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**To the Presiding Member
Green Industries SA**

Opinion

I have audited the financial report of Green Industries SA for the financial year ended 30 June 2025.

In my opinion, the accompanying financial report gives a true and fair view of the financial position of Green Industries SA as at 30 June 2025, 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 2025
- a Statement of Financial Position as at 30 June 2025
- a Statement of Changes in Equity for the year ended 30 June 2025
- a Statement of Cash Flows for the year ended 30 June 2025
- notes, comprising material accounting policy information and other explanatory information
- a Certificate from the Presiding Member, the Chief Executive and the Associate Director, Governance and Business.

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 Green Industries 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 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, taking into account any policy or funding decisions the government has made which affect the continued existence of the entity. The 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*, I have audited the financial report of Green Industries SA for the financial year ended 30 June 2025.

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 Green Industries SA'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 Presiding Member and the Chief Executive 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

5 December 2025

**Green Industries SA
(GISA)**

Financial Statements

For the year ended 30 June 2025

Green Industries SA
Certification of Financial Statements
for the year ended 30 June 2025

We certify that the:

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



Josh Wheeler
Chief Executive
21 November 2025



Marissa King
Associate Director, Governance and Business
21 November 2025



Nikki Govan
Presiding Member
Board of Green Industries SA
21 November 2025

Green Industries SA
Statement of Comprehensive Income
for the year ended 30 June 2025

	Note	2025 \$'000	2024 \$'000
Income			
Solid waste levies	1.4	53 634	51 691
Grants and subsidies	3.1	22 164	464
Interest	3.2	2 567	2 367
Resources received free of charge	3.3	62	43
Other income	3.4	625	5
Total income		79 052	54 570
 Expenses			
Employee related expenses	4.1	4 321	4 369
Supplies and services	4.2	8 509	40 390
Depreciation	5.4	54	54
Grants, subsidies and transfers	4.4	35 128	22 966
Other expenses	4.5	19	40
Total expenses		48 031	67 819
 Net result		 31 021	 (13 249)
 Total comprehensive result		 31 021	 (13 249)

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

Green Industries SA
Statement of Financial Position
as at 30 June 2025

	Note	2025 \$'000	2024 \$'000
Current assets			
Cash and cash equivalents	5.1	89 489	56 652
Receivables	5.2	444	414
Loans	5.3	-	747
Total current assets		89 933	57 813
Non-current assets			
Property, plant and equipment	5.4	158	212
Loans	5.3	-	1 282
Total non-current assets		158	1 494
Total assets		90 091	59 307
Current liabilities			
Payables	6.1	2 082	2 248
Employee related liabilities	6.2	511	518
Provisions	6.3	50	43
Other non-financial liabilities	6.4	64	64
Total current liabilities		2 707	2 873
Non-current liabilities			
Employee related liabilities	6.2	1 038	1 059
Provisions	6.3	162	148
Other non-financial liabilities	6.4	117	181
Total non-current liabilities		1 317	1 388
Total liabilities		4 024	4 261
Net assets		86 067	55 046
Equity			
Retained earnings		86 067	55 046
Total equity		86 067	55 046

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

Green Industries SA
Statement of Changes in Equity
for the year ended 30 June 2025

	Retained earnings \$'000	Total equity \$'000
Balance at 1 July 2023	68 295	68 295
Net result for 2023-24	(13 249)	(13 249)
Total comprehensive result for 2023-24	(13 249)	(13 249)
Balance at 30 June 2024	55 046	55 046
Net result for 2024-25	31 021	31 021
Total comprehensive result for 2024-25	31 021	31 021
Balance at 30 June 2025	86 067	86 067

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

Green Industries SA
Statement of Cash Flows
for the year ended 30 June 2025

	Note	2025 \$'000	2024 \$'000
Cash flows from operating activities			
<i><u>Cash inflows</u></i>			
Waste levies received		53 634	51 691
Grants and funding		22 142	539
Interest received		2 547	2 407
GST recovered from DEW		4 407	2 893
Other receipts		604	4
<i><u>Cash outflows</u></i>			
Employee related payments		(4 330)	(4 105)
Payments for supplies and services		(9 555)	(45 753)
Payments of grants, subsidies and transfers		(38 641)	(25 627)
Other payments		-	(42)
Net cash from/(used in) operating activities	7.1	30 808	(17 993)
Cash flows from investing activities			
<i><u>Cash inflows</u></i>			
Proceeds from loan		2 029	731
Net cash from investing activities		2 029	731
Net increase/(decrease) in cash and cash equivalents		32 837	(17 262)
Cash and cash equivalents at the beginning of the reporting period		56 652	73 914
Cash and cash equivalents at the end of the reporting period	5.1	89 489	56 652

The accompanying notes form part of these financial statements.

Green Industries SA
Notes to and forming part of the financial statements
for the year ended 30 June 2025

1. About Green Industries SA

Green Industries SA (GISA) is a not-for-profit entity and comprises the following:

- GISA – a statutory corporation with an appointed governing board established by the *Green Industries SA Act 2004* (the Act);
- an administrative unit named the Office of Green Industries SA established under the *Public Sector Act 2009*;
- the Green Industry Fund established under the Act.

The Chief Executive of the statutory corporation is subject to the control and direction of the Board in giving effect to its policies and decisions. The Act permits the statutory corporation to make use of the services of the administrative unit's employees and facilities.

1.1. Basis of preparation

The financial statements are general purpose financial statements prepared in compliance 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.

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

All amounts in the financial statements and accompanying notes are rounded to the nearest thousand dollars (\$'000).

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 GISA 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.

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 (ATO), in which case GST is recognised as part of the cost of acquisition of the asset or as part of the expense item applicable.
- receivables and payables, which are stated with the amount of GST included.

GISA is grouped with the Department for Environment and Water (DEW) for GST purposes, and accordingly DEW prepares the Business Activity Statement on behalf of GISA via the grouping provisions of the GST legislation. Notwithstanding the use of these grouping provisions, intercompany cash alignment occurs to ensure GISA either recovers the net amount of GST recoverable or disburses the amount payable to the ATO from DEW.

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 ATO is classified as part of operating cash flows.

Green Industries SA
Notes to and forming part of the financial statements
for the year ended 30 June 2025

1.2. Objectives and programs

Objectives

GISA promotes waste management practices that, as far as possible, eliminates waste or its consignment to landfill; and promotes innovation and business activity in the waste management, resource recovery and green industry sectors, recognising these areas present a valuable opportunity to contribute to the state's economic growth and community wellbeing.

To achieve its objectives, GISA undertakes programs and projects according to South Australia's Waste Strategy 2020-25 and its strategic plan and annual business plan which include:

- developing and implementing government policy objectives in waste management, resource recovery, single-use plastics, green industry development, the circular economy and sustainability.
- encouraging innovation and economic growth through the circular economy and achieving sustainability gains economically, environmentally, and socially.
- helping South Australian businesses and industries to reduce their costs through efficiencies in materials, water, and energy, to develop and implement net-zero emissions targets and plans and to achieve sustainability.
- administering grants to local government, business, and industry to drive innovation and to support the circular economy through best practice in waste management, resource recovery, recycling, and remanufacturing.
- developing, administering, and monitoring the state's waste strategy and food waste strategy.
- reporting against landfill diversion targets, recycling outcomes and circular economy activity.
- developing behaviour change programs to improve recycling and waste avoidance practices in households, schools, and businesses.
- functional lead for disaster waste management under the Government of South Australia's State Emergency Management Plan.

Programs

To achieve its objectives, GISA undertakes its services through a single program, 'Circular Economy and Green Industry Development'. Therefore, a Statement of Disaggregated Disclosures has not been prepared.

Green Industries SA
Notes to and forming part of the financial statements
for the year ended 30 June 2025

1.3. Budget performance

The budget performance table compares GISA's outcomes against budget information presented to Parliament (2024-25 Budget Paper 4). The budget amounts have not been adjusted to reflect revised budgets or administrative restructures. The budget process is not subject to audit.

	Note	Original Budget 2025 \$'000	Actual 2025 \$'000	Variance \$'000
Statement of Comprehensive Income				
Income				
Solid waste levies		52 901	53 634	733
Grants and subsidies	a	6 027	22 164	16 137
Interest		2 204	2 567	363
Resources received free of charge		-	62	62
Other income		-	625	625
Total income		61 132	79 052	17 920
Expenses				
Employee related expenses		4 692	4 321	(371)
Supplies and services	b	3 711	8 509	4 798
Depreciation		54	54	-
Grants, subsidies and transfers	c	22 155	35 128	12 973
Other expenses		12	19	7
Total expenses		30 624	48 031	17 407
Net result		30 508	31 021	513

Explanations are provided for variances where the variance exceeds the greater of 10 per cent of the original budgeted amount and 5 per cent of the original budgeted total expenses.

- a. Grants and subsidies is \$16.137 million higher than the original budget, primarily due to:
 - funding received in 2024-25 for an advanced soft plastics recycling project, provided through the Commonwealth Government's Recycling Modernisation Fund — Plastics Technology Stream (\$18.816 million); and
 - funding received in 2024-25 for the National Partnership on Recycling Infrastructure and Food Waste for Healthy Soils programs (\$3.017 million)
 - partially offset by a delay in Commonwealth reimbursements for 2022-23 expenditure under the River Murray Flood Clean-up Program (\$6.027 million) which will be received in 2025-26.
- b. Supplies and services are \$4.798 million higher than the original budget predominantly due to expenditure associated with the River Murray Flood clean-up program.
- c. Grants, subsidies and transfers are \$12.972 million higher than the original budget primarily due to expenditure related to an advanced soft plastics recycling project, funded through the Commonwealth Government's Recycling Modernisation Fund — Plastics Technology Stream for \$10 million.

Green Industries SA
Notes to and forming part of the financial statements
for the year ended 30 June 2025

1.4. Significant transactions with government related entities

Significant transactions with the SA Government are identifiable throughout this financial report. In addition:

- GISA had significant transactions with the Environment Protection Authority (EPA) during the 2024-25 financial year. The receipts of \$53.634 million (2024: \$51.691 million) from the EPA are associated with the transfer of 50% of solid waste levy revenue collected in accordance with the *Environment Protection Act 1993* and transferred to GISA in accordance with section 17 of the Act.
- GISA also made significant grant payments of \$10.481 million (2024: \$10.404 million) to DEW and \$5.044 million (2024: \$7.03 million) to the Department for Energy and Mining (DEM) for climate change initiatives.

2. Board and committees

2.1. Key management personnel

Key management personnel of GISA include the Minister for Climate, Environment and Water (the Minister), Board Members, the Chief Executive, Director and Associate Directors and Managers, who have key responsibility for the strategic direction and management of GISA.

The compensation detailed in the table below excludes salaries and other benefits received by the Minister. The Minister'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*.

	2025	2024
	\$'000	\$'000
Compensation		
Salaries and other short term employee benefits	1 170	1 314
Post-employment benefits	134	140
Total	1 304	1 454

Transactions with key management personnel and other related parties

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

OFFICIAL

Green Industries SA

Notes to and forming part of the financial statements

for the year ended 30 June 2025

2.2. Board and committee members

Members during the 2024-25 financial year were:

Green Industries SA Board

N Govan (Presiding Member)	T Powell
J L Conduit	A J Skull
T Dodd	R Wilson*
D McOmish	J Wheeler* (Ex Officio)

* These board 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/committees duties during the financial year.

Board and committee remuneration

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

	2025	2024
\$0	2	3
\$1 - \$19 999	5	5
\$20 000 - \$39 999	1	1
Total number of members	8	9

The total remuneration received or receivable by members was \$99 000 (2024: \$88 000). Remuneration of members includes sitting fees, superannuation contributions, salary sacrifice benefits, fringe benefits and any related fringe benefits tax paid.

3. Income

3.1. Grants and subsidies

	2025 \$'000	2024 \$'000
Commonwealth sourced grants		
Recycling Modernisation Fund - Plastics Technology	18 816	-
Recycling Modernisation Fund - National Partnership on Recycling Infrastructure	2 912	319
Food Waste for Healthy Soils	105	30
Total Commonwealth sourced grants	21 833	349
SA Government grants and subsidies		
Charitable Recyclers Subsidy Program from the EPA	154	115
Other grants and subsidies	177	-
Total SA Government grants and subsidies	331	115
Total grants and subsidies	22 164	464

Commonwealth sourced grants are paid to GISA via DTF and are recognised as income on receipt in accordance with AASB 1058. SA Government grants and subsidies are also recognised on receipt.

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Green Industries SA

Notes to and forming part of the financial statements

for the year ended 30 June 2025

3.2. Interest

	2025 \$'000	2024 \$'000
Interest from the Green Industry Fund*	2 561	2 336
Interest on loan receivable^	6	31
Total interest revenues	2 567	2 367

* The Green Industry Fund earns a floating interest rate, based on daily bank deposit rates.

^ Relates to interest revenue collected from the Recycling Infrastructure loan – refer to note 5.3.

Interest income is recognised on an accrual basis.

3.3. Resources received free of charge

	2025 \$'000	2024 \$'000
Shared Services SA - financial services	34	34
Audit Office of South Australia - audit services	19	-
Department of the Premier and Cabinet - ICT services	9	9
Total resources received free of charge	62	43

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

GISA receives Financial Accounting, Taxation, Payroll and Accounts Payable services free of charge from Shared Services SA, and ICT services free of charge from the Department of the Premier and Cabinet.

From 1 July 2024, audit fees are accounted for as auditing services received free of charge. Audit fees payable for 2023-24 have been derecognised in accordance with the changes.

3.4. Other income

	2025 \$'000	2024 \$'000
Grant refund *	604	-
Return of unspent funds	-	3
Reimbursement of expenses incurred	-	1
Other sundry revenue	21	1
Total other income	625	5

* Relates to the return of \$604 000 in 2024-25 from the Southern Region Waste Resource Authority under the National Partnership in Recycling Infrastructure program for a materials recovery facility project that did not proceed.

Green Industries SA
Notes to and forming part of the financial statements
for the year ended 30 June 2025

4. Expenses

4.1. Employee related expenses

	2025	2024
	\$'000	\$'000
Salaries and wages	3 213	3 095
Long service leave	21	182
Annual leave	301	321
Skills and experience retention leave	31	34
Superannuation	480	432
Board and committee fees	83	80
Workers compensation	19	43
Other employment related expenses	173	182
Total employee related expenses	4 321	4 369

Employment expenses

Employees are employed under Part 7 of the *Public Sector Act 2009*.

The superannuation expense represents GISA'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:

	2025	2024
	No	No
\$191 001 – \$211 000	-	1
\$231 001 – \$251 000	1	1
\$291 001 – \$311 000*	1	1
Total	2	3

The total remuneration received by those employees for the year was \$532 000 (2024: \$736 000).

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 any related fringe benefits tax paid.

* The remuneration received by the employee in 2023-24 includes a separation payment.

Green Industries SA
Notes to and forming part of the financial statements
for the year ended 30 June 2025

4.2. Supplies and Services

	2025	2024
	\$'000	\$'000
Fee for service - River Murray flood clean-up program	2 934	35 013
Fee for service - recycling and waste activities	947	976
Fee for service - community education programs	913	721
Waste disposal	858	649
Contractors	600	1 148
Fee for service - waste strategy and policy including single-use plastics	392	397
Advertising	316	85
General administration	262	225
Accommodation	248	338
Consultants	198	16
Information technology and communication	174	183
Fee for service - DEW	162	91
Fee for service - other	142	108
Staff development	78	50
Fee for service - local government	70	70
Minor works, maintenance and equipment	5	97
Other	210	223
Total supplies and services	8 509	40 390

Accommodation

GISA's accommodation is provided by the Department for Infrastructure and Transport (DIT) under a Memoranda of Administrative Arrangement issued in accordance with Government-wide accommodation policies. These arrangements do not meet the definition of a lease and are accordingly expensed. Information about accommodation incentives relating to these arrangements are shown at note 6.4.

4.3. Expenditure – SA Business and Non-SA Business

The following table includes all expenditure in relation to contracts above \$55 000 (GST inclusive) resulting from a procurement as defined in *Treasurer's Instructions 18 – Procurement* (TI 18). Arrangements between public authorities and arrangements with other governments are not included.

Expenditure is inclusive of non-recoverable GST.

	2025	Proportion SA and non-SA businesses
	\$'000	
Total expenditure with South Australian businesses	5 770	93%
Total expenditure with non-South Australian businesses	448	7%
Total expenditure	6 218	100%

Classification of SA business or non-SA business is based on circumstances as at the time of entering into a contract. For contracts entered into prior to 20 February 2023, where assessment was made under previous procurement requirements, this has been adopted to determine classification. For all other contracts, classification is based on the definition of SA business provided in TI 18.

Green Industries SA
Notes to and forming part of the financial statements
for the year ended 30 June 2025

4.3. Expenditure – SA Business and Non-SA Business (continued)

TI 18 defines a business as being South Australian where it operates in South Australia and more than 50% of the workforce delivering the contract resulting from the procurement on behalf of the business are South Australian residents.

The disclosure for expenditure with SA business reflects the total spent on contracts within the TI 18 definition and in some instances includes the cost of goods sourced from outside South Australia.

In many cases, the determination has been made on the basis of representations made by suppliers at a point in time which has not been subject to independent verification.

4.4. Grants, subsidies and transfers

	2025 \$'000	2024 \$'000
Climate change initiatives *	15 525	17 434
Recycling Modernisation Fund - Plastics Technology	10 000	-
Recycling Modernisation Grant Program ^	5 837	2 210
Recycling Infrastructure Grants Program - Industry and Local Government	958	969
Regional Transport Subsidies Program	740	884
Business Sustainability Program	536	399
River Murray Flood Clean-up - Berri Barmera Council	445	-
Circular Business Market Development Grant Program	357	297
Charitable Recyclers Subsidy Program	307	231
Recycling Infrastructure Grants Program - Food Waste for Healthy Soils	140	310
Local Government Program (Food Waste)	66	171
Council Modernisation Grants	42	36
Other contributions	175	25
Total grants and subsidies	35 128	22 966

* Intra government transfers for climate change projects as approved by the Minister under the *Green Industries SA Act 2004*, independent of the Board of Green Industries SA

^ A joint funded grant program by the Commonwealth and State governments to South Australia's resource recovery sector under the National Partnership on Recycling Infrastructure over 2020-21 to 2026-27.

4.5. Other expenses

	2025 \$'000	2024 \$'000
Audit fees	19	19
Ex Gratia payments	-	21
Total other expenses	19	40

Audit fees paid/payable to the Audit Office of South Australia relating to work performed under the *Public Finance and Audit Act 1987* were \$19 000 (2024: \$19 000). No other services were provided by the Audit Office of South Australia.

In the prior year, with Treasurer approval under *Treasurer's Instruction 14: Ex Gratia Payments*, GISA made Ex-Gratia payments to Circular360, totalling \$21 000 (excluding GST). On 12 April, Circular360 was deregistered with the Australian Securities & Investments Commission (ASIC).

Green Industries SA
Notes to and forming part of the financial statements
for the year ended 30 June 2025

5. Assets

All financial assets are measured at amortised cost.

5.1. Cash and cash equivalents

Deposits with the Treasurer

	2025	2024
	\$'000	\$'000
Green Industry Fund	89 489	56 652
Total cash and cash equivalents	89 489	56 652

The Green Industry Fund is established under section 17 of the Act. The Fund must be kept as directed by the Treasurer. The Green Industry Fund deposit account was established under section 21 of the *Public Finance and Audit Act 1987*.

Cash is measured at nominal amounts. In accordance with section 17(5) of the Act, the Green Industry Fund may be applied by GISA or by the Minister for Climate, Environment and Water.

In 2024-25, the Fund was used in accordance with the approved GISA 2024-25 business plan and was also applied by the Minister towards climate change initiatives and disaster waste management for the 2022-23 River Murray flood clean-up program.

5.2. Receivables

	2025	2024
	\$'000	\$'000
Contractual receivables		
Debtors	28	6
Total contractual receivables	28	6
Statutory receivables		
GST receivable	126	169
Workers compensation recoveries	6	4
Total statutory receivables	132	173
Prepayments	37	8
Accrued revenues	247	227
Total receivables	444	414

Contractual receivables

Contractual receivables arise in the normal course of selling goods and services to other government agencies and to the public. Contractual receivables are normally settled within 30 days after the issue of an invoice, or the goods/services have been provided under a contractual arrangement.

Refer to note 9.1 for further information on risk management.

Green Industries SA
Notes to and forming part of the financial statements
for the year ended 30 June 2025

5.2. Receivables (continued)

Statutory receivables

Statutory receivables do not arise from contracts with customers. They are related to taxes as well as statutory fees and charges. Statutory receivables are recognised and measured similarly to contractual receivables. Statutory receivables are not financial assets.

Workers compensation recoveries are related to the interim benefits receivable from employees pursuant to section 32(3) of *Return-to-Work Act 2014*. This receivable is recognised when the relevant employees' claims are rejected.

The net amount of GST receivable from DEW is included as a part of statutory receivables.

No impairment loss was recognised in relation to statutory receivables.

5.3. Loans

	2025	2024
	\$'000	\$'000
<u>Current</u>		
Recycling Infrastructure loan	-	747
Total current loans	-	747
 <u>Non-current</u>		
Recycling Infrastructure loan	-	1 282
Total non-current loans	-	1 282
 Total loans	 -	 2 029

A loan provided by GISA in 2018-19 supported a plastic recycling business to invest in advanced manufacturing equipment to sort and process plastic waste into high quality material for sale into local and export markets. The loan was managed by the South Australian Government Financing Authority. The term of the loan was 7 years and commenced on 14 February 2019. The loan was interest only at a rate of 2.17% for 3 years, payable monthly, and principal and interest for the remaining 4 years at the rate of 1.80% from February 2022. The loan was fully paid in October 2024, 18 months ahead of schedule.

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5.4. Property, plant and equipment

Property, plant, and equipment owned by GISA with a value of \$10 000 or greater are capitalised, otherwise it is expensed. Property, plant, and equipment owned by GISA is recorded at cost.

Leasehold improvements are capitalised as an asset and depreciated over the term of the lease or estimated useful life of the improvement, whichever is shorter.

Depreciation on leasehold improvements is calculated on a straight-line basis over the estimated useful life of 12 years.

Reconciliation 2024-25

	Leasehold improvements	Total
	\$'000	\$'000
Carrying amount at the beginning of the period	212	212
Depreciation	(54)	(54)
Carrying amount at the end of the period	158	158

Gross carrying amount

Gross carrying amount	655	655
Accumulated depreciation	(497)	(497)
Carrying amount at the end of the period	158	158

Reconciliation 2023-24

	Leasehold improvements	Total
	\$'000	\$'000
Carrying amount at the beginning of the period	266	266
Depreciation	(54)	(54)
Carrying amount at the end of the period	212	212

Gross carrying amount

Gross carrying amount	655	655
Accumulated depreciation	(443)	(443)
Carrying amount at the end of the period	212	212

Impairment

Property, plant, and equipment owned by GISA has been assessed for impairment. There was no indication of impairment for 2024-25.

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6. Liabilities

All financial liabilities are measured at amortised cost.

6.1. Payables

	2025 \$'000	2024 \$'000
Contractual payables	2 078	2 222
Accrued expenses	4	7
Statutory payables	-	19
Total payables	2 082	2 248

Payables and accrued expenses are recognised for all amounts owing but unpaid. All payables are non-interest bearing.

Contractual payables

Contractual payables are normally settled within 15 days from the date the invoice is first received.

Statutory payables

Statutory payables do not arise from contracts. Statutory payables include government taxes and equivalents as well as statutory fees and charges.

6.2. Employee related liabilities

	2025 \$'000	2024 \$'000
<u>Current</u>		
Accrued salaries and wages	16	-
Annual leave	319	332
Long service leave	37	33
Skills and experience retention leave	51	50
Employment on-costs	88	103
Total current employee related liabilities	511	518
<u>Non-current</u>		
Long service leave	939	960
Employment on-costs	99	99
Total non-current employee related liabilities	1 038	1 059
Total employee related liabilities	1 549	1 577

Employee related liabilities are accrued as a result of services provided up to the reporting date that remain unpaid. Apart from long service leave liability, employee related liabilities are measured at nominal amounts.

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6.2. Employee related liabilities (continued)

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

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

No provision has been made for sick leave as all sick leave is non-vesting and the average sick leave taken in future years by employees is estimated to be less than the annual entitlement of sick leave.

Long service leave

The liability for long service leave 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 is 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 used in measuring the liability is reflective of the yield on long-term Commonwealth Government bonds. The yield on long-term Commonwealth bonds has remained constant for 2025 at 4.25%.

The net financial effect of the changes to actuarial assumptions in the current financial year is insignificant. The impact on future periods is impracticable to estimate as the long service liability is calculated using a number of demographic and financial assumptions – including the long-term discount rate.

The actuarial assessment performed by the DTF left the salary inflation rate at 3.5% for the long service leave liability. As a result, there is no net financial effect resulting from changes in the salary inflation rate.

The current portion of employee related liabilities reflects the amount for which GISA does not have right to defer settlement for at least 12 months after reporting date. For long service leave, the amount relates to leave approved before year end that will be taken within 12 months, expected amount of leave to be approved and taken by eligible employees within 12 months, and expected amount of leave to be paid on termination to eligible employees within 12 months.

Employment on-costs liabilities

Employment on-costs liabilities include payroll tax, Fringe Benefits Tax, Pay As You Go Withholding, ReturnToWorkSA levies and superannuation contributions. They are settled when the respective employee benefits 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.

GISA contributes 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 respective superannuation schemes.

As a result of an actuarial assessment performed by DTF, the proportion of long service leave taken as leave has remained constant at 44%. The average factor for the calculation of employer superannuation on-costs has also changed from the 2024 rate of 11.5% to 12% for 2025. These rates are used in the employment on-cost calculation. The net financial effect of the changes in the current financial year are immaterial.

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6.3. Provisions

All provisions relate to workers compensation.

	2025 \$'000	2024 \$'000
Movement in provisions		
Carrying amount at the beginning of the period	191	145
Additional provisions recognised	56	54
Reductions resulting from re-measurement or settlement without cost	(35)	(8)
Carrying amount at the end of the period	212	191

GISA is an exempt employer under the *Return-to-Work Act 2014*. Under a scheme arrangement, GISA is responsible for the management of workers rehabilitation and compensation and is directly responsible for meeting the cost of workers' compensation claims and the implementation and funding of preventive programs.

Accordingly, a liability 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 2025 provided by a consulting actuary engaged through the Office of the Commissioner of Public Sector Employment.

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 the variety of factors involved. The liability is impacted by agency claim experience relative to other agencies, average claim sizes and other economic and actuarial assumptions.

6.4. Other non-financial liabilities

	2025 \$'000	2024 \$'000
Current		
Accommodation incentive	64	64
Total current other non-financial liabilities	64	64
Non-current		
Accommodation incentive	117	181
Total non-current other non-financial liabilities	117	181
Total other non-financial liabilities	181	245

Accommodation incentive liabilities relate to office accommodation arrangements with DIT as described in note 4.2. The benefit of this incentive is spread over the accommodation term so that each year reported accommodation expenses reflect the economic substance of the office accommodation arrangements and related benefits provided.

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7. Other disclosures

7.1. Cash flow

Cash flow reconciliation

Reconciliation of net result to cash flows from operating activities

	2025 \$'000	2024 \$'000
Reconciliation of net cash (used in)/from operating activities to net result		
Net cash from/(used in) operating activities	30 808	(17 993)
Add/less non-cash items		
Depreciation	(54)	(54)
Movement in assets and liabilities		
Increase/(decrease) in receivables	30	(653)
Decrease in payables	166	5 630
Decrease/(increase) in employee related liabilities	28	(196)
Decrease in other non-financial liabilities	64	63
(Increase) in provisions	(21)	(46)
Net result	31 021	(13 249)

8. Outlook

8.1. Unrecognised commitments

Contractual commitments

Expenditure contracted for at the reporting date but not recognised as liabilities are as follows:

	2025 \$'000	2024 \$'000
Within one year	12 761	9 695
Later than one year but not longer than five years	2 862	4 506
Total expenditure commitments	15 623	14 201

GISA's contractual commitments are for:

- agreements with DIT for office accommodation under a Memoranda of Administrative Arrangements;
- approved funding to DEM for Climate Change Initiatives;
- goods and services contracts with various external contractors.

8.2. Contingent assets and liabilities

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.

GISA does not have any contingent assets and is not aware of any contingent liabilities.

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8.3. Impact of standards not yet effective

GISA has assessed the impact of the new and amended Australian Accounting Standards and Interpretations not yet effective. These standards and interpretations are not expected to have a material impact on the GISA's statements.

No Australian Accounting Standards have been early adopted.

8.4. Events after the reporting period

GISA is not aware of any events occurring after balance date that would materially affect the financial statements.

9. Measurement and risk

9.1. Financial instruments

Financial risk management

Risk management is managed by GISA's corporate services section. GISA's risk management policies are in accordance with the *SA Government Risk Management Guide* and the principles established in the Australian Standard *Risk Management Principles and Guidelines*.

GISA's exposure to financial risk (liquidity risk, credit risk and market risk) is low due to the nature of the financial instruments held.

Liquidity risk

GISA is funded principally from solid waste levies received under the Act (refer to note 1.4). GISA's expenditure authority is approved by the Treasurer each year, based on budgeted revenues and expenditures outlined in an annual business plan.

Credit risk

GISA has policies and procedures in place to ensure that transactions occur with customers with appropriate credit history.

No collateral is held as security and no credit enhancements relate to financial assets held by GISA.

Impairment of financial assets

GISA considers that its cash and receivables have low credit risk based on the external credit ratings of the counterparties and therefore the expected credit loss is nil.

Market risk

GISA does not trade in foreign currency, enter into transactions for speculative purposes, nor for hedging. GISA does not undertake any hedging in relation to interest or foreign currency risk and manages its risk as per the Government's risk management strategy articulated in *TI 23 Management of Foreign Currency Exposures*.

GISA has no interest-bearing liabilities as at the end of the reporting period. There is no exposure to foreign currency or other price risks.

There have been no significant changes in risk exposure since the last reporting period.

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9.1. Financial instruments (continued)

Categorisation and classification of financial instruments

Details of the material accounting policies and methods adopted including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised with respect to each class of financial asset, financial liability and equity instrument are disclosed in the respective financial asset / financial liability note.

Financial assets and financial liabilities are measured at amortised cost except for amounts relating to statutory receivables and payables (e.g. Commonwealth taxes, Audit Office of SA audit fees etc) and prepayments are not considered as financial assets or liabilities. Receivables and payables at amortised cost are \$0.278 million (2024: \$0.233 million) and \$2.082 million (2024: \$2.229 million) respectively.