



Annual Report 2023-2024



Cover image : Courtesy of Tourism Tasmania.

This report has been prepared in accordance with the requirements of the Local Government Act 1993. The report relates to Council's Annual Plan and Strategic Plan for the year ending 30 June 2024 and provides an overview of Council's operations and achievements during this period.

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Fast Facts



Municipal area

- 3809 square kilometres



Population

- 6770 (ABS 2021 data) permanent residents to more than 15,000 in the summer months
- Rated properties: 5975



Natural Attractions

- Bay of Fires
- Peron Dunes
- Mt Victoria
- Blue Tier
- Evercreech White Gum reserve
- Mt William National Park
- Eddystone Point
- St Columba Falls
- Halls Falls
- St Patricks Head
- Scamander Beach



Major Industries

- Tourism
- Retail Trade
- Health Care and Social Assistance

Industries of growth

- Tourism
- Fishing and Aquaculture
- Agriculture
- Forestry
- Mining



Adventure

- St Helens Mountain Bike Trails, including the Bay of Fires Trail.
- Fishing – Game fishing including tuna, marlin, swordfish, shark, deep sea and reef fishing for a variety of species as well as Bay River and estuary fishing.
- Surfing
- Bush walking – there are a range of trails on offer in our municipality for all fitness levels
- Camping - there are a number of free camping grounds in our municipality

Connect with us:

**Location: 32-34 Georges Bay Esplanade,
St Helens, Tasmania, 7216**

Phone: (03) 6376 7900

Email: admin@bodc.tas.gov.au

Office Hours:

Monday - Friday 9:30am - 4pm

(Excluding public holidays)

After Hours Emergency: (03) 6398 2281

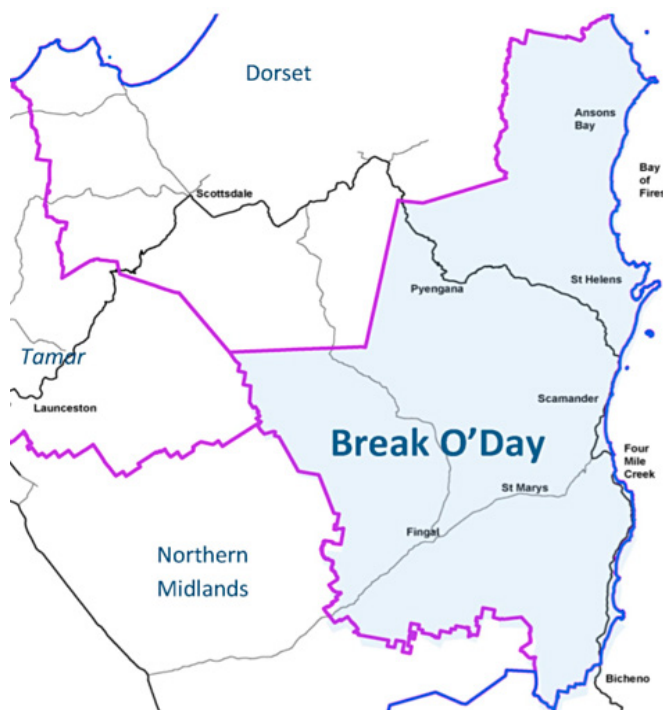


Website: www.bodc.tas.gov.au



www.facebook.com/BODCTas/

Region Snapshot



The Break O'Day municipality extends along the East Coast of Tasmania from Eddystone Point (Irapuna) in the north to Denison River in the south and west through the Fingal Valley. Our region includes a diverse range of scenery and townships from the arty and creative hub of St Marys, historic townships like Fingal, Mathinna and Weldborough, the mining town of Cornwall, rich farming towns like Pyengana and Goulds Country as well as coastal

towns such as Seymour, Four Mile Creek, Falmouth, Ansons Bay, Scamander, Beaumaris, Binalong Bay and St Helens - the Game Fishing capital of Tasmania.

St Helens is the major town of the Break O'Day area and the East Coast. It features a hospital, numerous accommodation options, a District High School that offers Kindergarten to grade 12, Child and Family Centre, Trade Training Centre, Neighbourhood House, Business Enterprise Centre, Regional Jobs Hub, Residential Aged Care, numerous restaurants and cafés, retail outlets and more.

In November 2019 the St Helens Mountain Bike (MTB) Network officially opened and has seen a range of MTB related businesses developed to support the MTB Network.

St Marys is the main hub of the Fingal Valley and features a District School offering Kindergarten to grade 12, a Community Health Centre, a range of unique local businesses, coffee shops and regular artisan markets.

While our region has won international acclaim for the coastal beauty of the Bay of Fires, which is synonymous with pristine white sand, turquoise water and orange lichen covered rocks, we also have a range of national parks, conservation areas and reserves on our doorstep. Mt William National Park, located in the northern reaches

of the municipality blends beachscapes with the forest. There are some beautiful waterfalls in the area from the striking St Columba Falls, one of Tasmania's highest, multi-tiered falls to beautiful Halls Falls. The Fingal Valley is home to a number of waterfalls including the picturesque Mathinna Falls.

The beauty of the Blue Tier is now gaining international recognition thanks to two mountain bike trails, the Blue Tier Descent, as well as the 42km Bay of Fires Descent Trail. The Blue Tier also offers 4WD and bush walking opportunities. It is an area of diverse cultural and historic significance that starts with the region's first nations people through to the early days of tin mining which brought a large Chinese population to the area.

The Fingal Valley is predominantly an agricultural area but also features many forest walks and recreation areas. Head to the forest reserve of Evercreech which features some of the tallest gums in the world and visit Mathinna Falls while you are there. If you are adventurous you could climb St Patricks Head in St Marys and get a 360 degree view of the coast and the valley; a trek well worth the effort.

From the mountains to the sea, the Break O'Day region is abundant in natural attractions, activities and development opportunity.

About Us

Our Vision

A naturally beautiful environment that speaks to our heart. A diverse and thriving community; a place of opportunity. A place where everyone feels safe, welcome and connected.

Our Values

Working as a TEAM with OPEN & HONEST COMMUNICATION; we act with INTEGRITY whilst showing RESPECT and being POSITIVE and proactive in our actions.

Our commitment to our community

Leadership/ Ownership:

- We will be visionary and accountable leaders who advocate and represent the views of our community in a transparent way.
- We will make decisions for the greater good of Break O'Day by being accessible and listening to our community.

Great Communication:

- We will listen, consult and engage with the community and individuals.
- We will be open, honest and proactive in our communication. We will keep people informed about the things that matter to them.

Infrastructure and services:

- We will plan, deliver and maintain quality infrastructure and services.
- We will strive to deliver excellent customer service and promote Break O'Day as a desired destination.

Working together:

- We will build, and maintain strong relationships and partnerships through consultation, engagement and collaboration.
- We will support and facilitate our community.

Stewardship/ Custodian:

- We will be responsible in planning and management of the Break O'Day area.
- We will make good decisions about our environment and resources.
- We will balance competing needs and demands while keeping a sustainable future in mind.

Fiscal Responsibility:

- We will work within a culture of financial sustainability focusing on securing outside funding, spending wisely and being fair to all.
- We will recognise the limitations of resources and the community's capacity to pay.
- By ensuring that all we do fits within the above mentioned ideals, we will be able to successfully, and positively influence our customer's perception of us and therefore our brand

Mayor's Message



Welcome to the 2023-2024 Annual Report.
What a year it has been!

Our Council has been working hard behind the scenes to secure funding that will help us progress key projects and activities that will elevate our community and region. Our vision is to provide quality services that promote the wellbeing of all Break O'Day residents. Securing funding from State and Federal Governments takes effort, and I want to thank everyone who contributes to this process, including the community members who offer valuable feedback and engage with our governing bodies.

During the 2022 State election, we successfully lobbied for funding for the Pumptrack project at Flagstaff, which is currently underway and expected to be completed by December 2024. This will complement this fantastic space and the already established Mountain Bike Network, encouraging an active lifestyle.

Our Georges Bay Multi-User Track project, which had stalled due to a lack of funding, is back on track thanks to \$1 million in funding support from the State Government and we hope to be able to secure Federal funding to complete this project as well. These projects, along with others like a Telstra upgrade for St Helens are clear examples of how our positive relationships with government can result in meaningful progress for our

community.

This past financial year, we faced unexpected storm-related devastation which saw more than 145 mm of rain fall in a localised area of St Helens in a matter of hours. All it took was one quick call from me to Premier Rockliff and this led to the Premier declaring this a natural disaster for our area. The impact was significant—homes and businesses suffered, and there was a sudden pause on our local daily life. I want to thank the Premier and the State Government for their swift response and financial support that allowed us to begin the recovery process. Again, this shows just how important our strong relationships with State and Federal Governments are in ensuring quick responses when our community needs it most.

We've dealt with our share of natural events in recent years. After the Fingal Valley bushfires, we were fortunate to receive funding from the Federal Government's Black Summer Bushfire Recovery Grants. We are now seeing progress on recovery projects like the St Marys Multi-Purpose and Evacuation Centre, which is nearing completion, aided by an additional \$500,000 to fit out the facility from the State Government. This additional funding was negotiated by Council with the State Government during the election period. The Fingal Community Shed and the Mangana Network

telecommunications tower are also progressing, all made possible by this crucial funding. I would like to thank the Federal and State Government for their consistent support to our community in times of need.

It's important to remember that our success isn't just about projects and funding—it's about the people who make an impact on our community.

I want to extend a special thank you to our outdoor crew, who are always on the front lines during these weather events. Your hard work ensures the safety and wellbeing of our community, and it is truly appreciated. Our emergency management and communications teams also deserve recognition for providing timely updates and support during uncertain times. And to all our staff, who band together in challenging moments—thank you for your commitment to helping the community you're a part of.

As Mayor, I am proud of the resilience of our community in these challenging times and would like to express my gratitude for your understanding and support. In the face of adversity, what really matters is how we come together. It's not about getting through it on our own but about leaning on each other and finding strength in our community. Together, we are resilient.

This year, our Volunteer Film Festival, led by Council's Community Services Team, brought together local groups and individuals to share their volunteering stories through short films. The project highlighted how much volunteers contribute to Break O'Day and positively impact our community. Our efforts were recognised when Council won the 2024 Community Award for the initiative. This award isn't just for Council—it's for every volunteer who pours their heart into making our community stronger.

Volunteers are the lifeblood of small communities like ours, and this award is a celebration of all their efforts. We're so proud of everyone involved and encourage more people to explore the rewarding experience of volunteering.

I'd also like to thank our Councillors for their continued efforts and commitment to their constituents. By listening to the community's needs, bringing those voices to the table, and engaging in respectful discussions, they help shape a positive future for Break O'Day. We're fortunate to have a cohesive and respectful Council that works well together.

And finally, I want to extend a heartfelt thank you to our amazing staff and volunteers. You are the backbone of Break O'Day Council and I appreciate your hard work for your community of which you are an important part. Every

decision we make as a Council touches your lives, your loved ones, and your neighbours, and I truly appreciate the dedication and care you bring to every project, service and task. Your hard work keeps Break O'Day thriving and makes a real difference - it doesn't go unnoticed. Keep shining!

Here's to another year of growth, resilience, and community spirit. Together, we can achieve great things!

“I am proud of the resilience of our community in these challenging times and would like to express my gratitude for your understanding and support. In the face of adversity, what really matters is how we come together.”

Mayor Mick Tucker

Mayor and Councillors

The Council is comprised of nine Councillors (including the Mayor and Deputy Mayor) elected by the community; each serve for a term of four years. The last Local Government Election was held in October 2022.

All Councillors must comply with Council's Code of Conduct. The Code covers issues such as the requirement to act in good faith, duty of care and diligence, conflict and pecuniary interest, issues of improper use of power and information, independence, confidentiality and the obligation to uphold the law. You can find a copy of the Code of Conduct on our website under My Council/ Policies.

The Council meet monthly for workshops, scheduled Council meetings and, as required when Special Council Meetings are called.

Member expenses are made up of printing and stationery, telephone charges, internet, travel and food and drink and delegate expenses (conferences, committee meetings, strategic planning sessions and workshops to name a few).

Councillor Attendance 2023-2024

Councillor	Ordinary Meetings Attended	Council Workshops Attended	Special Workshops Attended	AGM Attended	Total Meetings Attended
Mayor Mick Tucker	12 / 12	10 / 11	2 / 2	1 / 1	25 / 26
Deputy Mayor Kristi Chapple	11 / 12	9 / 11	1 / 2	0 / 1	23 / 26
Clr Janet Drummond	10 / 12	8 / 11	2 / 2	1 / 1	21 / 26
Clr Barry LeFevre	11 / 12	10 / 11	2 / 2	1 / 1	24 / 26
Clr Kylie Wright	10 / 12	6 / 11	2 / 2	1 / 1	19 / 26
Clr Gary Barnes	8 / 12	5 / 11	1 / 2	0 / 1	14 / 26
Clr Vaughan Oldham	12 / 12	9 / 11	2 / 2	0 / 1	23 / 26
Clr Liz Johnstone	9 / 12	10 / 11	2 / 2	1 / 1	22 / 26
Clr Ian Carter	11 / 12	11 / 11	2 / 2	0 / 1	24 / 26

Organisational Structure



General Manager's Report



When I wrote this report last year we were waiting to see what the Local Government Board would recommend in relation to Council boundary adjustments and then, what the State Government might do on the matter. I was also concerned that the State Government might just ignore the Final Report which would be incredibly frustrating. The Local Government Board made some recommendations, and we responded supporting the investigation into an East Coast Council in our submission to the Minister in February this year. Since then, there has been nothing from the Minister and the State Government. Obviously, the State Election and the survival of the Government have distracted them from this vital piece of work.

We were able to place the issues of housing, population change, health needs, childcare and post secondary education on the table to focus on. Initially the focus has been on education and the potential for a Study Hub to be established on the East Coast to support learners in vocational and tertiary education.

A highlight of the year was the Volunteer Film Festival which was held at the Easy Tiger complex, showcasing the activities of 11 of our local community groups and attended by over 70 people. These were wonderful and inspirational stories of what makes our community so great. We submitted the event to the Local Government Professionals Community Service Delivery Awards

because we thought it was such a great project. (Post year end footnote – the Judging Committee must have thought so too because we WON!) Great work by the Community Services team.

There has been much discussion within the community over many years about the construction of an aquatic facility in the Break O'Day area. The Council has been very cautious on the matter as any facility is going to potentially have very significant financial ramifications into the future and it requires a very close examination. During the year the first steps were taken to undertake a feasibility analysis to address key questions such as whether an aquatic facility is feasible, what it could look like, where it might be located and how it would be financed. This is important work and if it does look like it might be possible, then a detailed business case will need to be developed prior to a final decision by Council as to whether it goes ahead.

During the year we managed to progress work in key areas such as:

- Tourism Strategy Review
- Economic Development Strategy Review
- Break O'Day Population Analysis
- Local Township Plans (Nine)
- Bay of Fires Master Plan

- Local Provision Schedule (Planning Scheme)
- Lower George River Flood Risk Impact Assessment
- St Marys Pass Alternative Route Investigation

The hard work of the Break O'Day team, Councilors, employees and volunteers in serving our communities continue to result in creating a better future for those lucky enough to live and visit the beautiful Break O'Day area. I would like to express a heartfelt thanks for this work, we do receive emails and calls from members of our community expressing their appreciation and these are always passed on as they are really welcome.

“The hard work of the BODC team, Councillors, employees and volunteers in serving our communities continue to result in creating a better future for those lucky enough to live and visit the beautiful Break O'Day area.”

**General Manager
John Brown**

Dawn breaking over Georges Bay



Annual Report Overview

In this section of the Annual Report you will find a quick snapshot of Break O'Day Council's Annual Plan and how we have gone towards achieving this plan during the 2023- 2024 Financial Year.

Every year Council endorses an Annual Plan which guides Council's activities for the financial year.

The Annual Plan is based on the 10 Year Strategic Plan which was developed in 2017 with a large amount of community input.

This Strategic Plan was reviewed in 2022 and a revised Plan is available on our website.

Our Annual Plan has five main Goals with each containing; Strategies, Key Focus Areas and Activities.

Every year Council staff report directly on each of these sections down to action level.

This report represents an executive summary of this work. You can find more detail on our Annual Plans and quarterly reports found on our website under My Council.

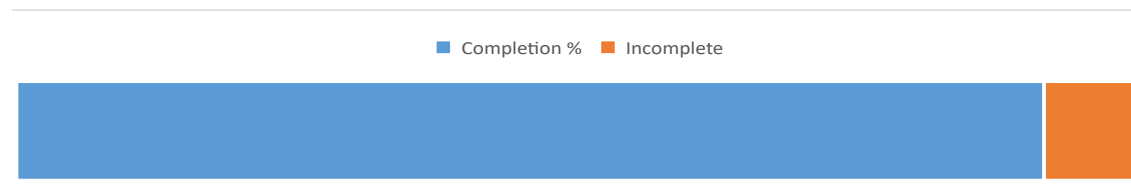
Annual Report Completion

92%

Strategies - 18

Key Focus Areas - 21

Activities - 98

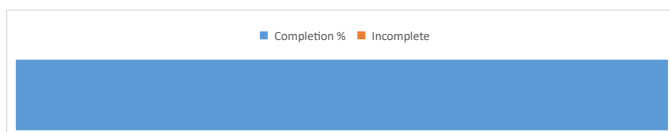


Community - 100%

Strategies – 4

Key Focus Areas – 5

Activities - 17

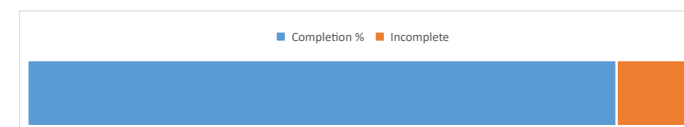


Infrastructure – 88%

Strategies – 3

Key Focus Areas – 5

Activities - 27

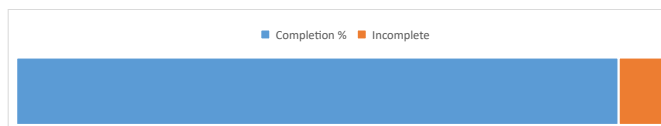


Environment – 92.3%

Strategies – 4

Key Focus Areas – 3

Activities – 22

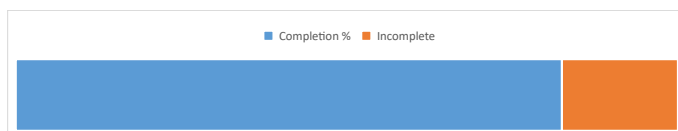


Economy – 82.5%

Strategies – 4

Key Focus Areas – 4

Activities - 21

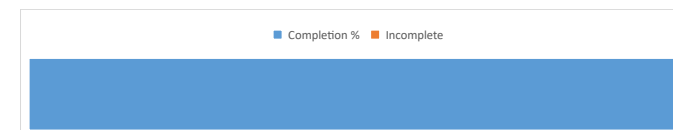


Services – 100%

Strategies – 3

Key Focus Areas – 4

Activities - 11



1. Community - 100% complete

To strengthen our sense of community and lifestyle through opportunities for people to connect and feel valued.

Strategies

1. Create an informed and involved community by developing channels of communication.

2. Build community capacity by creating opportunities for involvement or enjoyment that enable people to share their skills and knowledge.

3. Foster and support leadership within the community to share the responsibility for securing the future we desire.

4. Foster a range of community facilities and programs which strengthen the capacity, wellbeing and cultural identity of our community.

Communication

Improve and develop communication processes that lead to the community feeling more informed and involved.

Council staff have taken steps to embed the Community Engagement Strategy into the day-to-day activities of Council. The strategy is consistently used in engagement activities and is supported by internal templates that ensure consistency of process. The internal templates for staff has significantly assisted staff in determining which communication platforms are most appropriate for their audience.

This year a plan was developed and funding allocated in the 24-25 budget for a comprehensive review and redevelopment of Council's website. The main aims of the redevelopment is to improve; user experience, access to online service delivery, and, ensure ease of access to information for those living with disability or learning difficulties. The plan, approved in April 2024, will be implemented as part of the broader Digital Transformation Program which is an organisational activity.

Events and Activities

Creates a culture of volunteering and support to enable vibrant and sustainable events, activities and community groups.

Several community events took place through the year with a busy period in late 2023 and early 2024. Council officers supported their delivery of these events. Environmental awareness efforts progressed well, including collaborations with agencies like Tasmania Parks and Wildlife Service and Biosecurity Tasmania. Key activities included supporting farmers in sustainable practices, cat management sessions, tree planting with students, and the annual larapuna beach cleanup. Waste and dog management education was also a focus.

Council's 2023 Festival of Wellbeing attracted around 350 attendees, featuring both indoor and outdoor spaces. Highlights included community engagement activities like games, a pebble sculpture, and performances by the With One Voice Choir. Planning for the 2024 Festival, scheduled for Mental Health Week in October, is underway, with a Wellbeing Summit to follow.

Volunteering

Build community sustainability and inclusion through a culture of volunteering and support within our community

Council remains active in engaging potential volunteers and connecting them with community groups in need of assistance.

A key achievement for the 23-24 Financial Year was the forming of a new community volunteer group, the Break O'Day Festivities Committee. This group of volunteers organised festive events and decorations for the entire municipality with Council support. This filled an important gap in the delivery of Christmas events left by the disbandment of the local Lions Club who traditionally organised these events.

Volunteers also contributed to events like the Wellbeing Festival. Additionally, Council has developed a list of trained community members who can assist in managing evacuation and recovery centres during emergencies, working with Red Cross Australia to provide training opportunities for interested volunteers

Community and Council Collaboration

Work within a community engagement framework which defines the relationship between community and Council in decision making and project delivery

Key activities in this space include working directly with community committees on the development of an Arts and Cultural Strategy as well as the most appropriate, future use of the Council owned, Portland Court Building.

Township Plan reporting occurred this financial year, these plans are an excellent example of community and Council

collaboration that involves council officers working directly with community to identify and deliver priority projects and activities for their town. Nine Township Plans were completed early in the year. Positive community feedback was received on the first round of reporting in April 2024, these can be found on our website.

The Council has been facilitating a local network of Health Services providers. The Network is a valuable forum for identifying health and wellbeing needs, gaps, and opportunities, fostering connections and collaborations for health services in our community.

Wellbeing

Support and enhance community wellbeing through shared understandings, and opportunities for people to get involved, connect, build on strengths, and feel a sense of belonging in Break O'Day.

The Wellbeing Certificate underwent a redesign this year which provided a future blueprint for the project. The Certificate was revamped into an eight-week, face-to-face program, supported by a wellbeing website. Two wellbeing groups completed the program with nine new impact projects a direct result from the 2023 cohort.

Participants from the 2023 program formed the Wellbeing Collaborative, driving ongoing community wellbeing actions. The Wellbeing Project arrangements with the Tasmania Community Fund were also agreed to and extended, pushing the project end date to June 2025.

Monthly meetings by the Wellbeing Collective support ongoing projects, which include a women's surfing group, mindfulness workshops, and a wellness directory, showcased on the Wellbeing in Break O'Day website

Community - 100%

Strategies – 4

Key Focus Areas – 5

Activities - 17

■ Completion % ■ Incomplete



A Week in the Life of Council - Students learn about Council careers and activities

Students from St Marys District School discovered that Break O'Day Council does far more than fill potholes when they spent a week with Council staff as part of the Week in the Life of Council (WITLOC) project.

This immersive experience was developed with the aim to educate students about the wide-ranging responsibilities of Local Government, open up career pathways, and ensure that young voices are represented in Council decisions.

Over the course of the week in August, seven students from St Marys District School engaged with various Council departments, including Corporate Services, Community Services, Communication, Planning and Building, Economic Development, and Works and Infrastructure. They also had the opportunity to participate in Q&A sessions with the General Manager and Councillors.

In addition to learning about each department's functions, students took part in hands-on activities such as tree planting, visiting the St Helens Mountain Bike Trails and St Marys Skate Park, developing communication plans, and triaging community requests. These experiences allowed the students to witness firsthand the diverse roles within Council and how Council contributes to, and works with the community.

To conclude the program, students created posters summarising what they had learned during their time at Council. These posters were displayed in Council's office and shared on social media.

The students expressed enthusiasm about the experience, with many sharing positive feedback. Some of these quotes are included here.

Council really enjoyed connecting with students and listening to them share their ideas for their community and partnering with St Marys District School to provide this unique learning opportunity. Ultimately, the Week in the Life of Council project allowed us to connect with our youth, inspire future leaders, and strengthen the bond between Local Government and the community.

This project won an Award for Excellence at the Local Government Awards in November 2023

“Really enjoyable, I’ve learnt things I never knew before.”

“It was honestly amazing and so much fun. 10/10 would do it again.”

“I feel like this program taught me a lot and helped me learn more about more job opportunities.”

“Huge thank you to these amazing people for the amazing week I had, I learnt so much about the Council and I would definitely do it all over again.”

St Marys District School WITLOC participants with Council’s HR Coordinator, Eric McKinnell



2. Economy - 82.5% Complete *To foster innovation and develop vibrant and growing local economies which offer opportunities for employment and development of businesses across a range of industry sectors.*

Strategies

- 1. Develop and highlight opportunities which exist and can be realised in a manner that respects the natural environment and lifestyle of the BOD area.**
- 2. Provision of relevant training and skills development programs to create a workforce for the future that meets the changing needs of business.**
- 3. Create a positive brand which draws on the attractiveness of the area and lifestyle to entice people and businesses' to live and work in BOD.**
- 4. Support and encourage innovation and growth in the economy through local leadership; infrastructure provision; support services and customer focussed service delivery.**

Opportunities

Identify and realise opportunities that develop and support the Break O'Day economy in a sustainable manner.

The year focused on the initial stages of developing a new Break O'Day Economic Development Strategy. Consultants Stantec were appointed in April 2024 with plans to undertake community engagement to develop the strategy. The strategy aims to establish a shared vision for Break O'Day's economic future, considering local strengths and challenges to guide employment opportunities and economic leadership in the region.

Council was successful in securing further funding for the Bay of Fires Master Plan, and a process is underway to appoint consultants to do this work.

Council has continued its efforts to address employment barriers like childcare and accommodation shortages, and was successful in securing funding from the State Government to develop a feasibility study for a new, purpose built Childcare facility in St Marys. The St Helens area was also selected as a trial site for free childcare.

The General Manager is the chair of Break O'Day Employment Connect and Council continues to work with and support the efforts of this organisation. Council collaborates with East Coast Tasmania Tourism on regional marketing, promoting

local businesses with tourism now to be integrated into a broader Economic Development Strategy.

Brand

Understand and communicate the unique characteristics and differences of our communities and the Break O'Day area to foster a sense of pride and authenticity.

Initial work was undertaken scoping out the nature and purpose of why a Brand would and should be established however, progress with this activity was impacted due to resourcing.

This activity has been included in the 24/25 Annual Plan and the responsible officer will be seeking clarification from Councillors around what their expectations and outcomes are of this activity. Once this is clarified, the relevant officer will progress this activity.

Population

Monitor changes in an ageing population in order to understand and address challenges and opportunities this creates.

Dr Lisa Denny completed an analysis of the Break O'Day population in June 2024 providing a report to Council, Future Thinking: Demographic change in Break O'Day.

This report is being used as part of the Feasibility Analysis for the Break O'Day Aquatic Facility and the Economic Development Strategy Review. Presentations to the Council, key stakeholders and the community are being scheduled for later in 2024.

The review undertaken by Dr Lisa Denny provides important direction for consideration in all future Council strategies and projects.

Housing

Develop an understanding of housing needs; advocate for and facilitate the construction of a range of housing solutions.

Progress in the area of housing has been challenging but there has been headway on several fronts. The State Government's involvement and strategic nature of this work has contributed to delays.

Strategically, this activity is part of the East Coast Strategic Regional Partnership, which includes understanding housing needs along the coast. This activity will be informed by the population analysis and the broader State Housing Strategy which Council contributed to during its consultation phase. Ongoing discussions with Social Housing provider CentaCare Evolve and Homes Tasmania remain focussed on their respective affordable housing projects in Fingal and St Marys. The Fingal project is advancing well and lease

arrangements of the Council land for the project are being negotiated.

Emergency housing needs remain a topic in ongoing discussions at a Council and community level.

St Helens History Room

The St Helens History Room located at 61 Cecilia Street, showcases the rich history of the Break O'Day area. The History Room is open Monday to Friday from 9am to 4pm and Saturdays and Sundays from 9am – 3:30pm. Every August locals can enjoy the History room for free as part of Free Local's Month.

The History Room has displayed a range of exhibition and events as detailed below.

Exhibitions

- 'Ships of St Helens'
- 'Family, Friends, Fishing and Fun'
- 'Interesting Objects'
- 'Fossicking Finds'
- ANZAC Day display
- 'Bay of Fires'
- Cats and Dogs – All at Sea'
- NAIDOC Week
- Family History month
- 'The Corner Store'

1,857 visitors came into the St Helens History Room during this reporting period. Entry fees totalled \$5,758.00

Visitor Information Centre

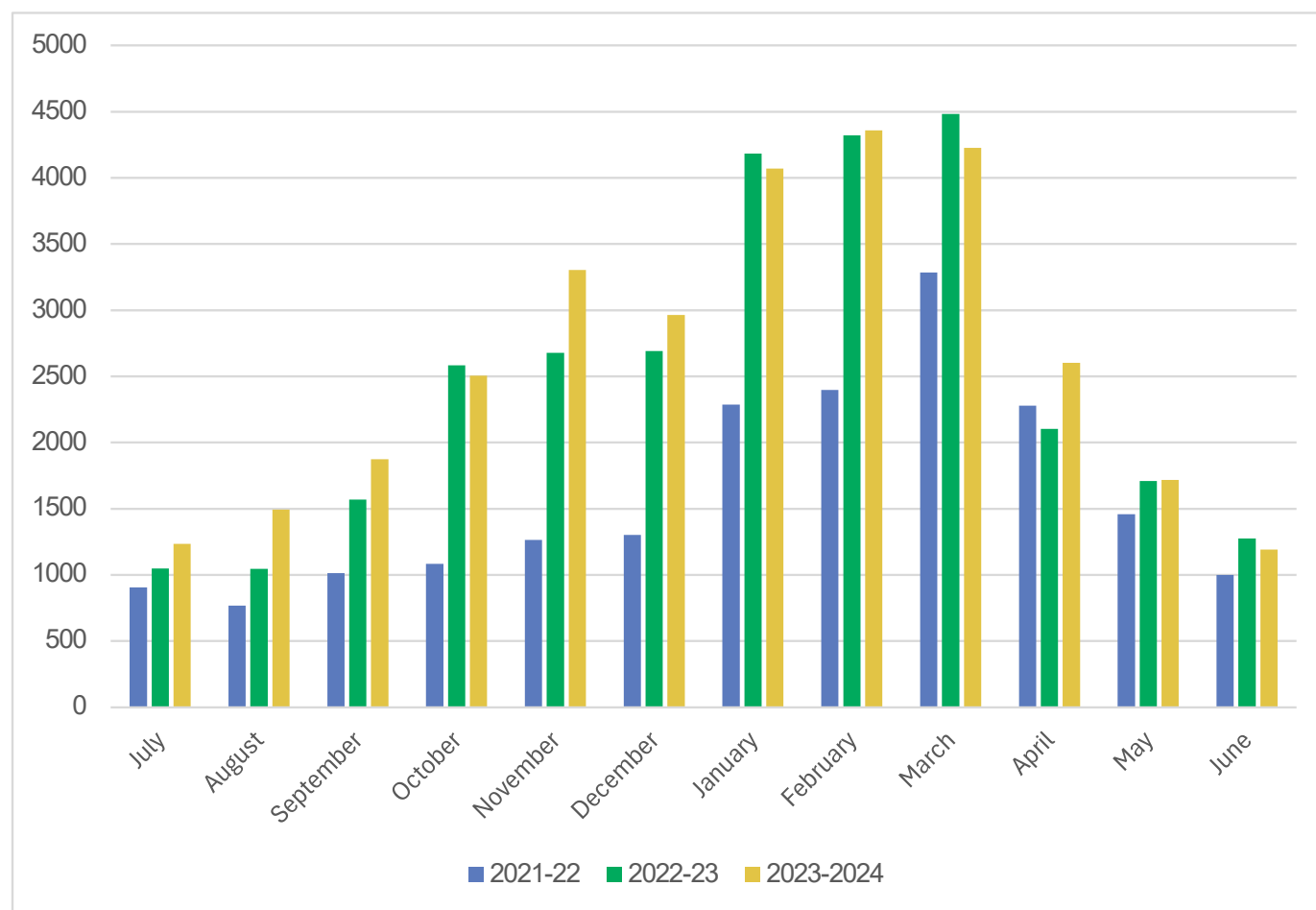
The St Helens Visitor Information Centre (VIC) is staffed by a core of three permanent part time employees.

The VIC is open every day of the week from 9.00am to 4.00pm Monday-Friday and 9.00am-3.30pm Saturday-Sunday (Except Good Friday, Christmas Day and ANZAC Day morning.) The VIC plays an integral role in tourism in our area. Not only do staff help visitors to our area find accommodation they also help them plan a range of activities to do and places to see. Working with local providers they ensure that our local businesses are represented in the centre.

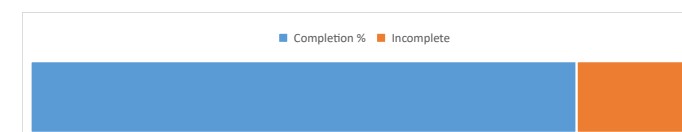
Despite a changing visitor audience who tend to use their devices and apps to source information, the VIC still services thousands of visitors a year. The change in visitor information seeking habits are reflected in the State Government's reinvention of their tourism strategy which will guide the future of VICs.

Total visitors to the VIC for the 2023- 2024 FY: 31,540 – up 1,851 visitors from last year.

St Helens Visitor Information Centre - Door Count Statistics



Economy – 82.5%
Strategies – 4
Key Focus Areas – 4
Activities - 21



Fingal Housing Project - Delivering Affordable Housing for our community

The struggle for reliable and affordable housing is a reality many Australians are facing, and it's no different here in Break O'Day. With over 100 applicants currently on the social housing waitlist, the need for more affordable housing options in our region has never been more urgent.

Rising housing costs, limited availability, and increased demand have made it harder for individuals and families to find secure, long-term housing. For many, the challenge isn't just about finding a roof over their heads—it's about finding a home where they can build a future.

In response to this growing need, the Break O'Day Council launched the Fingal Housing Project. This initiative is aimed at easing the housing pressures our community is facing and creating more opportunities for people in need of affordable housing. The project marks a crucial step toward addressing the housing shortfall in our region.

However, like any significant development, it must go through a rigorous approval process. To ensure everything is done properly and in line with local guidelines, the Development Application (DA) must comply with the Break O'Day Planning Scheme. At this stage, we are still awaiting the DA to be lodged by Centacare Evolve, Council's chosen housing provider partner for this project.

Centacare Evolve is one of the leading social housing

providers in the state, known for their deep commitment to creating sustainable housing solutions. Their involvement in this project brings more than just expertise in construction—it's about building a supportive and thriving community for future residents. Centacare Evolve works closely with local support services to ensure that their developments provide not just homes, but a network of care and opportunity. This holistic approach will be vital in creating a resilient and connected community in Fingal.

The project will be located on Council-owned land at Talbot Street in Fingal. As part of the Council's commitment to this cause, we have leased the land to help make this project a reality. The site is ideally situated in the heart of the township, directly across the road from the Fingal Valley Neighbourhood House, which is the main service provider in the area.

The State Government has also shown its support for this project, recognising its importance for our region. We were fortunate to receive formal commendation from the former Minister for Housing and Construction, Nic Street, who acknowledged the positive impact this initiative could have for our community. This kind of backing from the State Government is crucial in ensuring projects like these move forward and receive the attention they need to be successful.

We remain committed to working with the community and

exploring further opportunities for housing developments across our municipality. As we progress, keeping our community informed and involved will be a key part of the process. We know that these kinds of projects rely not only on good planning and execution but also on the support and engagement of the people who live here.

Ultimately, the Fingal Housing Project represents more than just a solution to the housing crisis—it's about fostering a sense of belonging and strengthening our community's resilience. By providing affordable, accessible housing and creating a supportive environment for residents, we're helping to ensure that Fingal remains a place where people can feel proud to live. This project is about laying the foundations for a future where everyone has the opportunity to build a better life, and we're excited to see it come to life.

As we move forward, we'll continue to seek out new opportunities for growth, collaboration, and community development. Together, we can tackle the housing crisis and create a more inclusive, supportive future for all residents in Break O'Day.

The beautiful and scenic Fingal Valley.



3. Environment - 92.3% Complete

To balance our use of the natural environment to ensure that it is available for future generations to enjoy as we do.

Strategies

- 1. Ensure the necessary regulations and information is in place to enable appropriate use and address inappropriate actions.**
- 2. Increase the community's awareness of the natural environment; the pressures it faces; and actions we can take to sustain it and what it provides.**
- 3. Undertake and support activities which restore, protect and access the natural environment which enables us to care for, celebrate and enjoy it.**
- 4. Recognise and alleviate the issues and risks to the environment from our use, and the risk to us from a changing environment. (For example flood and fire.)**

Appropriate Development

Encourage sensible and sustainable development through sound land use planning, building and design.

This area of activity is largely focused on strategic planning and policy development. A major achievement this year was the completion and adoption of the Local Provisions Schedule (LPS) as well as the development of the Strata Policy which provides clear and consistent guidelines for controlling Strata developments in the future. Background work was undertaken in a number of key areas including investigation of Low Density Residential in St Helens; a Scamander/Beaumaris Structure Plan; and Vacant Residential Land.

Key activities include ongoing participation in the review of the Regional Land Use Strategies, which will continue into the next financial year. The State Planning Office has released the Regional Planning Framework Consultation Report, and further review of the regional strategies is expected.

Development Assessment has taken precedence over some strategic work, but progress has been made on data analysis and the review of residential and rural zones. This will be a focus in the upcoming financial year.

Land and Water Management:

Develop and implement strategies and activities that prevent land degradation and improve water quality within our rivers, estuaries and coastal areas.

Significant progress has been made in environmental management and policy development. The review of the Dog Management Policy and Dog Management Zones commenced this financial year and received 88 submissions through the public consultation phase. The Review will be finalised in the 24-25 Financial Year.

With the introduction of the Cat Management Act, Council has been actively seeking to educate cat owners about responsible cat ownership with public education sessions held. We are also actively involved in a regional collaboration to address feral cat colonies.

Flood and coastal hazard risk management projects have been a focus this year including the George River floodplain and the Scamander River Mouth flood mitigation projects worth approximately \$300,000.

Council has led or partnered in a number of grant funded projects including; Jubilee Tree planting project, the Weed Action Fund (WAF) funded Drought Weeds, serrated tussock and bridal creeper weed management projects and more.

Shorebird protection has been a key focus for Council over the last few years. In collaboration with the Parks and Wildlife Service, and the local Shorebird Group we have been working to safeguard breeding areas and manage off-road vehicle activity as well as educate the community about the importance of our beaches as nesting and breeding zones for these vulnerable shore birds.

Climate Change:
Understand, address and evaluate the challenges of climate change in Break O'Day and develop and implement mitigation strategies

This year, significant focus has been placed on regional climate initiatives, particularly through the Northern Tasmanian Alliance for Resilient Councils (NTARC).

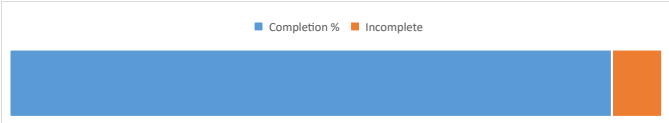
Council began collating data for a regional emissions footprint project, tracking emissions from 2019 onwards to guide future actions for reducing energy costs and emissions. NTARC’s Program Manager worked with Council to address priorities in the Climate Change Action Plan, including carbon accounting, risk management, and community climate action.

A November 2023 information session introduced the Scamander Coastal Hazards project to the community, with active work planned for 2024/25 Financial Year, including recruiting expertise for flood management and

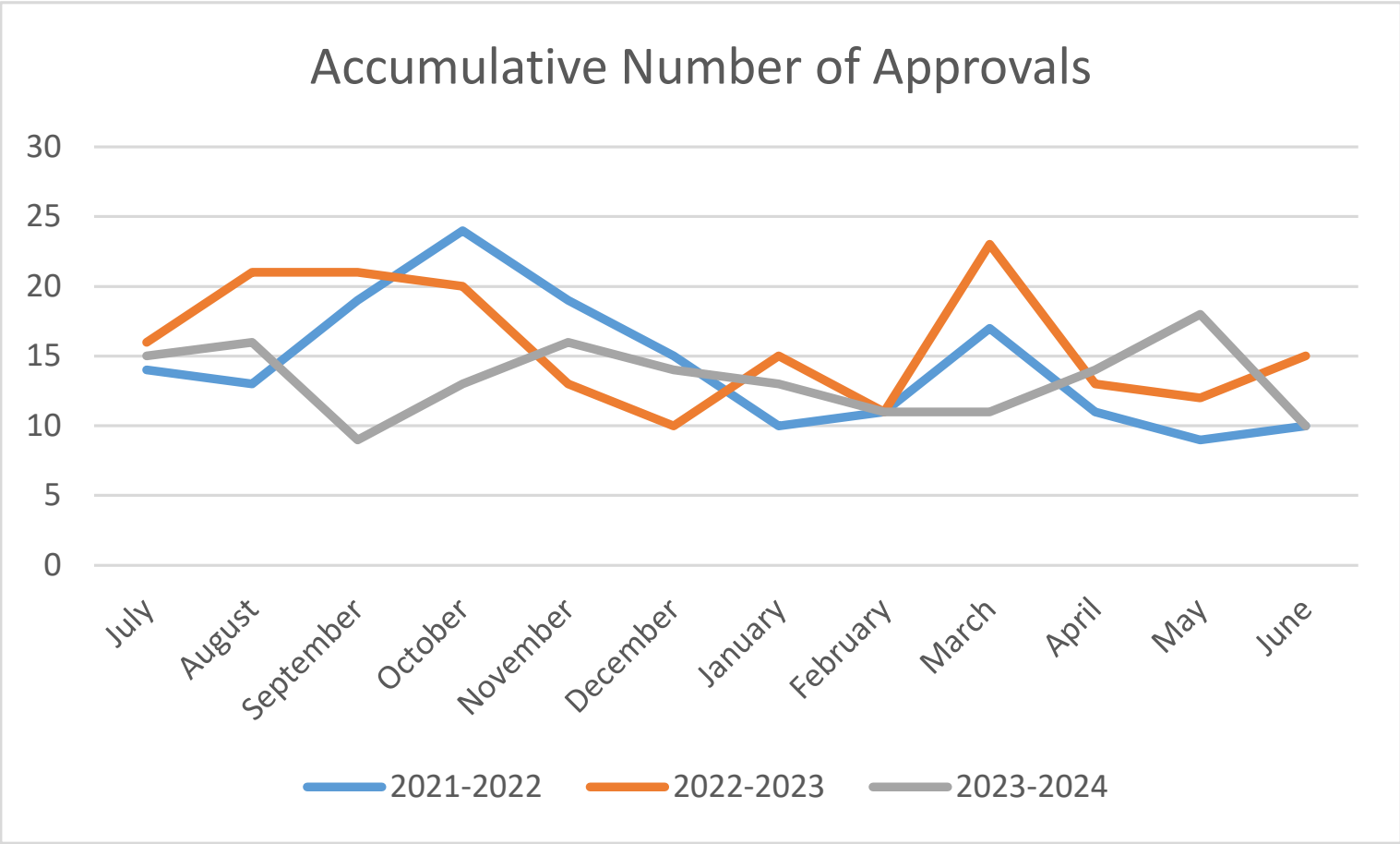
risk mitigation.

Council has joined the Local Government Climate Capability Program, contributing to program design and regional climate action efforts. Additionally, Council hosted workshops on coastal hazard management and community climate change health priorities, contributing to the Tasmanian Climate Change Risk Assessment.

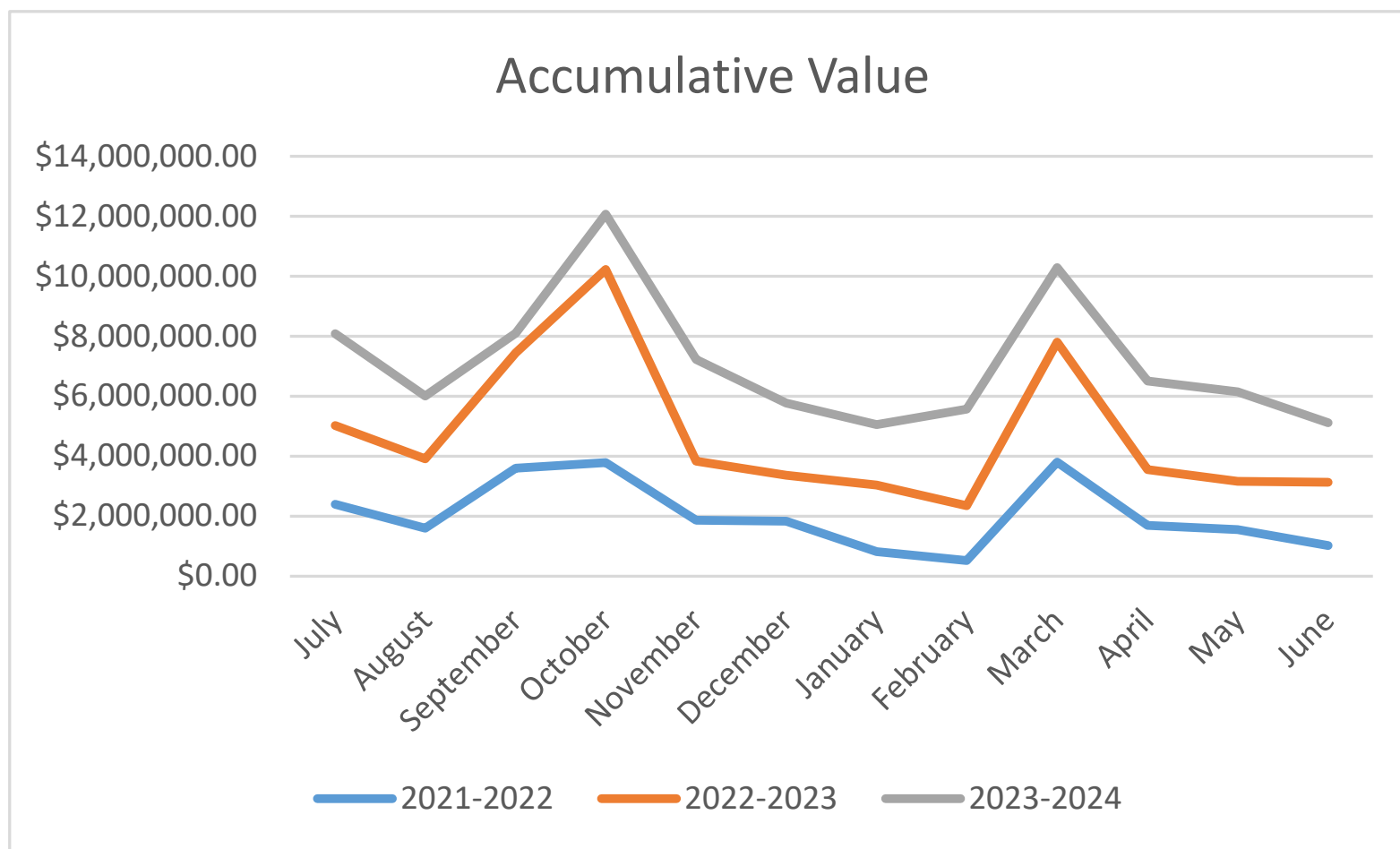
Environment – 92.3%
Strategies – 4
Key Focus Areas – 3
Activities – 22



The Below graph shows the number of Building Approvals Council has processed over the last three financial years.



The Below graph shows the value of Building Approvals Council has processed over the last three financial years.



Dog Management Policy Review - Finding the right balance

As we close out another year at Break O'Day Council, we're able to share the success of our review of the Dog Management Policy. This important process, which takes place every five years, underscores the significance of community engagement in shaping policies that directly affect our residents, their beloved pets, and the natural environment around us.

In 2024, we actively sought input from the community regarding the draft revision of our existing Dog Management Policy, with particular focus on updates to the designated dog zones (Declared Areas). It was encouraging to receive 88 submissions from residents and stakeholders, demonstrating the strong interest and involvement of our community in this important discussion.

Our Dog Management Policy plays a crucial role in maintaining a delicate balance between the needs of dog owners and the wider community. We recognise that dogs are cherished companions for many, bringing joy and companionship to countless households. However, we also acknowledge our responsibility to uphold public health and safety and, to protect our local wildlife and natural resources.

This review aimed to ensure that our regulations reflect the evolving expectations of the community while

addressing pressing environmental concerns. One of the significant changes we proposed was the remapping of our existing linear coastal dog zones into clearly defined 2D areas with specific boundaries. This update is designed to make it easier for dog owners to understand where they can exercise their dogs while ensuring the safety and comfort of all community members and, providing necessary environmental protections.

The collaborative effort behind this review wouldn't have been possible without the invaluable input from our residents and key stakeholders. Organisations such as the Parks and Wildlife Service, Birdlife Tasmania, and various other interest groups contributed insights and expertise crucial in shaping the draft policy. We truly appreciate everyone who took the time to engage with us, share their ideas, and provide feedback. Your voices have played a vital role in refining our approach to dog management in our region.

In July 2024, we officially adopted the revised Dog Management Policy, incorporating the feedback we received from the community. While the new Declared Areas are not in place yet, we are actively collaborating with the Parks and Wildlife Service to secure the necessary approvals required to finalise the zones. Once everything is finalised, we will publish a Public Notice to make the new zones official, providing clear guidance for dog

owners and ensuring everyone is informed.

For the time being, the dog zones established in 2019 will remain in effect, and we are committed to keeping you updated as we progress through the implementation of the revised policy. We understand that changes like these can raise questions, and we encourage all residents to stay informed about the latest developments. You can find all relevant information and updates on our website, where we will post announcements, maps, and any additional resources you might need.

In closing, again we want to express our gratitude to everyone involved in this review process. Your engagement and commitment to responsible dog ownership and community well-being are what make Break O'Day a wonderful place to live. We are excited about the positive changes ahead and look forward to fostering a supportive environment for both dog owners and the broader community, ensuring that our town remains a safe, welcoming, and vibrant place for all. Thank you for your continued support as we move forward together!

The Dog Management Policy is about finding a balance between all beach users including dogs, their owners and our vulnerable shore birds. Pictured below red capped Hooded Plover, image credit, Eric Woehler



4. Infrastructure - 88.6% Complete

To provide quality infrastructure which enhances the liveability and viability of our communities for residents and visitors.

Strategies

1. Be proactive infrastructure managers by anticipating and responding to the growing and changing needs of the community and the area.

2. Work with stakeholders to ensure the community can access the infrastructure necessary to maintain their lifestyle.

3. Develop and maintain infrastructure assets in line with affordable long-term strategies.

Community Facilities

Provide community facilities that encourage participation and supports the lifestyle of residents and growing visitor numbers

This year there was a change in direction for several strategic projects which have now been incorporated into a larger St Helens - Binalong Bay Liveability Strategy which is part of the State Government's East Coast Strategic Regional Partnership (SRP). These projects, including the St Helens Sports Complex and the St Helens Foreshore Activation Master Plans will continue as part of the SRP project next financial year.

Council staff are developing the Brief for the Liveability Strategy which centres around three guiding principles: Stimulating Economic Growth and Activation, Sustainable Urban Design and Resilience to Climate Change and focuses on three key areas; Connections, Community Wellbeing and Resilience.

This financial year Council undertook several activities identified through the Georges Bay Activation Strategy including installation of privacy screens for the shower at Beauty Bay, securing \$350,000 grant funding to install lighting along the Georges Bay Multi-User Track and, securing \$1 million funding commitment to extend the Georges Bay Foreshore Multi-User Track to Stieglitz.

Towns

Create townships that are vibrant and welcoming through improvements to infrastructure such as streetscapes, parking, safety and signage.

The Georges Bay Esplanade/Cecilia Street road junction realignment, funded by the Australian Government's Local Roads and Community Infrastructure Program, was completed in June 2024. This included creating a pedestrian refuge island and connecting footpaths between the foreshore and the Bayside Hotel pathway.

In February 2024, a parking strategy development report for St Marys was discussed. Given the limited land availability for off-street parking, consultations with township business owners and traffic impact assessments for potential sites have been completed. The draft strategy will be released in the 2024-2025 financial year. The development of the St Helens Parking Strategy will be integrated into the St Helens - Binalong Bay Liveability Strategy.

Recreational Facilities

Support an outdoor, active and healthy lifestyle for residents and visitors through a range of recreational facilities including walking trails, bike trails and other identified infrastructure.

Progress in this area has been variable, with significant activity and updates across several projects. The Flagstaff Pumptrack project saw World Trail engaged as the contractor, designs were completed in June and incorporated community and MTB industry feedback. Construction has faced challenges causing delays, particularly the need for appropriate weather to lay asphalt.

A multi-user pathway project from Binalong Bay to St Helens underwent cost reviews and updates, and funding has been allocated in the 2024-2025 budget to advance it through the necessary design and approval phases.

Projects funded through the State Government's Black Summer Bushfire Recovery Program have progressed well this year. The St Marys Multi-Purpose and Evacuation Centre's construction was awarded to Moorey Constructions, with the project expected to be completed in December 2024. Council were also successful in securing an additional \$500,000 from the State Government to fit out the facility.

Progression of activities in the Recreation Trails Strategy is underway with funds set aside in the 24-25 budget to progress planning for several identified activities.

One exciting project that got underway this financial year and will be a focus for 24-25, is the development of an Aquatic Facility feasibility analysis. Activities this year for the project includes the establishment of a community working group for the project and OTIUM Planning Group being appointed as the successful consultants to deliver the study.

Roads and Streets

Develop a well maintained road network that recognises the changing demands and requirements of residents and visitors.

Finding an alternative route to St Marys Pass has been a key focus with Council actively advocating for this project at both State and Federal levels. The Department of State Growth received funding in August 2023 to conduct a feasibility study for an alternative route, which included considering various alignments. The Department plans to engage the community on these options in the next financial year.

The Tasman Highway Strategy, which spans from Sorell to Launceston, is being developed by the Department of State Growth to improve the corridor and address future needs. Community engagement was conducted earlier in the year to identify safety issues and investment opportunities, with Council's Manager Infrastructure and Development Services actively participating in strategy development workshops.

The Medea/Circassian Street junction received funding through the Australian Government Black Spot Program which involves construction of a roundabout to reduce accident risks.

Additionally, Council secured funding for crash barriers on Mathinna Road and Mathinna Plains Road through the Safer Rural Roads Program, with installation scheduled for the new financial year.

The development of a Transport Strategy and Road Asset Management Plan has been moved to the next financial year. Both of these projects are of significant importance and will take considerable resourcing to complete.

Waste Management

Provide access to affordable services and facilities that foster a circular economy approach to Waste Management.

Council has made solid progress in waste management despite some challenges. Key achievements include advancing the Scamander Waste Compactor replacement and Scamander Inert Waste Landfill projects.

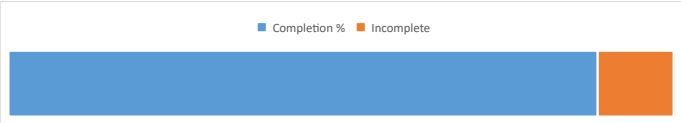
Community waste education efforts include promoting recycling and reducing single-use plastics through our social media channels as well as in our newsletter. We also sent waste information out with our rates notices this year ensuring every ratepayer has information on what can and can't be recycled.

The Northern Tasmanian Regional Waste Management Partnership is developing a new five-year strategy focusing on a circular economy and product stewardship.

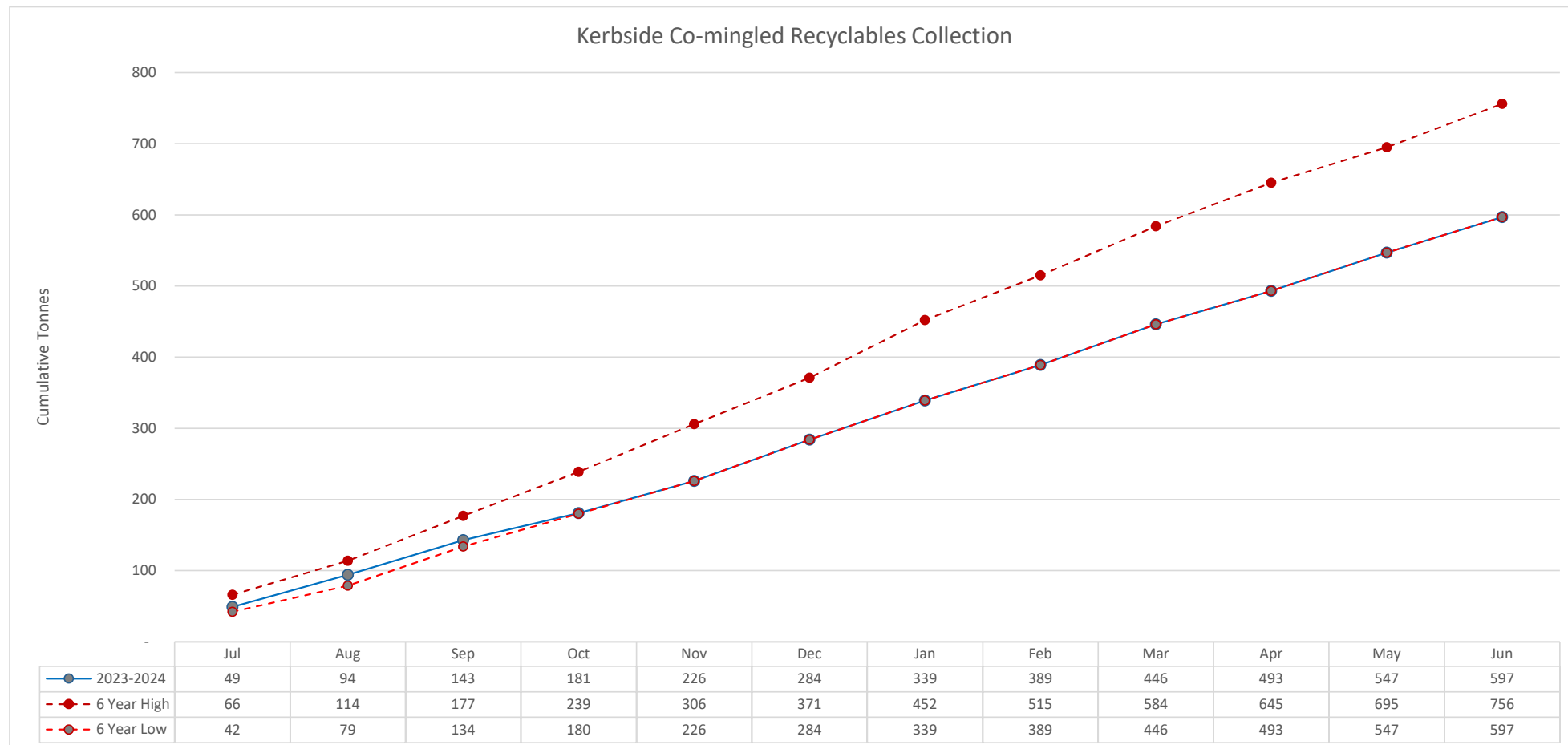
The Scamander Inert Landfill project was delayed by fiscal constraints this Financial year but is set to progress with a design service tender expected to be appointed by April 2025.

Council will continue developing its Waste Management Strategy ensuring it aligns with the Northern Tasmanian Waste Management Partnership Strategic Plan 2023-2028 to enhance material recovery and recycling practices.

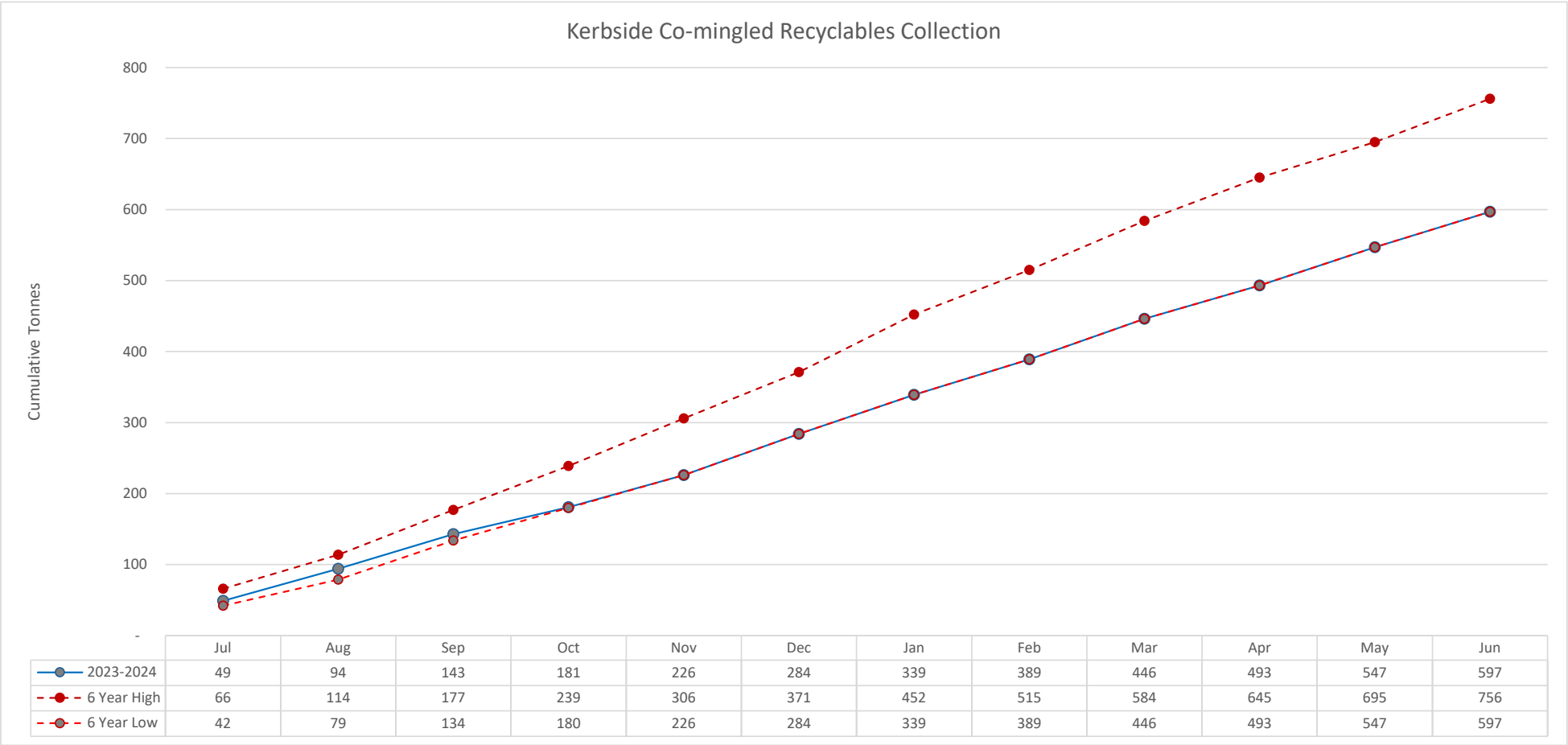
Infrastructure – 88%
Strategies – 3
Key Focus Areas – 5
Activities - 27



General Waste to Landfill



Kerbside Co-mingled Recyclables



Strategic Focus - Planning for the future

It's been a big year for working on key strategic documents that will shape decisions for years to come. While these types of documents might not always grab the community's attention, they're super important for us when it comes to future planning, setting priorities, and even securing funding for projects and activities you help us identify.

In 2024, we've been busy with a mix of council-led initiatives and projects, some in collaboration with the State Government. Some of the big ones include:

- The Aquatic Facility Feasibility Study
- Developing an Economic Development Strategy
- The Strategic Regional Partnerships (SRP) Project, a State Government initiative that includes the St Helens – Binalong Bay Liveability Strategy
- Bay of Fires Master Plan

These projects are resource-heavy and take time as there are a lot of different views and opinions that need to be carefully considered. Consultants Otium will project manage the Aquatic Facility Feasibility study, and Stantec is heading up the Economic Development Strategy, both with significant support from Council staff. Meanwhile, our Council team is partnering with the State Government on the Liveability Strategy, which includes rolling several plans and activities into one larger, more holistic project,

such as:

- St Helens Foreshore Master Plan
- Walking track connections between the two towns
- A transport and parking master plan, and more

We'll be wrapping up the Economic Development Strategy and the Aquatic Facility Feasibility Study in 2024-2025, and we can't wait to share the outcomes with the community of these two important projects.



The St Helens-Binalong Bay Liveability Strategy will look at a wide range of things from transport and carparking to connectivity and community infrastructure

5. Services - 100% Complete *To have access to quality services that are responsive to the changing needs of the community and lead to improved health, education and employment outcomes.*

Strategies

1. Improve accessibility to a range of quality services and programs by advocating and pursuing for local delivery.

2. Work collaboratively to ensure services and service providers are coordinated and meeting the actual and changing needs of the community.

3. Ensure Council services support the betterment of the community while balancing statutory requirements with community and customer needs.

Youth

Understand the needs of Break O'Day young people to better support and advocate for them.

Council's main focus in this space is the development of a Youth Voice to Council. Progress has been made on this project which includes incorporating feedback directly from youth stakeholders.

Council has supported various youth events this financial year, including Scooter Jam which was held in St Marys and the 2024 Youth Week Glow party.

Council agreed to the development of a Community Youth Commitment Statement, co-designed with youth stakeholders rather than the development of a strategy. Once complete, this statement will be made available on our website and will guide the development of future youth strategies and documents as well as how Council engages with our youth.

Council remains committed to fostering youth engagement and support through these collaborative efforts.

Health and Mental Health

Improve health and mental health outcomes by ensuring programs reflect community needs and are accessible and inclusive.

Council's revitalisation of a Health Service Provider Network remains a key achievement and has garnered significant appreciation from stakeholders. Quarterly Health and Social Services Network meetings, along with the Health e-news, has fostered connections and peer support among mental health, health, and social services. This network, now comprising over 58 entities and more than 120 members, effectively identifies and addresses health, social service, and wellbeing needs. New collaborations have emerged through these connections, and the network's work remains ongoing and strong.

Council's collaboration with organisations focused on mental health services has been crucial and has ensured access to valuable resources for our community. Council staff have also been actively engaging with the Royal Flying Doctor Service and their local teams to ensure the continuity of their services.

Council continues its representation on various related networks, including the Mental Health Professionals Network, the Suicide Prevention Network, and the Partnership Group for Live4Life - Break O'Day.

Education & Skills Training

Improve employment pathways and outcomes and greater personal development through delivery of programs locally which meet the needs of Industry and the community.

Activity in this area is primarily linked to Break O'Day Employment Connect (BODEC) which operates as part of the Regional Jobs Hub Network. BODEC played a key role leading the advocacy in securing ongoing funding for the network for a further three years.

A significant focus has been on investigating a Study Hub concept, which is featured in the East Coast Strategic Regional Partnership MoU. The Study Hub idea, aimed at improving access to education and training on the East Coast, has been discussed for several years. Recent funding from the State Government has enabled an investigation into local educational needs with the view to establishing a Study Hub in St Helens.

Council staff, in collaboration with St Marys District High School and Area Connect, successfully delivered the "Week in the Life of Council" program. This saw students participate in a range of Council service delivery activities, including visiting the mountain bike trails; regulatory activities including animal control; communications and

community engagement; and a trip to our waste transfer stations where students learned about the cycle of waste.

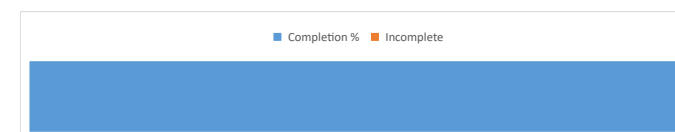
Access and Inclusion

Foster a culture of inclusion within our community by facilitating equitable access to opportunities, information and services

The primary focus of this area has been the development of an organisational Reconciliation Action Plan. Due to consultant availability this project faced delays but is expected to start early next financial year.

Council's commitment to Access and Inclusion is demonstrated through practices like the Access and Inclusion Statement on the Festival of Wellbeing website. The Wellbeing Project remains dedicated to fostering an inclusive and supportive community.

Services – 100%
Strategies – 3
Key Focus Areas – 4
Activities - 11



Live streaming - Increasing Access to decision making

One of our main goals this year, has been to create more opportunities for residents to get involved in issues that matter to you by making it as easy as possible for the community to be informed on our activities. We want everyone to feel like they have a voice in the decisions that shape our community for all of us.

A major step forward in achieving this was the launch of live streaming for Council meetings. This has completely transformed how residents can engage with us. Thanks to advancements in technology, we've adapted to provide easier access to Council discussions and decisions. The convenience of being able to participate remotely has broken down previous barriers, making it easier for more community members to stay involved, regardless of their schedule, location or circumstances.

This shift also speaks to the broader operational changes happening at an organisational level as we embark on a Digital Transformation journey. Digital platforms like live streaming and social media have given us the ability to adapt and improve the ways we communicate and engage with our residents. It's not just about making information available—it's about making it easily accessible, so more people can actively contribute to shaping Break O'Day's future.

This year has highlighted just how much our community values being informed and involved. Whether through live streaming, consultations, or our various projects, we've seen strong engagement from residents eager to have a say in shaping our future and our community.

We'll keep exploring new ways to strengthen community connection and engagement. Together, we can ensure Break O'Day continues to be a vibrant, inclusive, and thriving place for all.

Council meetings are now being live streamed on Youtube.



Grant Funding

The below table shows grant funding per project for the 2023-2024 FY.

Project	Grant funding	Funding body
Local Roads and Community Infrastructure Program (LRCI)	\$1.02M	Department of Infrastructure, Transport, Regional Development, Communications and the Arts
Festival of Wellbeing - Mental Health Week 2023	\$ 1,800	Mental Health Council - Mental Health Week 2023
Learner Driver Mentor Program	\$19,640	Department of State Growth
Mathinna Road	\$16,000	Safer Rural Roads Program 2023/2024
Mathinna Plains Road	\$40,000	Safer Rural Roads Program 2023/2024
St Marys Education and Care Facility – Concept Development	\$100,000	Strategic Regional Partnerships
St Helens – Binalong Bay Liveability Strategy	\$212,000	East Coast Regional Strategic Regional Partnerships

Thank you

Grant Funding Acknowledgments

We would like to formally acknowledge and thank the grant funding bodies that have supported our projects this financial year – without this funding, many Council projects just simply would not happen.

To receive this funding, there is a lot of work that goes on behind the scenes with staff preparing, researching and drafting comprehensive grant documentation.

This financial year we would like to thank the following for their financial assistance:

- Learner Driver Mentor Program 2023-2024
- Mental Health Council - Mental Health Week 2023
- Safer Rural Roads Program 2023-2024
- Strategic Regional Partnerships
- East Coast Strategic Regional Partnerships

Financial Assistance Grants to Local Government

Break O'Day Council received approximately \$3.2 million in Financial Assistance Grants (FAG's) this financial year from the Federal Government. We would like to express our appreciation for this funding.

This funding is of vital importance to Council and our community because:

- It is a significant source of funds; and
- Unlike many other grants and subsidies, it is "untied", that is, Council has complete flexibility to use these funds to achieve identified priority outcomes.

Council utilises these funds in many ways to protect and maintain assets and infrastructure within the community:

- Capital and major maintenance works on Council owned/managed built facilities, eg halls, toilet blocks, BBQ facilities, etc.
- Undertake road and street upgrades, streetscape works, footpaths, etc in townships.
- Bridge replacement programs.

Federal Funding Programs

In addition to the Federal Financial Assistance Grants we also received Federal funding through the Local Roads and Community Infrastructure Program and the Roads to Recovery funding stream.

Projects completed with this funding include:

Local Roads and Community Infrastructure Program:

- North Ansons Bay Road, Ansons Bay, Tasmania.
- Cecilia Street, St Helens, Tasmania:
- Mount Paris Dam Road and William Street, Weldborough, Tasmania:
- Grant Street Pathway, Falmouth
- Georges Bay Esplanade & Cecilia Street Junction Upgrade, St Helens
- Seymour – Sealing of access road

Roads to Recovery

- Replacement of Colchis Creek Bridge
- Four Mile Creek Road – resurfacing
- Charlotte Court – resurfacing
- Mangana Road – reseal
- Lower Germantown Road bridge
- North Ansons Bay Road – gravel resheeting

Legislated Requirements

Contributions and Requirements

Organisation / Group	Project	Amount received
St Marys Community Car & Bike Show	Annual Support	\$2,000
Suicide Prevention	Annual Support	\$1,000
Break O'Day Business Enterprise Centre	Annual Support	\$25,454
Department of Police, Fire and Emergency Services – Break O'Day SES Units	Annual Contribution	\$17,000
East Coast Masters Tournament	Annual Support	\$2,500
St Helens District High School	Presentation Day	\$500
Melythina Tiakana Warrana	Mannalargenna Day	\$2,500
St Helens Athletics Club	Annual Support	\$2,500
North Eastern Axemens Association	Annual Support	\$5,000
Bay of Fires Arts Association	Annual Support	\$14,000
St Helens Marine Rescue	Annual Support	\$3,000
St Helens Surf Angling Club	Annual Support	\$1,000

St Helens Online Centre	Council Support	\$5,000
North East Bioregional Network (NEBN)	Council Support	\$3,000
St Marys Car Show	Annual Support	\$2,000
BODRA Event Sponsorship	Annual Support	\$2,000
Pyengana Easter Festival	Annual Support	\$1,000
With One Voice Choir	Community Grant	\$2,400
Fingal Valley Neighbourhood House - Community Garden	Community Grant	\$15,000
Break O'Day Christmas Festivities	Community Grant	\$5,000
Ansons Bay Community Group	Community Grant	\$2,000
St Helens Neighbourhood House - Youth Week	Annual Support	\$300

Rates and Charges

- Rate remissions/donations provided by Council: \$80,518.86 (inc. commercial relief)
- Pensioner Rebates funded by State Government: \$495,110.23

Donation of Land Statement

Section 72(1)(da) of the Local Government Act 1993 requires Council to report on details of any land donated by Council during the year.

NIL. No donations were made during the 2023-2024 Financial Year.

Enterprise Power Statement

Under Section 72 (1)(ca) of the Local Government Act 1993 the council is required to report on exercising of enterprise powers relating to the formation and operation of corporations, trusts, partnerships or other bodies (Section 21).

The Council is an initial member and shareholder of Northern Tasmanian Development Corporation Ltd (NTDC). NTDC is a not-for-profit public company limited by guarantee. The primary objectives of the NTDC are to:

- provide pro-active, engaged and strategic regional economic leadership;
- consolidate an agreed vision for the development, sustainability and prosperity of the geographic region that the Organisation's Members encompass;
- and implement a strategic economic action plan based on the Northern Regional Futures Plan framework or similar; and.
- to provide effective representation and advocacy to State and Federal Government and other stakeholders.

The organisation will effect direct and material economic, employment, and investment outcomes, and contribute indirectly to social and community benefits as a consequence of NTDC achieving the objectives that it has been set up to achieve.

Council's shareholding is based on annual funding contributions calculated using a formula based on municipal population. Council's annual membership fee for 2023-2024 was \$30,706.30.

Code of Conduct Complaints

During the 2023-2024 Financial Year there were **NIL** Code of Conduct complaints received or referred to the Local Government Division, hence there being no financial cost incurred by Council.

Right to Information

Council received **ONE** request for information under the Right to Information Act 2009.

Public Interest Disclosure Statements

Current public interest disclosure procedures are available in Council's Policy LG30 – Public Interest Disclosure which can be viewed or downloaded from Council's website, under My Council, Policies.

Disclosures during 2023-2024

The number and types of disclosures made to Break O'Day Council during the year and the number of those disclosures that the Council determined to be public interest disclosures – **NIL**.

The number of disclosures determined by Break O'Day Council to be public interest disclosures that it investigated during the year - **NIL**

The number and types of disclosed matters referred to Break O'Day Council during the year by the Ombudsman - **NIL**

The number and types of disclosed matters referred during the year by Break O'Day Council to the Ombudsman to investigate - **NIL**

The number and types of investigations of disclosed matters taken over by the Ombudsman from Break O'Day Council during the year - **NIL**

The number and types of disclosed matters that Break O'Day Council has decided not to investigate during the year – **NIL**

The number and types of disclosed matters that were substantiated on investigation and the action taken on completion of the investigation - **NIL**

Any recommendations of the Ombudsman under this Act that relate to Break O'Day Council – **NIL**

Remuneration Statement

The following table provides the remuneration for those positions designated by Council as Key Management Personnel as required under the Local Government Act 1993. The positions of General Manager, Business Services Manager, Infrastructure and Development Services Manager and Community Services Manager are defined as Key Management Personnel positions by Break O'Day Council.

The Remuneration Band Positions	Number
\$110,001 - \$130,000	1
\$170 001 - \$190 000	2
\$230 001 – \$250 000	1

Contracts and Tenders

The following contracts/tenders were awarded during 2023 - 2024 with a value greater than \$50,000.

Description	Period of Contract	Value Ex GST	Name	Address
Contract 030\001\145 2023/2024 - Bituminous Surfacing Program	September 2023 - March 2024	Road Sealing - \$325,978.63 New Sealing - \$274,389.64	Crossroads Civil Contracting Pty Ltd	Rocherlea, Tas
Contract 030\001\147 Pump Track Flagstaff Trailhead – Design & Construct	December 2023 –	\$312,135.65	World Trail Pty Ltd	Cairns, Qld

Public Health, Environmental Monitoring and Reporting

Public Health Statement

Responsibility for carrying out the legislative requirements of the Public Health Act 1997 and the Food Act 2003 and the Environmental Management and Pollution Control Act 1994 lies with the Development Services Department. Council officers principally dealing with Public Health Matters includes Councils Environmental Health Officer (0.4FTE).

Functions carried out under the Public Health Act 1997

Recreational Water Quality

The Public Health Act 1997, Recreational Water Quality Guidelines require Councils to monitor popular recreational swimming waters from December 2023 to March 2024.

Type of sampling conducted: Bacteriological – indicator organisms Enterococci/100ml .

The Guidelines are concerned with the public health and safety of recreational water from a health point of view and are intended to protect public health. Analysis of results for all sites indicate good water quality that is safe for public swimming.

* Enterococci /100ml # Recreational Water Quality class
(from Tasmanian. Guidelines)

Recreational Water	12 Dec. 2023		17 Jan. 2024		14 Feb. 2024		19 Feb. 2024		13 Mar. 2024	
	Ente*	Rec. WQ#	Ente*	Rec. WQ#	Ente*	Rec. WQ#	Ente*	Rec. WQ#	Ente*	Rec. WQ#
Grants Lagoon mouth A	N/A		N/A	N/A	N/A	N/A	N/A	N/A	N/A	
Grants Lagoon mouth B	<10	Good	<10	Good	20	Good	N/A	Good	10	Good
Grants Lagoon footbridge	<10	Good	10	Good	<10	NA	N/A	Good	<10	Good
Grants Lagoon (camp ground)	<10	Good	10	Good	<10	Good	N/A	NA	<10	Good
Beauty Bay	<10	Good	<10	Good	10	Good	N/A	NA	<10	Good
Yarmouth Creek	20	Good	<10	Good	<10	Good	N/A	NA	<10	Good
Wrinklers Lagoon	10	Good	<10	Good	40	Good	N/A	N/A	<10	Good
Scamander River mouth	30	Good	20	Good	<10	Good	N/A	N/A	<10	Good
Henderson Lagoon	<10	Good	10	Good	10	Good	N/A	N/A	<10	Good
Denison Rivulet	N/A	N/A	<10	Good	150	Good	50	Good	50	Good

Immunisations

Programs were conducted for children in Grade 7 and 10, in addition to any catch-up required by the Department of Health and Human Services.

In 2023-2024 a total of **172** children were vaccinated and a total of **174** vaccines administered.

Public Health Risk Activities

Registration of premises in which a public health risk activity is conducted – **4**

Licences issued to persons to undertake a public health risk activity - **4**

Place of Assembly Licences

Licences issued - **0**

Private burial

Approvals issued - **1**

Sharps Exchange

Council has a Sharps Collection bin at the Council Office located at 32-34 Georges Bay Esplanade, St Helens.

For the 2023-2024 period a total of 84 containers were exchanged within the community

Functions Carried out under the Food Act 2003

Councils are required to assign a Priority risk-category to each food business. There are five categories, ranging from the highest risk P1, through P2 and P3, to the lowest risk categories of P3-N and P4. Council registered the following number of food businesses:

- P1 registered 36
- P2 registered 77
- P3 registered 15
- P3 N. Low risk only require notification, not registration. 14
- A total of 142 food businesses are registered, 30 of which are Mobile food businesses.

Food business complaints:

No written complaints received. Council has received the occasional verbal complaint which were investigated and actioned appropriately.

Food premises plans assessments and occupancy Reports

- Environmental Health Officer Report (Form 49) = **2**
- Environmental Health Officer Occupancy Report form (Form 50) = **2**

Nuisance (Smoke & Noise)

Complaints relating to smoke, noise and waste management were investigated and managed in accordance with the requirements of the Local Government Act 1993 and the Environmental Management and Pollution Control Act 1994, and relevant regulations there under.

Caravan Licences

104 licences were issued.

Onsite Wastewater Compliance

All residential and commercial developments that require on-site wastewater management systems were assessed for compliance with the Australian/New Zealand Standard AS 1547:2012 and the Building Act 2016 Director's Guidelines for On-site Wastewater Management Systems.

Consent to install all approved designs was provided. Also provided planning advice to comply with the code requirements of the Break O'Day Planning Scheme 2013.

Any instances of on-site wastewater system failures were investigated and resolved through compliance requirements.

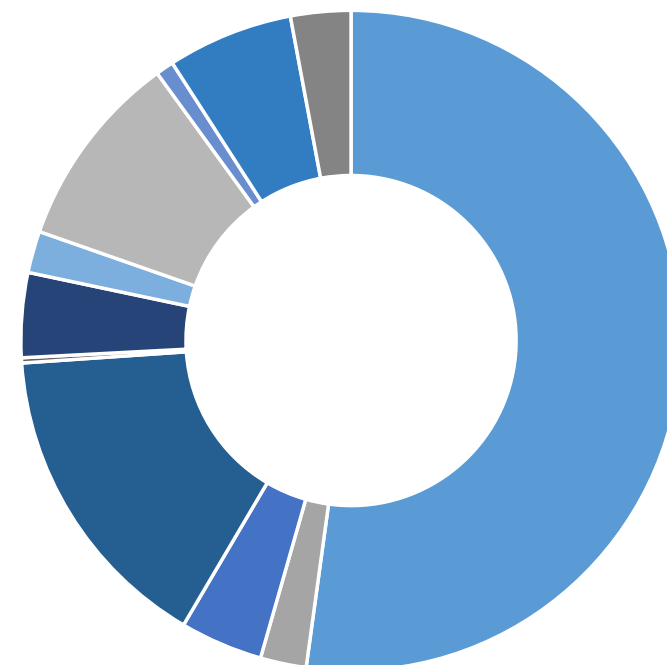
Financial Snapshots

The following financial snap-shots have been taken directly from the financial statements following.

Income \$	
Rates and Charges	11,920,000
Statutory Fees and Fines	514,000
User Fees	925, 000
Grants	3,528,000
Contributions - Cash	58,000
Interest	947,000
Investment revenue from TasWater	466,000
Capital Income -grants received specifically for new or upgraded assets	2,207,000
Contributed Assets	201,000
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	-1,408,000
Other	673,000

- Rates and Charges
- Statutory Fees and Fines
- User Fees
- Grants
- Contributions - Cash
- Interest
- Investment revenue from TasWater
- Capital Income - grants received specifically for new or upgraded assets
- Contributed assets
- Net gain/(loss) on disposal of property, infrastructure, plant and equipment
- Other

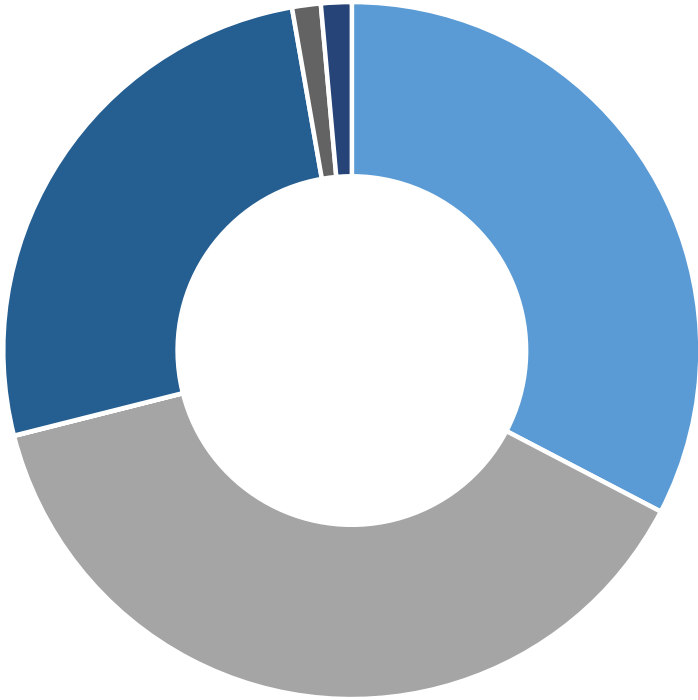
INCOME



Expenses \$	
Employee Benefits	5,991,000
Materials and Services	7,048,000
Impairment and Receivables	2,000
Depreciation and amortisation	4,803,000
Finance Costs	244,000
Other	261,000

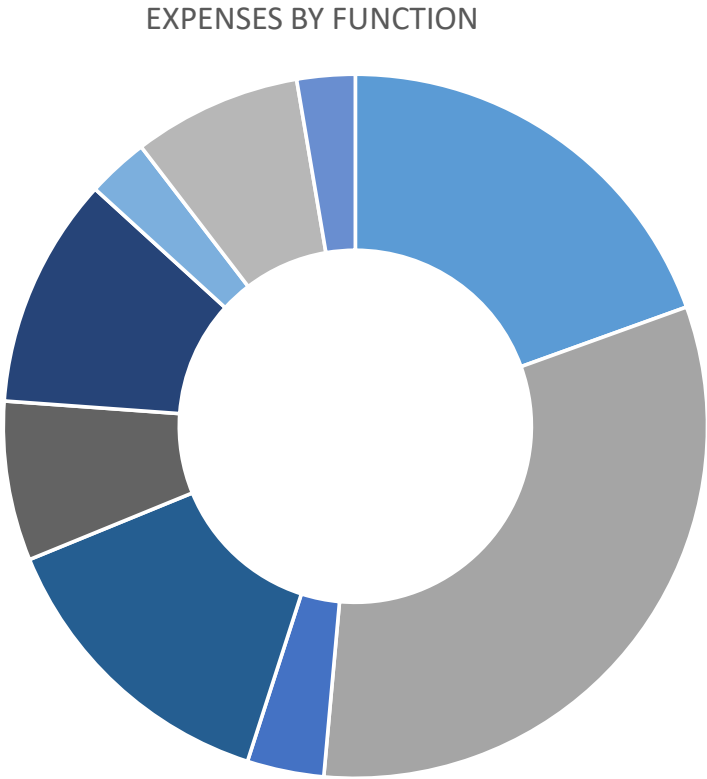
- Employee Benefits
- Materials and Services
- Impairment of receivables
- Depreciation and amortisation
- Finance Costs
- Other

EXPENSES



Function \$	
Governance and Administration	3,577,000
Roads, Streets and Bridges	5,858,000
Drainage	647,000
Waste Management	2,543,000
Building, Planning and Environmental Heath	1,344,000
Community Amenities	1,948,000
Community Services	519,000
Recreation Facilities	1,419,000
Economic Development	490,000

- Governance and administration
- Roads Streets and Bridges
- Drainage
- Waste Management
- Building Planning and Environmental Health
- Community Amenities
- Community Services
- Recreation Facilities
- Economic Develeopment



Independent Auditor's Report
To the Councillors of Break O'Day Council
Report on the Audit of the Financial Report

Opinion

I have audited the financial report of Break O'Day Council (Council), which comprises the statement of financial position as at 30 June 2024 and statements of comprehensive income, changes in equity and cash flows for the year then ended, notes to the financial statements, including a summary of material accounting policies, other explanatory notes and the statement of certification signed by the General Manager.

In my opinion, the accompanying financial report:

- (a) presents fairly, in all material respects, Council's financial position as at 30 June 2024 and its financial performance and its cash flows for the year then ended
- (b) is in accordance with the *Local Government Act 1993* and Australian Accounting Standards.

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 Council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

The *Audit Act 2008* further promotes the independence of the Auditor-General. The Auditor-General is the auditor of all Tasmanian public sector entities and can only be removed by Parliament. The Auditor-General may conduct an audit in any way considered appropriate and is not subject to direction by any person about the way in which audit powers are to be exercised. The Auditor-General has for the purposes of conducting an audit, access to all documents and property and can report to Parliament matters which in the Auditor-General's opinion are significant.

My audit responsibility does not extend to the budget figures included in the financial report, nor the asset renewal funding ratio disclosed in note 10.4 to the financial report and accordingly, I express no opinion on them. Furthermore, I express no opinion on the General Manager's determination that Council did not have any Significant Business Activities for

inclusion in the financial report as required by Section 84(2)(da) of the *Local Government Act 1993*.

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

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial report of the current period. These matters were addressed in the context of my audit of the financial report as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Why this matter is considered to be one of the most significant matters in the audit	Audit procedures to address the matter included
Valuation of property and infrastructure assets <i>Refer to note 6.1 and 9.1</i>	
<p>At 30 June 2024, Council's assets including land, land under roads, buildings, and infrastructure assets, such as roads, footpaths, bridges, and drainage assets were valued at fair value totalling \$211.92 million. The fair values of these assets are based on market value or current replacement cost.</p> <p>Council undertakes formal revaluations on a regular basis to ensure valuations represent fair value. In between valuations, Council considers the application of indexation to ensure the carrying values reflect fair values.</p> <p>During 2023-24, Council undertook a full revaluation of land under roads, roads, footpaths, bridges, and drainage assets. Indexation was applied to buildings and land assets. The valuations were determined by experts and are highly dependent upon a range of assumptions and estimated unit rates.</p>	<ul style="list-style-type: none"> Assessing the scope, expertise and independence of experts involved in the valuations. Evaluating the appropriateness of the valuation methodology applied to determine fair values. Critically assessed assumptions and other key inputs into the valuation model. Testing, on a sample basis, the mathematical accuracy of the valuation model calculations. Evaluating indexation applied to assets between formal valuations. Evaluating the adequacy of disclosures made in the financial report, including those regarding key assumptions used.

Responsibilities of the General Manager for the Financial Report

The General Manager is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the *Local Government Act 1993* and for such internal control as determined necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the General Manager is responsible for assessing Council'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 Council is to be dissolved by an Act of Parliament or the Councillors intend to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

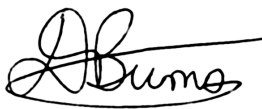
My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an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

As part of an audit in accordance with the 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 Council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the General Manager.
- Conclude on the appropriateness of the General Manager'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 Council'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 Council 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 represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the General Manager regarding, 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 my audit.

From the matters communicated with the General Manager, I determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

A handwritten signature in black ink, appearing to read 'D Burns', with a horizontal line extending from the end of the signature.

Derek Burns
Director
Financial Audit Services
Delegate of the Auditor-General
Tasmanian Audit Office

24 September 2024
Hobart

Break O'Day Council

ANNUAL FINANCIAL REPORT
For the Year Ended 30 June 2024

Break O'Day Council

Financial Report

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Break O'Day Council

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Statement of Comprehensive Income For the Year Ended 30 June 2024

		Budget 2024 \$'000	Actual 2024 \$'000	Restated* actual 2023 \$'000
	Note			
Income from continuing operations				
Recurrent income				
Rates and charges	2.1	11,845	11,920	10,902
Statutory fees and fines	2.2	500	514	547
User fees	2.3	884	925	893
Grants	2.4	3,897	3,528	4,837
Contributions - cash	2.5	16	58	160
Interest	2.6	351	947	546
Other income	2.7	89	673	154
Investment revenue from Water Corporation	2.9, 5.1	465	466	466
		18,047	19,031	18,505
Capital income				
Capital grants received specifically for new or upgraded assets	2.4	4,738	2,207	2,128
Contributed assets	2.5	-	201	-
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	2.8	120	(1,408)	(681)
		4,858	1,000	1,447
Total income from continuing operations		22,905	20,031	19,952
Expenses from continuing operations				
Employee benefits	3.1	(6,114)	(5,991)	(5,810)
Materials and services	3.2	(7,051)	(7,048)	(6,050)
Impairment of receivables	3.3	-	2	(2)
Depreciation and amortisation	3.4	(4,633)	(4,803)	(4,583)
Finance costs	3.5	(248)	(244)	(366)
Other expenses	3.6	(269)	(261)	(392)
Total expenses from continuing operations		(18,315)	(18,345)	(17,203)
Result from continuing operations		4,590	1,686	2,749
Net result for the year		4,590	1,686	2,749
Other comprehensive income				
Items that will not be reclassified subsequently to net result				
Fair value adjustments on equity investment assets	5.1	-	1,785	1,022
Net asset revaluation increment/(decrement)	9.1	-	45,669	11,008
Total Other Comprehensive Income		-	47,454	12,030
Total Comprehensive result		4,590	49,140	14,779

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

* For full details of the restated actual figures, noted for the 2023 financial year, refer to Note 11.1.

Statement of Financial Position As at 30 June 2024

	Note	2024 \$'000	Restated 2023 \$'000
Assets			
Current assets			
Cash and cash equivalents	4.1	4,726	6,819
Trade and other receivables	4.2	1,206	1,056
Investments	4.3	9,500	7,616
Inventories	4.4	78	242
Other assets	6.4	3	3
Total current assets		15,513	15,736
Non-current assets			
Trade and other receivables	4.2	14	14
Investment in water corporation	5.1	35,745	33,960
Property, infrastructure, plant and equipment	6.1	228,698	183,293
Intangible assets	6.2	21	46
Right-of-use assets	6.3	760	792
Other assets	6.4	30	30
Total non-current assets		265,268	218,135
Total assets		280,781	233,871
Liabilities			
Current liabilities			
Trade and other payables	7.1	1,115	903
Trust funds and deposits	7.2	561	742
Provisions	7.3	885	947
Lease liabilities	7.4	58	61
Contract liabilities	7.5	1,030	1,022
Interest-bearing loans and borrowings	8.1	2,605	408
Total current liabilities		6,254	4,083
Non-current liabilities			
Provisions	7.3	871	766
Lease liabilities	7.4	702	742
Interest-bearing loans and borrowings	8.1	994	5,459
Total non-current liabilities		2,567	6,967
Total liabilities		8,821	11,050
Net Assets		271,960	222,821
Equity			
Accumulated surplus		45,212	43,665
Reserves	9.1	226,748	179,156
Total Equity		271,960	222,821

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

Statement of Cash Flows

For the Year Ended 30 June 2024

		2024 Inflows/ (Outflows) \$'000	2023 Inflows/ (Outflows) \$'000
	Note		
Cash flows from operating activities			
Rates		11,827	10,669
User charges and other fines (inclusive of GST)		871	905
Grants (inclusive of GST)		3,878	4,771
Contributions (inclusive of GST)		58	160
Interest received		874	424
Investment revenue from water corporation	2.9	466	466
Other receipts (inclusive of GST)		824	701
Net GST refund/(payment)		688	518
Payments to suppliers (inclusive of GST)		(7,367)	(6,704)
Payments to employees (including redundancies)		(6,026)	(5,619)
Finance costs paid		(244)	(270)
Other payments		(261)	(394)
Net cash provided by (used in) operating activities	9.2	5,588	5,627
Cash flows from investing activities			
Payments for property, infrastructure, plant and equipment		(5,937)	(4,691)
Proceeds from sale of property, infrastructure, plant and equipment		688	86
Capital grants (inclusive of GST)		1,944	1,935
Transfers to financial assets.		(1,884)	(7,616)
Net cash provided by (used in) investing activities		(5,189)	(10,286)
Cash flows from financing activities			
Proceeds from trust funds and deposits		(181)	66
Repayment of lease liabilities (principal repayments)		(43)	(12)
Repayment of interest bearing loans and borrowings	9.3	(2,268)	(389)
Net cash provided by (used in) financing activities		(2,492)	(335)
Net increase (decrease) in cash and cash equivalents		(2,093)	(4,994)
Cash and cash equivalents at the beginning of the financial year		6,819	11,813
Cash and cash equivalents at the end of the financial year	9.4	4,726	6,819
Restrictions on cash assets	4.1		
Financing arrangements	9.5		

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

Statement of Changes in Equity For the Year Ended 30 June 2024

	Note	Accumulated Surplus 2024 \$'000	Asset Revaluation Reserve 2024 \$'000	Fair Value Reserve 2024 \$'000	Other Reserves 2024 \$'000	Total Equity 2024 \$'000
2024						
Balance at beginning of the financial year		43,665	180,570	(2,123)	709	222,821
Net result for the year		1,686	-	-	-	1,686
Other Comprehensive Income:						
Fair Value adjustment on equity investment assets	5.1,9.1	-	-	1,785	-	1,785
Net asset revaluation increment/(decrement)	9.1	-	45,668	-	-	45,668
Total comprehensive income		45,351	226,238	(338)	709	271,960
Transfers between reserves		(139)	-	-	139	-
Balance at end of the financial year		45,212	226,238	(338)	848	271,960

		Accumulated Surplus 2023 \$'000	Asset Revaluation Reserve 2023 \$'000	Fair Value Reserve 2023 \$'000	Other Reserves 2023 \$'000	Total Equity 2023 \$'000
2023 Restated						
Balance at beginning of the financial year		41,046	169,262	(3,145)	579	207,742
Net result for the year		2,749	-	-	-	2,749
Other Comprehensive Income:						
Fair Value adjustment on equity investment assets	5.1,9.1	-	-	1,022	-	1,022
Net asset revaluation increment/(decrement)	9.1	-	11,308	-	-	11,308
Total comprehensive income		43,795	180,570	(2,123)	579	222,821
Transfers between reserves		(130)	-	-	130	-
Balance at end of the financial year		43,665	180,570	(2,123)	709	222,821

The above statement should be read with the accompanying notes.

Note 1 Overview

1.1 Reporting entity

- (a) The Break O'Day Council was established in 1993 and is a body corporate with perpetual succession and a common seal. Council's main office is located at St Helens, Tasmania
- (b) The purpose of the Council is to:
- provide for health, safety and welfare of the community;
 - to represent and promote the interests of the community;
 - provide for the peace, order and good government in the municipality.

1.2 Basis of accounting

These financial statements are a general purpose financial report that consists of a Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows, and notes accompanying these financial statements. The general purpose financial report complies with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, and the *Local Government Act 1993 (LGA1993) (as amended)*. Council has determined that it does not have profit generation as a prime objective. Consequently, where appropriate, Council has elected to apply options and exemptions within accounting standards that are applicable to not-for-profit entities.

This financial report has been prepared on the accrual and going concern basis.

All amounts are presented in Australian dollars and unless stated, have been rounded to the nearest thousand dollars.

This financial report has been prepared under the historical cost convention, except where specifically stated in notes, 5.1, 6.1, 7.3, 8.1 and 10.3(d).

Unless otherwise stated, all material accounting policy information is consistent with those applied in the prior year. Where appropriate, comparative figures have been amended to accord with current presentation, and disclosure has been made of any material changes to comparatives.

1.3 Use of judgements and estimates

Judgements and Assumptions

In the application of Australian Accounting Standards, Council is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Council has made no assumptions concerning the future that may cause a material adjustment to the carrying amounts of assets and liabilities within the next reporting period. Judgements made by Council that have significant effects on the financial report are disclosed in the relevant notes as follows:

Employee entitlements

Assumptions are utilised in the determination of Council's employee entitlement provisions. These assumptions are discussed in note 7.3.

Defined benefit superannuation fund obligations

Actuarial assumptions are utilised in the determination of Council's defined benefit superannuation fund obligations. These assumptions are discussed in note 9.6.

Fair value of property, infrastructure, plant & equipment

Assumptions and judgements are utilised in determining the fair value of Council's property, infrastructure, plant and equipment including useful lives and depreciation rates. These assumptions are discussed in note 6.1.

Investment in water corporation

Assumptions utilised in the determination of Council's valuation of its investment in TasWater are discussed in note 5.1.

Landfill and Quarry Rehabilitation

Assumptions and judgements are utilised in determining the projected rehabilitation cost of Council's landfill cells and quarry site, these are discussed in note 7.3.

1.4 Material Budget Variations

Council's original budget was adopted by the Council on 27 June 2023. The original projections on which the budget was based have been affected by a number of factors. These include State and Federal Government decisions including new grant programs, changing economic activity, the weather, and by decisions made by the Council. Material variations of more than 10% and \$50,000 are explained below:

Revenues

1 Interest

Revenue from interest was up \$596,000 on budget due to higher than expected interest rates and higher levels of cash held in term deposits during the year than expected.

2 Other income

Revenue was up \$584,000 on budget due mainly to receipt of funds for an insurance claim and the repricing of the rehabilitation provisions for the landfill and quarries.

3 Capital grants

Revenue from capital grants was down \$2,531,000 (53%) on budget primarily due to the delay in receiving grant funds in line with achieving project milestones. A number of these grants are also forecast to occur over multiple financial years. Some grant funds are received but carried forward as a contract liability as funds are not yet spent.

4 Contributed assets

Council received \$201,000 in contributed assets during the year for improvements to the St Helens Sport Complex Lighting Towers not directly paid for by Council.

5 Net gain/loss on disposal of assets

Net gain/loss on disposal of assets was down on budget by \$1,528,000 due to the carrying value of assets replaced with new capital works being disposed of on replacement.

1.5 Functions/Activities of the Council

(a) Revenue, expenditure and assets attributable to each function as categorised in (c) below:

	Grants 000's	Other 000's	Total Revenue 000's	Total Expenditure 000's	Surplus/ (Deficit) 000's	Assets 000's
Government and administration						
2023 - 2024	1,409	10,856	12,265	3,577	8,688	16,572
2022 - 2023	2,124	9,606	11,730	3,626	8,104	16,700
Roads, streets and bridges						
2023 - 2024	2,846	(1,597)	1,249	5,858	(4,609)	161,041
2022-2023 restated	4,259	(508)	3,751	5,297	(1,546)	123,782
Drainage						
2023 - 2024	-	-	-	647	(647)	28,202
2022 - 2023	-	-	-	607	(607)	22,111
Waste management						
2023 - 2024	-	3,231	3,231	2,543	688	1,390
2022 - 2023	-	2,774	2,774	2,433	341	1,067
Building, planning & environmental health						
2023 - 2024	-	791	791	1,344	(553)	39
2022 - 2023	7	871	878	1,261	(383)	50
Community amenities						
2023 - 2024	1,369	821	2,190	1,948	242	8,370
2022 - 2023	85	109	194	1,825	(1,631)	6,974
Community services						
2023 - 2024	80	51	131	519	(388)	667
2022 - 2023	116	79	195	610	(415)	682
Recreation facilities						
2023 - 2024	31	42	73	1,419	(1,346)	16,314
2022 - 2023	374	(49)	325	1,174	(849)	16,019
Economic development						
2023 - 2024	-	101	101	490	(389)	2,064
2022 - 2023	-	105	105	370	(265)	2,072
Other - not attributable						
2023 - 2024	-	-	-	-	-	46,122
2022 - 2023	-	-	-	-	-	44,414
Total						
2023 - 2024	5,735	14,296	20,031	18,345	1,686	280,781
2022 - 2023 Restated	6,965	12,987	19,952	17,203	2,749	233,871

1.5 Functions/Activities of the Council (Continued)

(b) *Reconciliation of Assets above with the Statement of Financial Position at 30 June:*

	2024	Restated 2023
	000's	000's
Current assets	15,513	15,736
Non-current assets	265,268	218,135
	280,781	233,871

(c) *Governance and administration*

Operation and maintenance of council chambers, administration offices, and councillors.

Roads, streets and bridges

Construction, maintenance and cleaning of road, streets, footpaths, bridges, parking facilities and street lighting.

Drainage

Operation and maintenance of open or deep drainage systems in urban areas, including the lining of piping of creeks but excludes drainage associated with road works, flood mitigation and agriculture.

Waste Management

Collection, handling, processing and disposal of all waste materials.

Building, planning & environmental health

Environmental health includes disease control, food surveillance, public-use building standards, health education and promotion and water quality. Environmental management includes strategies and programs for the protection of the environment and regulations of activities affecting the environment.

Planning includes the administration of the town planning scheme, subdivisions and urban and rural renewal programs. Building control includes the development and maintenance of building constructions standards and building surveying services.

Community amenities

Operation and maintenance of buildings and facilities and town maintenance services.

Community services

Administration and operation of dog registration, operation of pounds, control of straying stock. Support of the performing arts, operation of the museum and the presentation of festivals. Community Development which provides for the implementation of a process by which strategies and plans can be developed so that the Council can fulfil their general responsibility for enhancing the quality of life of the whole community.

Recreation facilities

Operation and maintenance of sporting facilities (includes active and passive recreation and recreation centres), parks, gardens, reserves and cemeteries.

Economic development

Maintenance and marketing of tourist facilities, private works, operation and maintenance of the aerodrome and operation of visitor information centre.

Other - not attributable

Other not attributed elsewhere.

	2024 \$'000	2023 \$'000
Note 2 Revenue		
Note 2.1 Rates and charges		
Council uses Assessed Annual Value (AAV) as the basis of valuation of all properties within the municipality. The AAV of a property is its estimated gross annual rental value.		
The valuation base used to calculate general rates for 2023-24 was \$114.85 million (2022-23, \$114.11 million). The 2023-24 rate in the AAV dollar was \$0.0673 (2022-23, \$0.06352).		
General Rate	8,875	8,043
Fire Levy	402	384
Waste Management Charge	1,602	1,499
Waste Collection Charges	1,041	976
Total rates and charges	11,920	10,902

The date of the latest general revaluation of land for rating purposes within the municipality was 29 March 2019, and the valuation was first applied in the rating year commencing 1 July 2019.

Accounting policy

Council recognises revenue from rates and annual charges for the amount it is expected to be entitled to at the beginning of the rating period to which they relate, or when the charge has been applied. Rates and charges in advance are recognised as a financial liability until the beginning of the rating period to which they relate.

Note 2.2 Statutory fees and fines

Infringements and costs	1	3
Town Planning Fees	239	250
Land information certificates	88	93
Permits	186	201
Total statutory fees and fines	514	547

Accounting policy

Statutory fees and fines are recognised as income when the service has been provided, the payment is received, or when the penalty has been applied, whichever first occurs.

Note 2.3 User fees

Waste and garbage	283	264
Health food licences/fees	34	28
Dog registrations and associated revenue	39	42
Building surveying fees	171	157
Commission received	20	19
Facility leases and hall hire	169	155
Private works	24	21
Sale of goods	122	111
Other environmental fees	37	75
Other fees and charges	26	21
Total user fees	925	893

User fees by timing of revenue recognition

User fees recognised over time	-	-
User fees recognised at a point in time	925	893
	925	893

Accounting policy

Council recognises revenue from user fees and charges at a point in time or over time as the performance obligation is completed and the customer receives the benefit of the goods / services being provided.

Licences granted by Council are all either short-term or low value and all revenue is recognised at the time that the licence is granted rather than the term of the licence.

	2024 \$'000	2023 \$'000
Note 2.4 Grants		
Grants were received in respect of the following:		
Summary of grants		
Federally funded grants	5,404	6,354
State funded grants	330	611
Total	5,734	6,965
Grants - Recurrent		
Commonwealth Government Financial Assistance Grants (Untied) - general	4	519
Commonwealth Government Financial Assistance Grants (Untied) - roads & bridges	89	530
Commonwealth Government Financial Assistance Grants (Untied) - in advance	3,115	3,558
Learner Driver	30	21
Wellbeing	50	92
Heavy Vehicle Motor Tax	49	49
Mangana Cell Tower	1	59
Emergency repairs	190	-
Other	-	9
Total recurrent grants	3,528	4,837
Capital grants received specifically for new or upgraded assets		
Commonwealth Government - roads to recovery	351	697
Georges Bay Foreshore Multi-User Track	-	375
Local Roads and Community Infrastructure	457	967
Black Summer Bushfire Grants	1,388	25
State - road safety	-	65
Other	11	(1)
Total capital grants	2,207	2,128
Unspent grants and contributions		
Grants and contributions which were obtained on the condition that they be spent for specified purposes or in a future period, but which are not yet spent in accordance with those conditions, are as follows:		
Operating		
Balance of unspent funds at 1 July	73	142
Add: Funds received and not recognised as revenue in the current year	334	23
Less: Funds received in prior year but revenue recognised and funds spent in current year	(23)	(92)
Balance of unspent funds at 30 June	384	73
Capital		
Balance of unspent funds at 1 July	949	1,148
Add: Funds received and not recognised as revenue in the current year	405	214
Less: Funds received in prior year but revenue recognised and funds spent in current year	(708)	(413)
Balance of unspent funds at 30 June	646	949
Total unspent funds held as a contract liability	1,030	1,022
User fees by timing of revenue recognition		
User fees recognised over time	708	413
User fees recognised at a point in time	5,026	6,552
	5,734	6,965

Council recognises untied grant revenue and those without performance obligations when received. In cases where there is an enforceable agreement which contains sufficiently specific performance obligations, revenue is recognised as or when control of each performance obligations is satisfied. (i.e. when it transfers control of a product or provides a service.) A contract liability is recognised for unspent funds received in advance and then recognised as income as obligations are fulfilled.

The performance obligations are varied based on the agreement, but include completion of construction milestones and delivery of programs, events and studies.

Each performance obligation is considered to ensure that the revenue recognition reflects the transfer of control. Within grant agreements there may be some performance obligations where control transfers at a point in time and others which have a continuous transfer of control over the life of the contract. Where control is transferred over time, generally the input methods being either costs or time incurred are deemed to be the most appropriate methods to reflect the transfer of benefit.

	2024 \$'000	2023 \$'000
<p>If the transaction is a transfer of a financial asset to enable Council to acquire or construct a recognisable non-financial asset to be controlled by Council (i.e. an in-substance acquisition of a non-financial asset), a contract liability is recognised for the excess of the fair value of the transfer over any related amounts recognised and revenue as the unspent funds are expended at the point in time at which required performance obligations are completed.</p> <p>For construction projects, this is generally as the construction progresses in accordance with costs incurred, since this is deemed to be the most appropriate measure of the completeness of the construction project as there is no profit margin. For the acquisitions of assets, revenue is recognised when the asset is acquired and controlled by the Council.</p> <p>In both years the Commonwealth has made early payment of the first two quarterly instalments of untied Financial Assistance Grants for the following year. This has impacted the Statement of Comprehensive Income resulting in the Net result for the year being higher by the same amount. Financial Assistance Grants are general grants and do not have sufficient specific performance obligations. As a result, they are recognised as income when received.</p>		

Note 2.5 Contributions

Cash

Parks, open space, streetscapes and other

	58	160
--	----	-----

Total

Non Cash

Contributed assets

	201	-
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Total

Accounting policy

Council recognises contributions without performance obligations when received. In cases where the contributions is for a specific purpose to acquire or construct a recognisable non-financial asset, a liability is recognised for funds received in advance and income recognised as obligations are fulfilled.

Note 2.6 Interest

Interest on financial assets

	821	425
--	-----	-----

Interest on rates

	126	121
--	-----	-----

Total

Accounting policy

Interest income

Interest is recognised progressively as it is earned.

Note 2.7 Other income

S137 Unclaimed funds

	-	43
--	---	----

Reimbursements

	32	42
--	----	----

Fuel credits

	26	20
--	----	----

Insurance recoveries

	127	11
--	-----	----

Repricing of rehabilitation provisions

	363	-
--	-----	---

Other

	125	38
--	-----	----

Total other income

	673	154
--	-----	-----

Other income by timing of revenue recognition

Other income recognised over time

	-	-
--	---	---

Other income recognised at a point in time

	673	154
--	-----	-----

Total user fees

	673	154
--	-----	-----

Accounting policy

Other income

Other income is recognised as revenue when the payment is due or the payment is received, which ever occurs first.

	2024 \$'000	2023 \$'000
Note 2.8 Net gain/(loss) on disposal of property, infrastructure, plant and equipment.		
Proceeds of sale	688	86
Write down value of assets disposed	(2,096)	(767)
Total	(1,408)	(681)

Accounting policy

Gains and losses on asset disposals

The profit or loss on sale of an asset is determined when control of the asset has irrevocably passed to the buyer.

Note 2.9 Investment revenue from water corporation		
Dividend revenue received	391	391
Tax equivalent received	75	75
Total investment revenue from water corporation	466	466

Accounting policy

Investment revenue

Dividend revenue is recognised when Council's right to receive payment is established and it can be reliably measured.

Note 3 Expenses

Note 3.1 Employee benefits

Wages and salaries	4,174	3,916
Workers compensation	120	102
Leave taken	913	1,131
Superannuation	617	609
Fringe benefits tax	44	32
Staff training, recruitment and conferences	35	56
Uniforms and protective clothing	36	34
Payroll tax	269	263
Other	7	13
	6,215	6,156
Less amounts capitalised	(224)	(346)
Total employee benefits	5,991	5,810

Accounting policy

Employee benefits

Expenses are recognised in the Statement of Comprehensive Income when a decrease in future economic benefits related to a decrease in asset or an increase of a liability has arisen that can be measured reliably.

Employee benefits include, where applicable, entitlements to wages and salaries, annual leave, sick leave, long service leave, superannuation and any other post-employment benefits.

Note 3.2 Materials and services

Materials and services	1,223	913
Contractor & consultant payments	3,457	2,907
Insurance	233	200
Utilities, telephone & internet	370	304
Leases & licenses	39	101
Land tax	86	74
IT expenses	266	268
Rates discount for early payment	117	107
Rates remissions	81	69
Fire levy	399	382
Plant and equipment maintenance and hire	687	649
Legal fees	90	76
Total materials and services	7,048	6,050

2024
\$'000

2023
\$'000

Accounting policy

Materials and services expense

Expenses are recognised in the Statement of Comprehensive Income when a decrease in future economic benefits related to a decrease in asset or an increase of a liability has arisen that can be measured reliably.

Routine maintenance, repair costs, and minor renewal costs are expensed as incurred. Where the repair relates to the replacement of a component of an asset and the cost exceeds the capitalisation threshold the cost is capitalised and depreciated. The carrying value of the replaced asset is expensed.

Note 3.3 Impairment of receivables

Other debtors	(2)	2
Total impairment of receivables	(2)	2

Accounting policy

Impairment expense

Expenses are recognised when Council has determined there to be an increase in the credit risk of a financial asset since initial recognition. Council's policy and events giving rise to impairment losses are disclosed in note 4.2.

Note 3.4 Depreciation and amortisation

Property

Land improvements	61	58
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Buildings

Buildings	488	457
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Plant and Equipment

Plant, machinery and equipment	402	446
--------------------------------	-----	-----

Fixtures, fittings and furniture	119	129
----------------------------------	-----	-----

Infrastructure

Roads	2,241	2,089
-------	-------	-------

Footpaths	215	206
-----------	-----	-----

Bridges	513	480
---------	-----	-----

Drainage	448	448
----------	-----	-----

Coastal assets	28	28
----------------	----	----

Parks and Recreation	188	178
----------------------	-----	-----

Waste	25	28
-------	----	----

Intangible assets

Intangible assets	25	25
-------------------	----	----

Right-of-use of assets

Right-of-use of assets	50	11
------------------------	----	----

Total	4,803	4,583
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Accounting policy

Depreciation and amortisation expense

Expenses are recognised in the Statement of Comprehensive Income when a decrease in future economic benefits related to a decrease in asset or an increase of a liability has arisen that can be measured reliably.

Land improvements, buildings, Infrastructure, plant and equipment and other assets having limited useful lives are systematically depreciated over their useful lives to Council in a manner which reflects consumption of the service potential embodied in those assets. Right-of-use assets are amortised over the lease term. Estimates of remaining useful lives and residual values are made on a regular basis with major asset classes reassessed annually. Depreciation and amortisation rates and methods are reviewed annually.

Where assets have separate identifiable components that are subject to regular replacement, these components are assigned distinct useful lives and remaining values and a separate depreciation rate is determined for each component.

Land, heritage and road earthwork assets are not depreciated on the basis that they are assessed as not having a limited useful life.

	2024 \$'000	2023 \$'000
The non-depreciation of road earthwork assets shall be reviewed at least at the end of each reporting period, to ensure that the accounting policy applied to particular earthwork assets reflects the most recent assessment of the useful lives of the assets, having regard to factors such as asset usage, physical deterioration and technical and commercial obsolescence.		
Straight line depreciation is charged based on the residual useful life as determined each year.		
Major depreciation and amortisation periods used are listed below and are consistent with the prior year unless stated:		Period
Property		
Land improvements		10-100 years
Parks and Recreation		6-100 years
Coastal Assets		20-50 years
Buildings		
Buildings		25-220 years
Plant and Equipment		
Plant, machinery and equipment		3-20 years
Fixtures, fittings and furniture		5-75 years
Infrastructure		
Roads		
Road pavements and seals		15-100 years
Road substructure		75-100 years
Road formation and earthworks		n/a
Road kerb, channel and minor culverts		95 years
Bridges		
Bridges deck		20-80 years
Bridges substructure		20-80 years
Other Infrastructure		
Footpaths and cycleways		10-80 years
Drainage		75-120 years
Waste		25 years
Intangible assets		
Intangible assets		6 years
Right-of-use of assets		
Right-of-use of assets		5 years

	2024 \$'000	2023 \$'000
Note 3.5 Finance costs		
Interest - borrowings	244	295
Interest - unwinding of rehabilitation provisions	-	71
Total finance costs	244	366

Accounting policy

Finance expense

Expenses are recognised in the Statement of Comprehensive Income when a decrease in future economic benefits related to a decrease in asset or an increase of a liability has arisen that can be measured reliably.

Finance costs are recognised as an expense in the period in which they are incurred, except where they are capitalised as part of a qualifying asset constructed by Council. Where specific borrowings are obtained for the purpose of specific asset acquisition, the weighted average interest rate applicable to borrowings at balance date, excluding borrowings associated with superannuation, is used to determine the borrowing costs to be capitalised. No borrowing costs were capitalised during the period.

Finance costs include interest on any bank overdrafts and borrowings.

	2024 \$'000	2023 \$'000
Note 3.6 Other expenses		
External auditors' remuneration	42	54
Councillors' allowances, reimbursements & training	206	218
Election Costs	3	61
Managana Cell Tower	10	59
Total	261	392

Accounting policy

Other expenses

Expenses are recognised in the Statement of Comprehensive Income when a decrease in future economic benefits related to a decrease in an asset, or an increase of a liability has arisen that can be measured reliably.

Note 4 Current Assets

Note 4.1 Cash and cash equivalents

Cash on hand	2	2
Cash at bank	3,293	905
Cash on deposit	1,317	5,811
Committee accounts	114	101
Total cash and cash equivalents	4,726	6,819

Council's cash and cash equivalents are subject to a number of external restrictions and internal commitments that limit amounts available for discretionary or future use. These include:

Restricted funds

i) Trust funds and deposits (note 7.2)	561	742
ii) Unspent grant funds with conditions (note 2.4)	1,030	1,290
	1,591	2,032

Internal committed funds

iii) Reserve funds (note 9.1)	848	710
iv) Employee provisions (note 7.3)	1,315	1,350
iv) Other provisions (note 7.3)	441	363
	4,195	4,455

Committed funds

Total uncommitted cash and cash equivalents	531	2,364
Total Investments	9,500	7,616
Total uncommitted funds	10,031	9,980

Accounting policy

Cash and cash equivalents

For the purposes of the Statement of Cash Flows, cash and cash equivalents include cash on hand, deposits at call, and other highly liquid investments with original maturities of three months or less, net of outstanding bank overdrafts.

Restricted and internally committed funds include:

- i) Refundable building, contract and other refundable amounts held in trust by Council for completion of specific purposes.
- ii) Grant funding received in advance until specific performance obligations required under funding arrangements are completed.
- iii) Funds set aside for Council to meet rehabilitation obligations.
- iv) Monies set aside to meet employee provision obligations

	2024 \$'000	2023 \$'000
Note 4.2 Trade and other receivables		
Current		
Rates debtors	814	696
Other debtors	208	75
Provision for expected credit loss - other debtors	(3)	(5)
Accrued revenue	195	122
Net GST receivable	(8)	168
Total	1,206	1,056
Non-current		
Loans and advances to community organisations	14	14
Total	14	14
Total trade and other receivables	1,220	1,070
Reconciliation of movement in expected credit loss		
Carrying amount at 1 July	5	3
Increase / (decrease) in provision recognised in profit or loss	(2)	2
Carrying amount at 30 June	3	5

For ageing analysis of the financial assets, refer to note 9.10(b)

Accounting policy

Trade and other receivables

Trade receivables that do not contain a significant financing component are measured at amortised cost, which represents their transaction value. Impairment is recognised on an expected credit loss (ECL) basis. When determining whether the credit risk has increased significantly since initial recognition, and when estimating the ECL, Council considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on Council's historical experience, an informed credit assessment and forward-looking information. Council has established a provision matrix to facilitate the impairment assessment.

For rate debtors, Council takes the view that unpaid rates represent a charge against the rateable property that will be recovered when the property is next sold. For non-rate debtors, Council uses the presumptions that assets more than 30 days past due have a significant increase in credit risk and those more than 90 days will likely be in default. Council writes off receivables when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery.

Note 4.3 Investments

Current

Term deposits - more than 3 months	9,500	7,616
Total	9,500	7,616

Accounting policy

Investments

Investment in financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model.

Note 4.4 Inventories

Inventories held for distribution	78	242
Total inventories	78	242

Accounting policy

Inventories

Inventories held for distribution are measured at cost adjusted when applicable for any loss of service potential. Where inventories are acquired at no cost, or for nominal consideration, the cost shall be the current replacement cost as at the date of acquisition.

	2024 \$'000	2023 \$'000
Note 5 Other investments		
Note 5.1 Investment in water corporation		
Opening balance	33,960	32,938
Fair Value adjustments on equity investment assets	1,785	1,022
Total investment in water corporation	35,745	33,960

Council has derived returns from the water corporation as disclosed at note 2.9.

Accounting policy

Equity Investment

As Council's investment in TasWater is held for long-term strategic purposes, Council has elected under AASB 9: *Financial Instruments* to irrevocably classify this equity investment as designated at fair value through other comprehensive income. Subsequent changes in fair value on designated investments in equity instruments are recognised in other comprehensive income (for fair value reserve, refer note 9.1) and not reclassified through the profit or loss when derecognised. Dividends associated with the equity investments are recognised in profit and loss when the right of payment has been established and it can be reliably measured.

Fair value was determined by using Council's ownership interest against the water corporation's net asset value at balance date. Council holds 1.89% (2022/2023: 1.94%) ownership interest in TasWater which is based on Schedule 2 of the Corporation's Constitution.

Note 6	Non-current assets		
Note 6.1	Property, infrastructure, plant and equipment	2024	Restated 2023
		\$'000	\$'000
	Summary		
	at cost	23,509	22,432
	Less accumulated depreciation	(6,727)	(6,093)
		16,782	16,339
	at fair value as at 30 June	287,627	250,629
	Less accumulated depreciation	(75,711)	(83,675)
		211,916	166,954
	Total	228,698	183,293
	Property		
	Land		
	at fair value as at 30 June	10,377	10,454
		10,377	10,454
	Land under roads		
	at fair value at 30 June	9,102	2,581
		9,102	2,581
	Land improvements		
	at cost	1,621	1,462
	Less accumulated depreciation	(401)	(334)
		1,220	1,128
	Total Land	20,699	14,163
	Buildings		
	at fair value as at 30 June	27,034	25,902
	Less accumulated depreciation	(11,032)	(10,293)
		16,002	15,609
	Heritage improvements		
	at cost as at 30 June	17	17
	Less accumulated depreciation	(2)	(2)
		15	15
	Total Buildings	16,017	15,624
	Total Property	36,716	29,787
	Plant and Equipment		
	Plant, machinery and equipment		
	at cost	6,047	5,635
	Less accumulated depreciation	(3,446)	(3,400)
		2,601	2,235
	Fixtures, fittings and furniture		
	at cost	1,194	1,175
	Less accumulated depreciation	(742)	(623)
		452	552
	Total Plant and Equipment	3,053	2,787

Note 6.1 Property, infrastructure, plant and equipment (continued)	2024 \$'000	Restated 2023 \$'000
Infrastructure		
Roads		
at fair value as at 30 June	150,675	130,678
Less accumulated depreciation	(36,357)	(45,375)
	114,318	85,303
Footpaths		
at fair value as at 30 June	13,389	10,855
Less accumulated depreciation	(3,676)	(3,293)
	9,713	7,562
Bridges		
at fair value as at 30 June	36,224	34,172
Less accumulated depreciation	(11,600)	(10,360)
	24,624	23,812
Drainage		
at fair value as at 30 June	40,826	35,987
Less accumulated depreciation	(13,046)	(14,354)
	27,780	21,633
Parks and Recreation		
at cost	10,438	9,947
Less accumulated depreciation	(1,585)	(1,238)
	8,853	8,709
Coastal Assets		
at cost	763	763
Less accumulated depreciation	(191)	(162)
	572	601
Waste		
at cost as at 30 June	930	913
Less accumulated depreciation	(360)	(334)
	570	579
Make Good Obligation		
at cost as at 30 June	441	-
Less accumulated depreciation	-	-
	441	-
Total Infrastructure	186,871	148,199
Works in progress		
Buildings	1,519	269
Roads	292	1,229
Footpaths	55	610
Land improvements	9	-
Parks & recreation	41	99
Waste	-	23
Drainage	18	64
Bridges	124	226
Total Works in progress	2,058	2,520
Total property, infrastructure, plant and equipment	228,698	183,293

Note 6.1 Property, infrastructure, plant and equipment (continued)

Reconciliation of property, infrastructure, plant and equipment

	Balance at beginning of financial year	Acquisition of assets	Revaluation increments (decrements)	Depreciation and amortisation	Written down value of disposals	Impairment losses or items expensed	Transfers	Balance at end of financial year
2024								
	\$'000	\$'000	(note 9.1) \$'000	(note 3.4) \$'000	\$'000	\$'000	\$'000	\$'000
Property								
Land	10,454	190	-	-	(267)	-	-	10,377
Land under roads	2,581	-	6,485	-	-	1	35	9,102
Land improvements	1,128	-	-	(61)	-	-	153	1,220
Total land	14,163	190	6,485	(61)	(267)	1	188	20,699
Buildings	15,609	201	343	(488)	-	(1)	338	16,002
Heritage improvements	15	-	-	-	-	-	-	15
Total buildings	15,624	201	343	(488)	-	(1)	338	16,017
Total property	29,787	391	6,828	(549)	(267)	-	526	36,716
Plant and Equipment								
Plant, machinery and equipment	2,235	-	-	(402)	(21)	-	789	2,601
Fixtures, fittings and furniture	552	4	-	(119)	-	-	15	452
Total plant and equipment	2,787	4	-	(521)	(21)	-	804	3,053
Infrastructure								
Roads	85,303	-	30,078	(2,241)	(1,792)	1	2,969	114,318
Footpaths	7,562	-	1,417	(215)	(16)	-	965	9,713
Bridges	23,812	-	1,049	(513)	-	1	275	24,624
Drainage	21,633	-	6,297	(448)	-	-	298	27,780
Parks & Recreation	8,709	-	-	(188)	-	-	332	8,853
Coastal Assets	601	-	-	(28)	-	(1)	-	572
Waste	579	-	-	(25)	-	(1)	17	570
Make Good Obligation	-	441	-	-	-	-	-	441
Total infrastructure	148,199	441	38,841	(3,658)	(1,808)	-	4,856	186,871
Works in progress								
Buildings	269	1,605	-	-	-	(10)	(345)	1,519
Roads	1,229	2,750	-	-	-	(150)	(3,537)	292
Footpaths	610	206	-	-	-	1	(762)	55
Land Improvements	-	32	-	-	-	(18)	(5)	9
Land Under Roads	-	35	-	-	-	-	(35)	-
Parks & Recreation	99	147	-	-	-	(97)	(108)	41
Plant, machinery and equipment	-	796	-	-	-	(7)	(789)	-
Fixtures, fittings and furniture	-	17	-	-	-	(2)	(15)	-
Waste	23	35	-	-	-	(41)	(17)	-
Drainage	64	258	-	-	-	(6)	(298)	18
Bridges	226	173	-	-	-	-	(275)	124
Total works in progress	2,520	6,054	-	-	-	(330)	(6,186)	2,058
Total property, infrastructure, plant and equipment	183,293	6,890	45,669	(4,728)	(2,096)	(330)	-	228,698

(a) Impairment losses or items expensed

Impairment losses are recognised in the Statement of comprehensive income under other expenses.

Reversals of impairment losses are recognised in the Statement of comprehensive income under other revenue.

Items of works in progress that were expensed instead of being capitalised are also recognised in the Statement of comprehensive income as expenses.

Note 6.1 Property, infrastructure, plant and equipment (continued)

Reconciliation of property, infrastructure, plant and equipment (continued)

Restated 2023	Balance at beginning of financial year	Acquisition of assets	Revaluation increments (decrements) (note 9.1)	Depreciation and amortisation (note 3.4)	Written down value of disposals	Impairment losses recognised in profit or loss	Transfers	Balance at end of financial year
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Property								
Land	8,708	-	1,746	-	-	-	-	10,454
Land under roads	2,581	-	-	-	-	-	-	2,581
Land improvements	10,846	-	-	(58)	(144)	(1)	(9,515)	1,128
Total land	22,135	-	1,746	(58)	(144)	(1)	(9,515)	14,163
Buildings	14,994	-	968	(457)	-	-	104	15,609
Heritage improvements	15	-	-	-	-	-	-	15
Total buildings	15,009	-	968	(457)	-	-	104	15,624
Total property	37,144	-	2,714	(515)	(144)	(1)	(9,411)	29,787
Plant and Equipment								
Plant, machinery and equipment	2,118	-	-	(446)	(70)	-	633	2,235
Fixtures, fittings and furniture	548	-	-	(129)	-	-	133	552
Total plant and equipment	2,666	-	-	(575)	(70)	-	766	2,787
Infrastructure								
Roads	88,461	-	5,353	(2,089)	(543)	-	(5,879)	85,303
Footpaths	-	-	471	(206)	(10)	-	7,307	7,562
Bridges	22,807	-	1,485	(480)	-	-	-	23,812
Drainage	20,654	-	1,285	(448)	-	-	142	21,633
Parks & Recreation	-	-	-	(178)	-	-	8,887	8,709
Coastal Assets	-	-	-	(28)	-	-	629	601
Waste	-	-	-	(28)	-	-	607	579
Total infrastructure	131,922	-	8,594	(3,457)	(553)	-	11,693	148,199
Works in progress								
Buildings	70	294	-	-	-	(5)	(90)	269
Roads	480	2,829	-	-	-	(346)	(1,734)	1,229
Footpaths	-	327	-	-	-	-	283	610
Land Improvements	310	69	-	-	-	(69)	(310)	-
Coastal	-	1	-	-	-	(1)	-	-
Parks & Recreation	-	454	-	-	-	(45)	(310)	99
Plant, machinery and equipment	-	637	-	-	-	(4)	(633)	-
Fixtures, fittings and furniture	-	133	-	-	-	-	(133)	-
Waste	-	2	-	-	-	-	21	23
Drainage	10	196	-	-	-	-	(142)	64
Bridges	6	270	-	-	-	(50)	-	226
Total works in progress	876	5,212	-	-	-	(520)	(3,048)	2,520
Total property, infrastructure, plant and equipment	172,608	5,212	11,308	(4,547)	(767)	(521)	-	183,293

(a) Impairment losses or items expensed

Impairment losses are recognised in the Statement of comprehensive income under other expenses.

Reversals of impairment losses are recognised in the Statement of comprehensive income under other revenue.

Items of works in progress that were expensed instead of being capitalised are also recognised in the Statement of comprehensive income as expenses.

Note 6.1 Property, infrastructure, plant and equipment (continued)

Accounting policy

Recognition and measurement of assets

Acquisitions of assets are initially recorded at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition.

Property, plant and equipment and infrastructure received in the form of contributions, are recognised as assets and revenues at fair value by Council valuation where that value exceeds the recognition thresholds for the respective asset class. Fair value is the price that would be received to sell the asset in an orderly transaction between market participants at the measurement date.

Where assets are constructed by Council, cost includes all materials used in construction, direct labour, borrowing costs incurred during construction, and an appropriate share of directly attributable variable and fixed overheads.

The following classes of assets have been recognised. In accordance with Council's policy, the threshold limits detailed below have applied when recognising assets within an applicable asset class and unless otherwise stated are consistent with the prior year:

The threshold of all asset categories to be recognised is \$1,000.

Revaluation

Council has adopted the following valuation bases for its non-current assets:

Land	fair value
Land under roads	fair value
Land improvements	cost
Buildings	fair value
Plant and machinery	cost
Fixtures, fittings and furniture	cost
Drainage	fair value
Roads	fair value
Footpaths	fair value
Coastal assets	cost
Parks and recreation	cost
Waste	cost
Bridges	fair value
Heritage	cost
Make good obligation	cost

Subsequent to the initial recognition of assets, non-current physical assets, other than plant and equipment, land improvements and furniture, fittings and office equipment, are measured at their fair value in accordance with AASB 116 *Property, Plant & Equipment* and AASB 13 *Fair Value Measurement*. At balance date, Council reviewed the carrying value of the individual classes of assets measured at fair value to ensure that each asset class materially approximated its fair value. Where the carrying value materially differed from the fair value at balance date the class of asset was revalued.

Council undertakes a formal revaluation of land, buildings, and infrastructure assets on a regular basis to ensure valuations represent fair value. Valuations are performed either by experienced Council officers or independent experts. Between such valuations, Council considers, and when necessary, applies indexation to assets to ensure the carrying values continue to represent fair values.

Fair value valuations are determined in accordance with a valuation hierarchy. Changes to the valuation hierarchy will only occur if an external change in the restrictions or limitations of use on an asset result in changes to the permissible or practical highest and best use of the asset.

Where the assets are revalued, the revaluation increments are credited directly to the asset revaluation reserve except to the extent that an increment reverses a prior year decrement for that class of asset that had been recognised as an expense in which case the increment is recognised as revenue up to the amount of the expense. Revaluation decrements are recognised as an expense except where prior increments are included in the asset revaluation surplus for that class of asset in which case the decrement is taken to the reserve to the extent of the remaining increments. Within the same class of assets, revaluation increments and decrements within the year are offset.

Impairment of assets

Impairment losses are recognised in the statement of comprehensive income under other expenses.

Reversals of impairment losses are recognised in the statement of comprehensive income under other revenue.

Land under roads

Council recognised the value of land under roads it controls at fair value.

	2024 \$'000	2023 \$'000
Note 6.2 Intangible assets		
Municipal revaluation	21	46
Total intangible assets	21	46
Reconciliation of intangible assets		
	Municipal Revaluation \$'000	Total \$'000
Gross carrying amount		
Balance at 1 July 2022	151	151
Additions	-	-
Balance at 30 June 2023	151	151
Additions	-	-
Balance at 30 June 2024	151	151
Accumulated amortisation and impairment		
Balance at 1 July 2022	80	80
Amortisation expense	25	25
Balance at 30 June 2023	105	105
Amortisation expense	25	25
Balance at 30 June 2024	130	130
Net book value at 30 June 2023	46	46
Net book value at 30 June 2024	21	21

Accounting policy

Intangible assets

Intangible assets with finite lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

In accordance with Council's policy, the threshold limits applied when recognising intangible assets is \$1,500 and consistent with the prior year.

The estimated useful lives for current and comparative periods are as follows:

Municipal Revaluation 6 years

Note 6.3 Right-of-use assets

Right-of-use assets

	Property \$'000	Total \$'000
2024		
Opening Balance at 1 July 2023	792	792
Additions	29	29
Disposals	-	-
Depreciation expense	(61)	(61)
Balance at 30 June 2024	760	760
2023		
Opening Balance at 1 July 2022	18	18
Additions	785	785
Disposals	-	-
Depreciation expense	(11)	(11)
Balance at 30 June 2023	792	792

Accounting policy**Leases - Council as Lessee**

In contracts where Council is a lessee, Council recognises a right-of-use asset and a lease liability at the commencement date of the lease, unless the short-term or low-value exemption is applied. Refer to note 7.4 for details on accounting policy of lease liability.

A right-of-use asset is initially measured at cost comprising the initial measurement of the lease liability adjusted for any lease payments made before the commencement date (reduced by lease incentives received), plus initial direct costs incurred in obtaining the lease and an estimate of costs to be incurred in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

All right-of-use assets are measured as described in the accounting policy for property, infrastructure, plant and equipment in note 6.1. Also, Council applies AASB 136 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the aforesaid note.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that Council expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

	2024 \$'000	2023 \$'000
Note 6.4 Other assets		
Current		
Bonds paid	3	3
Total	3	3
Non-current		
Shares in Bendigo Bank	30	30
Total	30	30
Note 7 Current liabilities		
Note 7.1 Trade and other payables		
Trade payables	634	476
Rates and charges in advance	297	272
Accrued expenses	184	155
Total trade and other payables	1,115	903

Accounting policy**Trade and other payables**

Liabilities are recognised for amounts to be paid in the future for goods and services provided to Council as at balance date whether or not invoices have been received. General Creditors are unsecured, not subject to interest charges and are normally settled within 30 days of invoice receipt.

Rates and charges in advance represents amounts received by Council prior to the commencement of the rating or charging period. Revenue is recognised by Council at the beginning of the rating or charge period to which the advance payment relates.

For ageing analysis of trade and other payables, refer to note 9.11

Note 7.2 Trust funds and deposits		
Refundable building deposits	102	186
Section 137 seizures	250	365
Refundable civic facilities deposits	7	6
Retention amounts	191	174
Other refundable deposits	11	11
Total trust funds and deposits	561	742

Accounting policy**Section 137 Seizures**

Amounts received for section 137 seizures relate to residual funds received from properties sold for unpaid rates. These funds are held in trust until claimed by the property owner, if they become known within 3 years of the sale. After 3 years, unclaimed funds may transfer to Council.

Retention Amounts & Building Deposits

Amounts received as tender deposits and retention amounts controlled by Council are recognised as Trust funds until they are returned or forfeited.

Note 7.3 Provisions

2024

Balance at beginning of the financial year

Additional provisions

Amounts used

(Increase)/decrease in the discounted amount arising because of time and the effect of any change in the discount rate

Balance at the end of the financial year

Current

Non-current

Total

	Annual leave & TOIL/RDO's	Long service leave	Landfill & Quarry restoration	Other	Total
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
Balance at beginning of the financial year	428	630	363	292	1,713
Additional provisions	442	132	-	184	758
Amounts used	(469)	(83)	-	(197)	(749)
(Increase)/decrease in the discounted amount arising because of time and the effect of any change in the discount rate	-	(44)	78	-	34
Balance at the end of the financial year	401	635	441	279	1,756
Current	401	327	-	157	885
Non-current	-	308	441	122	871
Total	401	635	441	279	1,756

2023

Balance at beginning of the financial year

Additional provisions

Amounts used

Decrease in the discounted amount arising because of time and the effect of any change in the discount rate

Balance at the end of the financial year

Current

Non-current

Total

	Annual leave & TOIL/RDO's	Long service leave	Landfill & Quarry restoration	Other	Total
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
Balance at beginning of the financial year	374	540	266	245	1,425
Additional provisions	462	195	-	156	813
Amounts used	(408)	(110)	-	(109)	(627)
Decrease in the discounted amount arising because of time and the effect of any change in the discount rate	-	5	97	-	102
Balance at the end of the financial year	428	630	363	292	1,713
Current	428	349	-	170	947
Non-current	-	281	363	122	766
Total	428	630	363	292	1,713

Employee Numbers (FTE)

60 59

Accounting policy

(a) Employee benefits

i) Short term obligations

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be wholly settled within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liability for annual leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables.

ii) Other long term employee benefit obligations

The liability for long service leave and annual leave which is not expected to be wholly settled within 12 months after the end of the period in which the employees render the related service is recognised in the provision for employee benefits and 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. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

The obligations are presented as current liabilities in the statement of financial position if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting date, regardless of when the actual settlement is expected to occur.

iii) Sick leave

No accrual is made for sick leave as Council experience indicates that, on average, sick leave taken in each reporting period is less than the entitlement accruing in that period, and this experience is expected to recur in future reporting periods. Council does not make payment for untaken sick leave.

iv) Defined benefit plans

A liability or asset in respect of defined benefit superannuation plans would ordinarily be recognised in the statement of financial position, and measured as the present value of the defined benefit obligation at the reporting date plus unrecognised actuarial gains (less unrecognised actuarial losses) less the fair value of the superannuation fund's assets at that date and any unrecognised past service cost. The present value of the defined benefit obligation is based on expected future payments which arise from membership of the fund to the reporting date, calculated annually by independent actuaries using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. However, when this information is not reliably available, Council accounts for its obligations to defined benefit plans on the same basis as its obligations to defined contribution plans i.e as an expense when it becomes payable.

Council makes superannuation contributions for a number of its employees to the Quadrant Defined Benefits Fund (the Fund), a sub-fund of the Tasplan Superannuation Fund (Tasplan). The Fund has been classified as a multi-employer sponsored plan. As the Fund's assets and liabilities are pooled and are not allocated by employer, the Actuary is unable to allocate benefit liabilities, assets and costs between employers. As provided under paragraph 34 of AASB 119 *Employee Benefits*, Council does not use defined benefit accounting for these contributions.

v) Defined contribution plans

Contributions to defined contribution plans are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

(b) Land fill restoration

Accounting policy

Land fill restoration

Under the *Environmental Management and Pollution Control Act 1994* and Council's Environmental Protection Notice issued by the Environmental Protection Authority, Council is obligated to restore the landfill site to a particular standard. Current projections indicate that the landfill site will cease operation in 2027 and restoration work is expected to commence shortly thereafter. The forecast life of the site is based on current estimates of remaining capacity and the forecast rate of infill. The provision for landfill restoration has been calculated based on the present value of the expected cost of works to be undertaken. The expected cost of works has been estimated based on current understanding of work required to reinstate the site to a suitable standard. Accordingly, the estimation of the provision required is dependent on the accuracy of the forecast timing of the work, work required and related costs. Council does not expect to receive reimbursement from a third party.

Council reviews the landfill restoration provision on an annual basis, including the key assumptions listed below.

Key assumptions:

- discount rate 2.81%
- index rate 4.11%

The discount rate used is a 5 year average of the 10 year Australian Treasury bond rate.

The index rate used is a 5 year average of the ABS Roads and Construction Cost Index.

(c) Quarry rehabilitation

Accounting policy

Quarry restoration

Under legislation Council is obligated to restore quarry sites to a particular standard. The forecast life of the quarry site is based on current estimates of remaining capacity and the forecast rate of extraction. The provision for quarry restoration has been calculated based on the present value of the expected cost of works to be undertaken. The expected cost of works has been estimated based on current understanding of work required to reinstate the site to a suitable standard. Accordingly, the estimation of the provision required is dependent on the accuracy of the forecast timing of the work, work required and related costs. Council does not expect to receive reimbursement from a third party.

Council reviews the landfill restoration provision on an annual basis, including the key assumptions listed below.

Key assumptions:

- discount rate 2.81%
- index rate 4.11%

The discount rate used is a 5 year average of the 10 year Australian Treasury bond rate.

The index rate used is a 5 year average of the ABS Roads and Construction Cost Index.

	2024 \$'000	2023 \$'000
Note 7.4 Lease liabilities		
Lease liabilities	760	803
	<u>760</u>	<u>803</u>
Current	58	61
Non-Current	<u>702</u>	<u>742</u>

Lease liabilities are secured by the related underlying assets. Future minimum lease payments were as follows:

As at 30 June 2024	Minimum lease payments due						Total \$ '000
	Within 1 Year \$ '000	1-2 Years \$ '000	2-3 Years \$ '000	3-4 Years \$ '000	4-5 Years \$ '000	After 5 Years \$ '000	
Lease payments	58	59	58	59	61	465	760
Net present value	<u>58</u>	<u>59</u>	<u>58</u>	<u>59</u>	<u>61</u>	<u>465</u>	<u>760</u>
As at 30 June 2023							
Lease payments	61	56	56	55	57	518	803
Net present value	<u>61</u>	<u>56</u>	<u>56</u>	<u>55</u>	<u>57</u>	<u>518</u>	<u>803</u>

Accounting policy

Leases - Council as Lessee

The lease liability is measured at the present value of outstanding payments that are not paid at balance date, discounted by using the rate implicit in the lease. Where this cannot be readily determined then Council's incremental borrowing rate for a similar term with similar security is used.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

Short-term leases and leases of low-value assets

Council has elected not to recognise right-of-use assets and lease liabilities for short-term leases i.e. leases with a lease term of 12 months or less and leases of low-value assets i.e., when the value of the leased asset when new is \$10,000 or less. Council recognises the lease payments associated with these leases as expense on a straight-line basis over the lease term.

	2024 \$'000	2023 \$'000
Note 7.5 Contract Liabilities		
Current		
Funds received to acquire on construct an asset controlled by Council	646	949
Funds received prior to performance obligation being satisfied (Upfront payments)	384	73
	<u>1,030</u>	<u>1,022</u>

Accounting policy

Council recognised the following contractual liabilities:

i) Grant funds received in advance includes the construction of community roads and infrastructure. The funds received are under an enforceable contract which requires Council to construct an identified asset which will be under Council's control on completion. The revenue is recognised as Council constructs the asset and the contract liability reflects the funding received which cannot yet be recognised as revenue. Revenue is expected to be recognised in the next 12 months.

Revenue recognised that was included in the contract liability balance at the beginning of the period

Funds received prior to performance obligation being satisfied (upfront payments) – AASB 15	850	505
	<u>850</u>	<u>505</u>

Note 8 Non-current liabilities**Note 8.1 Interest-bearing loans and borrowings****Current**

Borrowings - secured

2,605 408

2,605 408**Non-current**

Borrowings - secured

994 5,459

994 5,459**Total****3,599 5,867****Borrowings**

Borrowings are secured over Council's rate revenue

The maturity profile for Council's borrowings is:

Not later than one year

2,605 408

Later than one year and not later than five years

621 1,821

Later than five years

373 3,638

Total**3,599 5,867****Accounting policy****Interest bearing liabilities**

The borrowing capacity of Council is limited by the *Local Government Act 1993*. Interest bearing liabilities are initially recognised at fair value, net of transaction costs incurred. Subsequent to initial recognition these liabilities are measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Comprehensive Income over the period of the liability using the effective interest method.

Interest is expensed as it accrues and no interest has been capitalised during the current or comparative reporting period. There have been no defaults or breaches of the loan agreement during the period. Borrowings are secured by way of mortgages over the general rates of the Council.

Notes to the Financial Report
For the Year Ended 30 June 2024

Note 9	Other financial information	Balance at beginning of reporting year	Increment	(Decrement)	Balance at end of reporting year
Note 9.1	Reserves	\$'000	\$'000	\$'000	\$'000
	(a) Asset revaluation reserve				
	2024 Property				
	Land	5,572	-	-	5,572
	Land under roads	(47)	6,485	-	6,438
	Buildings	5,454	343	-	5,797
		10,979	6,828	-	17,807
	Infrastructure				
	Roads	145,248	30,078	-	175,326
	Bridges	7,316	1,049	-	8,365
	Footpaths	471	1,417	-	1,888
	Drainage	16,556	6,297	-	22,853
		169,591	38,841	-	208,432
	Total asset revaluation reserve	180,570	45,669	-	226,238

Restated

	2023 Property				
	Land	3,826	1,746	-	5,572
	Land under roads	(47)	-	-	(47)
	Buildings	4,486	968	-	5,454
		8,265	2,714	-	10,979
	Infrastructure				
	Roads	139,895	5,353	-	145,248
	Bridges	5,831	1,485	-	7,316
	Footpaths	-	471	-	471
	Drainage	15,271	1,285	-	16,556
		160,997	8,594	-	169,591
	Total asset revaluation reserve	169,262	11,308	-	180,570

The asset revaluation reserve was established to capture the movements in asset valuations upon the periodic revaluation of Council's assets.

	Balance at beginning of reporting year	Increment	(Decrement)	Balance at end of reporting year
(b) Fair value reserve		\$'000	\$'000	\$'000
2024 Equity Investment assets				
Investment in water corporation	(2,124)	1,785	-	(339)
Total fair value reserve	(2,124)	1,785	-	(339)
2023 Equity Investment assets				
Investment in water corporation	(3,146)	1,022	-	(2,124)
Total fair value reserve	(3,146)	1,022	-	(2,124)

Council has to designate its investment in Taswater as an equity investment at fair value through other comprehensive income. Subsequent changes in fair value are reflected in the reserve and will not be reclassified through the profit or loss when derecognised.

Notes to the Financial Report
For the Year Ended 30 June 2024

	Balance at beginning of reporting year	Transfers from	Transfers To	Balance at end of reporting year
	\$'000	\$'000	\$'000	\$'000
(c) Other reserves				
2024 Facilities and properties	239	24	-	262
Other Reserves	471	115	-	586
Total Other reserves	710	139	-	848
2023 Facilities and properties	151	88	-	239
Other Reserves	429	42	-	471
Total Other reserves	580	130	-	710

Facilities and properties reserve recognises those funds that are being retained for future contributions to capital works on Council properties, buildings and recreational facilities. It includes contributions from developers towards establishment of public open space areas.

Other reserves are amounts set aside for specific purposes. These largely include funds received for various community development and cultural projects.

	2024 \$'000	2023 \$'000
Total Reserves	226,748	179,156

Note 9.2 Reconciliation of cash flows from operating activities to surplus (deficit)

Result from continuing operations	1,686	2,749
Depreciation/amortisation	4,753	4,572
Depreciation of right-of-use assets	50	11
Contributed assets	(201)	-
(Profit)/loss on disposal of property, infrastructure, plant and equipment	1,408	681
Capital grants received specifically for new or upgraded assets	(1,944)	(1,935)
Recognition of make good obligation asset	(441)	-
<i>Change in assets and liabilities:</i>		
Decrease/(increase) in trade and other receivables	(150)	(417)
Decrease/(increase) in other assets	-	1
Decrease/(increase) in inventories	164	83
Increase/(decrease) in trade and other payables	212	(137)
Increase/(decrease) in provisions	43	287
Increase/(decrease) in contract liabilities	8	(268)
Net cash provided by/(used in) operating activities	5,588	5,627

Note 9.3 Reconciliation of liabilities arising from financing activities

Liabilities arising from financing activities are liabilities for which cash flows were, or future cash flows will be, classified in the Statement of Cash Flows as cash flows from financing activities.

	Interest-bearing loans and borrowings	Lease liabilities
	2024	2023
	\$'000	\$'000
Balance as at 1 July 2023	5,867	803
Changes from financing cash flows:		
Additions	-	29
Cash repayments	(2,267)	(71)
Balance as at 30 June 2024	3,600	761
Balance as at 1 July 2022	6,256	29
Changes from financing cash flows:		
Additions		785
Cash repayments	(389)	(11)
Balance as at 30 June 2023	5,867	803

Note 9.4 Reconciliation of cash and cash equivalents

Cash and cash equivalents (see note 4.1)

Total reconciliation of cash and cash equivalents

4,726	6,819
4,726	6,819

Note 9.5 Financing arrangements

Credit cards	18	43
Used facilities	(5)	(16)
Security Deposit Guarantee	150	150
Used Facility	(126)	(126)
Unused facilities	37	51

Note 9.6 Superannuation

Council makes superannuation contributions for a number of its employees to the Quadrant Defined Benefits Fund (the Fund), a sub-fund of Spirit Super. The Fund has been classified as a multi-employer sponsored plan. As the Fund's assets and liabilities are pooled and are not allocated by employer, the Actuary is unable to allocate benefit liabilities, assets and costs between employers. As provided under paragraph 34 of AASB 119 Employee Benefits, Council does not use defined benefit accounting for these contributions.

For the year ended 30 June 2024 Council contributed 12.5% (2023 12.5%) of employees' gross income to the Fund. Assets accumulate in the fund to meet member benefits as they accrue, and if assets within the fund are insufficient to satisfy benefits payable, Council is required to meet its share of the deficiency.

Deloitte Consulting Pty Ltd undertook the last actuarial review of the Fund at 30 June 2023. The review disclosed that at that time the net market value of assets available for funding member benefits was \$48,442,000, the value of vested benefits was \$39,789,000, the surplus over vested benefits was \$8,653,000, the value of total accrued benefits was \$39,479,000, and the number of members was 77. These amounts relate to all members of the Fund at the date of valuation and no asset or liability is recorded in the Spirit Super's financial statements for Council employees.

The financial assumptions used to calculate the Accrued Benefits for the Fund were:

- Net Investment Return 4.50% p.a.
- Salary Inflation 3.00% p.a.
- Price Inflation n/a

Note 9.6 Superannuation (Continued)

The actuarial review concluded that:

- The value of assets of the Fund was adequate to meet the liabilities of the Fund in respect of vested benefits as at 30 June 2023.
- The value of assets of the Fund was adequate to meet the value of the liabilities of the Fund in respect of accrued benefits as at 30 June 2023.
- Based on the assumptions used, and assuming the Employer contributes at the levels described below, the value of the assets is expected to continue to be adequate to meet the value of the liabilities of the Fund in respect of vested benefits at all times during the period up to 30 June 2028.

Given the strong financial position of the Fund, the Actuary recommended that Council continue their contribution holiday and contribute 0% of salaries towards the defined benefit arrangements in the Fund from 1 July 2024 until 1 July 2027. This contribution rate is subject to normal review processes which include reviewing the contribution rate if needed to respond to extreme movements in financial markets. In addition, employers pay contributions towards defined benefit members' accumulation accounts where required by agreements.

The Actuary will continue to undertake a brief review of the financial position of the Fund at the end of each financial year to confirm that the contribution rates remain appropriate. The next full triennial actuarial review of the Fund will have an effective date of 30 June 2026 and is expected to be completed late in 2026.

Council also contributes to other accumulation superannuation schemes on behalf of a number of employees; however, Council has no ongoing responsibility to make good any deficiencies that may occur in those schemes.

During the year Council made the required superannuation contributions for all eligible employees to an appropriate complying superannuation fund as required by the *Superannuation Guarantee (Administration) Act 1992*.

As required in terms of paragraph 148 of AASB 119 *Employee Benefits*, Council discloses the following details:

- The 2023 actuarial review used the "aggregate" funding method. This is a standard actuarial funding method. The results from this method were tested by projecting future fund assets and liabilities for a range of future assumed investment returns. The funding method used is consistent with the method used at the previous actuarial review in 2020.

Under the aggregate funding method of financing the benefits, the stability of Councils' contributions over time depends on how closely the Fund's actual experience matches the expected experience. If the actual experience differs from that expected, Councils' contribution rate may need to be adjusted accordingly to ensure the Fund remains on course towards financing members' benefits.

- In terms of Rule 15.2 of the Spirit Super Trust Deed (Trust Deed), there is a risk that employers within the Fund may incur an additional liability when an Employer ceases to participate in the Fund at a time when the assets of the Fund are less than members' vested benefits. Each member of the Fund who is an employee of the Employer who is ceasing to Participate is required to be provided with a benefit at least equal to their vested benefit. However, there is no provision in the Trust Deed requiring an employer to make contributions other than its regular contributions up to the date of cessation of contributions.
- The application of Fund assets on Spirit Super being wound-up is set out in Rule 20.2. This Rule provides that expenses and taxation liabilities should have first call on the available assets. Additional assets will initially be applied for the benefit of the then remaining members and/or their Dependents in such manner as the Trustee considers equitable and appropriate in accordance with the Applicable Requirements (broadly, superannuation and taxation legislative requirements and other requirements as determined by the regulators).

The Trust Deed does not contemplate the Fund withdrawing from Spirit Super.

- The Fund is a defined benefit Fund.
- The Fund has been classified as a multi-employer sponsored plan. As the Fund's assets and liabilities are pooled and are not allocated by employer, the Actuary is unable to allocate benefit liabilities, assets and costs between employers. Thus the Fund is not able to prepare standard AASB119 defined benefit reporting.

Note 9.6 Superannuation (Continued)

- During the reporting period the amount of superannuation contributions paid to defined benefits schemes was \$39,071(2022-23, \$34,006), and the amount paid to accumulation schemes was \$694,074 (2022-23, \$664,064).
- During the next reporting period the expected amount of superannuation contributions to be paid to defined benefits schemes is \$40,634, and the amount to be paid to accumulation schemes is \$721,837.
- As reported on the first page of this note, Assets exceeded accrued benefits as at the date of the last actuarial review, 30 June 2023. Favourable investment returns, since that date, has seen further improvement in the financial position of the Fund. The financial position of the Fund will be fully investigated at the actuarial review as at 30 June 2026.
- An analysis of the assets and vested benefits of sub-funds participating in the Scheme, prepared by Deloitte Consulting Pty Ltd as at 30 June 2023, showed that the Fund had assets of \$48.44 million and members' Vested Benefits were \$39.79 million. These amounts represented 0.17% and 0.15% respectively of the corresponding total amounts for Spirit Super.
- As at 30 June 2023 the Fund had 77 members and the total employer contributions and member contributions for the year ending 30 June 2023 were \$738,101 and \$190,798 respectively.

	2024 \$'000	2023 \$'000
Defined benefits fund		
Employer contributions to Spirit Super	39	34
Employer contributions payable to Spirit Super at reporting date	-	-
Accumulation funds		
Employer contributions to all super funds	694	630
Employer contributions payable to other super funds at reporting date	-	-

Note 9.7 Commitments

The Council has entered into the following commitments. Commitments are not recognised in the Statement of Financial Position. Commitments are disclosed at their nominal value and presented inclusive of GST payable.

2024	Not later than 1 year \$'000	Later than 1 year and not later than 5 years \$'000	Later than 5 years \$'000	Total \$'000
Capital Expenditure Commitments				
Buildings	739	-	-	739
Parks and recreation	343	-	-	343
Total capital expenditure commitments	1,082	-	-	1,082
Contractual commitments				
Waste transfer stations and collections	1,310	980	933	3,223
Cleaning contracts for council buildings	190	195	-	385
Total contractual commitments	1,500	1,175	933	3,608

Note 9.7 Commitments (cont.)

2023	Not later than 1 year	Later than 1 year and not later than 5 years	Later than 5 years	Total
	\$'000	\$'000	\$'000	\$'000
Contractual commitments				
Waste transfer stations and collections	1,406	1,863	-	3,269
Cleaning contracts for council buildings	179	384	-	563
Total contractual commitments	1,585	2,247	-	3,832

Note 9.8 Operating leases as lessor

Council is a lessor and enters into agreements with a number of lessees. These include commercial and non-commercial agreements.

Where leases are non-commercial agreements, these are generally with not for profit, such as sporting, organisations. In these cases subsidised or peppercorn rents are charged because Council recognises part of its role is community service and community support. In these situations, Council records lease revenue on an accruals basis and records the associated properties as part of land and buildings within property, plant and equipment. Buildings are recognised at current replacement cost.

Where leases are commercial agreements, but properties leased are part of properties predominantly used by Council for its own purposes, Council records lease revenue on an accruals basis and records the associated properties as part of land and buildings within property, plant and equipment. Buildings are recognised at current replacement cost.

The future (undiscounted) lease payments to be received on an annual basis for all operating leases is at follows:

Maturity analysis of operating lease payments to be received

Year 1	10	104
Year 2	10	105
Year 3	11	98
Year 4	11	97
Year 5	6	73
Later than 5 years	-	-
Total	48	477

The following table presents the amounts reported in profit or loss:

Lease income on operating leases	98	87
Therein lease income relating to variable lease payments that do not depend on an index or rate	98	87

Note 9.9 Contingent Liabilities and contingent assets

Contingent liabilities

Security deposit guarantees	126	126
	126	126

Note 9.10 Financial Instruments

Managing financial risk

Council has exposure to the following risks from its use of financial instruments:

- (a) Interest rate risk
- (b) Credit risk
- (c) Liquidity risk; and
- (d) Market risk.

The General Manager has overall responsibility for the establishment and oversight of Council's risk management framework. Risk management policies are established to identify and analyse risks faced by Council, to set appropriate risk limits and controls, and to monitor risks and adherence to limits.

(a) Interest Rate Risk

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Interest rate risk arises from interest bearing financial assets and liabilities used. Non-derivative interest bearing assets are predominantly short term liquid assets. Council's interest rate liability risk arises primarily from long term loans and borrowings at fixed rates which exposes us to fair value interest rate risk.

Council's loan borrowings are sourced from major Australian banks by a tender process. Finance leases are sourced from major Australian financial institutions. Overdrafts are arranged with major Australian banks. We manage interest rate risk on our net debt portfolio by:

- ensuring access to diverse sources of funding;
- reducing risks of refinancing by managing in accordance with target maturity profiles; and
- setting prudential limits on interest repayments as a percentage of rate revenue.

We manage the interest rate exposure on our debt portfolio by appropriate budgeting strategies and obtaining approval for borrowings from the Department of Treasury and Finance each year.

Investment of surplus funds is made with approved financial institutions under the *Local Government Act 1993*. Council manage interest rate risk by adopting an investment policy that ensures:

- conformity with State and Federal regulations and standards,
- capital protection,
- appropriate liquidity,
- diversification by credit rating, financial institution and investment product,
- monitoring of return on investment,
- benchmarking of returns and comparison with budget.

Maturity will be staggered to provide for interest rate variations and to minimise interest rate risk.

The exposure to interest rate risk and the effective interest rates of financial assets and non-lease financial liabilities, both recognised and unrecognised, at balance date are as follows. For lease liabilities refer to note 7.4.

2024

	Weighted average interest rate	Floating interest rate \$'000	Fixed interest maturing in: 1 year or less \$'000	Over 1 to 5 years \$'000	More than 5 years \$'000	Non-interest bearing \$'000	Total \$'000
Financial assets							
Cash and cash equivalents	5.40%	3,407	1,317	-	-	2	4,726
Investments	5.07%	-	9,500	-	-	3,293	12,793
Trade and other receivables	9.85%	814	-	-	-	406	1,220
Investment in water corporation		-	-	-	-	35,745	35,745
Total financial assets		4,221	10,817	-	-	39,446	54,484
Financial liabilities							
Trade and other payables		-	-	-	-	1,115	1,115
Trust funds and deposits		-	-	-	-	561	561
Interest-bearing loans and borrowings	4.12%	-	2,605	621	373	-	3,599
Total financial liabilities		-	2,605	621	373	1,676	5,275
Net financial assets (liabilities)		4,221	8,212	(621)	(373)	37,770	49,209

Note 9.10 Financial Instruments (cont.)

2023

	Weighted average interest rate	Floating interest rate \$'000	Fixed interest maturing in:			Non-interest bearing \$'000	Total \$'000
			1 year or less \$'000	Over 1 to 5 years \$'000	More than 5 years \$'000		
Financial assets							
Cash and cash equivalents	4.51%	1,006	5,811	-	-	2	6,819
Investments	4.76%	-	7,616	-	-	-	6,819
Trade and other receivables	8.13%	710	-	-	-	374	1,084
Investment in water corporation		-	-	-	-	33,960	33,960
<i>Total financial assets</i>		1,716	13,427	-	-	34,336	48,682
Financial liabilities							
Trade and other payables		-	-	-	-	903	903
Trust funds and deposits		-	-	-	-	742	742
Interest-bearing loans and borrowings	3.70%	-	408	1,820	3,639	-	5,867
<i>Total financial liabilities</i>		-	408	1,820	3,639	1,645	7,512
Net financial assets (liabilities)		1,702	5,403	(1,820)	(3,639)	32,677	34,323

Note 9.10 Financial Instruments (Continued)

(b) Credit risk

Credit risk

Credit risk is the risk that a contracting entity will not complete its obligations under a financial instrument and cause Council to make a financial loss. Council have exposure to credit risk on some financial assets included in our Statement of Financial Position. To help manage this risk:

- we have a policy for establishing credit limits for the entities we deal with;
- we may require collateral where appropriate; and
- we only invest surplus funds with financial institutions which have a recognised credit rating specified in our

Credit risk arises from Council's financial assets, which comprise cash and cash equivalents, and trade and other receivables. Council's exposure to credit risk arises from potential default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments. Exposure at balance date is addressed in each applicable policy note. Council generally trades with recognised, creditworthy third parties, and as such collateral is generally not requested, nor is it Council's policy to securitise its trade and other receivables.

It is Council's policy that some customers who wish to trade on credit terms are subject to credit verification procedures including an assessment of their credit rating, financial position, past experience and industry reputation.

In addition, receivable balance are monitored on an ongoing basis with the result that Council's exposure to bad debts is not significant.

The maximum exposure to credit risk at balance date in relation to each class of recognised financial asset is represented by the carrying amount of those assets as indicated in the Statement of Financial Position.

Council may also be subject to credit risk for transactions which are not included in the Statement of Financial Position, such as when Council provides a guarantee for another party. Details of our contingent liabilities are disclosed in note 9.1.

Credit quality of contractual financial assets that are neither past due nor impaired

	Financial Institutions (AAA credit rating)	Government agencies (BBB credit rating)	Other (min BBB credit rating)	Total
2024				
Cash and cash equivalents	4,726	-	-	4,726
Trade and other receivables	-	-	1,220	1,220
Investments and other financial assets	9,500	-	-	9,500
Total contractual financial assets	14,226	-	1,220	15,446
2023				
Cash and cash equivalents	6,819	-	-	6,819
Trade and other receivables	-	-	1,070	1,070
Investments and other financial assets	7,616	-	-	7,616
Total contractual financial assets	14,435	-	1,070	15,505

Note 9.10 Financial Instruments (Continued)

(b) Credit risk (Continued)

Ageing of Trade and Other Receivables

At balance date other debtors representing financial assets were past due but not impaired. These amounts relate to a number of independent customers for whom there is no recent history of default. The ageing of the Council's Trade and Other Receivables was:

	2024	2023
	\$'000	\$'000
Current (not yet due)	369	344
Past due by up to 30 days	5	1
Past due between 31 and 180 days	4	-
Past due between 181 and 365 days	13	14
Past due by more than 1 year	829	711
Total Trade & Other Receivables	<u>1,220</u>	<u>1,070</u>

Ageing of individually impaired Trade and Other Receivables

At balance date, other debtors representing financial assets with a nominal value of \$2,761 (2022-23: \$5,260) were impaired. The amount of the provision raised against these debtors was \$2,761 (\$5,260). The individually impaired debtors relate to general and sundry debtor and have been impaired as a result of their doubtful collection. Many of the long outstanding past due amounts have been lodged with Council's debt collectors or are on payment arrangements.

The ageing of Trade and Other Receivables that have been individually determined as impaired at reporting date was:

	2024	2023
	\$'000	\$'000
Current (not yet due)	-	-
Past due by up to 30 days	-	-
Past due between 31 and 180 days	-	-
Past due between 181 and 365 days	-	2
Past due by more than 1 year	3	3
Total Trade & Other Receivables	<u>3</u>	<u>5</u>

(c) Liquidity risk

Liquidity risk includes the risk that, as a result of our operational liquidity requirements:

- we will not have sufficient funds to settle a transaction on the date;
- we will be forced to sell financial assets at a value which is less than what they are worth; or
- we may be unable to settle or recover a financial assets at all.

To help reduce these risks we:

- have a liquidity policy which targets a minimum and average level of cash and cash equivalents to be maintained;
- have readily accessible standby facilities and other funding arrangements in place;
- have a liquidity portfolio structure that requires surplus funds to be invested within various bands of liquid instruments;
- monitor budget to actual performance on a regular basis; and
- set limits on borrowings relating to the percentage of loans to rate revenue and percentage of loan principal repayments to rate revenue.

The Council's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk.

Note 9.10 Financial Instruments (Continued)

The table below lists the contractual maturities for non-lease Financial Liabilities. For lease liabilities refer to note 7.4. These amounts represent the discounted cash flow payments (ie principal only).

2024	6 mths or less \$'000	6-12 months \$'000	1-2 years \$'000	2-5 years \$'000	>5 years \$'000	Contracted Cash Flow \$'000	Carrying Amount \$'000
Trade and other payables	1,115	-	-	-	-	1,115	1,115
Trust funds and deposits	-	561	-	-	-	561	561
Interest-bearing loans and borrowings	137	2,468	384	237	373	3,599	3,599
Total financial liabilities	1,252	3,029	384	237	373	5,275	5,275

2023	6 mths or less \$'000	6-12 months \$'000	1-2 years \$'000	2-5 years \$'000	>5 years \$'000	Contracted Cash Flow \$'000	Carrying Amount \$'000
Trade and other payables	903	-	-	-	-	903	903
Trust funds and deposits	742	-	-	-	-	742	742
Interest-bearing loans and borrowings	202	206	425	1,395	3,639	5,867	5,867
Total financial liabilities	1,847	206	425	1,395	3,639	7,512	7,512

(d) Market risk

Market risk is the risk that the fair value or future cash flows of our financial instruments will fluctuate because of changes in market prices. Council's exposures to market risk are primarily through interest rate risk with only insignificant exposure to other price risks and no exposure to foreign currency risk. Refer to the previous Interest Rate risk discussion for details on market risk exposures.

Sensitivity disclosure analysis

Taking into account past performance, future expectations, economic forecasts, and management's knowledge and experience of the financial markets, Council believes the following movements are 'reasonably possible' over the next 12 months:

- A parallel shift of + 2% and -2% in market interest rates (AUD) from year-end rates.

The table below discloses the impact on net operating result and equity for each category of financial instruments held by Council at year-end, if the above movements were to occur.

		Interest rate risk			
		-2 %		+2%	
		-200 basis points		+200 basis points	
		Profit	Equity	Profit	Equity
2024	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets:					
Cash and cash equivalents	4,726	(95)	(95)	95	95
Investments	9,500	(190)	(190)	190	190
Financial liabilities:					
Interest-bearing loans and borrowings	3,599	(72)	(72)	72	72

		Interest rate risk			
		-2 %		+2%	
		-200 basis points		+200 basis points	
		Profit	Equity	Profit	Equity
2023	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets:					
Cash and cash equivalents	6,819	(136)	(136)	136	136
Investments	7,616	(152)	(152)	152	152
Financial liabilities:					
Interest-bearing loans and borrowings	5,867	(117)	(117)	117	117

Fair Value

The aggregate net fair values of financial assets and financial liabilities, both recognised and unrecognised, at balance date are as follows:

Total carrying amount as per the Statement of Financial Position Aggregate net fair value

Financial Instruments

	2024	2023	2024	2023
	\$'000	\$'000	\$'000	\$'000
<i>Financial assets</i>				
Cash and cash equivalents	4,726	6,819	4,726	6,819
Investments	9,500	7,616	9,500	7,616
Trade and other receivables	1,220	1,084	1,220	1,084
Investment in water corporation	35,745	33,960	35,745	33,960
<i>Total financial assets</i>	<u>51,191</u>	<u>49,479</u>	<u>51,191</u>	<u>49,479</u>
<i>Financial liabilities</i>				
Trade and other payables	1,115	903	1,115	903
Trust funds and deposits	561	742	561	742
Interest-bearing loans and borrowings	3,599	5,867	3,564	5,808
<i>Total financial liabilities</i>	<u>5,275</u>	<u>7,512</u>	<u>5,240</u>	<u>7,453</u>

Note 9.11 Fair Value Measurements

Council measures and recognises the following assets at fair value on a recurring basis:

- Investment in water corporation
- Property, infrastructure plant and equipment
 - Land
 - Land under roads
 - Buildings
 - Roads
 - Footpaths
 - Bridges
 - Drainage

Council does not measure any liabilities at fair value on a recurring basis.

(a) Fair Value Hierarchy

AASB 13 *Fair Value Measurement* requires all assets and liabilities measured at fair value to be assigned to a level in the fair value hierarchy as follows:

- Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 Unobservable inputs for the asset or liability.

The table below shows the assigned level for each asset and liability held at fair value by the Council. The table presents the Council's assets and liabilities measured and recognised at fair value at 30 June 2024.

The fair values of the assets are determined using valuation techniques which maximise the use of observable data, where it is available, and minimise the use of entity specific estimates. If one or more of the significant inputs is not based on observable market data, the asset is included in level 3. This is the case for Council infrastructure assets, which are of a specialist nature for which there is no active market for similar or identical assets. These assets are valued using a combination of observable and unobservable inputs.

As at 30 June 2024

	Note	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Recurring fair value measurements					
Investment in water corporation	5.1	-	-	35,745	35,745
Land	6.1	-	-	10,377	10,377
Land under roads	6.1	-	-	9,102	9,102
Buildings	6.1	-	-	16,002	16,002
Roads	6.1	-	-	114,318	114,318
Footpaths	6.1	-	-	9,713	9,713
Bridges	6.1	-	-	24,624	24,624
Drainage	6.1	-	-	27,780	27,780
		-	-	247,661	247,661

As at 30 June 2023

	Note	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Recurring fair value measurements					
Investment in water corporation	5.1	-	-	33,960	33,960
Land	6.1	-	-	10,454	10,454
Land under roads	6.1	-	-	2,581	2,581
Buildings	6.1	-	-	15,609	15,609
Roads and footpaths	6.1	-	-	85,303	85,303
Footpaths	6.1	-	-	7,562	7,562
Bridges	6.1	-	-	23,812	23,812
Drainage	6.1	-	-	21,633	21,633
		-	-	200,914	200,914

Transfers between levels of the hierarchy

There were no transfers between levels 1 and 2 during the year, nor between levels 2 and 3.

Note 9.11 Fair Value Measurements (Continued)

(b) Highest and best use

AASB 13 Fair Value Measurement, requires the fair value of non-financial assets to be calculated based on their "highest and best use". All assets valued at fair value in this note are being used for their highest and best use.

(c) Valuation techniques and significant inputs used to derive fair values

Investment in water corporation

Refer to Note 5.1 for details of valuation techniques used to derive fair values.

Land

Land fair values were determined by the Valuer General, effective 30 June 2022. Level 2 valuation inputs were used to value land in freehold title as well as land used for special purposes, which is restricted in use under current planning provisions. Sales prices of comparable land sites in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square metre. There was no change in the adjustment factors for Land as per the Valuer General for 2024.

Land under roads

The value of the Land Under Road network at 30 June 2024 is based on valuation data determined by the Valuer-General. The valuation approach uses adjusted land values and areas for all properties within the municipality depending upon its classification and then applying a discount appropriate to the respective classification. This adjustment is an unobservable input in the valuation. The market value of land varies significantly depending on the location of the land and the current market conditions. Currently land values range between \$0.17 and \$19.19 per square metre.

Buildings

The fair value of buildings were determined by a Gavin Boyd, Council's contract Asset Engineer effective 30 June 2021. Fair value has been derived based on current replacement cost determined for the location by Rawlinsons Construction Costs 2020. The most significant input into this valuation approach was price per square metre. Buildings were indexed at 30 June 2024 at 2.33% based on the ABS Construction Cost Index for non residential buildings.

In determining the level of accumulated depreciation the asset has been disaggregated into significant components which exhibit useful lives. Allowance has been made for the typical asset life cycle and renewal treatments of each component, residual value at the time the asset is considered to be no longer available for use.

While the unit rates based on square metres can be supported by market evidence (level 2), the estimates of residual value and useful life that are used to calculate accumulated depreciation comprise unobservable inputs (level 3). Where these other inputs are significant to the valuation the overall valuation has been classified as level 3. The table at (d) below summarises the effect that changes in the most significant unobservable inputs would have on the valuation.

Infrastructure assets

All Council infrastructure assets were fair valued using written down current replacement cost. This valuation comprises the asset's current replacement cost (CRC) less accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset. Council first determined the gross cost of replacing the full service potential of the asset and then adjusted this amount to take account of the expired service potential of the asset.

CRC was measured by reference to the lowest cost at which the gross future economic benefits of the asset could currently be obtained in the normal course of business. The resulting valuation reflects the cost of replacing the existing economic benefits based on an efficient set of modern equivalent assets to achieve the required level of service output.

The unit rates (labour and materials) and quantities applied to determine the CRC of an asset or asset component were based on a "Greenfield" assumption meaning that the CRC was determined as the full cost of replacement with a new asset including components that may not need to be replaced, such as earthworks.

The level of accumulated depreciation for infrastructure assets was determined based on the age of the asset and the useful life adopted by Council for the asset type. Estimated useful lives and residual values are disclosed in note 3.4.

The calculation of CRC involves a number of inputs that require judgement and are therefore classed as unobservable. While these judgements are made by qualified and experienced staff, different judgements could result in a different valuation. The table at (d) below summarises the effect that changes in the most significant unobservable inputs would have on the valuation.

The methods for calculating CRC are described under individual asset categories below.

(c) Valuation techniques and significant inputs used to derive fair values (Continued)

Roads, including footpaths

A full valuation of roads and footpaths was undertaken by independent valuers, Modelve, effective 30 June 2024 on depreciated replacement cost basis. The replacement cost of roads after revaluation is \$150,674,740 and the replacement cost of footpaths and cycleways is \$13,388,850. The impact of the revaluation on road depreciation is an increase of \$325,824 and footpath depreciation is \$60,309.

Council categorises its road infrastructure into urban and rural roads and then further sub-categorises these into sealed and unsealed roads. Urban roads are managed in segments of 100-250m, while rural roads are managed in 1km segments. All road segments are then componentised into formation, pavement, sub-pavement and seal (where applicable). Council assumes that environmental factors such as soil type, climate and topography are consistent across each segment. Council also assumes a segment is designed and constructed to the same standard and uses a consistent amount of labour and materials.

CRC is based on the road area multiplied by a unit price; the unit price being an estimate of labour and material inputs, services costs, and overhead allocations. Council assumes that pavements are constructed to depths of x cms for high traffic areas and y cms for lower traffic locations. For internal construction estimates, material and services prices are based on existing supplier contract rates or supplier price lists and labour wage rates are based on Council's Enterprise Bargaining Agreement (EBA). Where construction is outsourced, CRC is based on the average of completed similar projects over the last few years.

Bridges

A full valuation of bridges assets was undertaken by independent valuers, AusSpan, effective 30 November 2023. Each bridge is assessed individually and componentised into sub-assets representing the deck and sub-structure. The valuation is based on the material type used for construction and the deck and sub-structure area. Bridges were indexed at 30 June 2024 at 2.6% based on ABS Construction Cost Index for Roads and Bridges.

Drainage

A full valuation of drainage infrastructure was undertaken by Council's asset management engineering consultants, Modelve, effective 30 June 2024. Similar to roads, drainage assets are managed in segments; pits and pipes being the major components.

Consistent with roads, Council assumes that environmental factors such as soil type, climate and topography are consistent across each segment and that a segment is designed and constructed to the same standard and uses a consistent amount of labour and materials.

CRC is based on the unit price for the component type. For pipes, the unit price is multiplied by the asset's length. The unit price for pipes is based on the construction material as well as the depth the pipe is laid.

Note 9.11 Fair Value Measurements (Continued)

(d) Unobservable inputs and sensitivities

Asset / liability category*	Carrying amount (at fair value) \$'000	Key unobservable inputs *	Expected range of inputs	Description of how changes in inputs will affect the fair value
Roads	114,318	Unit replacement cost per square metre.	from \$6.16-\$9.46/sqm (unsealed) up to \$11.80-\$29.92/sqm (sealed)	The higher the unit cost the high the fair value.
		Useful life	Refer note 3.4	The longer the useful life, the higher the fair value.
Footpaths	9,713	Unit replacement cost per square metre.	from \$22.30/sqm (unsealed) up to \$202.70/sqm (concrete)	The higher the unit cost the high the fair value.
		Useful life	Refer note 3.4	The longer the useful life, the higher the fair value.
Bridges	24,624	Unit replacement cost per square metre.	from \$1,345/sqm (gravely overlay) to \$4,685/sqm (reinforced box culvert)	The higher the unit cost the high the fair value.
		Useful life	Refer note 3.4	The longer the useful life, the higher the fair value.
Drainage	27,780	Unit replacement cost per metre.	from \$106/m upto \$2,912/m, depending on pipe diameter	The higher the unit cost the high the fair value.
		Useful life	Refer note 3.4	The longer the useful life, the higher the fair value.
Investment in Water Corporation	35,745	Refer to note 5.1 for a description of the valuation basis.		

*There were no significant inter-relationships between unobservable inputs that materially affect fair values.

(e) Changes in recurring level 3 fair value measurements

The changes in level 3 property plant and equipment assets with recurring fair value measurements are detailed in note 6.1 (Property, infrastructure, plant and equipment). Heritage buildings, which are classified as level 3 are separately disclosed in note 6.1. Investment in water corporation, which is classified as level 3 has been separately disclosed in note 5.1.

There have been no transfers between level 1, 2 or 3 measurements during the year.

(f) Valuation processes

Council's current policy for the valuation of property, infrastructure, plant and equipment, investment in water corporation and investment property (recurring fair value measurements) is set out in notes 5.1, and 6.1 respectively.

Non-recurring fair value measurements are made at the point of reclassification by a registered valuer.

(g) Assets and liabilities not measured at fair value but for which fair value is disclosed

Council has assets and liabilities which are not measured at fair value, but for which fair values are disclosed in other notes.

Council borrowings are measured at amortised cost with interest recognised in profit or loss when incurred. The fair value of borrowings disclosed in note 8.1 equates to the carrying amount as the carrying amount approximates fair value (level 2).

The carrying amounts of trade receivables and trade payables are assumed to approximate their fair values due to their short-term nature (Level 2).

Note 9.12 Events occurring after balance date

- (a)** During early September storms damaged Council assets with significant vegetation clearance and removal being undertaken throughout the municipality. The full financial impact of the event cannot be made at this time. Detailed assessments of all the damage to assets will be compiled once the recovery phase of the event is complete.

Note 10 Other matters

Note 10.1 Related party transactions

(i) Councillor Remuneration 2024

Name	Position	Period	Short term employee benefits		Expenses ¹	Total allowances and expenses section 72
			Allowances	Total Compensation AASB 124		
			\$	\$	\$	\$
Mr M Tucker	Mayor	Full Year	50,098	50,098	1,485	51,583
Ms K Chapple	Deputy Mayor	Full Year	28,014	28,014	1,669	29,683
Ms K Wright	Councillor	Full Year	14,313	14,313	1,199	15,512
Mr G Barnes	Councillor	Full Year	14,313	14,313	1,199	15,512
Ms E Johnstone	Councillor	Full Year	14,313	14,313	4,682	18,995
Mr I Carter	Councillor	Full Year	14,313	14,313	1,486	15,799
Mr V Oldham	Councillor	Full Year	14,313	14,313	2,423	16,736
Mr B LeFevre	Councillor	Full Year	14,313	14,313	3,137	17,450
Ms J Drummond	Councillor	Full Year	14,313	14,313	4,380	18,693
Total			178,303	178,303	21,660	199,963

Councillor Remuneration 2023

Mr M Tucker	Mayor	Full Year	48,384	48,384	1,802	50,186
Mr J McGiveron	Deputy Mayor	Jul - Nov	8,848	8,848	-	8,848
Ms K Chapple	Deputy Mayor	Full Year	22,728	22,728	1,200	23,928
Mrs M Osborne	Councillor	Jul - Nov	4,521	4,521	400	4,921
Ms L Wittaker	Councillor	Jul - Nov	4,521	4,521	400	4,921
Ms K Wright	Councillor	Full Year	13,823	13,823	1,200	15,023
Mr G Barnes	Councillor	Nov - June	9,303	9,303	800	10,103
Ms E Johnstone	Councillor	Nov - June	9,303	9,303	2,026	11,329
Mr I Carter	Councillor	Nov - June	9,303	9,303	800	10,103
Mr V Oldham	Councillor	Nov - June	9,304	9,304	1,860	11,164
Mr B LeFevre	Councillor	Full Year	13,823	13,823	2,861	16,684
Ms J Drummond	Councillor	Full Year	13,823	13,823	4,158	17,981
Mr G McGuinness	Councillor	Jul - Nov	4,521	4,521	400	4,921
Total			172,205	172,205	17,907	190,112

¹ Section 72(1)(b) of the Local Government Act 1993 requires the disclosure of expenses paid to Councillors.

Note 10.1 Related party transactions (continued)

In 2024 Council defined the Key Management Personnel as the senior management team.

(ii) Key Management Personnel Remuneration 2024		Short term employee benefits			Post employment benefits		Non-monetary Benefits ⁶	Total
Number of Staff per Band	Remuneration band	Salary ¹	Other Allowances & Benefits ³	Vehicles ²	Super-annuation ⁴	Termination Benefits ⁵		
		\$	\$	\$	\$	\$	\$	\$
1	\$230 001 - \$250 000	210,728	-	9,636	25,667	-	(8,518)	237,513
2	\$170 001 - \$190 000	309,892	-	17,819	38,071	-	(1,665)	364,117
1	\$110 001 - \$130 000	107,627	4,221	13,495	13,705	-	(12,836)	126,212
Total		628,248	4,221	40,950	77,443	-	(23,019)	727,843
Key Management Personnel Remuneration 2023								
1	\$250 001 - \$270 000	202,208	-	7,678	33,710	-	9,465	253,061
2	\$150 001 - \$170 000	257,977	-	21,450	31,848	-	17,142	328,417
2	\$130 001 - \$150 000	202,289	4,000	25,819	25,078	-	22,285	279,471
2	\$110 001 - \$130 000	221,152	-	6,229	27,209	-	(4,887)	249,703
1	\$10 001 - \$30 000	4,230	-	3,563	449	45,317	(42,556)	11,003
		887,856	4,000	64,739	118,294	45,317	1,449	1,121,655

(ii) Key Management Personnel Remuneration (Continued)

¹ Gross Salary includes all forms of consideration paid and payable for services rendered, compensated absences during the period and salary sacrifice amounts.

² Includes total cost of providing and maintaining vehicles provided for private use, including registration, insurance, fuel and other consumables, maintenance cost and parking (including notional value of parking provided at premises that are owned).

³ Other allowances and benefits includes all other forms of employment allowances (excludes reimbursements such as travel, accommodation or meals), payments in lieu of leave, and any other compensation paid and payable.

⁴ Superannuation means the contribution to the superannuation fund of the individual.

⁵ Termination benefits include all forms of benefit paid or accrued as a consequence of termination.

⁶ Non-monetary benefits include annual and long service leave movements and non-monetary benefits (such as housing, subsidised goods or services etc).

(iii) Remuneration Principles

Councillors

Elected member remuneration is determined independently of Council.

Executives

The employment terms and conditions of senior executives are contained in individual employment contracts and prescribe total remuneration, superannuation, annual and long service leave, vehicle and salary sacrifice provisions. In addition to their salaries, Council also provides non-cash benefits and contributes to post-employment superannuation plans on their behalf. The performance of each senior executive, including the General Manager, is reviewed annually which includes a review of their remuneration package. The terms of employment of each senior executive, including the General Manager, contain a termination clause that requires the senior executive or Council to provide a minimum notice period of up to 6 months prior to termination of the contract. Whilst not automatic, contracts can be extended.

Acting Arrangements

When members of key management personnel are unable to fulfill their duties, consideration is given to appointing other members of senior staff to their position during their period of absence.

Individuals are considered members of key management personnel when acting arrangements are for more than a period of one month.

- In the current year, Mr Raoul Harper was appointed to the position of Acting General Manager, whilst Mr John Brown was on leave.

Note 10 Other matters

Note 10.1 Related party transactions (Continued)

(iv) Transactions with related parties

During the period Council entered into the following transactions with related parties.

<i>Nature of the transaction</i>	<i>Amount of the transactions during the year</i>	<i>Outstanding balances, including commitments at year end</i>	<i>Terms and conditions</i>	<i>Provision for doubtful debts related outstanding balances</i>	<i>The expense recognised during the period relating to bad or doubtful debts due from related parties</i>
St Helens Newsagency/ Bay of Fires Florist (owned by Mayor Mick Tucker)	\$2,940	Nil	30-day terms on invoices	-	-
St Helens Auto Electrics - repairs (owned by General Manager's Brother in-law)	\$15,673	Nil	30-day terms on invoices	-	-
St Helens Online Access Centre - grant (Business Services Manager's Father is the Centre Vice President)	\$5,000	Nil	30-day terms on invoices	-	-
Grange Fishing Trust - cartage of materials. (Corporate Service Coordinator's partner Director of Trust)	\$37,450	Nil	30-day terms on invoices	-	-
Fingal Valley Neighbourhood House - venue hire (Clr Gary Barnes is the Manager)	\$15,160	Nil	30-day terms on invoices	-	-

In accordance with s84(2)(b) of the *Local Government Act 1993*, no interests have been notified to the General Manager in respect of any body or organisation with which the Council has major financial dealings.

(v) Transactions with related parties that have not been disclosed

Most of the entities and people that are related parties of council live and operate within the municipality. Therefore, on a regular basis ordinary citizen transactions occur between Council and its related parties. Some examples include:

- Payment of rates on a primary residence
- Dog registration

Council has not included these types of transaction in its disclosure, where they are made on the same terms and conditions available to the general public.

Note 10.2 Special committees and other activities

	Opening Balance	Movement	Closing Balance
Pyengana Ground and Hall Committee	\$100,671	\$12,913	\$113,584

Note 10.3 Other significant accounting policies and pending accounting standards

(a) Taxation

Council is exempt from all forms of taxation except Fringe Benefits Tax, Payroll Tax and the Goods and Services Tax.

Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are presented in the Statement of Cash Flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(b) Impairment of non-financial assets

At each reporting date, Council reviews the carrying value of its assets to determine whether there is any indication that these assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the assets carrying value. Any excess of the assets carrying value over its recoverable amount is expensed to the Statement of Other Comprehensive Income, unless the asset is carried at the revalued amount in which case, the impairment loss is recognised directly against the revaluation reserve in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset. For non-cash generating assets of Council such as roads, drains, public buildings and the like, value in use is represented by the deprival value of the asset approximated by its written down replacement cost.

(c) Allocation between current and non-current

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be settled. The asset or liability is classified as current if it is expected to be settled within the next twelve months, being Council's operational cycle, or if Council does not have an unconditional right to defer settlement of a liability for at least 12 months after the reporting date.

(d) Financial guarantees

Financial guarantee contracts are recognised as a liability at the time the guarantee is issued. The liability is initially measured at fair value, and if there is material increase in the likelihood that the guarantee may have to be exercised, at the higher of the amount determined in accordance with AASB 137 *Provisions, Contingent Liabilities and Contingent Assets* and the amount initially recognised less cumulative amortisation, where appropriate. In the determination of fair value, consideration is given to factors including the probability of default by the guaranteed party and the likely loss to Council in the event of default.

(e) Contingent assets, contingent liabilities and commitments

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. Contingent assets and liabilities are presented inclusive of GST receivable or payable respectively. Commitments are not recognised in the Statement of Financial Position. Commitments are disclosed at their nominal value inclusive of the GST payable.

(f) Budget

The estimated revenue and expense amounts in the Statement of Other Comprehensive Income represent original budget amounts / revised budget estimates (date) and are not audited.

(g) Adoption of new and amended accounting standards

In the current year, Council has reviewed and assessed all the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board, including AASB 2021-2 *Amendments to Australian Accounting Standards – Disclosure of Accounting Policies* and AASB 2020-1 *Definition of Accounting Estimates and Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current*, and determined that none would have a material effect on Council's operations or financial reporting.

Note 10.3 Other significant accounting policies and pending accounting standards (cont.)

(h) Pending Accounting Standards

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2024 reporting periods. Council's assessment of the impact of the relevant new standards and interpretations is set out below.

(i) AASB 2022- 6 Amendments to Australian Accounting Standards – Non-current Liabilities with Covenants

This Standard amends AASB 101 *Presentation of Financial Statements* to improve the information an entity provides in its financial statements about long-term liabilities with covenants where the entity's right to defer settlement of those liabilities for at least twelve months after the reporting period is subject to the entity complying with conditions specified in the loan arrangement. The amendments are effective for annual periods beginning on or after 1 January 2024. Council will assess any impact of the modifications to AASB 101 ahead of the 2024-25 reporting period.

(ii) AASB 2022-10 Amendments to Australian Accounting Standards – Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities.

This Standard modifies AASB 13 *Fair Value Measurement* for application by not-for-profit public sector entities such as Council. It includes authoritative implementation guidance when fair valuing non-financial assets, not held primarily for their ability to generate cash inflows. This includes guidance and clarification regarding the determination of an assets highest and best use, the development and use of internal assumptions for unobservable inputs and allows for greater use of internal judgements when applying the cost approach in the measurement and determination of fair values. Although Council is yet to fully determine the impact of this standard, the changes will be evaluated in the future assessment of all property and infrastructure assets measured at fair value. The Standard applies prospectively to annual periods beginning on or after **1 January 2025**, with earlier application permitted.

All other Australian accounting standards and interpretations with future effective dates are either not applicable to Council's activities, or have no material impact.

Note	10.4 Management indicators	Benchmark	2024 \$'000	2023 \$'000	2022 \$'000	2021 \$'000
(a)	Underlying surplus or deficit					
	Net result for the year		1,686	2,749	(1,444)	3,855
	Less non-operating income					
	Capital contributions - and recognition of assets		(201)	160	-	-
	Covid-19 and National disaster relief grants		(190)	-	(120)	-
	Grants specifically for new or upgraded assets		(1,399)	(464)	(1,692)	(4,427)
	Grants for renewal of assets		(808)	(1,664)	(895)	(1,146)
	Grants received in advance - current year		(3,115)	(3,558)	(2,374)	(1,521)
	Grants received in advance - prior year		3,558	2,374	1,521	1,487
	Add non-operational expenses					
	Disaster relief and recovery expenditure		560	187	162	200
	Unscheduled one-off loss on disposal of non-financial assets		1,808	697	4,128	988
	Non Council works/assets funded by capital grant.		10	59	-	181
	Underlying surplus/deficit	0	<u>1,909</u>	<u>220</u>	<u>(714)</u>	<u>(383)</u>

The intent of the underlying result is to show the outcome of a council's normal or usual day to day operations.

Council's result of \$1,909,000 underlying surplus for 2023/24 is above the benchmark of 0, and an improvement from \$220,000 in 2022/23.

(b)	Underlying surplus ratio					
	<u>Underlying surplus or deficit</u>		<u>1,909</u>	<u>220</u>	<u>(714)</u>	<u>(383)</u>
	Recurrent income		19,031	18,505	16,518	14,868
	Underlying surplus ratio %	0%	10%	1%	-4%	-3%

This ratio serves as an overall measure of financial operating effectiveness.

Council's underlying surplus ratio of 10% in 2023/24 is above the benchmark of 0%.

(c)	Net financial liabilities					
	Liquid assets less		15,435	15,494	12,781	11,321
	total liabilities		8,821	11,050	10,718	11,537
	Net financial liabilities	0	<u>6,614</u>	<u>4,444</u>	<u>2,063</u>	<u>(216)</u>

This measure shows whether Council's total liabilities can be met by its liquid assets. An excess of total liabilities over liquid assets means that, if all liabilities fell due at once, additional revenue would be needed to fund the shortfall.

Council has liquid assets in surplus of total liabilities by \$6,614,000 in 2023/24 and is above the benchmark of 0.

(d)	Net financial liabilities ratio					
	<u>Net financial liabilities</u>		<u>6,614</u>	<u>4,444</u>	<u>2,063</u>	<u>(216)</u>
	Recurrent income		<u>19,031</u>	<u>18,505</u>	<u>16,518</u>	<u>14,868</u>
	Net financial liabilities ratio %	0% - (50%)	35%	24%	12%	-1%

This ratio indicates the net financial obligations of Council compared to its recurrent income.

Council's net financial liabilities ratio of 35% for 2023/24 is within the benchmark range of 0-50%.

(e)	Asset consumption ratio					
	An asset consumption ratio has been calculated in relation to each asset class required to be included in the long-term strategic asset management plan of Council.					

Buildings

	<u>Fair value (Carrying amount)</u>		<u>16,017</u>	<u>15,624</u>	<u>15,009</u>	<u>15,137</u>
	Current replacement cost (Gross)		27,051	25,919	24,192	23,868
	Asset consumption ratio %		59%	60%	62%	63%

Note 10.4 Management indicators (cont.)

	2024	Restated	Restated	
	2023	2022	2021	
	\$'000	\$'000	\$'000	\$'000
<i>Transport Infrastructure</i>				
<u>Fair value (Carrying amount)</u>	138,942	109,115	111,268	105,265
Current replacement cost (Gross)	186,899	164,850	164,512	154,027
Asset consumption ratio %	74%	66%	68%	68%
<i>Drainage</i>				
<u>Fair value (Carrying amount)</u>	27,780	21,633	20,654	19,368
Current replacement cost (Gross)	40,826	35,987	33,647	31,018
Asset consumption ratio %	68%	60%	61%	62%

This ratio indicates the level of service potential available in Council's existing asset base.

(f) **Asset renewal funding ratio**

An asset renewal funding ratio has been calculated in relation to each asset class required to be included in the long-term strategic asset management plan of Council.

<i>Buildings</i>				
<u>Projected capital funding outlays**</u>		1,245	131	290
Projected capital expenditure funding***		488	131	360
Asset renewal funding ratio %	90-100%	255%	100%	81%
				25%
<i>Transport Infrastructure</i>				
<u>Projected capital funding outlays**</u>		2,076	1,954	1,173
Projected capital expenditure funding***		2,969	1,954	1,173
Asset renewal funding ratio %	90-100%	70%	100%	100%
				60%
<i>Drainage</i>				
<u>Projected capital funding outlays**</u>		155	56	50
Projected capital expenditure funding***		448	56	50
Asset renewal funding ratio %	90-100%	35%	100%	100%
				12%

** Current value of projected capital funding outlays for an asset identified in Council's long-term financial plan.

*** Value of projected capital expenditure funding for an asset identified in Council's long-term strategic asset management plan.

This ratio measures Council's capacity to fund future asset replacement requirements.

Note 10.4 Management indicators (cont.)

(g) Asset sustainability ratio

Capex on replacement/renewal of existing assets		4,123	3,077	2,698	2,698
Annual depreciation expense		4,728	4,547	4,082	3,700
Asset sustainability ratio %	100%	87%	68%	66%	73%

This ratio calculates the extent to which Council is maintaining operating capacity through renewal of their existing asset base.

2024	Capital renewal expenditure \$'000	Capital new /upgrade expenditure \$'000	Total Capital Expenditure \$'000
By asset class			
Parks & recreation	23	38	61
Buildings	1,245	350	1,595
Land improvements	3	28	31
Plant, machinery and equipment	582	214	796
Fixtures, fittings and furniture	4	15	19
Roads	1,920	663	2,583
Land	190	-	190
Land under roads	-	35	35
Bridges	1	173	174
Footpaths	155	52	207
Drainage	-	252	252
Waste management	-	(6)	(6)
Total	4,123	1,814	5,937

2023	Capital renewal expenditure \$'000	Capital new /upgrade expenditure \$'000	Total Capital Expenditure \$'000
By asset class			
Parks & recreation	291	118	409
Buildings	131	158	289
Plant, machinery and equipment	545	88	633
Fixtures, fittings and furniture	100	33	133
Roads	1,896	587	2,483
Bridges	-	220	220
Footpaths	58	269	327
Drainage	56	140	196
Waste management	-	2	2
Total	3,077	1,615	4,692

Note 11.1 Correcton of prior period error

Comparatives have been restated in the Statement of Financial Position and Statement of Changes in Equity. These changes are a result of prior period errors in accordance with AASB 108 *Accounting Policies, Changes in Accounting Estimates and Errors*. In preparation of the 2023-24 financial statements, Council identified that accumulated depreciation was not fully recognised for Bridges in 2022 and 2023.

The written down value of the assets impacted by this error have a lower balance as at 1 July 2022 by \$9,189,056.

As these adjustment reflected characteristics of assets that existed in the prior period, an adjustment to the prior period balances has been made. This is classified as an error in accordance with AASB 108. The prior period adjustment are detailed below, with the Statement of Comprehensive Income, Statement of Financial Position and Statement of changes in Equity balances as at 30 June 2023 restated as follows:

Statement of Comprehensive Income

Net asset revaluation increment/(decrement) decreased by \$657,511

Statement of Financial Position

Property, infrastructure, plant and equipment assets were decreased by \$9,846,567.

Total Non-Current Assets, Total Assets, Net Assets have all been subsequently updated as a result.

Total Equity was decreased by \$9,846,567.

Statement of Changes in Equity

The opening balance of Total Equity decreased by \$9,189,056

Asset Revaluation reserve was decreased by \$657,511.

The following tables disclose the impact on the 2022-23 notes that have been restated for the adjustment of prior period errors discussed above.

Adjustment:

	2023 (unadjusted) \$'000	2023 (adjusted) \$'000	Prior year error adjustment \$'000
Note 1.5 - Functions / Activities of Council			
Roads, streets and bridges	133,629	123,782	(9,847)
Total Assets	243,718	233,871	(9,847)

	2023 (unadjusted) \$'000	2023 (adjusted) \$'000	Prior year error adjustment \$'000
Note 6 - Property, infrastructure, plant and equipment			
Summary			
at fair value as at 30 June	250,629	250,629	-
Less accumulated depreciation	(73,828)	(83,675)	(9,847)
Sub-total	176,801	166,954	(9,847)
Total	193,140	183,293	(9,847)

Carrying Amounts

Bridges

	2023 (unadjusted) \$'000	2023 (adjusted) \$'000	Prior year error adjustment \$'000
At fair value	34,172	34,172	-
less accumulated depreciation	(513)	(10,360)	(9,847)
Total	33,659	23,812	(9,847)

Total property, infrastructure, plant and equipment	193,140	183,293	(9,847)
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Note 11.1 Correcton of prior period error (cont.)

	2023 (unadjusted) \$'000	2023 (adjusted) \$'000	Prior year error adjustment \$'000
Reconciliation of property, infrastructure, plant and equipment			
Balance at beginning of financial year	181,797	172,608	(9,189)
Acquisition of assets	5,212	5,212	-
Revaluation increments/ (decrements)	11,308	10,650	(658)
Depreciation and amortisation	(4,547)	(4,547)	-
Written down value of disposals	(767)	(767)	-
Impairment losses	(521)	(521)	-
Transfers	-	-	-
Balance at end of financial year	192,482	182,635	(9,847)

Note 9.1 - Reserves

Asset revaluation reserve

Infrastructure

Bridges - opening	15,020	5,831	(9,189)
Bridges - closing	17,163	7,316	(9,847)
Total Infrastructure reserve	179,438	169,591	(9,847)
Total asset revaluation reserve	190,417	180,570	(9,847)

	2022 (unadjusted) \$'000	2022 (adjusted) \$'000	Prior year error adjustment \$'000
Note 6 - Property, infrastructure, plant and equipment			
Summary			
at fair value as at 1 July	233,623	233,623	-
Less accumulated depreciation	(66,229)	(75,418)	(9,189)
Sub-total	167,394	158,205	(9,189)
Total	181,797	172,608	(9,189)

Carrying Amounts

Bridges

At fair value	31,996	31,996	-
less accumulated depreciation	-	(9,189)	(9,189)
Total	31,996	22,807	(9,189)

Total property, infrastructure, plant and equipment	181,797	172,608	(9,189)
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Certification of the Financial Report

The financial report presents fairly the financial position of the Break O'Day Council as at 30 June 2024 and the results of its operations and cash flows for the year then ended, in accordance with the *Local Government Act 1993* (as amended), Australian Accounting Standards and other authoritative pronouncements issued by the Australian Accounting Standards Board.



John Brown
General Manager

Date : 24/09/2024