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To the Chair of the Board Infrastructure SA

Opinion

I have audited the financial report of the Infrastructure SA 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 Infrastructure SA 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 – Simplified Disclosures.

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 Acting Chief Executive and the Chair.

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 Infrastructure SA. 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 Acting Chief Executive and the Board for the financial report

The Acting 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 – Simplified Disclosures, 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 Acting Chief Executive is responsible for assessing the entity's ability to continue as a going concern, taking into account any policy or funding decisions the government has made which affect the continued existence of the entity. The Acting Chief Executive is also responsible for 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 18(2) of the *Infrastructure SA Act 2018*, I have audited the financial report of Infrastructure SA 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 Infrastructure SA's internal control

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Acting Chief Executive
- conclude on the appropriateness of the Acting 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 Acting 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.



Daniel O'Donohue
Deputy Auditor-General

29 September 2026

Infrastructure SA

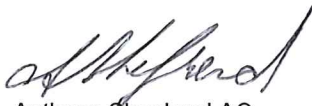
Financial Statements

For the year ended 30 June 2026

Infrastructure SA
Certification of the Financial Statements
For the year ended 30 June 2026

We certify that the:

- financial statements of Infrastructure SA:
 - are in accordance with the accounts and records of Infrastructure SA;
 - comply with relevant Treasurer's Instructions;
 - comply with relevant accounting standards; and
 - present a true and fair view of the financial position of Infrastructure SA at the end of the financial year and the result of its operation and cash flows for the financial year.
- internal controls employed by Infrastructure SA for the financial year over its financial reporting and its preparation of financial statements have been effective.



Anthony Shepherd AO

Chair

29 September 2026



John Haese

Acting Chief Executive

29 September 2026

Infrastructure SA
Statement of Comprehensive Income
For the year ended 30 June 2026

		2026	2025
	Note	\$'000	\$'000
Income			
Appropriation	3.1	2 597	2 583
Sales of services	3.2	3 018	2 812
Intra-government transfers	3.3	495	20
Other income	3.4	38	39
Total income		6 148	5 454
Expenses			
Employee related expenses	4.1	3 036	3 045
Supplies and services	4.2	3 377	2 185
Other expenses		-	3
Total expenses		6 413	5 233
Net result		(265)	221
Total comprehensive result		(265)	221

The accompanying notes form part of these financial statements. The net result and total comprehensive result are attributable to the SA Government as owner.

Infrastructure SA
Statement of Financial Position
As at 30 June 2026

	Note	2026 \$'000	2025 \$'000
Current assets			
Cash	5.2	2 549	2 236
Receivables	5.3	54	72
Total current assets		2 603	2 308
Non-current assets			
Receivables	5.3	18	48
Intangible assets	5.4	-	12
Total non-current assets		18	60
Total assets		2 621	2 368
Current liabilities			
Payables	6.2	474	186
Employee related liabilities	6.3	506	351
Provisions	6.4	8	8
Total current liabilities		988	545
Non-current liabilities			
Employee related liabilities	6.3	630	554
Provisions	6.4	27	28
Total non-current liabilities		657	582
Total liabilities		1 645	1 127
Net assets		976	1 241
Equity			
Retained earnings		976	1 241
Total equity		976	1 241

The accompanying notes form part of these financial statements. The total equity is attributable to the SA Government as owner.

Infrastructure SA
Statement of Changes in Equity
For the year ended 30 June 2026

	Note	Retained earnings \$'000	Total equity \$'000
Balance at 1 July 2024		60 066	60 066
Net result for 2024-25		221	221
Total comprehensive result for 2024-25		221	221
Net assets transferred out as a result of an administrative restructure		(59 046)	(59 046)
Balance at 30 June 2025		1 241	1 241
Net result for 2025-26		(265)	(265)
Total comprehensive result for 2025-26		(265)	(265)
Balance at 30 June 2026		976	976

As a result of administrative arrangements changes described in the Government Gazette on 27 June 2024, Infrastructure SA relinquished the responsibility of the division known as the Northern Water Project. Assets and liabilities relating to the Project were transferred to the Office for Northern Water Delivery effective 1 July 2024.

The accompanying notes form part of these financial statements. All changes in equity are attributable to the SA Government as owner.

Infrastructure SA
Statement of Cash Flows
For the year ended 30 June 2026

		2026	2025
		Inflows	Inflows
		(Outflows)	(Outflows)
Note		\$'000	\$'000
Cash flows from operating activities			
Cash inflows			
Appropriation		2 597	2 583
Sales of services		3 044	2 917
Intra-government transfers		495	20
Other receipts		15	-
Cash generated from operating activities		6 151	5 520
Cash outflows			
Employee related payments		(2 806)	(2 799)
Payments for supplies and services		(3 032)	(2 532)
Cash used in operating activities		(5 838)	(5 331)
Net cash from operating activities		313	189
Cash flows from investing activities			
Cash outflows			
Purchase of intangible assets		-	(12)
Net cash (used in) investing activities		-	(12)
Cash flows from financing activities			
Cash outflows			
Cash transferred out as a result of restructuring activities		-	(18 427)
Net cash (used in) financing activities		-	(18 427)
Net (decrease) / increase in cash		313	(18 250)
Cash at the beginning of the reporting period		2 236	20 486
Cash at the end of the reporting period	5.2	2 549	2 236

The accompanying notes form part of these financial statements.

Infrastructure SA

Notes to and forming part of the financial statements

For the year ended 30 June 2026

1 About Infrastructure SA

Infrastructure SA (ISA) is a statutory authority of the State of South Australia, established pursuant to the state *Infrastructure SA Act 2018*. ISA is an administrative unit acting on behalf of the Crown.

ISA was established under the *Infrastructure SA Act 2018* to provide advice on the State's requirements for significant infrastructure with respect to economic growth and delivery of public services.

1.1 Basis of preparation

These financial statements are general purpose financial statements prepared in accordance with:

- section 23 of the *Public Finance and Audit Act 1987*;
- Treasurer's Instructions and Accounting Policy Statements issued by the Treasurer under the *Public Finance and Audit Act 1987*; and
- relevant Australian Accounting Standards, applying simplified disclosures.

The financial statements have been prepared based on a 12-month reporting period and presented in Australian currency. All amounts in the financial statements and accompanying notes have been rounded to the nearest thousand dollars (\$'000). The historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item measured.

Assets and liabilities that are to be sold, consumed or realised as part of the normal 12-month operating cycle have been classified as current assets or current liabilities. All other assets and liabilities are classified as non-current.

Material accounting policies are set out throughout the notes.

Cash flows are exclusive of Goods and Services Tax (GST). The GST component of cash flows which is recoverable from, or payable to, the Australian Taxation Office is classified as part of operating cash flows of the Department of the Premier and Cabinet (DPC), not ISA.

1.2 Objectives

ISA's mission is to provide independent advice to government to enable informed and evidence-based decisions on infrastructure planning, investment, delivery, and optimisation.

The role of ISA is to ensure better planning and more transparent decision-making for critical public infrastructure projects for the State.

Infrastructure SA
Notes to and forming part of the financial statements
For the year ended 30 June 2026

2. Board, committees and employees

2.1 Key management personnel

Key management personnel of ISA include the Premier, Chief Executive, the Chair and the Board members who have responsibility for the strategic direction and management of ISA.

Total compensation paid by ISA to key management personnel was \$0.646 million (2025: \$0.722 million).

The compensation disclosed in this note excludes salaries and other benefits the Premier receives. The Premier's remuneration and allowances are set by the *Parliamentary Remuneration Act 1990* and the Remuneration Tribunal of SA respectively and are payable from the Consolidated Account via the Department of Treasury and Finance (DTF) under section 6 of the *Parliamentary Remuneration Act 1990*.

See DPC's Financial Statements for disclosures of the Premier's remuneration paid and recovered from the Consolidated Account.

Transactions with Key Management Personnel and other related parties

There were no significant related party transactions.

2.2 Board and committee members

Members during the 2026 financial year were:

Infrastructure SA Board

Anthony Shepherd (Chair)
David Reynolds*
Robert Rust
Rick Persse*
Loretta Reynolds
Tammie Pribanic*

Infrastructure SA Audit and Risk Committee

David Powell (Chair)
Loretta Reynolds
Catherine Jamieson*
Robert Rust
Graeme Brown*

Infrastructure SA
Notes to and forming part of the financial statements
For the year ended 30 June 2026

2.2 Board and committee members (continued)

Infrastructure SA Assurance Committee

Robert Rust (Chair)

Rik Morris*

Greg Raymond*

Peter Salveson

Matt Hardy

Daniel Romeo*

*These board and committee members are current SA Government employees. In accordance with the Premier and Cabinet Circular No. 016, government employees did not receive any remuneration for board/committee duties during the financial year.

Board and committee remuneration

The number of members whose remuneration received or receivable falls within the following bands:

The number of members whose remuneration received or receivable falls within the following bands:	2026 Number	2025 Number
\$0	10	9
\$1 - \$19 999	2	1
\$20 000 - \$39 999	1	3
\$160 000 - \$179 999	1	1
Total number of members	14	14

The total remuneration received or receivable by members was \$0.219 million (2025: \$0.255 million). Remuneration of members includes sitting fees, superannuation contributions, salary sacrifice benefits, fringe benefits and related fringe benefits tax.

Infrastructure SA
Notes to and forming part of the financial statements
For the year ended 30 June 2026

3. Income

3.1 Appropriation

Appropriation is recognised on receipt.

3.2 Sales of services

ISA, in accordance with the Cabinet-approved ISA Assurance Framework and its Act, charges government agencies for assurance reviews. ISA reviews, evaluates and monitors delivery and performance of major infrastructure projects and programs with a capital investment value of \$50 million and above, or those considered high risk. Sales of services includes general recoveries for costs incurred on behalf of other agencies.

Income is recognised in the period in which the services are provided.

3.3 Intra-government transfers

Intra-government transfers are recognised on receipt and comprise of contingency funding from DTF.

3.4 Other income

	2026	2025
	\$'000	\$'000
Services received free of charge - other entities	23	24
General recoveries	15	-
Other income	-	15
Total other income	38	39

Services received free of charge are only recognised when a fair value can be determined reliably, and the services would be purchased if they had not been donated.

ISA receives Financial Accounting, Taxation, Payroll, Accounts Payable and Accounts Receivable services free of charge from Shared Services SA. ISA also receives audit services free of charge from the Audit Office of South Australia (AOSA) in relation to work performed under the *Public Finance and Audit Act 1987*. No other services were provided by the AOSA. ISA received audit services from AOSA valued at \$0.015 million (2025: \$0.013 million).

Infrastructure SA
Notes to and forming part of the financial statements
For the year ended 30 June 2026

4. Expenses

4.1 Employee related expenses

	2026	2025
	\$'000	\$'000
Salaries and wages	1 871	1 921
Superannuation	450	412
Board and committee fees	196	229
Annual leave	216	176
Long service leave	144	173
Skills and experience retention leave	21	9
Workers compensation	-	(18)
Other employee related expenses	138	143
Total employee related expenses	3 036	3 045

Employee related expenses

ISA staff are employed under Part 2 of the *Infrastructure SA Act 2018* or Part 7 of the *Public Sector Act 2009*.

The superannuation expense represents ISA's contributions to superannuation plans in respect of current services of current employees.

Employee remuneration

The number of employees whose remuneration received or receivable falls within the following bands:

	2026	2025
	Number	Number
\$197 001 - \$217 000	-	1
\$257 001 - \$277 000	-	1
\$277 001 - \$297 000	1	1
\$297 001 - \$317 000	1	-
\$437 001 - \$457 000	1	-
\$457 001 - \$477 000	-	1
Total number of employees	3	4

The total remuneration received by those employees for the year was \$1.031 million (2025: \$1.228 million).

The table includes all employees whose normal remuneration was 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, fringe benefits and any fringe benefits tax paid or payable in respect of those benefits as well as any termination benefits for employees who have left ISA.

Infrastructure SA
Notes to and forming part of the financial statements
For the year ended 30 June 2026

4.2 Supplies and services

	2026	2025
	\$'000	\$'000
Consultants	1 824	413
Contractors	947	1 092
Corporate support services	303	295
Information technology	106	126
Administrative costs	19	117
Audit fees	15	13
Shared Services SA	8	11
Other	155	118
Total supplies and services	3 377	2 185

Audit fees

Supplies and services include the fair value of services received free of charge provided which is \$0.023 million as disclosed in note 3.4. This includes an amount of \$0.015 million (2025: \$0.013 million) for audit services received from the AOSA work performed under the *Public Finance and Audit Act 1987*.

Infrastructure SA
Notes to and forming part of the financial statements
For the year ended 30 June 2026

5. Assets

5.1 Financial assets

	2026	2025
	\$'000	\$'000
Financial assets measured at amortised cost		
Cash	2 549	2 236
Contractual receivables	11	37
Total financial assets	2 560	2 273

5.2 Cash

	2026	2025
	\$'000	\$'000
Deposits with the Treasurer	2 549	2 236
Total cash	2 549	2 236

ISA has a non-interest bearing deposit account held with the Treasurer, which must be used in accordance with its approved purpose. Cash is measured at nominal amounts.

5.3 Receivables

	2026	2025
	\$'000	\$'000
Current		
Contractual receivables		
Receivables from sale of services	11	37
Total contractual receivables	11	37
Prepayments	43	35
Total current receivables	54	72
Non-current receivables		
Statutory receivables		
Workers compensation recoveries	1	1
Total statutory receivables	1	1
Prepayments	17	47
Total non-current receivables	18	48
Total receivables	72	120

Contractual receivables are normally settled within 30 days after the issue of an invoice. Contractual receivables and prepayments are non-interest bearing. Contractual receivables are held with the objective of collecting the contractual cash flows and they are measured at amortised cost.

Infrastructure SA
Notes to and forming part of the financial statements
For the year ended 30 June 2026

5.4 Intangible assets

Intangible assets are initially measured at cost and are tested for indications of impairment at each reporting date. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and any accumulated impairment losses.

The acquisition of or internal development of software is capitalised only when the expenditure meets the definition and recognition criteria and when the amount of expenditure is greater than or equal to \$10 000.

	Work in progress \$'000	Total \$'000
Carrying amount at 1 July 2025	12	12
Written off	(12)	(12)
Carrying amount at 30 June 2026	-	-

6. Liabilities

6.1 Financial liabilities

	2026 \$'000	2025 \$'000
Financial liabilities measured at amortised cost		
Contractual payables	474	186
Total financial liabilities	474	186

6.2 Payables

	2026 \$'000	2025 \$'000
Current		
Contractual payables	474	186
Total current payables	474	186
Total payables	474	186

Contractual payables include payables and accrued expenses and are recognised for all amounts owing but unpaid. Contractual payables are normally settled within 15 days from the date the invoice is first received. All payables are non-interest bearing.

Infrastructure SA
Notes to and forming part of the financial statements
For the year ended 30 June 2026

6.3 Employee related liabilities

	2026 \$'000	2025 \$'000
Current		
Annual leave	319	227
Long service leave	75	56
Employment on-costs	72	50
Skills and experience retention leave	24	10
Accrued salaries and wages	16	8
Total current employee related liabilities	506	351
Non-current		
Long service leave	570	502
Employment on-costs	60	52
Total non-current employee related liabilities	630	554
Total employee related liabilities	1 136	905

Employee related liabilities accrue as a result of services provided up to the reporting date that remain unpaid. Long-term employee related liabilities are measured at present value and short-term employee related liabilities are measured at nominal amounts.

Salaries and wages, annual leave, skills and experience retention leave (SERL)

The liability for salary and wages is measured as the amount unpaid at the reporting date at current remuneration rates at the reporting date.

The annual leave liability and the SERL liability are expected to be paid within 12 months and are measured at the undiscounted amounts expected to be paid.

Long service leave

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 end of the reporting period using the projected unit credit method. The expected timing and amount of long service leave payments are determined through whole-of-government actuarial calculations, which are based on actuarial assumptions on expected future salary and wage levels, experience of employee departures and periods of service. These assumptions are based on employee data over SA Government entities. The discount rate is reflective of the yield on long-term Commonwealth Government bonds. The yield on long-term Commonwealth Government bonds increased to 4.75% (2025: 4.25%).

The net financial effect of the changes to the actuarial assumption in the current financial year is immaterial.

The salary inflation rate applied in the actuarial assessment performed by DTF for the long service leave liability has remained unchanged at 3.5% (2025: 3.5%).

The current portion of long service leave reflects DPC's 5-year average experience of long service leave which is expected to continue in the future.

Infrastructure SA
Notes to and forming part of the financial statements
For the year ended 30 June 2026

6.3 Employee related liabilities (continued)

Employment on-costs liabilities

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

ISA makes contributions to several State Government and externally managed superannuation schemes. These contributions are treated as an expense when they occur. There is no liability for payments to beneficiaries as they have been assumed by the respective superannuation schemes. The only liability outstanding at reporting date relates to any contributions due but not yet paid to the superannuation schemes.

As a result of an actuarial assessment performed by DTF, the portion of long service leave taken as leave has remained unchanged at 44% (2025: 44.0%) and the average factor for the calculation of employer superannuation on-costs has remained unchanged at 12.0% (2025: 12.0%). These rates are used in the employment on-cost calculation.

6.4 Provisions

Provision for workers compensation

	2026 \$'000	2025 \$'000
<i>Reconciliation of workers compensation</i>		
Carrying amount at the beginning of the period	36	125
Provision transferred through administrative restructuring	-	(71)
Remeasurement	(1)	(18)
Carrying amount at the end of the period	35	36

A provision has been reported to reflect unsettled workers compensation claims. The workers compensation provision is based on an actuarial assessment of the outstanding liability as at 30 June 2026 provided by a consulting actuary engaged through the Office of the Commissioner for Public Sector Employment. The provision is for the estimated cost of ongoing payments to employees as required under current legislation.

The division known as the Northern Water Project transferred to the Office for Northern Water Delivery effective 1 July 2024. Refer to the Statement of Changes in Equity.

ISA is responsible for the payment of workers compensation claims.

Infrastructure SA
Notes to and forming part of the financial statements
For the year ended 30 June 2026

7. Outlook

7.1 Unrecognised contractual commitments

Commitments include operating and outsourcing arrangements arising from contractual or statutory sources and are disclosed at their nominal value.

Contractual commitments

Expenditure contracted for at the reporting date but not yet recognised as liabilities in the financial report, are payable as follows:

	2026	2025
	\$'000	\$'000
Within one year	702	638
Later than one year but not longer than five years	-	58
Total contractual commitments	702	696

Commitments as at 30 June 2026 comprise works engaged to assess the state's infrastructure capacity associated with energy, water, wastewater and other elements required to support growth-area development and inform South Australia's 10-year infrastructure plan.

7.2 Contingent assets and liabilities

ISA is not aware of any contingent assets or liabilities as at 30 June 2026.

7.3 Events after the reporting period

There were no events occurring after the end of the reporting period that had a material financial implication on these financial statements.