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
State Owned Generators Leasing Company Pty Ltd

Opinion

I have audited the financial report of the State Owned Generators Leasing Company Pty Ltd for the financial year ended 30 June 2026.

In my opinion, the accompanying financial report is in accordance with the *Corporations Act 2001*, including:

a) giving a true and fair view of the State Owned Generators Leasing Company Pty Ltd's financial position as at 30 June 2026 and its financial performance for the year then ended; and

b) complying with Australian Accounting Standards and the Corporations Regulations 2001.

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 certification from the Chair, State Owned Generators Leasing Company Pty Ltd and the Chief Financial Officer, South Australian Government Financing Authority (SAFA).

Basis for opinion

I conducted the audit in accordance with 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 State Owned Generators Leasing Company Pty Ltd in accordance with the auditor independence requirements of the *Corporations Act 2001*. The *Public Finance and Audit Act 1987* establishes the independence of the Auditor-General.

I confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the State Owned Generators Leasing Company Pty Ltd, would be in the same terms if given to the directors as at the time of this auditor's report. 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.

Information other than the financial report and auditor's report

The directors are responsible for the other information. The other information is the Directors' report accompanying the financial report.

My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the State Owned Generators Leasing Company Pty Ltd are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*, and for such internal control as the directors determine 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 directors are responsible for assessing the State Owned Generators Leasing Company Pty Ltd'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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

As permitted by section 33(3) of the *Public Finance and Audit Act 1987*, I have audited the financial report of the State Owned Generators Leasing Company Pty Ltd 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 State Owned Generators Leasing Company Pty Ltd's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors
- conclude on the appropriateness of the State Owned Generators Leasing Company Pty Ltd'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 company'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 my opinion. My conclusion is based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the company 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 Chair 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

16 October 2026

State Owned
Generators Leasing Co Pty Ltd
Financial Statements
for the year ended
30 June 2026

State Owned Generators Leasing Co Pty Ltd
Certification of the Financial Statements

I certify that:

- the attached General Purpose Financial Report for State Owned Generators Leasing Co Pty Ltd:
  - is in accordance with the *Corporations Act 2001 (Cth)*;
  - is in accordance with the accounts and records of State Owned Generators Leasing Co;
  - complies with the relevant Treasurer's Instructions;
  - complies with Australian accounting standards; and
  - presents a true and fair view of the financial position of State Owned Generators Leasing Co at the end of the financial year and the result of its operations and cash flows for the financial year.
- Internal controls employed by State Owned Generators Leasing Co over its financial reporting and its preparation of the financial report have been effective throughout the financial year.
- In the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors.



Tim Burfield
Chair

Date: 15/10/2026



Alexander Kromwyk
Chief Financial Officer, SAFA

Date: 15/10/2026

State Owned Generators Leasing Co Pty Ltd
Statement of Comprehensive Income
For the year ended 30 June 2026

	Note	2026 $'000	2025 $'000
Income			
Revenue	6	11,058	10,527
Gain on revaluation	11	31,663	-
Total Income		**42,721**	**10,527**
Expenses			
Depreciation	11	7,354	7,353
Other expenses	7	279	255
Total Expenses		**7,633**	**7,608**
Profit before income tax equivalents		**35,088**	**2,919**
Income Tax Equivalent Expense with SA Government	8	10,526	875
Profit after income tax equivalents		**24,562**	**2,044**
Changes in property, plant and equipment asset revaluation surplus		82,171	-
Other comprehensive income		**82,171**	**-**
Total comprehensive result		**106,733**	**2,044**

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

State Owned Generators Leasing Co Pty Ltd
Statement of Financial Position
As at 30 June 2026

	Note	2026 $'000	2025 $'000
Current Assets			
Cash and cash equivalents	9	26,907	18,191
Receivables	10	383	334
Total Current Assets		**27,290**	**18,525**
Non-Current Assets			
Receivables	10	7,276	6,102
Property, plant and equipment	11	259,666	153,185
Total Non-Current Assets		**266,942**	**159,287**
Total Assets		**294,232**	**177,812**
Current Liabilities			
Payables and other liabilities	12	11,327	1,640
Total Liabilities		**11,327**	**1,640**
Net Assets		**282,905**	**176,172**
Equity			
Issued share capital	13	226,200	226,200
Accumulated Losses		(25,466)	(50,028)
Asset revaluation surplus		82,171	-
Total Equity		**282,905**	**176,172**

The accompanying notes form part of these financial statements. Total equity is attributable to the Treasurer as owner.

State Owned Generators Leasing Co Pty Ltd
Statement of Changes in Equity
For the year ended 30 June 2026

	Note	Issued Share Capital	Asset Revaluation Surplus	Accumulated Losses	Total Equity
		$'000	$'000	$'000	$'000
Balance at 30 June 2024		**226,200**	**-**	**(52,072)**	**174,128**
Profit after income tax equivalents 2024-25		-	-	2,044	2,044
Total comprehensive result for 2024-25		-	-	2,044	2,044
Dividend Paid 2024-25	16	-	-	-	-
Balance as at 30 June 2025		**226,200**	**-**	**(50,028)**	**176,172**
Profit after income tax equivalents 2025-26		-	-	24,562	24,562
Gain on revaluation of Plant & Equipment during 2025-26		-	82,171	-	82,171
Total comprehensive result for 2025-26		**-**	**82,171**	**24,562**	**106,733**
Balance as at 30 June 2026	13	**226,200**	**82,171**	**(25,466)**	**282,905**

The accompanying notes form part of these financial statements. Total equity is attributable to the Treasurer as owner.

State Owned Generators Leasing Co Pty Ltd
Statement of Cash Flows
For the year ended 30 June 2026

	Note	2026 $'000	2025 $'000
Cash flows from operating activities			
Lease rent receipts		9,861	8,585
Interest received		904	1,042
Other receipts		-	10
GST paid to the ATO		(865)	(774)
Payments to suppliers		(339)	(311)
Income Tax Equivalent		(845)	(10,477)
Net Cashflow from operating activities	14	**8,716**	**(1,925)**
Cash Flows from Financing Activities			
Dividend paid to Government	16	-	-
Net Cash outflows from Financing Activities		**-**	**-**
Net increase in cash and cash equivalents		8,716	(1,925)
Cash and cash equivalents at beginning of the year		18,191	20,116
Cash and cash equivalents at end of the year	9	**26,907**	**18,191**

The above statement should be read in conjunction with the accompanying notes to the financial statements.

State Owned Generators Leasing Co Pty Ltd
Notes to the Financial Statements
For the year ended 30 June 2026

1 Objectives

State Owned Generators Leasing Co Pty Ltd (SOGLC) was incorporated on 30 January 2020 under the *Corporations Act 2001 (Cth)*. SOGLC's registered address is Level 5, State Administration Centre, 200 Victoria Square, Adelaide, South Australia 5000.

As per its constitution, the objectives of SOGLC are:

a) To be the lessor under a lease granted in respect of the generators by a lease agreement.
b) To be a party to an instrument related to a lease referred to in paragraph (a) above or related to the subject matter of such a lease.
c) To be the operator of the generators on expiration or sooner termination of such a lease.
d) To hold the generators as owner or lessor for the purposes of a function referred to above.
e) To carry out other functions conferred on the company by the Treasurer.
f) To do anything necessary or expedient to be done for the purposes of a function referred to above.
g) To do anything necessary or expedient to be done to ensure that the generators are appropriately operated and maintained and are available for use in the National Electricity Market.

SOGLC 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 SOGLC.

2 Material accounting policies

(a) Basis of preparation

The financial statements are general purpose financial statements prepared in compliance with:

a. Treasurer's Instructions and Accounting Policy Statements issued by the Treasurer under the *Public Finance and Audit Act 1987*;
b. Australian Accounting Standards; and
c. the *Corporations Act 2001 (Cth)*

SOGLC 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, SOGLC has applied the Treasurer's Instructions in the application of accounting frameworks.

All amounts in the financial statements and accompanying notes have been rounded to the nearest thousand dollars ($'000). Zero represents amounts less than five hundred dollars, whilst a dash represents a nil balance.

The financial statements have been prepared on a historical cost basis unless a different measurement basis is specifically disclosed in the note associated with the item measured.

The financial statements are prepared based on a 12-month reporting period and presented in Australian currency.

(b) Cash and cash equivalents

Cash and cash equivalents include cash at bank. Cash is measured at nominal amounts.

Cash flows are included in the Statement of Cash Flows on a gross basis. However, the GST components of cash flows arising from financing activities that are recoverable from, or payable to, the ATO are classified as operating cash flows.

(c) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction from the proceeds. Where such ordinary shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs, is included in equity attributable to the owner of the entity.

(d) Property, Plant and Equipment

Initial recognition

On 30 June 2020, ownership of nine generator sets and ancillary equipment was transferred from the Minister for Energy and Mining to the Treasurer and subsequently to SOGLC for consideration of $217,200,000. The transfer from the Treasurer to SOGLC was made via proclamation under section 7(1)(b) of the *Administrative Arrangements Act 1994*. This acquisition was treated as a capital purchase of Property, Plant and Equipment (PP&E) and recorded at the Department for Energy and Mining (DEM) carrying amount.

These assets were initially recorded at cost plus any incidental costs involved with the acquisition.

Measurement after recognition

PP&E is subsequently measured at fair value.

The fair value of PP&E is determined using the most appropriate valuation technique in the circumstances and for which sufficient data is available to measure fair value.

A change in valuation technique is appropriate if the change results in a measurement that is more representative of fair value in the circumstances. Such changes are considered to be a change in accounting estimate.

Revaluations are to be undertaken, as a minimum, every six years. If at any time management considers that the carrying amount of the asset materially differs from its fair value, then the asset will be revalued, regardless of when the last valuation took place.

An independent valuation of PP&E owned by SOGLC was performed as at 30 June 2026 by Marsh Pty Ltd, an independent insurance broking and risk management firm based in Sydney, with experience in providing asset valuations in the power, oil and gas industry. The revaluation resulted in an increment of $113,834,886. The increment was first recognised in profit or loss to the extent that it reversed the remainder of the revaluation decrement of $62,228,130 from 2021-22. The remaining increment was recognised in Other Comprehensive Income and accumulated in the asset revaluation reserve. Fair value of PP&E has been determined using the depreciated cost approach.

Any accumulated depreciation as at the revaluation date was eliminated against the gross carrying amounts of the assets and the net amounts were restated to the revalued amounts of the asset.

The valuation was based on market data for the replacement cost of the assets, the AUD/USD exchange rate at balance date and the total running time of the assets.

The carrying amount of SOGLC's PP&E assets had the assets been carried under the cost model would be $170,305,000.

There was no indication of impairment for PP&E owned by SOGLC as at 30 June 2026. No impairment loss or reversal of impairment loss was recognised in 2025-26.

Fair Value Hierarchy

SOGLC classifies fair value measurement using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements, based on the data and assumptions used in the most recent revaluation:

- Level 1 – traded in active markets and is based on unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at measurement date.
- Level 2 – not traded in an active market and are derived from inputs (inputs other than quoted prices included within level 1) that are observable for the asset, either directly or indirectly.
- Level 3 – not traded in an active market and are derived from unobservable inputs.

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

During 2026 and 2025, SOGLC had no valuations categorised into level 1; there were no transfers of assets between level 1 and 2 fair value hierarchy levels and there were no changes in valuation technique.

SOGLC categorises its PP&E assets at 30 June 2026 as level 3.

Estimates of asset condition are a significant unobservable input for the valuation of SOGLC assets. Since initially being commissioned in 2017, SOGLC's turbine assets have been running at levels lower than what is considered to be the standard operating capacity that such industrial equipment is practically designed for.

Depreciation

The assets are depreciated on a straight-line basis, based on the life of the leases, which reflects the remaining economic useful life of the assets.

(e) Leases

SOGLC retains a substantial amount of the risk and rewards incidental to ownership of the leased assets. Accordingly, the Iberdrola Australia and Port Adelaide Energy leases have been classified and recorded as an operating lease.

Lease income is recognised on a straight-line basis over the period of the lease.

(f) Taxation

SOGLC is not subject to income tax in accordance with section 24AM of the *Income Tax Assessment Act 1936 (Cth)*.

In accordance with Treasurer's Instruction 22 Tax Equivalent Payments, SOGLC is required to pay the Treasurer an income tax equivalent amount. The income tax liability is based on the Taxation Equivalent Regime (TER) which applies the accounting profits method. This requires SOGLC to apply the corporate income tax rate to the net profit. The current income tax equivalent liability relates to the income tax expense outstanding for the current period. Under the TER, no deferred tax asset is applicable when losses have been incurred.

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

a. 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 part of the expense item applicable; and
b. Receivables and payables, which are stated with the amount of GST included.

(g) Revenue

The main income source is the rent of leased generators to the lessees.
Refer to Note 2(e) - Leases for further information regarding the recognition of the income.

(h) Receivables

Receivables are non-interest bearing. Receivables are held with the objective of collecting the contractual cash flows and they are measured at amortised cost.

Lease Receivables
As lease income is recognised on a straight-line basis over the period of the lease (reflecting the pattern in which the benefit from the use of the generators is diminished), where the pattern doesn't match the amount invoiced, a non-current receivable is recognised for the difference. Lease receivables that are to be realised as part of the normal operating cycle have been classified as current.

Other
Amounts due from customers for goods sold or services performed in the ordinary course of business. Those due for settlement within the next operating cycle have been classified as current.

(i) Payables and other liabilities

These amounts represent liabilities for goods and services provided by the suppliers prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 15 days of receiving the invoice. Trade and other liabilities that are due to be settled within 12 months after the end of the reporting period or for which SOGLC 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 liabilities are classified as non-current.

(j) Dividends

The Directors may declare a dividend up to the value of the current year's surplus, provided the distribution does not materially prejudice SOGLC's ability to pay creditors and has positive net assets. Dividends are paid in arrears by the discretion of the board.

3 Critical estimates and judgements

Property, Plant and Equipment

An external revaluation of the generator sets and associated plant and equipment was undertaken as at 30 June 2026. There was no indication of impairment for PP&E owned by SOGLC at 30 June 2026.

Refer to Note 2(d) for further information.

4 Leases

SOGLC has the following operating lease arrangements:

Asset	Lessee	Term	Expiry
4 generators and associated assets	*Iberdrola Australia*	*25 years*	*30 October 2045*
5 generators and associated assets	Port Adelaide Energy	25 years	20 September 2046

On 26 August 2019, the Government of South Australia approved the 25 year lease of certain electricity generating sets (Generators) located at Lonsdale and Elizabeth to Iberdrola Australia (formerly Infigen Energy) and Port Adelaide Energy (formerly Nexif Energy), with the Treasurer executing Agreements to Lease contracts with the two companies on 28 August 2019.

In order to facilitate the lease agreements, ownership of the Generators was transferred from the Minister for Energy and Mining to the Treasurer and then from the Treasurer to SOGLC on 30 June 2020.

The Lease Agreement with Iberdrola Australia was executed on 1 November 2020 for a 25 year term. Iberdrola Australia subsequently relocated the Generators to a site at Bolivar.

The Lease Agreement with Port Adelaide Energy was executed on 21 September 2021 for a 25 year term. Port Adelaide Energy subsequently relocated the Generators to a site at Snapper Point.

The main source of income for SOGLC is derived from the rent income by leasing out the Generators to Iberdrola Australia and Port Adelaide Energy. Lease rental income is recognised on either a variable or straight-line basis over the period of the lease. Lease rentals are adjusted by CPI periodically in accordance with the terms and conditions of the respective leases.

The annual lease rental income for 2025-26 was $10,134,438, of which $4,030,906 related to variable lease repayments.

The maturity analysis of the lease rent receipts is as follows:

Lease	Year 1	Year 2	Year 3	Year 4	Year 5	Years > 5
Total	10,087	10,638	11,131	11,724	12,292	218,923

The above table sets out a maturity analysis of operating lease payments receivable, showing the undiscounted lease payments to be received after the reporting date. These amounts are not recognised as assets.

Both Lease Agreements contain mitigation of risk provisions for SOGLC, in the event of default by the lessee. These include, but not limited to:

a. Finance compensation,
b. The right to take possession of all plant and equipment, including modifications made.

In addition, on finalisation of the lease, where the lessee does not seek an agreed extension, SOGLC may take possession of all plant and equipment, including modifications made.

5 Related party transactions

SOGLC has one shareholder, the Treasurer of South Australia. The Government of South Australia is the ultimate controlling party.

Significant transactions with the South Australian Government are identifiable throughout this report. In addition, transactions with public authorities include audit fees paid/payable to the Audit Office of South Australia were $14,600 ($14,200), amounts paid/payable to DEM were $30,000 ($60,000) and amounts paid/payable to the South Australian Government Financing Authority were $235,000 ($180,851).

(a) Key Management Personnel

Key management personnel of the SOGLC include the Treasurer and the company's Directors.

The following persons held authority and responsibility for planning, directing and controlling the activities of SOGLC directly or indirectly during the financial year:

Mr T Burfield	Chair *(reappointed from 30 January 2026)*
Dr P Heithersay	Non-Executive Director *(reappointed from 30 January 2026)*
Ms L Butler	Non-Executive Director *(from 4 July 2024)*
Ms M Garrett	Non-Executive Director *(from 4 July 2024)*

All directors of SOGLC are Government employees. In accordance with the Department of the Premier and Cabinet Circular PC016, government employees did not receive any remuneration for drector duties during the financial year.

(b) Transactions of director and director-related entities

There were no transactions between SOGLC and Director-related entities in 2025-26 or 2024-25.

6 Revenue

	2026 $'000	2025 $'000
Lease rent income	10,134	9,486
Interest income	924	1,041
Total revenue	**11,058**	**10,527**

7 Other expenses

	2026 $'000	2025 $'000
Management and advisory fees	130	160
Insurance	134	81
Audit fees	15	14
Legal Fees	-	0
Registry Fees	0	0
Total other expenses	**279**	**255**

Audit fees paid / payable to the Audit Office of South Australia relating to work performed under the *Public Finance and Audit Act 1987* were $14,600 ($14,200). No other services were provided by the Audit Office of South Australia.

8 Income tax equivalent expense

	2026 $'000	2025 $'000
The income tax equivalent expense on pre-tax accounting profit reconciles to the income tax equivalent expense in the financial statements as follows;		
Profit/(loss) before income tax	35,088	2,919
Income tax equivalent expense/(credit) at 30%	10,526	875
Income tax equivalent expense with SA Government	**10,526**	**875**

9 Cash and cash equivalents

	2026 $'000	2025 $'000
Current Assets		
Cash at bank	26,907	18,191
Total cash and cash equivalents	**26,907**	**18,191**

10 Receivables

	2026 $'000	2025 $'000
Current assets		
Lease receivables	265	244
Other	118	90
Total current receivables	**383**	**334**
Non-current assets		
Lease receivables	7,276	6,102
Total Receivables	**7,659**	**6,436**

11 Property, plant and equipment

	2026 $'000	2025 $'000
Property, plant and equipment at fair value	259,666	160,538
Accumulated depreciation	-	(7,353)
Total property, plant and equipment	**259,666**	**153,185**

Reconciliation	2026 $'000	2025 $'000
Carrying amount at the beginning of the period	153,185	160,538
Depreciation expense	(7,354)	(7,353)
Gain on revaluation	113,835	-
Carrying amount at the end of the period	**259,666**	**153,185**

12 Payables and other liabilities

	2026 $'000	2025 $'000
Current Liabilities		
Income tax equivalent	10,526	845
Lease rental received in advance	528	505
Other payables and accrued expense	273	290
Total payables and other liabilities	**11,327**	**1,640**

13 Equity

	Number of shares	Total $'000
30 June 2025		
Issued Share Capital		
Balance as at 30 June 2024	113,100,001	226,200
Balance as at 30 June 2025	**113,100,001**	**226,200**
Accumulated losses		(50,028)
Total equity		**176,172**
30 June 2026		
Issued Share Capital		
Balance as at 30 June 2025	113,100,001	226,200
Balance as at 30 June 2026	**113,100,001**	**226,200**
Accumulated Losses		(25,466)
Asset revaluation surplus		82,171
Total equity		**282,905**

The Treasurer is the sole shareholder of SOGLC.

14 Reconciliation of Profit/(Loss) with net cashflow from operating activities

	2026 $'000	2025 $'000
Profit for the period	24,562	2,044
Non cash items		
Depreciation	7,354	7,353
Gain on revaluation	(31,663)	-
Movement in operating assets and liabilities		
Change in receivables	(1,224)	(1,702)
Change in payables	9,687	(9,620)
Net cash flows from operating activities	**8,716**	**(1,925)**

15 Contingent liability

Port Adelaide Energy has entered into gas connection and electricity transmission connection agreements in relation to the operation of its Snapper Point power station. In circumstances where Port Adelaide Energy defaults under the connection agreements and that default is not rectified within the appropriate cure periods, SOGLC has the option of either paying termination amounts under those agreements or taking a novation of those agreements from Port Adelaide Energy.

16 Dividend

The board elected to not pay a dividend to the Treasurer based on SOGLC's 2024-25 results, therefore no dividend was paid in 2025-26.

17 Events subsequent to balance date

No event has arisen since 30 June 2026 that would be likely to materially affect the operations or the state of affairs of SOGLC.

18 Impact of standards not yet effective

AASB 18 *Presentation and Disclosure in Financial Statements* is effective for annual reporting periods beginning on or after 1 January 2027. The standard introduces new presentation and disclosure requirements for financial statements. While adoption may result in changes to the presentation and disclosure of financial information, it is not expected to significantly affect the recognition and measurement of assets, liabilities, income or expenses.