by class of underlying asset to which the right-of-use relates. In accordance with AASB 16 a short-term lease is a lease that, at the commencement date, has a lease term of 12 months or less. The recognition exemption of low-value assets has been applied where the underlying asset value is less than \$15,000. In accordance with AASB 16 the lease payments associated with these types of leases are recognised as an expense over the term of the lease.

7 Income tax expense

(a) *Income tax expense*

	2026 \$'000	2025 \$'000
Current tax on profits for the year (note 20)	19,267	9,375
Deferred tax	53,094	45,497
Amounts under provided in prior years	1	1
	72,362	54,873

Deferred income tax included in income tax expense comprises:

Increase/(Decrease) in deferred tax assets (note 12)	1,410	(6,995)
Increase/(Decrease) in deferred tax liabilities (note 26)	51,684	52,492
	53,094	45,497

(b) *Numerical reconciliation of income tax expense to prima facie tax payable*

	2026 \$'000	2025 \$'000
Profit from continuing operations before income tax	248,680	189,988
Tax at the Australian tax rate of 30.0% (2025: 30.0%)	74,604	56,996
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Gain on sale of land	(44)	13
Revaluation increment	(76)	(29)
ADP intangible asset amortisation	510	510
Government grants	(2,618)	(2,618)
Provision for employee benefits	(15)	-
	72,361	54,872
Amounts under provided in prior years	1	1
Income tax expense	72,362	54,873

(c) *Income tax relating to items of other comprehensive income*

	2026 \$'000	2025 \$'000
Gain/(loss) on revaluation of infrastructure, plant and equipment (note 26 & 12)	(248,786)	18,807
Leased infrastructure assets (note 26)	(64)	243
	(248,850)	19,050

8 Current assets - Trade and other receivables

	2026 \$'000	2025 \$'000
<u>Receivables</u>		
Rates receivable (water and sewer)	67,759	71,656
Sundry debtors*	62,682	54,785
Impairment loss on receivables (note 8(a))	(20,901)	(20,620)
Accrued unbilled water usage	116,706	87,884
	226,246	193,705
<u>Other receivables</u>		
Community service obligations	22,513	21,083
	248,759	214,788

*Sundry debtors includes trade waste revenue, Australian Water Quality Centre revenue & other miscellaneous fees and charges.

Receivables for rates and charges and sundry debtors are normally settled within 21 days. These are recognised in the accounts as amounts due. Collectability of receivables is reviewed on an ongoing basis. An allowance for doubtful debts is raised based on a review of outstanding amounts at balance date.

The accrued revenue for unbilled water usage as of 30 June 2026 is an estimate of customer water consumption since their last meter read. This estimate uses system data, billing information, and a model that factors in average daily consumption, non-revenue water percentages, and tiered pricing. The calculation is complex due to the large and varied customer base and variables like weather, network losses, and data limitations. Revenue is estimated per customer using average pricing. Once meters are read, customers are billed based on their actual recorded consumption.

(a) Impaired trade receivables

The Corporation recognises an allowance for impairment loss on receivables from the initial recognition of trade receivables using the simplified approach permitted by AASB 9 *Financial Instruments*. Under the simplified approach, lifetime expected credit losses have been recognised using historical write-off experience.

An allowance for impairment loss on receivables has also been recognised based on an assessment of expected credit losses where a debtor has experienced a known credit event.

Receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include the failure of a debtor to enter into a payment plan with the Corporation, the Company has gone into liquidation or the Corporation is unable to recover the water and sewer charges from the sale of the customer's property in accordance with the South Australian Water Corporation Act 1994.

8 Current assets - Trade and other receivables (continued)

(a) *Impaired trade receivables (continued)*

Movements in the allowance for impairment loss on receivables are as follows:

	2026 \$'000	2025 \$'000
Opening balance at 1 July	20,620	310
Increase in the allowance*	481	20,386
Amounts written off	-	(1)
Amounts reversed	(200)	(75)
Closing balance at 30 June	20,901	20,620

*For the reporting period ending 30 June 2025, as a consequence of the decision by the SA Government to place OneSteel Manufacturing Pty Ltd into administration an amount of \$19.9m for outstanding water charges has been considered to be impaired.

SA Water has not applied a provision matrix to the remaining portfolio of rates and sundry receivables because the expected credit loss exposure for that portfolio, is not material. The information relating to the ageing analysis for rates and sundry receivables is shown below:

	2026 \$'000	2025 \$'000
At 30 June the ageing of rates receivable is as follows:		
Not past due	11,323	11,980
Past due 22 - 60 days	12,049	16,029
Past due 61 - 90 days	6,436	6,375
Past due 91 - 120 days	2,978	1,356
Past due > 120 days*	34,973	35,916
	67,759	71,656

	2026 \$'000	2025 \$'000
At 30 June the ageing of sundry debtors is as follows:		
Not past due	57,021	48,967
Past due 31 - 60 days	2,776	4,673
Past due 61 - 90 days	1,139	211
Past due 91 - 120 days	638	57
Past due > 120 days	1,108	877
	62,682	54,785

*For the reporting period ending 30 June 2025, as a consequence of the decision by the SA Government to place OneSteel Manufacturing Pty Ltd into administration an amount of \$19.9m for outstanding water charges has been considered to be impaired at 30 June 2025.

Balance for other receivables relates to Community Service Obligations and do not contain impaired assets and are not past due. It is expected that these balances will be received when due.

(b) *Fair value and credit risk*

Due to the short-term nature of the current receivables, their carrying amount is assumed to approximate their fair value.

The maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of receivables mentioned above. Refer to note 2 for more information on the risk management policy of the Corporation and the credit quality of the Corporation's receivables.

9 Current assets - Inventories

	2026	2025
	\$'000	\$'000
Raw materials and stores	18,136	13,405
Allowance for obsolete stock	(119)	(116)
Work in progress	196	409
	18,213	13,698

Inventories are valued at cost with any goods and services manufactured by SA Water measured on a full absorption cost basis.

Inventories are held for purposes of maintenance and construction and not for resale.

10 Current assets - Other current assets

	2026	2025
	\$'000	\$'000
Interest receivable	14	18
Prepayments	20,016	18,331
	20,030	18,349

11 Current assets - Financial assets

	2026	2025
	\$'000	\$'000
Derivative financial instruments		
Foreign exchange forward contracts	48	-
	48	-

Details of derivative financial instruments are provided in note 2(a)(iii) and note 6.

12 Non-current assets - Deferred tax assets

	Notes	2026 \$'000	2025 \$'000
The balance comprises temporary differences attributable to:			
Doubtful debts		6,231	6,147
Obsolete stock		36	35
Infrastructure, plant and equipment		41,906	41,546
Intangible assets		-	37
Pooled assets		39	37
Payables		2,599	2,245
Audit fee payable		153	148
Government grants		9,946	10,109
Employee benefits		17,131	15,813
Deferred lease incentives		173	173
Lease liability - right-of-use assets		(18,149)	(16,557)
Unearned customer contributions		1,165	947
Unearned income		568	1,867
Provisions		5,485	6,441
Lease make good provision		(60)	(60)
Provision for workers compensation		224	205
Derivative financial instruments		276	-
		67,723	69,133
<i>Amounts recognised directly in equity:</i>			
Unearned customer contributions		2,335	2,335
Revaluation of Infrastructure, plant and equipment	32	(1)	(137)
Lease liability - Initial adoption of AASB 16		36,236	36,236
Leased infrastructure assets		(1,061)	(1,061)
Lease make good provision		494	494
Deferred lease incentives		(173)	(173)
Doubtful debts - Initial adoption of AASB 9		39	39
		37,869	37,733
<i>Recognition of leases - AASB 16</i>			
Recognition of new leases		7,330	7,330
Lease liability remeasurement		10	10
Amounts over provided in prior years		(30)	(30)
Lease derecognition*		(2,913)	(2,913)
		4,397	4,397
Total deferred tax assets		109,989	111,263

12 Non-current assets - Deferred tax assets (continued)

	2026	2025
	\$'000	\$'000
Movements:		
Opening balance at 1 July	111,263	105,457
Charged to the statement of comprehensive income (note 7(a))	(1,410)	6,995
Charged to equity (note 32(a))	136	(1)
Recognition of new leases - AASB 16	-	1,725
Lease derecognition*	-	(2,913)
Closing balance at 30 June	109,989	111,263
Deferred tax assets expected to be recovered within 12 months	35,423	36,149
Deferred tax assets expected to be recovered after more than 12 months	74,566	75,114
	109,989	111,263

*Motor vehicle leases with SAFA are no longer captured by AASB 16 Leases and were derecognised on 31 March 2025. Refer to note 15.

Current*	962
Non-current	146,559
	<u>147,521</u>

*Emissions certificates

13 Intangible assets (continued)

	Work in progress \$'000	Easements \$'000	Prescription rights \$'000	Computer Software \$'000	ADP intangible \$'000	Purchased water rights \$'000	Emissions certificates \$'000	Total \$'000
Year ended 30 June 2025								
Opening net book amount	25,971	6,776	4,500	30,946	49,373	42,125	5,353	165,044
Additions	8,060	-	-	-	-	-	-	8,060
Purchases	-	-	-	-	-	-	4,000	4,000
Government grant	-	-	-	-	-	-	4,821	4,821
Additions transferred from work in progress	(17,171)	13	-	17,158	-	-	-	-
Reclassifications	795	-	-	-	-	-	-	795
Revaluation	-	-	-	-	-	-	63	63
Amortisation charge (note 6)	-	-	-	(18,729)	(1,700)	-	-	(20,429)
Disposals	-	-	-	-	-	-	(3,428)	(3,428)
Asset write-down	(1,541)	-	-	-	-	-	-	(1,541)
Surrender	-	-	-	-	-	-	(8,267)	(8,267)
Impairment	-	-	-	-	-	-	(124)	(124)
Closing net book amount	16,114	6,789	4,500	29,375	47,673	42,125	2,418	148,994
At 30 June 2025								
Cost	16,114	6,789	4,500	331,485	70,982	42,125	2,542	474,537
Accumulated amortisation	-	-	-	(302,110)	(23,309)	-	-	(325,419)
Accumulated impairment loss	-	-	-	-	-	-	(124)	(124)
Net book amount	16,114	6,789	4,500	29,375	47,673	42,125	2,418	148,994

Current*

2,418

Non-current

146,576

*Emissions certificates

148,994

13 Intangible assets (continued)

Purchased water rights

The Corporation owns a series of tradable water rights that it has purchased from the Southern Murray Darling Basin water trading markets. The rights are perpetual and title is held by the Corporation under the relevant legislation in the jurisdiction of issue (as water access entitlements onto licences issued by the South Australian Government under the Landscape South Australia Act 2019 (SA), as water shares issued by the Victorian Government under the Water Act 1989 (VIC), and as unit shares issued by the New South Wales Government under the Water Management Act 2000 (NSW)). The allocations made to these water rights are held in South Australia or are able to be transferred into South Australia from within the Southern Murray Darling Basin, subject to statutory trading rules.

During normal River Murray flow conditions the South Australian purchased River Murray licences must be held to meet the requirements of the Section 6 direction of the Public Corporation Act 1993. This direction was gazetted on 11 June 2020 and requires that:

"SA Water must provide the full environmental watering volume required in eligible years under clause S-IV(ii) of Schedule 1 of the Implementation Plan for Augmentation of the Adelaide Desalination Plant (100 gigalitres per annum), National Partnership Agreement on Water for the Future (up to 12 gigalitres), prior to trading to third parties any unused allocations obtained on account of water access entitlements on its South Australian River Murray licences."

In accordance with the requirements of *Treasurer's Instructions (Accounting Policy Statements)* covering valuation of intangible assets, the water rights are valued at cost. The water rights have an indefinite useful life and as such are not subject to amortisation.

Issued water licences

The South Australian Government has issued water licences to the [Corporation] upon adoption of the relevant Water Allocation Plan for the water resource given effect by the *Landscape South Australia Act 2019*. Some of these licences have conditions attached which restrict the use of the allocations endorsed thereon. All licences are held to underpin the water security of SA Water customers. These licences are held by the [Corporation] in accordance with Department of Treasury & Finance (DTF) Accounting Policy Statement on Intangible assets.

In accordance with the requirements of *Treasurer's Instructions (Accounting Policy Statements)* covering valuation of intangible assets, the water rights are valued at cost. The water rights have an indefinite useful life and as such are not subject to amortisation.

The Corporation holds River Murray licences to underpin the metropolitan Adelaide, associated country areas and our River Murray Country towns customers.

Rights other than those relating to the River Murray are:

- Various South East region licences;
- Various Murray Mallee area licences;
- Various Eyre Peninsula region licences;
- McLaren Vale licence for the Aldinga wastewater treatment plant;
- Northern Adelaide Plains licence for the Bolivar wastewater treatment plant;
- Western & Eastern Mount Lofty Ranges licences; and
- Far North region licences.

13 Intangible assets (continued)

Work in progress

Costs incurred on incomplete intangible assets that are being progressively acquired are recognised as work in progress at the reporting date. These assets are transferred to completed intangible assets when the assets are fully acquired and are operational or available for use. Work in progress intangible assets are recognised at cost.

Easements

In accordance with the *Treasurer's Instructions (Accounting Policy Statements)* and AASB 138 *Intangible Assets*, easements have been classified as an intangible asset and valued at cost. Easements gifted to the Corporation are not valued.

Prescription rights

SA Water has previously contributed towards the prescription of the water resources for the Mount Lofty Ranges to provide long term protection of the water supply to Adelaide. In June 2013 SA Water was issued a licence pertaining to storage and diversion rights for streams in the Western Mount Lofty Ranges.

Computer software

Computer software is valued at cost as per AASB 138 *Intangible Assets*. The useful life is reviewed annually and has been assessed at 5 years. The software is amortised using the straight-line method.

Software-as-a-Service (SaaS) arrangements

SaaS arrangements are service contracts providing the Corporation with the right to access the cloud provider's application software over the contract period. Costs incurred to configure or customise, and the ongoing fees to obtain access to the cloud provider's application software, are generally recognised as operating expenses when the services are received.

Where some of the costs incurred are for the development of software code that enhances, modifies or creates additional capability to existing on-premise systems and meets the recognition criteria for an intangible asset, these costs are recognised as intangible software assets and amortised over the useful life of the software on a straight-line basis.

ADP intangible asset

An intangible asset exists in relation to the network connection agreement between SA Water and SA Power Networks. The agreement grants the Corporation the legal right to connect to the SA Power Networks substation constructed at Port Stanvac and thus acquire electricity for the Adelaide Desalination Plant (ADP) at the rates specified in the agreement.

In accordance with AASB 138, this right was recognised in 2012/13 as an intangible asset and is measured at the construction cost of the SA Power Networks' substation.

The useful life is based on the average useful life of the ADP assets belonging to SA Water upon which the intangible asset is dependent as per AASB 138. As with other non-current assets, the useful life of the intangible asset is assessed annually and is currently 41.75 years. The ADP intangible asset is amortised using the straight-line method.

13 Intangible assets (continued)

Emissions certificates

The Corporation uses Renewable Energy Certificates (RECs) and Australian Carbon Credit Units (ACCU) to source electricity generated from renewable resources. The Corporation generates Large-scale Generation Certificates (LGC) from solar, biogas and mini hydro plants and purchases Small-scale Technology Certificates (STC) to meet legislated obligations in relation to Australia's Renewable Energy Target (RET) scheme. The RET scheme imposes an annual liability on a calendar-year basis, by applying the specified Renewable Power Percentage to the relevant volume of electricity acquired. The Corporation demonstrates compliance by surrendering RECs to the Clean Energy Regulator. LGCs are surrendered annually for the previous calendar year while STCs are surrendered on a quarterly basis. Accumulated RECs and ACCUs are expected to be utilised in satisfying the Corporation's future renewable energy target obligations or sold where surplus LGCs have been generated.

Emissions certificates represent identifiable non-monetary assets without physical substance and are measured at cost in accordance with AASB 138 Intangible Assets. For generated emission certificates received from the Government cost is measured at fair value, which is determined based on the market price of the certificates when they are received. Emission certificates that are purchased are recognised at the cost paid to a third party. Emission certificates are not amortised and are tested for impairment annually, and whenever there is an indication that the emissions certificates may be impaired. After initial recognition the certificates are carried at cost and not revalued.

The obligation to surrender certificates based on the Corporation's energy consumption and the renewable power percentage target is accrued and disclosed in the statement of financial position as a current liability.

14 Non-current assets - Infrastructure, plant and equipment

	Work in progress Water & Sewerage \$'000	Work in progress Renewable energy \$'000	Land \$'000	Renewable energy \$'000	Plant and equipment \$'000	System infrastructure assets \$'000	Other property, plant and equipment \$'000	Total \$'000
Year ended 30 June 2026								
Opening net book amount	1,290,625	1,822	440,138	197,660	32,573	9,736,844	62,713	11,762,375
Additions	1,312,332	358	164	-	-	53,057	-	1,365,911
Additions transferred from work in progress	(486,827)	(2,167)	831	2,167	6,176	435,068	44,752	-
Transfer from right-of-use asset**	-	-	-	-	-	12,055	-	12,055
Depreciation charge (note 6)	-	-	-	(10,440)	(4,270)	(229,736)	(16,257)	(260,703)
Asset write-down	(6,296)	-	-	-	-	-	-	(6,296)
Disposals	-	-	(810)	-	(84)	-	-	(894)
Revaluation increase/(decrease)	-	-	34,841	(5,864)	-	(837,203)	-	(808,226)
Closing net book amount	2,109,834	13	475,164	183,523	34,395	9,170,085	91,208	12,064,222
At 30 June 2026								
Cost or fair value	2,109,834	13	475,164	225,857	84,527	16,671,920	350,343	19,917,658
Accumulated depreciation	-	-	-	(42,334)	(50,132)	(7,501,835)	(259,135)	(7,853,436)
Net book amount	2,109,834	13	475,164	183,523	34,395	9,170,085	91,208	12,064,222

**The term of the BOOT agreement with Trillity for the lease of the Victor Harbor Wastewater Treatment Plant expired on the 10 December 2025. In accordance with the agreement ownership of the assets were transferred to SA Water.

14 Non-current assets - Infrastructure, plant and equipment (continued)

	Work in progress Water & Sewerage \$'000	Work in progress Renewable energy \$'000	Land \$'000	Renewable energy \$'000	Plant and equipment \$'000	Infrastructure assets \$'000	Other property, plant and equipment \$'000	Total \$'000
Year ended 30 June 2025								
Opening net book amount	1,163,029	1,231	414,894	212,314	33,563	9,185,680	53,033	11,063,744
Additions	791,261	591	266	-	-	57,293	-	849,411
Additions transferred from work in progress	(624,031)	-	10,703	259	3,277	588,511	21,281	-
Transfer from right-of-use asset**	-	-	-	-	-	65,529	-	65,529
Depreciation charge (note 6)	-	-	-	(10,628)	(4,025)	(219,297)	(11,601)	(245,551)
Reclassified to intangibles	(795)	-	-	-	-	-	-	(795)
Asset write-down	(38,839)	-	-	-	-	-	-	(38,839)
Disposals	-	-	(56)	-	(242)	-	-	(298)
Revaluation increase/(decrease)	-	-	14,331	(4,285)	-	59,128	-	69,174
Closing net book amount	1,290,625	1,822	440,138	197,660	32,573	9,736,844	62,713	11,762,375
At 30 June 2025								
Cost or fair value	1,290,625	1,822	440,138	230,906	78,781	17,670,400	305,595	20,018,267
Accumulated depreciation	-	-	-	(33,246)	(46,208)	(7,933,556)	(242,882)	(8,255,892)
Net book amount	1,290,625	1,822	440,138	197,660	32,573	9,736,844	62,713	11,762,375

**The term of the BOOT agreements with Riverland Water for the lease of water infrastructure assets expired on 24 January 2025. In accordance with the agreement ownership of the assets were transferred to SA Water.

14 Non-current assets - Infrastructure, plant and equipment (continued)

Infrastructure, plant and equipment

(a) Carrying amounts that would have been recognised

If revalued assets were stated on the historical cost basis less accumulated depreciation, the amounts would be as follows:

	Land \$'000	Renewable energy assets \$'000	Plant and equipment \$'000	System infrastructure assets \$'000	Other property, plant and equipment \$'000	Total \$'000
Revalued assets based on cost model						
Cost	69,908	359,259	92,477	10,189,250	306,881	11,017,775
Accumulated depreciation	-	(67,313)	(78,181)	(3,648,858)	(220,613)	(4,014,965)
At 30 June 2026 net carrying amount	69,908	291,946	14,296	6,540,392	86,268	7,002,810
Revalued assets based on cost model						
Cost	69,572	357,093	86,732	9,758,165	262,128	10,533,690
Accumulated depreciation	-	(51,172)	(73,565)	(3,460,782)	(204,725)	(3,790,244)
At 30 June 2025 net carrying amount	69,572	305,921	13,167	6,297,383	57,403	6,743,446

Acquisition

Items of infrastructure, plant and equipment are initially recorded at cost in accordance with AASB 116 *Property, Plant and Equipment*, and are depreciated as outlined in expenses (note 6). Assets acquired under BOOT agreements are brought to account when commissioned as right-of-use assets, ownership is transferred to SA Water once the lease expires.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Corporation and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

Where system infrastructure assets are handed over by developers free of charge, they are initially recognised at fair value using the cost approach based on an estimate of the Greenfield's replacement cost as at the date of acceptance.

Valuations

The Corporation has adopted the revaluation model for measuring and reporting land, system infrastructure assets, plant and equipment, other property, plant and equipment and renewable energy assets in the statement of financial position in accordance with AASB 13 *Fair Value Measurement* and AASB 116 *Property, Plant and Equipment*. Refer note 15 for disclosures regarding fair value level hierarchy.

The fair value of land is measured using the market approach.

The fair value for renewable energy assets, plant and equipment, system infrastructure assets and other property, plant and equipment are measured using the income approach. The income approach has been adopted for these asset classes as there is generally no active market for assets of such a specialised nature. As a for-profit entity, any expected transaction price for the Corporation's assets would be based on the income that the assets derive.

14 Non-current assets - Infrastructure, plant and equipment (continued)

Infrastructure, plant and equipment (continued) Valuations (continued)

The application of the income approach means the assets are valued using a discounted cash flow methodology which is based on the discounted value of the future cash flows expected to be generated from the use of SA Water's assets under the environment in which the Corporation operates as a for-profit entity. Future cashflows generated from the use of these assets are considered the primary factor that a market participant would consider when pricing these assets.

Revaluations are performed by management during each reporting period and are effective from 30 June. Depreciation for the year is based on the carrying value of assets prior to revaluation.

Land

Land is independently valued by the State Valuer-General. The Valuer-General uses site values of generically similar allotments to arrive at a unit rate used to assign a value to individual parcels. Rates depend on whether the site is residential, industrial or commercial.

Land is valued separately from any structures or improvements residing on it. It is acquired and held principally for continued use. Land has an unlimited useful life and is not a depreciable asset.

Property, plant and equipment, system infrastructure assets and other property, plant and equipment

Property, plant and equipment includes operating plant and machinery, vehicles and office equipment. These assets are valued using the income approach. Costs associated with this class include construction cost or purchase price, installation costs and attributable labour.

System infrastructure assets includes all the Corporation's network assets, its treatment plants for both water and sewerage, storage related assets and buildings and depots. These assets deliver water, sewerage and recycled water to and from the customer through its integrated network of assets. The network of assets are assessed as an integrated network because of the interdependent nature of their operations.

Other property, plant and equipment includes telemetry, leasehold improvements and assets that do not fall into the above categories.

The network of assets consisting of land, system infrastructure assets, plant and equipment, other property, plant and equipment, intangibles, right-of-use assets and work in progress assets are valued as an integrated network because of the integrated nature of their operations.

The income approach calculates the future net cashflows from the whole of the integrated network held by the Corporation, which are discounted to their present value.

The Corporation aligns its approach in determining the future cash flows with the methodology applied by the Essential Services Commission of South Australia (ESCOSA). In addition to the cash flows for regulated assets under this approach, the Corporation's fair value calculations also include estimated cash flows from non-regulated assets excluding non-regulated renewable energy assets.

The fair value of system infrastructure assets, plant and equipment and other property, plant and equipment is determined by calculating the total fair value of the integrated network and then deducting the fair value of land (measured using the market approach) as well as the carrying amounts of work in progress water and sewerage, intangible assets and right-of-use assets.

Renewable energy assets

Includes all renewable energy assets that were delivered as part of the Corporation's Solar Assets. The Corporation has installed solar panels and battery storage on some of its existing land and facilities, to offset its electricity needs and reduce operating costs. Any excess electricity is sold back to the wholesale energy market. As there is an accessible active market for the sale of this electricity, these renewable energy assets have been classified as a separate cash generating unit from that of the corporation's sewerage and water cash generating unit.

14 Non-current assets - Infrastructure, plant and equipment (continued)

Infrastructure, plant and equipment (continued) Renewable energy assets (continued)

The income approach has been adopted by SA Water to determine the fair value of renewable energy assets. Estimated cashflows for renewable energy assets are based on independently modelled electricity market and renewable energy certificate pricing estimates applied to the generation profiles and capacities of assets installed under the program. The revenues forecast include benefits from energy generation, renewable certificate production and savings on network charges.

Work in progress

Work in progress is split out between the Corporation's water and sewerage CGU and the renewable energy CGU. The CGUs include their respective capital projects that are currently under construction.

The Corporation's work in progress is recognised at cost which is deemed to be fair value at 30 June 2026.

Fair value model

A discounted cash flow model is used to determine fair value for all assets classes valued under the income approach. Determining fair value under this approach is highly dependent on the assumptions and inputs used to estimate the future cashflows.

The significant judgement and estimate of assumptions and inputs used in the Corporation's fair value model (primarily level 3 inputs) are tabled below. Each input is detailed in relation to its particular CGU, and whether it relates to water and sewerage or the renewable energy assets (Solar Assets).

Change in accounting estimate

During the year ended 30 June 2026, management reassessed the methodology used to estimate future tax depreciation deductions incorporated within the discounted cash flow valuation model used to determine the fair value of infrastructure assets. Historically, tax depreciation was estimated using a fixed proportion of 85% of accounting depreciation. Following further analysis, management determined this approach was no longer representative of expected future tax depreciation outcomes and adopted a methodology based on forecast tax depreciation deductions from existing assets and future capital investment.

This revision represents a change in accounting estimate and has been applied prospectively in accordance with AASB 108. There has been no restatement of prior period amounts.

When considered in isolation, the change in methodology increased forecast tax depreciation deductions improving the valuation by \$874.3m, resulting in a net decrement of \$837.2m. It is impracticable to determine the effect of this change for future periods.

14 Non-current assets - Infrastructure, plant and equipment (continued)

Infrastructure, plant and equipment (continued)

Fair value model (continued)

Input	Impact on fair value measurement	For 30 June 2026 (water and sewerage CGU)	For 30 June 2026 (Solar Assets CGU)
Discount rate	Asset value would increase as the discount rate decreases.	Nominal post-tax Weighted Average Cost of Capital (WACC) of 4.84% (2025: 4.66%).	Nominal post-tax Weighted Average Cost of Capital (WACC) of 5.55% (2025: 5.37%).
Perpetual growth rate	Asset value would increase as the perpetual growth rate increases.	2.49% (2025: 2.57%)	N/A
CPI rate	Asset value would increase as CPI increases.	2026/27 to 2028/29 is based upon RBA inflation forecast as published in May 2026 Statement of Monetary Policy. 2029/30 onwards utilises a midpoint of the RBA's target band of 2.50%	2026/27 to 2028/29 is based upon RBA inflation forecast as published in May 2026 Statement of Monetary Policy. 2029/30 onwards utilises a midpoint of the RBA's target band of 2.50%
Period of discounting	Asset value would increase as period of discounting increases.	5 years (with an estimate of terminal value).	25 years (with a defined future point of 2051, in line with the cash-flow period for Solar Assets)
<i>Cash inflows:</i>			
Service and usage revenue	Asset value would increase if future revenue increases.	Estimates of future revenues were based on SA Water's 2026/27 State Budget.	N/A
Other non-regulated revenue	Asset value would increase if non-regulated revenue increases.	Non-regulated revenue is based on SA Water's 2026/27 State Budget.	Revenue is based on independently modelled electricity market and renewable energy certificate pricing estimates applied to generation profiles and capacities of respective assets.
<i>Cash outflows:</i>			
Operating expenditure	Asset value would increase as operating expenditure decreases.	Operating expenditure is based on the 2026/27 State Budget.	Operating expenditure is based on the operating estimates and maintenance profiles of the Solar Assets.
Capital expenditure	Asset value would increase as capital expenditure decreases.	Capital expenditure is based on the 2026/27 State Budget.	Capital expenditure is based on the forecast capital estimates and capital replacement profiles of the Solar Assets.

14 Non-current assets - Infrastructure, plant and equipment (continued)

Infrastructure, plant and equipment (continued)
Fair value model (continued)

Sensitivity analysis (Water and sewerage)

(i) Discount rate	Rate applied %	If higher +0.1%	If lower -0.1%
Nominal post-tax rate	4.84%	4.94%	4.74%
Calculated fair value of infrastructure, plant and equipment ('\$000)	\$12,068,000	\$11,492,600	\$12,695,700
Resulting change ('\$000)		(\$575,400)	\$627,700

(ii) Perpetual nominal growth rate	Rate applied %	If higher +0.1%	If lower -0.1%
Nominal Post tax rate	2.49%	2.59%	2.39%
Calculated fair value of infrastructure, plant and equipment ('\$000)	\$12,068,000	\$12,648,900	\$11,535,300
Resulting change ('\$000)		\$580,900	(\$532,700)

(iii) Sustainable Capital Expenditure	Value applied \$	If higher \$10.0m	If lower \$10.0m
Nominal post-tax value	\$496.9m	\$506.9m	\$486.9m
Calculated fair value of infrastructure, plant and equipment ('\$000)	\$12,068,000.00	\$11,715,800	\$12,420,900
Resulting change ('\$000)		(\$352,200)	\$352,900

Sensitivity analysis (Solar Assets)

(i) Discount rate	Rate applied %	If higher +0.1%	If lower -0.1%
Nominal post-tax rate	5.55%	5.65%	5.45%
Calculated fair value of renewable energy assets ('\$000)	\$183,536	\$181,541	\$185,562
Resulting change ('\$000)		(\$1,995)	\$2,026

(ii) Forecast revenue	Valued applied \$	If higher 10% p.a	If lower 10% p.a
Nominal post-tax rate	Varying p.a.		
Calculated fair value of renewable energy assets ('\$000)	\$183,536	\$204,117	\$162,460
Resulting change ('\$000)		\$20,581	(\$21,076)

The sensitivity analysis is being carried out on those variables which have the greatest influence over the discounted cashflow model.

14 Non-current assets - Infrastructure, plant and equipment (continued)

Infrastructure, plant and equipment (continued) Impairment of assets

AASB 136 *Impairment of Assets* requires for-profit entities, at each reporting date, to undertake an assessment for impairment indicators for its non-current assets including infrastructure, plant and equipment. Where there is an indication of impairment, an impairment test is undertaken for a CGU and the recoverable amount is estimated. SA Water has two CGUs being the water and sewerage CGU and the renewable energy CGU. Recoverable amount is determined as the higher of fair value less cost of disposal and value-in-use.

An amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss. For revalued assets, any impairment loss is offset against the relevant asset revaluation surplus until fully extinguished with any remaining amount expensed in the statement of comprehensive income.

SA Water, in accordance with AASB 136, has sound impairment monitoring processes where management assess whether there are any "impairment Indicators" being present from external and internal sources prior to each reporting date. External and internal sources include but are not limited to market conditions, technology changes or asset obsolescence.

For the year ending 30 June 2026, SA Water has undertaken a discounted cashflow asset valuation to determine fair value using current market data to inform assumptions. There are no further indications, for either the water and sewerage CGU or the renewable energy CGU, that the carrying value is not reflective of fair value or would constitute an impairment indicator against the fair value measurement.

15 Fair value measurements

The Corporation measures and recognises the following financial liabilities and financial and non-financial assets at fair value on a recurring basis:

- Financial liabilities (note 22);
- Financial assets (note 11);
- Land (note 14);
- System infrastructure assets (note 14);
- Plant and equipment (note 14);
- Other property, plant and equipment (note 14); and
- Renewable energy (note 14).

(a) *Fair value measurements*

AASB 13 *Fair Value Measurement* requires disclosure of fair value measurements by level of the following fair value measurement hierarchy (consistent with the hierarchy applied to financial assets and financial liabilities):

- quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly (level 2); and
- inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

The following table presents the Corporation's financial liabilities and financial and non-financial assets measured and recognised at fair value at 30 June 2026.

There were no transfers between levels for recurring fair value measurements during the period.

(i) *Recognised fair value measurements*

30 June 2026	Notes	2026 \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
<i>Recurring fair value measurements</i>					
Financial liabilities	22				
Electricity Swap		689	689	-	-
Foreign exchange forward contracts*		231	231	-	-
Total financial liabilities		920	920	-	-
Financial assets	11				
Foreign exchange forward contracts*		48	48	-	-
Total financial assets		48	48	-	-
Non- Financial Assets	14				
Land		475,164	-	475,164	-
System infrastructure assets		9,170,085	-	-	9,170,085
Renewable energy assets		183,523	-	-	183,523
Other property, plant and equipment		91,208	-	-	91,208
Plant and equipment		34,395	-	-	34,395
Total non-financial assets		9,954,375	-	475,164	9,479,211

*Net foreign exchange forward contracts is \$184k. Refer note 2(c).

15 Fair value measurements (continued)

(a) Fair value measurements (continued)

(i) Recognised fair value measurements (continued)

30 June 2025	Notes	2025 \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Recurring fair value measurement					
Non-financial assets	14				
Land		440,138	-	440,138	-
System infrastructure assets		9,736,844	-	-	9,736,844
Renewable energy assets		197,660	-	-	197,660
Other property, plant and equipment		62,713	-	-	62,713
Plant and equipment		32,573	-	-	32,573
Total non-financial assets		10,469,928	-	440,138	10,029,790

The Corporation's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

(ii) Disclosed fair values

The Corporation has a number of assets and liabilities which are not measured at fair value, but for which fair values are disclosed in the notes.

The carrying amounts of cash and cash equivalents, trade receivables, payables and other current liabilities are assumed to approximate their fair values due to their short-term nature. SA Water does not hold any non-current receivables.

The fair value of financial instruments that make up the long term borrowings disclosed in note 2(d)(i) have been deemed to be level 2 in the fair value hierarchy. The valuation is based on SAFA bond rates (market observable) which reflects the cost of funds. The carrying amount of short term borrowings approximates its fair value, as the impact of discounting is not significant.

(b) Valuation techniques used to derive level 2 and level 3 fair values

(i) Recurring fair value measurements

The valuation techniques used to derive level 3 fair values are described in note 14.

During the reporting period, management made an update to the valuation techniques used (Note 14 (a)).

The amounts shown as comparatives for fair value in note are disclosed according to the fair value definitions that apply or applied in each relevant reporting period. When categories of assets are revalued based on the income approach, any existing accumulated depreciation or amortisation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

(ii) Non-recurring fair value measurements

SA Water has no non-recurring fair value measurements.

(iii) Valuation inputs and relationships to fair value

Refer to note 14 for information relating to unobservable inputs and valuation processes.

15 Fair value measurements (continued)

(c) *Fair value measurements using significant unobservable inputs (level 3)*

The recurring fair value measurements for those asset classes using significant unobservable inputs (level 3) is disclosed under Note 14. A reconciliation of the balances comprising of recurring fair value measurements categorised within Level 3 is disclosed in Note 15 for the relevant asset classes. The reconciliation includes:

- (i) gains and losses recognised in profit or loss in Note 6;
- (ii) losses of \$801m recognised in other comprehensive income are disclosed in Note 32(a); and
- (iii) additions and disposals;

In the current year, leased sewer infrastructure assets valued at \$12.1m (2025: \$65.5m) managed under BOOT agreements with Riverland Water (Note 16) were transferred into System infrastructure assets (Note 14).

During the year ended 30 June 2026 management updated its accounting estimates in relation to the fair value measurements (Note 14 (a)).

16 Non-current assets - Right-of-use asset

	Land \$'000	Buildings \$'000	Plant and equipment \$'000	Infrastructure assets \$'000	Total \$'000
Year ended 30 June 2026					
Opening balance at 1 July 2025	497	46,240	-	12,806	59,543
Lease liability remeasurement	-	-	-	(213)	(213)
Depreciation (note 6)	(23)	(5,563)	-	(538)	(6,124)
Transfer to Infrastructure, plant and equipment**	-	-	-	(12,055)	(12,055)
Closing net book amount at 30 June 2026	474	40,677	-	-	41,151
At 30 June 2026					
Cost	623	82,002	-	41,051	123,676
Accumulated depreciation	(149)	(41,325)	-	(28,996)	(70,470)
Transfer to Infrastructure, plant and equipment**	-	-	-	(12,055)	(12,055)
Net book value	474	40,677	-	-	41,151

**The term of the BOOT agreement with Trility for the lease of the Victor Harbor Wastewater Treatment Plant expired on the 10 December 2025. In accordance with the agreement ownership of the asset was transferred to SA Water.

	Land \$'000	Buildings \$'000	Plant and equipment \$'000	Infrastructure assets \$'000	Total \$'000
Year ended 30 June 2025					
Opening balance at 1 July 2024	519	51,803	7,519	83,858	143,699
Additions	-	-	5,751	-	5,751
Lease liability remeasurement	-	-	-	810	810
Derecognition*	-	-	(9,518)	-	(9,518)
Depreciation (note 6)	(22)	(5,563)	(3,752)	(6,333)	(15,670)
Transfer to Infrastructure, plant and equipment**	-	-	-	(65,529)	(65,529)
Closing net book amount at 30 June 2025	497	46,240	-	12,806	59,543
At 30 June 2025					
Cost	623	82,002	30,186	119,117	231,928
Accumulated depreciation	(126)	(35,762)	(20,668)	(40,782)	(97,338)
Derecognition*	-	-	(9,518)	-	(9,518)
Transfer to Infrastructure, plant and equipment**	-	-	-	(65,529)	(65,529)
Net book value	497	46,240	-	12,806	59,543

*Motor vehicle leases with SAFA are no longer captured by AASB 16 Leases and were derecognised on 31 March 2025.

**The term of the BOOT agreements with Riverland Water for the lease of water infrastructure assets expired on 24 January 2025. In accordance with the agreement ownership of the assets were transferred to SA Water.

16 Non-current assets - Right-of-use asset (continued)

At inception of a contract, the Corporation considers whether a contract is, or contains a lease in accordance with AASB 16 Leases. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. To apply this definition the Corporation assesses whether the contract meets three key requirements which are whether:

- The contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Corporation.
- The Corporation has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract.
- The Corporation has the right to direct the use of the identified asset throughout the period of use. This will arise where the Corporation has the right to direct 'how and for what purpose' the asset is used.

At lease commencement date, the Corporation recognises a right-of-use asset and a lease liability on the statement of financial position. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability and any initial direct costs incurred by the Corporation. When the Corporation incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under AASB 137 Provisions, Contingent Liabilities and Contingent Assets. The costs are included in the related right-of-use asset.

The lease liability is measured at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the incremental borrowing rate. The lease payment is allocated between interest expense and a reduction in the lease liability, with the interest expense calculated using the incremental borrowing rate published by the Department of Treasury and Finance (Refer Note 19 and 25).

The right-of-use asset is adjusted for remeasurement of lease liabilities and derecognition associated with the recognition of a finance lease for subleases. The right-of-use asset is also assessed for impairment when such indicators exist.

The Corporation has entered into a number of leases:

- A Memorandum of Lease has been entered into with Adelaide Airport Limited for the use of land for the purpose of storm water capture, management and treatment. The term of the lease is 29 years with monthly rental payments which are increased annually by the higher of 4% and CPI. As at 30 June 2026 there is 22 years left remaining on the lease.
- A Memorandum of Administrative Arrangement has been entered into with the Department for Infrastructure and Transport for the lease of its office accommodation in Adelaide CBD. The initial recognition of the right-of-use asset was calculated in accordance with the transitional requirements of AASB 16. The carrying amount of the right-of-use asset for the office in the CBD has been calculated at the commencement date of the lease, but discounted using the incremental borrowing rate at 1 July 2019. The lease is paid monthly and increased annually by a fixed amount of 3%.
- SA Water had motor vehicle leases with SAFA. Motor vehicle leases were non-cancellable, with rental payments paid monthly in arrears. Motor vehicle lease terms ranged from 1 year up to 5 years and up to 10 years by exception on approval. The lease term could also range in duration from 60,000km up to 100,000km and 200,000km by exception. No contingent rental provisions existed within the lease agreements and no options existed to renew the leases at the end of their term.
- From 1 April 2025, SAFA issued new lease agreements for all its existing leases in addition to any new leases. Each of these new lease agreements included a standard clause that would give SAFA substantive substitution rights in accordance with section B14 (a) of AASB 16. As a result, SAFA's motor vehicle leases were no longer captured by AASB 16. Consequently, the right-of-use asset and liability relating to motor vehicle leases was derecognised. All lease charges since then are recognised as an operating expense.

At the commencement date of the lease, where the Corporation is not reasonably certain of exercising any lease extension options, the additional term/s have not been included in the measurement of the right-of-use asset and remaining lease liability.

16 Non-current assets - Right-of-use asset (continued)

The Corporation has previously entered into BOOT agreements for a number of infrastructure facilities. These BOOT agreements include the requirement for an ongoing availability tariff, as escalated over time by certain indices, for the term of the agreement. In accordance with AASB 16 lease payments included in the measurement of the lease liability include variable lease payments that depend on an index or a rate.

The term of the BOOT agreements with Riverland Water for the lease of water infrastructure assets expired on 24 January 2025. The BOOT agreement with Trillity for the lease of the Victor Harbor Wastewater Treatment Plant expired on the 10 December 2025. In accordance with the agreements ownership of the assets were transferred to SA Water. These assets have been reclassified from leased infrastructure assets to system infrastructure assets,

17 Other non-current assets

	2026 \$'000	2025 \$'000
Prepayments	2,020	2,674

18 Current liabilities - Payables

	2026 \$'000	2025 \$'000
Interest payable	63,509	57,534
Trade creditors	228,480	203,534
Other creditors	29,348	19,644
	321,337	280,712

Liabilities, whether or not yet billed to the Corporation, are recognised as amounts to be paid in the future for goods and services received, including any related GST. Trade accounts payable are normally settled within 15 days.

19 Current liabilities - Financial liabilities/borrowings

	2026	2025
	\$'000	\$'000
Lease liabilities	5,823	7,242
Short term borrowings	60,200	36,600
	66,023	43,842

The Corporation has a \$150m short term borrowing facility with SAFA, bearing interest at SAFA's daily cash rate.

(a) Risk exposures

Information regarding interest rate risk and liquidity risk exposure is set out in note 2.

(b) Fair value disclosures

Information about the security relating to each of the secured liabilities and the fair value of each of the borrowings is provided in note 2.

Due to the short term nature of these interest bearing liabilities, their carrying value is assumed to approximate their fair value. Refer to note 2.

20 Current liabilities - Tax liabilities/(receivables)

	2026	2025
	\$'000	\$'000
Provision for current income tax movements during the year were as follows:		
Opening balance at 1 July	818	(8,691)
Income tax paid	(10,682)	(16,667)
Income tax refunded	-	16,800
Current year's income tax provision (note 7(a))	19,267	9,375
Amounts under provided in prior years	1	1
	9,404	818

Current tax is calculated by reference to the amount of the income taxes payable or recoverable in respect of the taxable profit for the period. Taxable profit differs from the profit reported in the statement of comprehensive income because items of income or expense are taxable or deductible in other years and items that are never taxable or deductible. Taxable temporary differences are recognised as deferred tax assets and liabilities and items that are non-assessable or deductible are recognised as an adjustment to income tax expense.

21 Current liabilities - Provisions

	2026 \$'000	2025 \$'000
Employee benefits	26,233	23,260
Asset decommissioning	9,997	11,170
Damages and claims	361	255
Workers compensation	1,228	1,076
Other provisions	2,343	5,122
	40,162	40,883

(a) *Movements in provisions*

Movements in each class of provision during the financial year, other than employee benefits, are set out below:

2026 Current	Asset decommissioning \$'000	Damages and claims \$'000	Workers compensation \$'000	Other \$'000	Total \$'000
Opening balance at 1 July	11,170	255	1,076	5,122	17,623
Provisions recognised	3,022	-	2,015	-	5,037
Payments made during year	(4,195)	(1,124)	(901)	(2,017)	(8,237)
Re-measurement adjustments	-	1,230	(962)	-	268
Transfer from/(to) non-current provisions	-	-	-	(762)	(762)
Closing balance at 30 June	9,997	361	1,228	2,343	13,929

Provisions are recognised when the Corporation has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Employee benefits

Employee benefit provisions comprise annual leave and long service leave obligations. The annual leave and long service leave is expected to be payable within twelve months and is measured at the undiscounted amount for annual leave and the discounted amount for long service leave expected to be paid when the liability is settled. Long service leave is measured using an independent actuarial valuation and is sensitive to assumptions regarding discount rates, future salary increases, employee retention, retirement patterns, mortality, disability rates and the proportion of leave expected to be taken in service. The provision reflects management's best estimate based on actuarial assumptions at reporting date and is reassessed annually.

Asset decommissioning

A provision is recognised for obligations to decommission assets, remediate sites and undertake environmental restoration activities when a present obligation exists. Uncertainty about the amount and timing of outflows arises from the future scope of works including the nature and extent of remediation and environmental restoration activities required, timing of settlement and decommissioning activities, regulatory requirements and the cost of decommissioning works including contractor, labour, equipment and remediation costs. Assumptions are made over inflation rates and expected asset retirement dates. The provision represents management's best estimate based on information available at the reporting date and is reviewed annually as obligations and cost estimates evolve.

21 Current liabilities - Provisions (continued)

Damages and claims

The provision represents management's best estimate of probable obligations arising from property damage, personal injury and civil liability matters. Measurement is based on legal advice, historical claims experience and the status of individual matters. Actual settlement amounts and timing may differ from estimates due to the inherent uncertainty of litigation and claims resolution.

Workers compensation

The Corporation is registered with ReturnToWorkSA as a government self-insurer and is responsible for the management and liability of all workers' compensation claims. The provision is for the estimated cost of ongoing payments to employees as required under current legislation. The Corporation's provision is an actuarial estimate of the outstanding liability as at 30 June 2026 provided by KPMG Financial Services Consulting Pty Ltd. There is a significant degree of uncertainty associated with estimating future claim and expense payments, and also around the timing of future payments due to a variety of factors involved. This includes the relatively small number of claims, claim reopenings, hearing loss claims, emerging psychosocial injuries, economic assumptions and future legislative developments. The provision represents management's best estimate based on actuarial advice and is reassessed annually using updated claims experience and assumptions. Given these uncertainties, the actual cost of compensation claims may differ materially from the estimate. Key assumptions in deriving this best estimate includes; discount rates derived from Commonwealth Government bond yields and future hearing loss claim emergence and claim reopenings data.

Other provisions

Other provisions include site remediation, rectification works, onerous contracts and other constructive obligations. Measurement requires judgement regarding the probability of settlement, timing of cash outflows and expected remediation or rectification costs. Estimates are reviewed at each reporting date and updated as additional information becomes available.

22 Current liabilities - Other financial liabilities

	2026 \$'000	2025 \$'000
Derivative financial instruments - at fair value		
Electricity swaps (note 15(a))	689	-
Foreign exchange forward contracts (note 15(a))	231	-
	920	-

Details of derivative financial instruments are provided in note 2(a)(iii) and note 6.

23 Current liabilities - Other current liabilities

	2026 \$'000	2025 \$'000
Government grants	9,271	9,902
Unearned income	790	4,529
Deposits from customers	3,878	3,645
Contract liabilities	11,666	10,939
	25,605	29,015

Revenue totalling \$9.1m was recognised in 2025/26 that was included in contract liabilities at 1 July 2025. There was no revenue recognised which related to adjustments to prices for performance obligations satisfied or partially satisfied in prior periods.

24 Non-current liabilities - Payables

	2026 \$'000	2025 \$'000
Employment on-costs	2,451	2,336

Employment on-costs include payroll tax and superannuation contributions and are settled when the respective employee benefits that they relate to are discharged. These on-costs relate to the balance of long service leave owing to employees. Estimates as to the proportion of long service leave estimated to be taken as leave, rather than paid on termination, affects whether superannuation on-costs are recognised as a consequence of long service leave liabilities.

25 Non-current liabilities - Financial liabilities/borrowings

	2026 \$'000	2025 \$'000
Lease liabilities	69,222	75,045
Long term borrowings	9,108,810	8,098,810
	9,178,032	8,173,855

The Corporation has a long term and short term borrowing facility with SAFA. The loans are denominated in Australian dollars and carry both fixed and floating interest rates. The floating interest rates only apply to short term borrowings (refer note 19). The Government provides a guarantee in respect of these borrowings pursuant to the provisions of the *Public Finance and Audit Act 1987*.

SA Water's debt portfolio is managed in line with the requirements outlined in the Treasury Risk Management Policy. The policy is approved by the South Australian Treasurer and the SA Water Board. SA Water's Treasury Risk Management Committee (TRMC) is responsible for the management of the debt portfolio within the requirements of this policy. Under a Client Service Agreement between SAFA and SA Water, SAFA is an attendee of this Committee in an advisory capacity and executes debt transactions on behalf of SA Water.

25 Non-current liabilities - Financial liabilities/borrowings (continued)

The movements in the lease liability (current and non-current) relating to the right-of-use asset are set out below:

30 June 2026	Land \$'000	Buildings \$'000	Plant and equipment \$'000	Infrastructure assets \$'000	Total \$'000
Opening balance at 1 July 2025	618	79,732	-	1,937	82,287
Interest expense	22	2,657	-	38	2,717
Additions	-	-	-	-	-
Remeasurement	-	-	-	(213)	(213)
Lease payments	(26)	(7,958)	-	(1,762)	(9,746)
Closing net book amount at 30 June 2026	614	74,431	-	-	75,045

Current	5,823
Non-current	69,222
	75,045

30 June 2025	\$'000	\$'000	\$'000	\$'000	Total \$'000
Opening balance at 1 July 2024	621	84,545	7,635	10,242	103,043
Interest expense	22	2,832	333	584	3,771
Additions	-	-	5,751	-	5,751
Remeasurement	-	-	-	810	810
Lease payments	(25)	(7,645)	(4,009)	(9,699)	(21,378)
Derecognition*	-	-	(9,710)	-	(9,710)
Closing net book amount at 30 June 2025	618	79,732	-	1,937	82,287

Current	7,242
Non-current	75,045
	82,287

*Motor vehicle leases with SAFA are no longer captured by AASB 16 Leases and were derecognised on 31 March 2025. Refer to note 15.

The lease payments included in the measurement of the lease liability comprise fixed payments (including in-substance fixed payments) and variable lease payments that depend on an index or rate less any lease incentives.

26 Non-current liabilities - Deferred tax liabilities

	2026 \$'000	2025 \$'000
The balance comprises temporary differences attributable to:		
Prepayments	2,036	2,019
Lease incentive asset	84	84
Derivative financial instruments	14	-
Foreign currency cash at bank	37	-
Infrastructure, plant and equipment	90,269	36,900
Right-of-use asset	(26,397)	(24,643)
Finance lease receivable	(1,321)	(1,321)
	64,722	13,039
<i>Amounts recognised directly in equity</i>		
Revaluation of infrastructure, plant and equipment	268,055	516,704
Right-of-use asset - initial adoption of AASB 16	27,449	27,449
Finance lease receivable - initial adoption of AASB 16	1,321	1,321
Leased infrastructure assets	7,537	7,601
Lease incentive asset	(84)	(84)
	304,278	552,991
Recognition of new leases	7,331	7,331
Lease liability remeasurement	(7)	(7)
Lease derecognition*	(2,913)	(2,913)
Amounts under provided in prior years	23,873	23,873
	28,284	28,284
Total deferred tax liabilities	397,284	594,314
Movements:		
Opening balance	594,314	523,960
Credited to the Statement of Comprehensive Income (note 7(a))	51,684	52,492
Charged to equity (note 32(a) & 32(b))	(248,714)	19,050
Recognition of new leases - AASB 16	-	1,725
Lease derecognition*	-	(2,913)
Closing balance at 30 June	397,284	594,314
Deferred tax liabilities to be settled within 12 months	2,037	1,969
Deferred tax liabilities expected to be settled after more than 12 months	395,247	592,345
	397,284	594,314

*Motor vehicle leases with SAFA are no longer captured by AASB 16 Leases and were derecognised on 31 March 2025. Refer to note 15.

27 Non-current liabilities - Provisions

	2026 \$'000	2025 \$'000
Employee benefits	30,869	29,449
Workers compensation	3,363	3,138
Asset decommissioning	4,943	4,943
Lease make good	1,447	1,447
Other provisions	1,000	238
	41,622	39,215

(a) *Movements in provisions*

Movements in each class of provision during the financial year, other than employee benefits, are set out below:

2026 Non-current	Workers compensation \$'000	Asset decommissioning \$'000	Lease make good \$'000	Other \$'000	Total \$'000
Opening balance at 1 July	3,138	4,943	1,447	238	9,766
Re-measurement adjustments	225	-	-	-	225
Transfer (to)/from current provisions	-	-	-	762	762
Closing balance at 30 June	3,363	4,943	1,447	1,000	10,753

Employee benefits

AASB 119 Employee Benefits contains the calculation methodology for long service leave.

The long service leave liability is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to anticipated future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using interest rates on negotiable government guaranteed securities with terms of maturity that match, as closely as possible.

AASB 119 Employee Benefits requires the use of the yield on long-term Commonwealth Government Bonds as the discount rate in the measurement of the long service leave liability. The yield on long term Commonwealth Government Bonds has increased from 3.95% in 2025 to 4.69% in 2026. The increase in the bond yield, which is used as the rate to discount future long service leave cash flows, results in a decrease in the reported long service leave liability.

The net financial effect of the changes to actuarial assumptions in the current financial year is an increase in the long service leave liability of \$2.189m and employee benefit expense of \$2.189m. The impact on future periods is impracticable to estimate as the long service leave liability is calculated using a number of demographical and financial assumptions - including the long-term discount rate. The actuarial assessment undertaken has left the salary inflation rate unchanged from the 2025 rate of 3.5%. As a result, there is no net financial effect resulting from changes in the salary inflation rate. The Corporation's long service leave liability for 30 June 2026 was valued by KPMG Financial Services Consulting Pty Ltd.

Lease make good

The provision represents the estimated cost of restoring leased premises to the condition required under lease agreements. Estimation uncertainty relates to the scope of restoration works, future construction costs and timing of settlement. The estimate is reviewed periodically as lease obligations and cost assumptions change.

Other provisions

This includes an obligation for fire preparedness for bushfire prone assets.

28 Non-current liabilities - Other non-current liabilities

	2026 \$'000	2025 \$'000
Government grants	286,671	295,942
Unearned income*	1,894	1,894
	288,565	297,836

*Adelaide Desalination Plant Community Service Obligation funding received in advance under the Water for Fodder program.

29 Current assets - Cash and cash equivalents

	2026 \$'000	2025 \$'000
Cash and cash equivalents	11,277	4,350

Cash and cash equivalents as at the end of the financial year as shown in the statement of cash flows is reconciled to the items in the statement of financial position as follows:

Cash on hand and at bank is stated at nominal value. For the purposes of the statement of cash flows, cash includes cash on hand and at bank.

At 30 June 2026 cash on hand included \$2.9m for amounts held in foreign currency. The AUD equivalent of the surplus cash held in foreign currency consisted of the following:

CNY4.2m (AUD \$0.9m)
EUR 0.6m (AUD \$1.0m)
USD 0.6m (AUD \$1.0m)

During the year an unrealised foreign exchange gain of \$0.123m was recognised in profit and loss, representing the effects of foreign exchange rate changes on surplus deposits.

(a) *Fair Value*

Due to the short term nature of cash and cash equivalents, their carrying value is assumed to approximate their fair value.

30 Reconciliation of profit after income tax to net cash inflow from operating activities

	2026 \$'000	2025 \$'000
Net profit for the year	176,318	135,115
Adjustments for:		
Depreciation and amortisation	280,434	281,650
Amortisation of government grant revenue from liabilities	(14,209)	(11,017)
Government grant revenue from renewable energy certificates	(915)	(4,821)
Gifted assets	(53,205)	(57,559)
Net gain on disposal of infrastructure, plant and equipment	(641)	(341)
Net (gain)/loss on disposal of renewable energy certificates	(17)	458
Net gain on disposal of water allocations	(1,269)	-
Infrastructure, plant and equipment revaluation decrement reversal	(498)	(778)
Infrastructure, plant and equipment revaluation decrement	7,436	8,257
Write-off in value of infrastructure, plant and equipment and capital WIP	6,296	38,839
Write-off in value of intangible capital WIP	1,622	1,541
Effect of exchange rate on cash and cash equivalents	(123)	-
Net realised loss for forward foreign exchange contracts	640	-
Gain on derecognition of right-of-use-asset	-	(190)
Impairment loss renewable energy certificates	-	124
Reversal of impairment loss on renewable energy certificates	(124)	-
Change in assets and liabilities:		
(Increase) in receivables	(33,971)	(11,527)
(Increase) in inventories	(4,515)	(2,201)
(Increase) in prepayments	(1,032)	(2,789)
Decrease in interest receivable	4	7
Decrease/(increase) in deferred tax assets	1,410	(6,995)
Decrease in current intangible assets	6,911	8,203
Decrease in income tax receivable	-	8,691
Decrease in income tax equivalents refunded	-	16,800
Increase/(decrease) in trade creditors	6,296	(4,996)
Increase in provision for employee benefits	4,393	6,568
Increase in provision for workers compensation	377	54
Increase in other operating liabilities	11,424	24,625
Increase in derivative financial liability	920	-
(Increase) in derivative financial asset	(48)	-
Increase in government grants	4,835	1,644
(Decrease)/increase in other provisions	(3,084)	3,241
Increase in deferred tax liabilities	51,684	52,492
Increase/(decrease) in income tax payable	8,586	(15,982)
Net cash inflow from operating activities	455,935	469,113

31 Capital risk management

Capital is managed within the parameters outlined in the financial ownership framework for SA Water, which encompasses the Corporation's relationship with its owner in respect of capital structure, community service obligations and dividends.

When managing capital, management's objective is to ensure the Corporation continues as a going concern as well as maintaining optimal returns to the State Government (as sole shareholder).

The gearing ratios based on continuing operations at 30 June 2026 and 30 June 2025 were as follows:

	2026	2025
	\$'000	\$'000
Interest bearing borrowings (note 19 & 25)	9,244,055	8,217,697
Less: cash and cash equivalents (note 29)	(11,277)	(4,350)
Net debt	9,232,778	8,213,347
Total assets	12,663,230	12,336,034
Gearing ratio	72.9%	66.6%

SA Water is required by the SA Government to adjust its borrowings each year prior to 30 June, to maintain a debt/asset gearing ratio of at least 45%. This commenced from the year ended 30 June 2017, and requires SA Water to make an additional return to the State Government, transacted as a specified dividend, as directed by the Treasurer, of an amount equivalent to the required incremental increase in borrowings.

There was no specified dividend to be paid for the year ended 30 June 2026 or the year ended 30 June 2025, in recognition that SA Water's debt/asset gearing ratio was maintained above the predetermined minimum gearing target of 45%.

32 Asset revaluation surplus and retained earnings

(a) *Asset revaluation surplus*

	2026 \$'000	2025 \$'000
Revaluation surplus - infrastructure, plant and equipment	1,714,345	2,268,443
	1,714,345	2,268,443

Movements:

Infrastructure, plant and equipment revaluation surplus

Opening balance at 1 July	2,268,443	2,219,755
Revaluation of infrastructure, plant and equipment*	(801,285)	76,653
Movements in deferred tax liability (note 26)	248,650	(18,806)
Transfer to retained profits on disposal	(1,599)	(9,158)
Movements in deferred tax assets (note 12)	136	(1)
Closing balance at 30 June	1,714,345	2,268,443

*The 2025/26 revaluation decrease (8%) is attributable to the revaluation of system infrastructure assets that includes SA Water's network assets, treatment plants for both water and wastewater, storage related assets and buildings and depots.

*The 2024/25 revaluation increase (1%) is attributable to the revaluation of system infrastructure assets that includes SA Water's network assets, treatment plants for both water and wastewater, storage related assets and buildings and depots.

(b) *Retained earnings*

Movements in retained earnings were as follows:

Opening balance at 1 July	313,715	312,673
Profit for the year	176,318	135,115
Dividends (note 35)	(167,016)	(142,988)
Transfers from asset revaluation surplus	1,599	9,158
Movement in deferred tax liability (note 26)	64	(243)
Closing balance at 30 June	324,680	313,715

(c) *Nature and purpose of other asset revaluation surplus*

(i) *Infrastructure plant and equipment revaluation surplus*

The infrastructure, plant and equipment revaluation surplus is the cumulative balance of asset revaluation increments and decrements.

33 Commitments and contingencies

(a) *Capital commitments*

Capital expenditure under contract for at the balance date but not recognised as liabilities in the financial statements, are committed as follows:

	Infrastructure, plant and equipment \$'000	Intangible assets \$'000	Total \$'000
30 June 2026			
Within one year	598,495	171	598,666
Later than one year but not later than five years	389,579	-	389,579
Later than five years	26,850	-	26,850
Total	1,014,924	171	1,015,095
	Infrastructure, plant and equipment \$'000	Intangible assets \$'000	Total \$'000
30 June 2025			
Within one year	367,676	362	368,038
Later than one year but not later than five years	63,680	-	63,680
Later than five years	35,000	-	35,000
Total	466,356	362	466,718

The capital commitments relate to the Corporation's capital program in delivering water and sewer infrastructure, property, plant & equipment and intangible assets.

(b) *Other expenditure commitments*

Future other expenditure commitments not provided for in the financial statements are committed as follows:

	2026 \$'000	2025 \$'000
Within one year	166,025	160,451
Later than one year but not later than five years	480,682	570,871
Later than five years	131,707	60,331
	778,414	791,653

Other expenditure commitments include commitments pursuant to contracts to:

- Operate, manage and maintain the Adelaide metropolitan water and sewer networks and treatment plants.
- Operate, maintain and provide energy for the Adelaide Desalination Project.
- Other expenditure commitments reported are based on minimum contracted amounts payable at balance date and include an estimate for escalation of charges.

33 Commitments and contingencies (continued)

(c) *Other contingencies*

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

The Corporation has a number of common law claims and civil law claims made against it by various claimants. The estimated maximum exposure facing the Corporation in respect of these claims is \$3m.

34 Remuneration of auditors

	2026 \$'000	2025 \$'000
Audit fees paid/payable:		
SA Water annual Public Finance and Audit Act audit	<u>480</u>	<u>463</u>

Audit fees were paid or payable to the Audit Office of South Australia relating to work performed under the Public Finance and Audit Act 1987. No other services were provided by the Audit Office of South Australia.

35 Dividends

	2026 \$'000	2025 \$'000
Dividend paid	<u>167,016</u>	<u>142,988</u>
	167,016	142,988

Dividends paid and payable are recognised in the reporting period in which the dividends are declared or have been specifically determined and approved by the Treasurer in consultation with the Corporation's Minister.

Dividend paid to the South Australian (SA) Government has been in accordance with the Financial Ownership Framework where the dividend paid is based on the recommendation of the Board and approved by the Treasurer pursuant to section 30 of the Public Corporations Act 1993.

SA Water is required by the SA Government to adjust its borrowings each year prior to 30 June, to maintain a debt/asset gearing ratio of a minimum of 45%. This is transacted as a specified dividend.

There was no specified dividend to be paid for the year ended 30 June 2026 and the year ended 30 June 2025, in recognition that SA Water's debt/asset gearing ratio was maintained above the predetermined minimum gearing target of 45% (refer to note 31).

36 Remuneration of employees

	Current employees 2026	Ex-Employees 2026	Current employees 2025	Ex-Employees 2025
The number of employees whose remuneration paid and payables falls within the following bands is:				
\$171,001 - 177,000**	n/a	n/a	33	-
\$177,001 - 197,000	98	4	90	2
\$197,001 - 217,000	57	1	50	1
\$217,001 - 237,000	19	-	14	-
\$237,001 - 257,000	13	-	13	1
\$257,001 - 277,000	13	1	8	3
\$277,001 - 297,000	4	1	4	-
\$297,001 - 317,000	2	-	2	-
\$317,001 - 337,000	3	-	2	-
\$337,001 - 357,000	1	-	2	-
\$357,001 - 377,000	-	-	-	1
\$377,001 - 397,000	1	-	1	-
\$397,001 - 417,000	2	-	-	-
\$417,001 - 437,000	-	1	-	-
\$457,001 - 477,000	-	-	2	-
\$477,001 - 497,000	-	-	1	-
\$497,001 - 517,000	2	-	1	-
\$591,001 - 611,000	-	-	-	-
\$617,001 - 637,000	-	-	1	-
\$637,001 - 657,000	1	-	-	-
Total	216	8	224	8

**This band has been included for the purpose of reporting comparative figures based on the executive base level remuneration for 2024-25.

The table includes all employees who received remuneration equal to or greater than the base executive remuneration level during the year. Remuneration of employees reflects all costs of employment including salaries and wages, payments in lieu of leave, superannuation contributions, salary sacrifice benefits and fringe benefits, and any fringe benefits tax paid or payable in respect of those benefits. The total remuneration received by these employees for the year was \$48.9m (2025: \$49.3m).

2026	2025
\$'000	\$'000

Targeted voluntary separation packages (TVSPs)

Amount paid during the reporting period to separated employees:

TVSPs	305	-
Annual leave and long service leave paid to those employees	142	-
Net cost to SA Water	447	-

The number of employees who received TVSPs during the reporting period was 2 (2025: nil).

37 Remuneration of directors

The Board of SA Water was established under the *South Australian Water Corporation Act 1994* and consists of up to seven members including the Chief Executive. Note: Although a member of the Board, the Chief Executive does not receive additional remuneration as a Board member. The remuneration of the Chief Executive is included in notes 36 and 38.

Remuneration of Directors (excluding the Chief Executive) is shown in the table below.

	2026 Number of directors	2025 Number of directors
The number of Directors of the Corporation (excluding the Chief Executive) whose remuneration paid and payable falls within the following bands is:		
\$0	1	1
\$1 - \$19,999	-	2
\$20,000 - \$39,999	-	1
\$40,000 - \$59,999	4	3
\$80,000 - \$99,999	1	1
	6	8

The total remuneration paid and payable for those directors was \$0.28m (2025: \$0.28m) which includes superannuation contributions.

38 Related party disclosures

(a) *Directors*

The following persons held the position of director of the Corporation during the financial year:

Mr A.N Holmes
 Ms D.A Picton
 Mr K.G Williams
 Ms C.C McInerney
 Ms P.M. Blight
 Mr M. Bhindi
 Mr D.A Ryan

(b) *Key management personnel*

Key management personnel compensation for the years ended 30 June 2026 and 2025 is set out below. The key management personnel are the directors of the Corporation (including the Chief Executive) and the Executive Leadership Team who have responsibility for the strategic direction and management of the Corporation.

The Minister for Housing and Urban Development and the Minister for Climate, Environment and Water are also considered a member of the key management personnel of the Corporation by virtue of the Minister's power to control and direct the Corporation pursuant to the *Public Corporations Act 1993*. No remuneration has been included in this note disclosure for the Ministers as they are not directly remunerated by the Corporation.

	Number of key management personnel	Short-term benefits \$'000	Post-employment benefits \$'000	Long-term benefits \$'000	Termination benefits \$'000	Total \$'000
2026*	18	4,412	469	-	107	4,988
2025	19	3,908	405	-	-	4,313

*Both 2026 and 2025 include an overlap of the senior leadership team members.

(c) *Transactions with key management personnel and other related parties*

The Corporation did not enter into any related party transactions with key management personnel or their close family members during the reporting period.

38 Related party disclosures (continued)

(c) *Transactions with key management personnel and other related parties (continued)*

All SA Government entities are related parties, significant transactions with SA Government entities are identifiable throughout this financial report. These include but are not limited to:

- SA Water receives community service obligation funding from the SA Government for the provision of certain non-commercial services (Refer to Note 4)
- Lease payments for vehicles supplied by Fleet SA. The lease liability was derecognised on 31 March 2025 (Refer to Note 25)
- The majority of accommodation expenses relate to accommodation supplied by the Department for Infrastructure and Transport (Refer to Note 25)
- Payment of a water planning management fee to the Department for Environment and Water (Refer to Note 6)
- Borrowing costs include interest and guarantee fees paid to the South Australian Finance Authority (Refer to Note 6)
- Licences include a water licence fee paid to the Essential Service Commission of South Australia (Refer to Note 6)
- Short-term and long-term borrowings are received from the South Australian Finance Authority (Refer to Note 19 and 25)
- SA Water must pay a dividend to the SA Government in accordance with the Financial Ownership Framework (Refer to Note 35)

39 Events occurring after the reporting period

There are no known events after balance date that affect these financial statements.

Appendix B – Source water quality data

Drinking water quality data for your suburb
is available at sawater.com.au

Your drinking water profile



Table I: 2025-26 metropolitan Adelaide source water quality (inlets to water treatment plants [WTP])

Parameter	Samples	Min	Max	Ave*	Samples	Min	Max	Ave*
Anstey Hill WTP					Hope Valley WTP			
Colour – True (456nm) [HU]	12	8	16	10	8	9	24	17
Dissolved Organic Carbon [mg/L]	51	3.3	7.9	5.6	35	5.4	7.6	6.4
Fluoride [mg/L]	12	<0.10	0.21	0.15	8	0.20	0.26	0.23
Hardness – Total [mg/L]	13	101	130	116	13	115	174	142
Nitrate as Nitrogen [mg/L]	26	0.007	0.144	0.061	25	<0.003	0.104	0.026
pH [pH units]	12	7.2	7.8	7.5	9	8.0	8.7	8.2
Phosphorus – Total [mg/L]	26	0.020	0.055	0.034	25	0.013	0.195	0.039
Total Dissolved Solids [mg/L]	12	179	340	250	9	317	404	349
Turbidity [NTU]	12	5.3	110	41	8	1.7	4.9	3.2
Barossa WTP					Little Para WTP			
Colour – True (456nm) [HU]	12	10	14	11	11	7	14	10
Dissolved Organic Carbon [mg/L]	51	6.6	11.5	7.6	46	4.8	10.6	5.6
Fluoride [mg/L]	12	0.20	0.28	0.25	11	0.15	0.20	0.17
Hardness – Total [mg/L]	13	96	124	112	13	82	109	99
Nitrate as Nitrogen [mg/L]	26	<0.003	0.017	0.008	26	0.113	0.410	0.238
pH [pH units]	12	7.7	8.1	7.9	11	7.5	8.0	7.8
Phosphorus – Total [mg/L]	26	0.006	0.041	0.016	26	0.015	0.060	0.034
Total Dissolved Solids [mg/L]	12	331	383	354	11	260	305	287
Turbidity [NTU]	12	0.28	0.71	0.45	11	6.2	23	11
Happy Valley WTP								
Colour – True (456nm) [HU]	12	11	38	23				
Dissolved Organic Carbon [mg/L]	51	5.1	9.6	6.5				
Fluoride [mg/L]	12	0.14	0.24	0.19				
Hardness – Total [mg/L]	12	92	115	102				
Nitrate as Nitrogen [mg/L]	25	0.081	0.382	0.195				
pH [pH units]	12	7.8	8.4	8.1				
Phosphorus – Total [mg/L]	25	0.039	0.085	0.060				
Total Dissolved Solids [mg/L]	12	262	313	285				
Turbidity [NTU]	12	13	48	25				

*Limit of reporting (LOR) values replaced with half LOR prior to calculating average.

Table 2: 2025-26 regional — country source water quality

System	Total Dissolved Solids [mg/L]			Hardness — Total [mg/L]			Dissolved Organic Carbon [mg/L]			pH [pH units]		
	Min	Max	Ave*	Min	Max	Ave*	Min	Max	Ave*	Min	Max	Ave*
Barmera WTP	134	297	193	-	-	-	2.9	6.2	4.8	6.7	8.6	7.9
Barossa WTP	331	383	354	96	124	112	6.6	11.5	7.6	7.7	8.1	7.9
Beachport IRP	655	683	669	279	314	297	0.9	1.1	1.0	7.1	7.3	7.2
Berri WTP	123	292	181	-	-	-	3.0	6.4	4.8	6.8	8.4	7.8
Blanchetown WTP	153	330	213	-	-	-	3.1	5.9	4.9	7.2	8.9	8.0
Bordertown	404	650	503	234	283	254	0.6	1.0	0.7	7.2	7.5	7.4
Cadell WTP	141	314	211	-	-	-	2.9	5.9	4.8	6.9	8.7	7.8
Coffin Bay	346	514	402	211	233	223	0.4	0.5	0.5	7.6	7.9	7.7
Cowirra WTP	170	278	224	-	-	-	3.3	6.1	5.0	7.1	8.6	7.7
Elliston	571	1,040	731	277	353	307	0.4	0.6	0.5	7.1	7.5	7.3
Eyre South	435	1,450	667	206	553	288	0.4	1.7	0.6	7.0	7.8	7.4
Geranium	1,350	1,600	1,460	559	596	578	0.6	0.8	0.7	6.9	7.1	7.0
Glossop WTP	134	239	178	-	-	-	2.9	6.0	4.4	7.2	7.7	7.5
Happy Valley WTP	262	313	285	92	115	102	5.1	9.6	6.5	7.8	8.4	8.1
Hawker Desalination WTP	481	2,640	2,390	953	1,010	982	0.4	0.5	0.5	7.2	7.8	7.3
Kalangadoo IRP	534	548	542	360	374	367	1.1	1.1	1.1	7.1	7.2	7.2
Kanmantoo WTP	187	325	236	57	107	86	3.4	5.8	5.0	7.2	7.7	7.5
Kingston SE IRP	750	1,040	875	212	247	227	0.8	0.9	0.9	7.2	7.5	7.3
Lameroo IRP	924	1,040	970	215	240	228	0.4	0.5	0.5	7.4	7.7	7.6
Leigh Creek WTP	109	4,820	2,630	385	1,000	717	0.4	0.9	0.7	6.9	8.5	7.4
Loxton WTP	128	368	199	-	-	-	2.7	6.1	4.7	7.4	8.5	8.0
Lucindale IRP	817	834	828	330	335	333	2.2	2.3	2.3	7.3	7.5	7.4
Mannahill	147	288	211	52	94	74	3.4	6.8	5.1	7.5	8.7	8.1
Mannum WTP	167	285	226	60	115	84	3.3	7.1	5.3	7.1	8.8	7.7
Marla	211	369	296	75	170	98	<0.3	0.4	<0.3	7.4	7.9	7.7
Marree	1,760	2,720	2,170	47	80	63	0.8	1.0	0.9	7.8	8.2	8.0
Melrose	1,280	1,880	1,560	275	447	361	0.6	0.7	0.7	7.3	7.5	7.4
Middle River WTP	339	672	452	55	127	78	8.5	21.4	11.5	6.6	7.6	7.1
Millicent	610	661	632	347	407	375	1.0	1.6	1.2	7.3	7.6	7.4
Moorook WTP	131	294	192	-	-	-	3.1	6.1	4.8	7.3	8.3	7.9
Morgan WTP	147	288	211	52	94	74	3.4	6.8	5.1	7.5	8.7	8.1
Mt Burr	412	487	447	289	305	297	0.6	0.6	0.6	7.2	7.4	7.3
Mt Compass	112	243	171	43	62	53	<0.3	<0.3	<0.3	5.8	6.5	6.2
Mt Gambier	348	650	538	185	329	238	0.8	1.8	1.1	7.3	8.4	7.9
Mt Pleasant WTP	167	285	226	60	115	84	3.2	6.0	5.0	6.8	7.8	7.4
Murray Bridge WTP	180	322	234	57	107	86	3.4	6.8	5.1	7.3	8.2	7.6
Mypolonga WTP	167	319	229	-	-	-	3.3	6.0	5.2	7.1	8.2	7.6
Myponga WTP	397	446	416	120	160	139	10.2	19.3	11.6	7.3	8.4	7.9
Nangwarry	507	784	647	317	422	370	0.8	1.0	0.9	7.0	7.3	7.2
Naracoorte	1,240	1,310	1,280	321	362	341	1.5	1.8	1.7	7.6	7.7	7.7
Oodnadatta	1,720	1,840	1,790	281	281	281	0.4	0.4	0.4	6.9	7.6	7.3
Padthaway	1,340	1,720	1,600	551	641	596	0.8	0.9	0.9	7.0	7.2	7.1
Palmer WTP	179	268	226	60	115	84	3.1	6.1	5.0	7.1	8.3	7.6

Table 2 *continued*

System	Total Dissolved Solids [mg/L]			Hardness – Total [mg/L]			Dissolved Organic Carbon [mg/L]			pH [pH units]		
	Min	Max	Ave*	Min	Max	Ave*	Min	Max	Ave*	Min	Max	Ave*
Parachilna	823	846	833	301	301	301	0.3	0.3	0.3	7.6	7.7	7.7
Parilla IRP	638	705	659	174	180	177	0.4	0.4	0.4	7.6	7.7	7.7
Penneshaw WTP	36,700	39,600	38,300	-	-	-	0.5	1.3	1.0	7.9	8.3	8.1
Penola IRP	644	672	658	318	385	352	1.5	3.2	2.4	7.2	7.4	7.3
Pinnaroo IRP	678	778	724	230	254	243	0.4	0.5	0.4	7.4	7.6	7.5
Port MacDonnell	689	705	698	19	21	20	1.2	1.3	1.3	8.2	8.4	8.3
Quorn	633	1,300	1,150	464	560	512	0.7	1.0	0.9	6.8	7.0	7.0
Renmark WTP	115	272	174	46	84	67	3.0	6.2	4.8	7.3	8.5	7.9
Robe IRP	622	980	744	71	157	122	0.9	1.1	1.0	7.5	7.9	7.7
Summit WTP	-	-	-	-	-	-	3.4	6.1	5.1	7.4	8.7	7.8
Swan Reach Town WTP	150	284	212	-	-	-	3.1	6.0	4.9	7.2	8.9	8.0
Swan Reach WTP	146	274	210	50	102	75	3.3	7.0	5.0	7.6	9.0	8.1
Tailem Bend WTP	182	347	246	61	104	89	3.4	6.5	5.3	7.1	8.3	7.6
Tarpeena IRP	700	750	725	379	393	386	1.1	1.1	1.1	7.0	7.3	7.2
Terowie	147	288	211	52	94	74	3.4	6.8	5.1	7.5	8.7	8.1
Waikerie WTP	137	311	202	-	-	-	3.2	6.0	4.9	7.5	8.5	8.1
Wilmington	217	340	305	-	-	-	-	-	-	6.1	6.3	6.2
Wirrina Cove WTP	717	1,340	1,020	-	-	-	12.3	22.9	15.5	7.4	8.4	7.9
Woolpunda WTP	131	308	199	-	-	-	2.9	5.9	4.7	7.1	8.3	7.8
Yunta	147	288	211	52	94	74	3.4	6.8	5.1	7.5	8.7	8.1

*Limit of reporting (LOR) values replaced with half LOR prior to calculating average.

Table 2 continued

System	Turbidity [NTU]			Colour – True (456 nm) [HU]			Nitrate as Nitrogen [mg/L]			Phosphorous – Total [mg/L]		
	Min	Max	Ave*	Min	Max	Ave*	Min	Max	Ave*	Min	Max	Ave*
Barmera WTP	26	150	72	6	24	11	-	-	-	-	-	-
Barossa WTP	0.28	0.71	0.45	10	14	11	<0.003	0.017	0.008	0.006	0.041	0.016
Beachport IRP	1.9	4.2	3.0	<1	1	<1	<0.003	<0.003	<0.003	0.025	0.045	0.035
Berri WTP	4.8	180	77	7	23	11	-	-	-	-	-	-
Blanchetown WTP	6.6	140	56	7	20	11	-	-	-	-	-	-
Bordertown	<0.10	0.20	<0.10	<1	<1	<1	0.006	0.549	0.150	<0.005	0.028	0.014
Cadell WTP	28	140	65	7	22	11	-	-	-	-	-	-
Coffin Bay	<0.10	0.10	<0.10	<1	2	<1	0.148	1.087	0.728	0.009	0.026	0.018
Cowirra WTP	16	100	52	7	18	11	-	-	-	-	-	-
Elliston	<0.10	0.13	<0.10	<1	<1	<1	2.379	3.461	3.001	<0.005	0.013	0.008
Eyre South	<0.10	17	0.48	<1	2	<1	0.464	5.306	3.254	<0.005	0.610	0.029
Geranium	<0.10	0.20	<0.10	<1	<1	<1	0.019	0.058	0.039	0.039	0.039	0.039
Glossop WTP	8.2	100	48	1	18	10	-	-	-	-	-	-
Happy Valley WTP	13	48	25	11	38	23	0.081	0.382	0.195	0.039	0.085	0.060
Hawker Desalination WTP	<0.10	16	6.3	<1	<1	<1	<0.003	<0.003	<0.003	0.010	0.021	0.016
Kalangadoo IRP	1.7	5.0	2.9	<1	1	<1	<0.003	<0.003	<0.003	0.026	0.038	0.032
Kanmantoo WTP	0.87	120	45	7	15	10	-	-	-	0.057	0.271	0.103
Kingston SE IRP	0.85	83	10	<1	2	<1	<0.003	0.017	0.010	0.009	0.053	0.021
Lameroo IRP	2.2	4.7	3.2	<1	1	<1	<0.003	<0.003	<0.003	0.052	0.056	0.054
Leigh Creek WTP	<0.10	15	0.99	<1	2	<1	0.003	2.367	1.008	0.005	0.032	0.015
Loxton WTP	24	150	71	6	20	11	<0.003	0.247	0.076	0.068	0.190	0.120
Lucindale IRP	0.26	8.7	4.8	<1	2	1	<0.003	0.004	<0.003	0.037	0.040	0.039
Mannahill	10	130	61	7	20	11	-	-	-	0.065	0.228	0.123
Mannum WTP	10	130	52	7	22	11	<0.003	0.353	0.113	0.055	0.666	0.153
Marla	<0.10	3.9	0.62	<1	<1	<1	4.847	8.941	6.694	0.008	0.037	0.020
Marree	0.12	5.6	1.1	<1	1	<1	<0.003	0.053	0.010	0.012	0.043	0.022
Melrose	<0.10	0.78	0.24	<1	<1	<1	0.281	0.623	0.452	0.018	0.019	0.019
Middle River WTP	1.8	38	6.6	32	215	88	0.003	0.839	0.153	0.012	0.084	0.030
Millicent	<0.10	0.39	0.24	2	4	3	<0.003	0.106	0.047	0.013	0.022	0.017
Moorook WTP	29	140	72	7	25	11	<0.003	0.245	0.073	0.066	0.178	0.121
Morgan WTP	10	130	61	7	20	11	-	-	-	0.065	0.228	0.123
Mt Burr	<0.10	0.10	<0.10	<1	<1	<1	0.587	1.337	0.962	0.031	0.039	0.035
Mt Compass	<0.10	4.2	0.40	<1	<1	<1	0.126	0.167	0.147	0.005	0.029	0.017
Mt Gambier	<0.10	25	1.8	<1	3	1	<0.003	3.007	2.035	<0.005	0.050	0.014
Mt Pleasant WTP	6.1	150	50	7	15	10	<0.003	0.353	0.113	0.055	0.666	0.153
Murray Bridge WTP	13	120	52	8	16	10	-	-	-	0.057	0.271	0.103
Mypolonga WTP	<0.10	120	51	8	16	10	-	-	-	-	-	-
Myponga WTP	0.96	3.4	1.9	26	49	36	<0.003	0.350	0.104	0.023	0.117	0.043
Nangwarry	<0.10	0.19	<0.10	<1	<1	<1	0.220	1.918	1.069	0.014	0.022	0.018
Naracoorte	0.18	1.1	0.35	3	7	5	<0.003	0.328	0.110	0.059	0.068	0.064
Oodnadatta	0.19	5.5	2.4	<1	<1	<1	0.007	0.007	0.007	<0.005	<0.005	<0.005
Padthaway	<0.10	2.1	0.70	<1	<1	<1	0.098	0.166	0.132	0.020	0.024	0.022
Palmer WTP	7.9	110	44	7	20	10	<0.003	0.353	0.113	0.055	0.666	0.153

Table 2 *continued*

System	Turbidity [NTU]			Colour – True (456 nm) [HU]			Nitrate as Nitrogen [mg/L]			Phosphorous – Total [mg/L]		
	Min	Max	Ave*	Min	Max	Ave*	Min	Max	Ave*	Min	Max	Ave*
Parachilna	<0.10	<0.10	<0.10	<1	<1	<1	0.956	0.956	0.956	<0.005	<0.005	<0.005
Parilla IRP	2.1	4.1	3.4	<1	1	<1	<0.003	<0.003	<0.003	0.029	0.032	0.031
Penneshaw WTP	0.18	6.0	1.1	-	-	-	-	-	-	<0.005	0.036	0.016
Penola IRP	6.0	15	11	1	4	3	<0.003	<0.003	<0.003	0.026	0.027	0.027
Pinnaroo IRP	<0.10	4.8	3.5	<1	<1	<1	<0.003	<0.003	<0.003	0.046	0.054	0.051
Port MacDonnell	<0.10	0.55	<0.10	3	5	4	<0.003	<0.003	<0.003	0.168	0.192	0.180
Quorn	<0.10	0.21	<0.10	<1	<1	<1	0.097	0.107	0.102	0.018	0.032	0.025
Renmark WTP	20	150	71	6	20	11	<0.003	0.355	0.093	0.068	0.500	0.153
Robe IRP	0.24	6.4	1.4	<1	2	<1	<0.003	<0.003	<0.003	0.037	0.056	0.045
Summit WTP	9.9	120	49	8	17	11	0.036	0.579	0.232	0.044	0.285	0.108
Swan Reach Town WTP	21	130	65	7	20	11	-	-	-	-	-	-
Swan Reach WTP	7.3	140	56	7	22	10	<0.003	0.243	0.053	0.044	0.177	0.108
Tailem Bend WTP	8.3	120	50	8	17	11	-	-	-	0.041	0.218	0.102
Tarpeena IRP	4.4	18	11	<1	1	<1	<0.003	0.004	<0.003	0.036	0.105	0.071
Terowie	10	130	61	7	20	11	-	-	-	0.065	0.228	0.123
Waikerie WTP	17	130	64	6	26	11	<0.003	0.182	0.044	0.066	0.164	0.113
Wilmington	<0.10	1.2	0.29	<1	<1	<1	-	-	-	-	-	-
Wirrina Cove WTP	1.2	15	3.5	25	195	78	-	-	-	0.043	0.139	0.090
Woolpunda WTP	23	140	71	7	26	11	-	-	-	-	-	-
Yunta	10	130	61	7	20	11	-	-	-	0.065	0.228	0.123

*Limit of reporting (LOR) values replaced with half LOR prior to calculating average.

Table 3: 2025-26 regional — remote Aboriginal communities source water quality

System	Total Dissolved Solids [mg/L]			Hardness — Total [mg/L]			pH [pH Units]		
	Min	Max	Ave*	Min	Max	Ave*	Min	Max	Ave*
Amata	515	1,130	704	293	604	394	7.0	7.8	7.3
Davenport [^]	-	-	-	-	-	-	-	-	-
Gerard [#]	152	314	216	-	-	-	7.4	8.6	8.1
Indulkana	722	1,560	1,300	285	615	469	5.9	6.7	6.4
Kalka	515	627	596	356	364	360	7.4	7.8	7.6
Kaltjiti	1,000	1,300	1,160	266	346	302	7.3	7.7	7.5
Mimili	1,010	1,440	1,110	199	258	228	7.4	8.0	7.6
Murputja Complex	489	1,310	986	255	530	382	7.1	7.7	7.4
Nepabunna ⁺	140	140	140	-	-	-	7.9	7.9	7.9
Oak Valley ⁺	24	24	24	-	-	-	7.5	7.5	7.5
Pipalyatjara	672	756	719	356	439	398	7.3	7.8	7.5
Pt Pearce [^]	-	-	-	-	-	-	-	-	-
Pukatja	397	717	549	211	294	255	7.1	7.8	7.4
Raukkan [^]	-	-	-	-	-	-	-	-	-
Umuwa	346	422	373	232	260	245	7.4	7.9	7.5
Watinuma	745	862	790	460	466	463	7.4	7.8	7.5
Yalata	8,950	10,900	9,660	3,120	4,260	3,590	6.1	6.4	6.3
Yunyarinyi	377	622	490	190	285	228	7.5	7.7	7.6

System	Colour — True (456 nm) [HU]			Fluoride [mg/L]			Nitrate + Nitrite as Nitrogen [mg/L]			Turbidity [NTU]		
	Min	Max	Ave*	Min	Max	Ave*	Min	Max	Ave*	Min	Max	Ave*
Amata	<1	<1	<1	0.49	1.2	0.96	1.15	6.17	3.17	<0.10	5.7	0.46
Davenport [^]	-	-	-	-	-	-	-	-	-	-	-	-
Gerard [#]	8	12	10	-	-	-	-	-	-	22	84	52
Indulkana	<1	4	<1	0.32	0.57	0.48	<0.003	9.14	6.97	<0.10	73	8.4
Kalka	<1	<1	<1	0.84	1.0	0.92	3.89	8.11	5.47	<0.10	2.5	0.58
Kaltjiti	<1	<1	<1	1.2	1.7	1.4	6.82	10.1	8.24	<0.10	0.66	0.15
Mimili	<1	5	<1	1.6	2.6	2.0	2.39	16.7	13.1	<0.10	53	4.4
Murputja Complex	<1	<1	<1	1.4	3.2	2.0	3.08	5.01	4.25	<0.10	0.88	0.15
Nepabunna ⁺	<1	<1	<1	-	-	-	-	-	-	0.16	0.46	0.32
Oak Valley ⁺	<1	1	<1	-	-	-	-	-	-	0.21	0.38	0.30
Pipalyatjara	<1	<1	<1	0.70	0.74	0.72	6.05	7.34	6.70	<0.10	0.72	0.13
Pt Pearce [^]	-	-	-	-	-	-	-	-	-	-	-	-
Pukatja	<1	<1	<1	0.94	2.0	1.3	0.513	1.90	0.921	<0.10	1.4	0.15
Raukkan [^]	-	-	-	-	-	-	-	-	-	-	-	-
Umuwa	<1	<1	<1	0.84	0.98	0.88	2.13	3.38	2.42	<0.10	0.81	0.12
Watinuma	<1	<1	<1	1.1	1.4	1.3	3.35	3.43	3.39	<0.10	0.10	<0.10
Yalata	<1	3	1	0.33	0.73	0.50	0.306	0.906	0.625	<0.10	41	10
Yunyarinyi	<1	1	<1	1.4	1.8	1.6	2.58	8.75	6.63	<0.10	5.9	0.56

*Limit of reporting (LOR) values replaced with half LOR prior to calculating average.

[^]System supplied from another SA Water supply. Refer to data in Table 2 regional — country source water quality. Davenport supplied from Morgan WTP, Pt Pearce supplied from Morgan and Swan Reach WTPs and Raukkan supplied from Tailem Bend WTP.

⁺System sourced from rainwater.



For further details contact

SA Water Corporation
ABN 69 336 525 019

Head office	250 Victoria Square/Tarntanyangga, Adelaide SA 5000
Postal address	GPO Box 1751, Adelaide SA 5000
Phone	1300 SA WATER
Website	sawater.com.au
ISSN: 1833-9980	



**Government of
South Australia**