

Annual Report
2025-2026

Break O'Day
COUNCIL

Cover image : The Bay of Fires.

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 2026 and provides an overview of Council's operations and achievements during this period.

Contents

Fast Facts 4
Region Snapshot 5
Our Vision and Values 6
Mayor's Message 7

Mayor and Councillors 9
Councillor Learning and Development 10
Organisational Structure 11
General Manager's Report 12
Annual Report Overview 14
Key Focus Area Completion 15

Community 16
Communication 16
Events and Activities 16
Volunteering 17
Community and Council Collaboration 17
Wellbeing 17
Strengthening Community in the Fingal Valley 19

Economy 20
Opportunities 20
Brand 20
Population 21
Housing 21
St Helens History Room 21
Visitor Information Centre 22
Supporting Families and Our Local Economy 24

Environment 26
Appropriate Development 26
Land and Water Management 26
Climate Change 27
Building Approvals 28
Reducing Our Footprint, Building a Resilient Future 30

Infrastructure 32
Community Facilities 32
Towns 32
Recreational Facilities 33
Roads and Streets 33
Waste Management 33
Recycling: A Local Approach 37

Services 39
Youth 39
Health and Mental Health 39
Education and Skills Training 40
Access and Inclusion 40
Bringing Education to Our Community 41

Grant Funding 43
Grant Funding Acknowledgments 44
Financial Assistance Grants to Local Government 44
Federal Funding Programs 44

Legislated Requirements 45
Grants and Benefits 45
Rates and Charges 46
Donation of Land Statement 46
Enterprise Power Statement 46
Code of Conduct Complaints 46
Right to Information 46
Public Interest Disclosure Statements 46
Dispute Resolution 47
Remuneration Statement 47
Contracts and Tenders 48
Public Health, Environmental Reporting 49
Public Health Statement 49
Immunisations 50
Public Health Risk Activities 50
Food Act Reporting 50
Nuisance, Caravan and Wastewater Compliance 50

Financial Snapshots 51
Income 51
Expenses 52
Functions 53
Audited Financial Statements 54

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:

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Email: admin@bodc.tas.gov.au

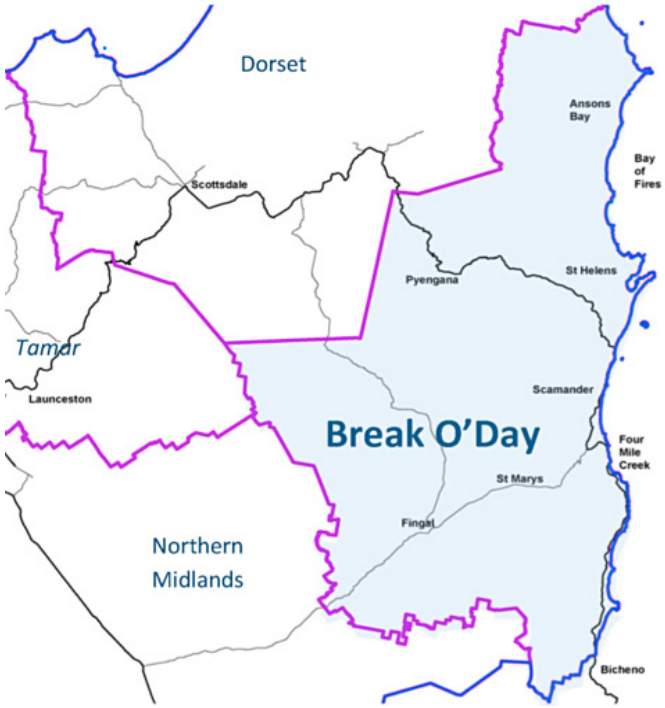
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(Excluding public holidays)
After Hours Emergency: (03) 6398 2281

www.bodc.tas.gov.au

www.facebook.com/BODCTas/

www.youtube.com/@BreakODay-CouncilTAS

Region Snapshot



The Break O'Day municipality extends along the East Coast of Tasmania from Eddystone Point (larapuna) 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



The past year has again shown the strength of the Break O'Day community and the importance of working together when it matters most.

The Stieglitz fire in December was one of those moments. Council opened and supported the evacuation centre for residents who needed somewhere safe to go, while emergency services, volunteers, community members and Council staff worked together to support those affected. Events such as this remind us that local government is not only about roads, rates and facilities — it is also about being there for our communities when they need us most.

"When our communities are under pressure, the strength of Break O'Day is always in the way people step forward, support one another and get things done."

I would like to acknowledge everyone involved in the response, particularly our emergency services, volunteers and community members who gave their time and support. Their contribution was a powerful example of the community spirit that exists across Break O'Day.

Advocacy also remained an important part of Council's work throughout the year. One of our key priorities has been continuing to push for a long-term solution for St Marys Pass. This is a critical transport link for residents, businesses, freight and visitors, and Council has continued to raise the issue directly with both State and Federal politicians. We will keep advocating strongly to ensure the importance of the Pass to the East Coast and Fingal Valley is understood and that the community's concerns remain firmly on the agenda.

Council also continued to advocate for better infrastructure, services and investment across the municipality. This includes making sure Break O'Day is represented in discussions about roads, health, housing, education, telecommunications and other services that are essential to regional communities.

There were also some significant outcomes to celebrate. The announcement of $4 million in funding for a new childcare facility in St Marys was a major win for the Fingal Valley and followed considerable work by Council and our regional partners to demonstrate the level of need.

The opening of the Regional University Study Hub in St Helens was another important milestone. Providing opportunities for people to undertake tertiary education locally gives young people and families more reason to remain in the area and helps build the skills and workforce our region will need into the future.

Across the municipality, Council continued to support local events, community organisations, sporting clubs and volunteers who contribute so much to the character of our towns. These groups are often the heart of our communities and their work plays an important role in making Break O'Day a welcoming and connected place to live.

Council cannot achieve these outcomes alone. Strong relationships with community organisations, neighbouring councils, the Tasmanian and Australian Governments and regional partners are essential, particularly for a municipality of our size. I will continue to use every opportunity to advocate for Break O'Day and ensure our communities are represented in the decisions that affect them.

I would like to thank my fellow Councillors for their contribution throughout the year, and Council staff for the work they do every day across the municipality.

Most importantly, thank you to our community — to those who volunteer, support local organisations, participate in Council activities, share their views and look out for their neighbours. That willingness to contribute is one of Break O'Day's greatest strengths and something we should all be proud of.

"When our communities are under pressure, the strength of Break O'Day is always in the way people step forward, support one another and get things done."

Mayor Mick Tucker

Mayor and Councillors

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

Following the end of the 2025–26 reporting period, Local Government Elections were held in October 2026. As part of changes to councillor numbers across Tasmania, the number of Councillors representing the Break O'Day municipal area was reduced from nine to seven for the new Council term.

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 Janet Drummond resigned during the 2025–26 reporting period. Lesa Whittaker joined Council following her resignation, with her first Council meeting held in December 2025. Attendance figures reflect each councillor's period of service during the year.

Councillor Attendance 2025-2026

Councillor	Ordinary Meetings Attended	Special Meeting of Council	Council Workshops Attended	Special Workshops Attended	AGM Attended	Total Meetings Attended
Mayor Mick Tucker	12 / 12	1/1	10/ 11	2/2	1 / 1	26 / 27
Deputy Mayor Kristi Chapple	10/ 12	1/1	11 / 11	2/2	1 / 1	25/ 27
Clr Janet Drummond*	2/ 12	0/1	0 / 11	0/2	0/ 1	2/27
Clr Barry LeFevre	11/ 12	1/1	9 / 11	2/2	1 / 1	24/ 27
Clr Kylie Wright	10 / 12	1/1	6 / 11	1 / 2	0 / 1	18 / 27
Clr Gary Barnes	8 / 12	1/1	5 / 11	0 /2	1 / 1	15/ 27
Clr Vaughan Oldham	12 / 12	1/1	11 / 11	1 /2	1 / 1	26 / 27
Clr Liz Johnstone	9 / 12	1/1	5 / 11	1 / 2	1 / 1	17/ 27
Clr Ian Carter	11/ 12	1/1	8 / 11	2/ 2	0 / 1	22 / 27
Clr Lesa Whittaker*	7/12	0/1	3/11	1/2	1/1	12/27

Councillor Learning and Development 2025-2026

The General Manager reports that in accordance with Regulation 37(d) of the Local Government (General) Regulations 2025 that Councillors completed the following Learning and Development activities in the 2025-2026 Financial Year as reported by the Office of Local Government.

The following table records completion of the core learning and development modules by Councillors.

Councillor Lesa Whitaker was appointed in December 2025 after the resignation of Councillor Janet Drummond. The councillor was not provided with LMS access in sufficient time to complete learning modules during the reporting period.

Module key

1. Being a councillor and encouraging nomination
2. Building positive relationships
3. Continuous improvement
4. Cyber safety essentials
5. Essential knowledge and skills for councillors
6. Ethical standards
7. Foundations of good governance
8. Getting elected as a councillor
9. Good decision-making
10. Land-use planning
11. Risk Management
12. Roles and responsibilities of councillors
13. Strategic planning, reporting and performance management
14. Understanding local government finances for councillors
15. Understanding your role

= COMPLETED = INCOMPLETE

Councillor	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Barry LeFevre															
Gary Barnes															
Ian Carter															
Janet Drummond															
Kristi Chapple															
Kylie Wright															
Liz Johnstone															
Mick Tucker															
Vaughan Oldham															
Lesa Whittaker															

Organisational Structure



General Manager's Report



The 2025–26 year was, in many ways, about turning years of investigation and community discussion into a stronger basis for future decisions. Much of this work is not immediately visible. Strategies, feasibility studies, structure plans and asset information do not have the same impact as a completed building or new infrastructure. However, without this groundwork Council is less able to make sound choices, attract funding or respond when opportunities arise.

This year we completed, adopted or substantially progressed an unusually broad range of strategic work. This included the Arts and Cultural Strategy, Aquatic Facility Feasibility Study, Transport Master Plan, Waste Management Strategy, Scamander River Mouth Coastal Hazards and Pathways Adaptation Plan, Scamander–Beaumaris Structure Plan, Industrial Land Use Strategy, St Marys Parking Strategy, Local Action Plan and IT Strategy. Together, these give Council and the community a clearer picture of where investment is needed, what is affordable and how individual projects fit into the longer-term future of Break O'Day.

One of the most significant achievements was the opening of the Regional University Study Hub in St Helens. By the end of the financial year almost 50 students had enrolled, demonstrating real demand for people to undertake tertiary and vocational study without leaving the region. Bringing the Study Hub and Break O'Day Employment Connect together under East Tas Education and Employment Ltd has been a substantial project which has also created a stronger connection between education, training and local employment. This is practical regional infrastructure that can make a lasting difference to young people, families and our future workforce.

The completion of the St Marys and East Coast Childcare Needs Analysis was another example of good evidence leading to a tangible outcome. The analysis helped demonstrate the scale of unmet need and contributed to securing $4 million for a new childcare centre at St Marys. Council cannot deliver every service itself, but we can bring people together, establish the case for investment and advocate strongly with governments and other partners.

There were also important achievements in climate resilience, waste, transport and community facilities. The Scamander coastal hazards work provides a practical pathway for addressing current and future risk. The new Waste Management Strategy and planning for the Scamander facilities establish a clearer direction for a service facing increasing costs and regulatory pressure. The Transport Master Plan strengthens our basis for local investment and continued advocacy on State roads, particularly St Marys Pass. The Georges Bay Foreshore Track lighting upgrade is a more visible example, improving

a well-used community asset.

It would be wrong, however, to present the year as being without challenges. Some projects were delayed by staff availability, vacancies and the time required to secure specialist resources. The St Helens–Binalong Bay Liveability Strategy commenced later than planned, while some land use planning work has been delayed unfortunately. Despite this, Council achieved 90 per cent completion of its Annual Plan, reflecting a considerable effort by a relatively small team while continuing day-to-day services across a large and dispersed municipality.

Financially, Council finished the year in a sound position, recording an underlying surplus and further reducing borrowings. That stronger position matters, but it does not remove the pressures ahead. Construction, contractors, fuel, insurance, waste transport, compliance and workforce costs continue to rise. We also manage a large and ageing asset base and renewal funding will require disciplined prioritisation. The challenge is not simply to spend more, but to make well-informed decisions about the assets and services our community needs, can afford and can sustain.

The Stieglitz fire in December was a reminder that Council's role extends beyond plans, projects, roads and facilities. Council staff, emergency services, volunteers and community members worked together to support affected residents and operate the evacuation centre. The response again demonstrated the strength of local relationships and the willingness of people across Break O'Day to step forward when needed.

Looking to 2026–27, the focus will shift from developing strategies to implementing them. Priorities include progressing the Liveability Strategy, transport and waste projects, the aquatic facility business case, website redevelopment, integrated asset management, workforce planning, climate adaptation and preparation for Council's next Strategic Plan. We will also continue advocating for housing, childcare, education, employment, State road improvements and the services regional communities need.

I thank the Mayor and Councillors for their leadership and contribution throughout the year. I also thank our employees for their professionalism, resilience and commitment, often across a broader range of responsibilities than the community may see. To our volunteers, community organisations and partner agencies, thank you for the time, knowledge and energy you contribute. Most importantly, thank you to the Break O'Day community for participating, asking questions, sharing ideas and caring about this place.

We should be proud of what has been achieved, while remaining realistic about the work ahead. The opportunity now is to use the evidence, partnerships and financial base we have built to turn good planning into practical outcomes for our community.

"Council cannot deliver every service itself, but we can bring people together, establish the case for investment and advocate strongly with governments and other partners."

General Manager
John Brown

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 2025- 2026 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.

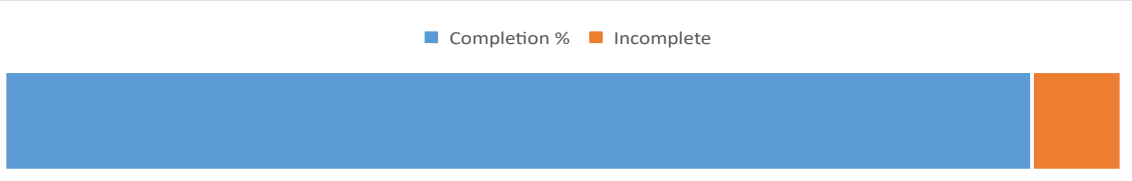
Annual Report Completion

90%

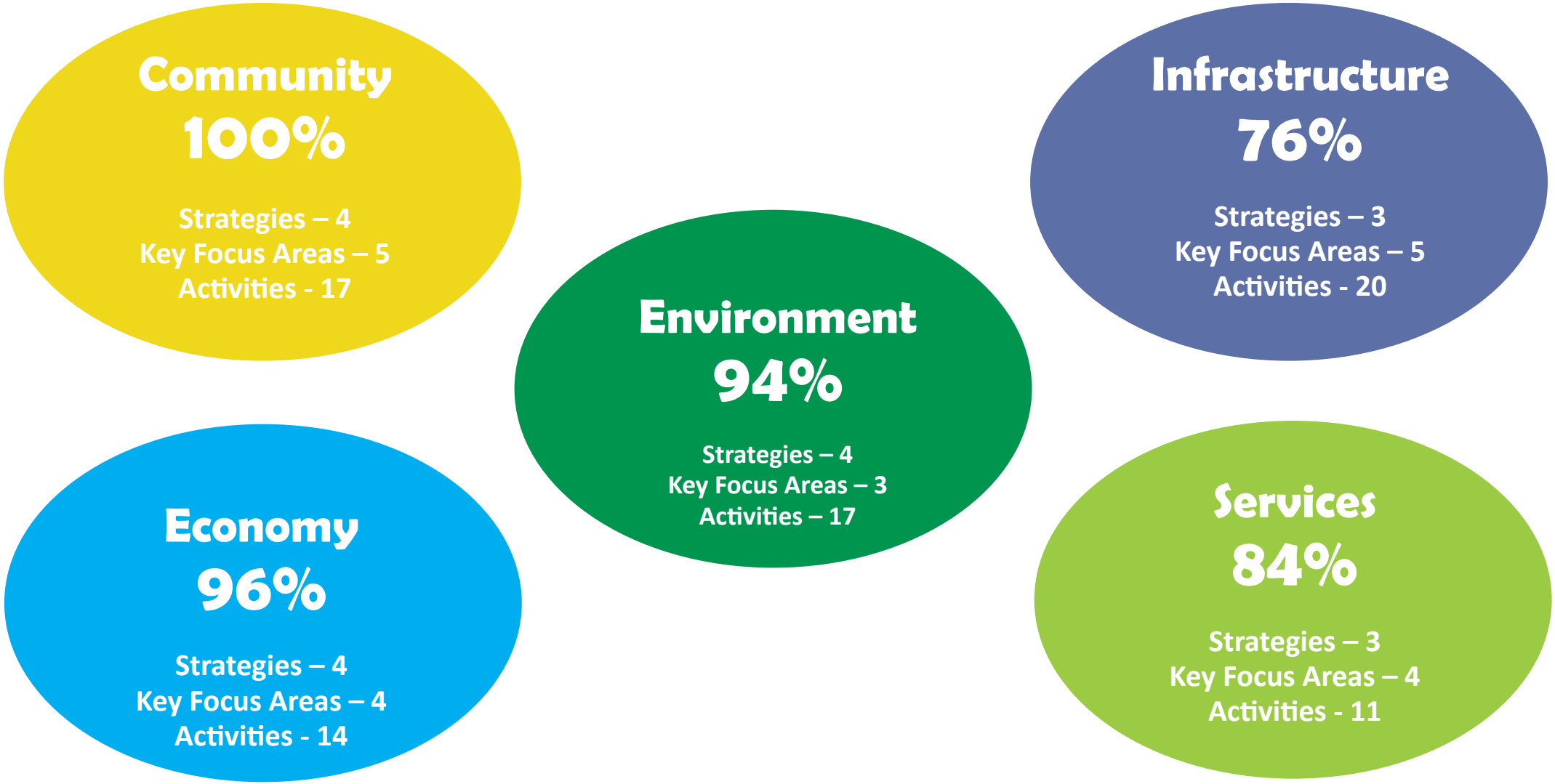
Strategies - 18

Key Focus Areas - 21

Activities - 79



Key Focus Area Completion for 2025-2026



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.

Communication activity during 2025–26 focused on improving the way Council provides information, strengthening opportunities for community engagement and laying the foundations for significant improvements to Council's digital communications.

A major focus was the redevelopment of Council's website, with Rock Agency engaged in June 2026 following a detailed tender and assessment process. The project brief was informed by community feedback, research into other council websites and best-practice accessibility, with a strong emphasis on easier navigation, improved search functionality, online service delivery and better access to Council projects and information.

Work also commenced on improving Council's newsletter. Community feedback was sought through a survey promoted through both the newsletter and social media, with the results to guide a redesign during 2026–27 and help Council better understand how residents access and use the publication. A broader communications survey originally proposed for the year was not progressed as a standalone activity due to the significant amount of community consultation already underway. Instead, feedback has been incorporated into individual communication projects to avoid consultation fatigue.

Council continued to grow its digital audience, with its Facebook following increasing by around 10.5% over the year to more than 5,500 followers. The Kinder Break O'Day campaign was also delivered, encouraging respectful community engagement while providing practical information about Council services and processes. The campaign covered topics including waste, rates, customer service, potholes and planning and building approvals and was positively received by the community and the Local Government Association of Tasmania.

Overall, Council continued to strengthen the way it communicates and engages with the community, with a strong focus on accessibility, consistency and connection.

Events and Activities

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

Council continued to support a diverse calendar of community, cultural and sporting events across Break O'Day during 2025–26, working closely with organisers on planning, approvals, compliance, risk management, facilities and operational support. Regular events remained an important part of community life, including Christmas parades, the Bay of Fires Winter Arts Festival, St Marys Car Show, Pyengana Easter Carnival, community markets and local fundraising activities.

The return of the Break O'Day Triathlon was a highlight, while a new boxing event at the St Helens Sports Stadium demonstrated the municipality's capacity to host larger sporting events, attracting 522 ticket sales. Council also continued discussions with organisers about future events for 2026 and 2027 and worked with local and regional interests

to explore sustainable mountain bike and trail-based events that can build on the St Helens Mountain Bike Network.
Environmental awareness and sustainable event practices were also promoted throughout the year, including shorebird nesting awareness, weed and pest information, citizen science opportunities, beach clean-ups and reducing single-use materials at events. Council supported planning for Fingal's 200-year celebrations, while the proposed Festival of Wellbeing did not proceed due to resourcing and timing constraints within the Wellbeing Collective.

Overall, Council continued to help community groups deliver successful events while building local capacity and strengthening Break O'Day's reputation as a vibrant event destination.

Volunteering

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

Volunteers continued to make an important contribution to community life across Break O'Day, with their value particularly evident during the Stieglitz fire in December 2025. Community volunteers supported Council and emergency agencies through administrative assistance, catering and care for displaced residents, demonstrating the strength of local networks during an emergency response.
Council continued working with external organisations to build the skills and readiness of emergency management volunteers. While a formal review of the Volunteer Strategy was not completed during the year due to competing operational priorities, staff attended the 2026 Volunteering Symposium to strengthen knowledge of contemporary volunteer management practices and help inform the future review of the Strategy.

Overall, Council continued to strengthen its volunteer networks and build the knowledge and capability needed to support volunteers into the future.

Community and Council Collaboration

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

Council continued to work with local communities to support shared decision-making and delivery of community priorities. A final progress report on the Local Township Plans was provided to communities in May 2026, closing out the current reporting cycle while recognising that many of the actions remain ongoing community priorities.
A significant achievement during the year was the completion and adoption of the Arts and Cultural Strategy. Developed with community input, the Strategy provides a clearer framework for future arts and cultural activity, collaboration and support across the municipality.

Overall, Council strengthened the framework for community collaboration by completing key strategic work and maintaining transparent reporting back to local communities.

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.

Activity in this area was more limited during 2025–26 as Council moved through a transition period following completion of the successful Community Wellbeing project. Importantly, Council maintained funding for a dedicated wellbeing role and successfully recruited a new Community Wellbeing Officer during the second half of the year.
Initial discussions were held with interested community members about re-establishing the Wellbeing Collective and renewing community-led wellbeing initiatives. Capacity constraints meant the proposed Festival of Wellbeing did not proceed during the 2025-26 year, however the appointment of the Community Wellbeing Officer provides a stronger foundation for rebuilding the Collective and progressing future projects, including planning toward a possible festival in 2027.

Overall, Council maintained its commitment to community wellbeing and rebuilt the resourcing needed to support stronger activity in 2026–27.

Community - 100%

Strategies – 4
Key Focus Areas – 5
Activities - 17



When a fast-moving bushfire threatened Stieglitz and surrounding communities in December 2025, Break O'Day once again showed the strength of a community that comes together when it matters most.

The fire began near Dianas Basin on 9 December and driven by strong winds, quickly spreading towards Stieglitz. Emergency warnings were issued and hundreds of residents were forced to leave their homes, many unsure when they would be able to return.

As the emergency unfolded, the Bendigo Bank Community Stadium in St Helens was quickly established as an evacuation centre, providing a safe place for displaced residents to gather, rest and receive information and support.

Throughout the night and following day, hundreds of people passed through the centre. Some stayed overnight, while the neighbouring Navy Cadets facility also opened its doors to provide additional sleeping accommodation.

What followed was an extraordinary community response. Local businesses, organisations and community members stepped forward to help, providing food, drinks, accommodation and other essentials. Offers of spare rooms, homes and accommodation came in for people unable to return home, while volunteers and community members helped wherever they could.

At the evacuation centre, something as simple as a hot coffee, a meal or a friendly face provided comfort during an incredibly uncertain time.

The community response extended beyond the Stadium. With road access to Stieglitz restricted, residents used boats to transport essential supplies, generators and even pets between St Helens and Stieglitz.

Behind the scenes, Council worked alongside emergency services and other agencies to support the evacuation centre and the broader emergency response, while Tasmania Fire Service crews worked around the clock to bring the fire under control.

While two homes were tragically lost and more than 1,200 hectares were burnt, the impact could have been considerably greater.

The December fires were a confronting event for our community, particularly for those directly affected. They also demonstrated what Break O'Day does exceptionally well, people looking out for one another.

Council extends its sincere thanks to our emergency services, volunteers, local businesses, organisations and every community member who offered accommodation, donated supplies, provided food, checked on a neighbour or simply asked, "What can I do to help?"

In a difficult few days, the response of our community was something we can all be proud of.

"At the evacuation centre, something as simple as a hot coffee, a meal or a friendly face provided comfort during an incredibly uncertain time"

Economy
96% 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 Break O'Day 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 Break O'Day.

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.

Economic development activity during 2025–26 covered a broad range of initiatives supporting business, employment, education, childcare and sustainable growth. Implementation of the Economic Development Strategy included engagement with local businesses, a business forum, workforce and training discussions with TasTAFE, and research into housing, aged care and other factors that influence the local economy. Progress slowed for part of the year while the Economic Development and Projects Officer was on extended leave, but important projects continued to move forward.

A major achievement was completion of the St Marys and East Coast Childcare Needs Analysis through the Eastern Strategic Regional Partnership. The work helped demonstrate the scale of unmet childcare demand and contributed to securing $4 million for a new childcare centre at St Marys. Council also supported the transition of Break O'Day Employment Connect from Fingal Valley Neighbourhood House to East Tas Education and Employment Ltd, bringing the Jobs Hub and Regional University Study Hub into closer alignment and strengthening connections between employment, education and training.

Council continued to participate in the Bay of Fires Master Plan, with final community engagement completed in May 2026 and the Plan moving toward completion. Circular economy initiatives were also advanced through Council's own waste operations and participation in Circular North, while relationships with regional business and economic development partners continued to support business diversification and investment opportunities.

Overall, Council continued to build the partnerships, evidence and infrastructure needed to support a more diverse, resilient and sustainable local economy.

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.

No standalone Annual Plan actions were assigned to this Key Focus Area in 2025–26; however, the objectives of promoting local identity, pride and authenticity were supported through activity across Council's communications, events, tourism and economic development programs.

Council's community communications increasingly showcased local projects, places, events and people, while major initiatives such as the Bay of Fires Master Plan, Economic Development Strategy implementation and community event support continued to reinforce the distinctive character of Break O'Day and its individual townships.

Overall, Council continued to promote a positive and authentic sense of place through the way it communicates, supports events and works with local communities and businesses.

Population

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

Population planning remained an important area of focus during 2025–26, although progress continued to depend in part on broader regional and State Government work. Council participated in population planning through both the Eastern Strategic Regional Partnership and Northern Tasmania Development Corporation, helping ensure the circumstances of Break O'Day are reflected in regional discussions.

Work on a Break O'Day-specific Population Strategy recommenced in June, with research and a scoping paper being prepared. This work recognises that the municipality is expected to experience modest population growth while continuing to age significantly, creating long-term implications for housing, services, workforce, health care and community infrastructure. The Strategy will focus on understanding these changes and identifying practical actions Council and its partners can influence.

Overall, Council strengthened the evidence base for future population planning and commenced the local strategy work needed to respond to demographic change.

Housing

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

Council continued to advocate for a greater range of housing options across Break O'Day, including affordable, emergency and age-appropriate housing. Progress remains heavily dependent on State Government agencies, housing providers and other infrastructure owners, meaning outcomes can be slower and less visible than Council would prefer.

Council participated in regional housing analysis through the Eastern Strategic Regional Partnership and continued to pursue opportunities for investment in housing that responds to the needs of an ageing population. Work also continued on options for greater Council involvement in housing delivery and on advocacy with government and housing providers for additional affordable and emergency housing.

The proposed Fingal housing project continued to face constraints associated with TasRail requirements, while broader State housing reforms also affected the pace of engagement during the year.

Overall, Council maintained housing as a key advocacy priority and continued building the evidence and partnerships required to facilitate future housing solutions.

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 to 3:30pm. Every August, locals can enjoy free entry as part of Free Locals Month.

The History Room hosted a range of exhibitions, displays, activities and events throughout the reporting period, as detailed below.

Exhibitions and Displays

- NAIDOC display – foyer cabinet, July 2025
- Family History display – foyer cabinet, July 2025
- TMAG display Then and Now – St Helens
- Library, October 2025 to February 2026
- Holidays of Old… – foyer cabinet, December 2025
- ANZAC display – foyer cabinet, April 2026
- Hats Off… display – foyer cabinet, May 2026
  People, Plans & Possibilities – museum, April 2026

Special Events:

- NAIDOC display – foyer cabinet, July 2025
- Family History display – foyer cabinet, July 2025
- TMAG display Then and Now – St Helens
- Library, October 2025 to February 2026
- Holidays of Old… – foyer cabinet, December 2025
- ANZAC display – foyer cabinet, April 2026
- Hats Off… display – foyer cabinet, May 2026
- People, Plans & Possibilities – museum, April 2026

1433 visitors came into the St Helens History Room during this reporting period. Entry fees totalled $ 6 239.66

Visitor Information Centre

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

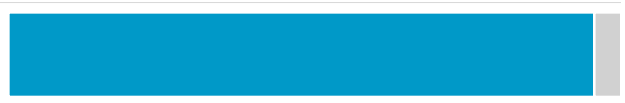
The VIC is open every day of the week from 9.00am to 4.00pm Monday-Friday and 9.00am-3.30pm Saturday-Sunday (Except Good Friday, Christmas Day and ANZAC Day morning.) The VIC plays an integral role in tourism in our area. Not only do staff help visitors to our area find accommodation they also help them 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.

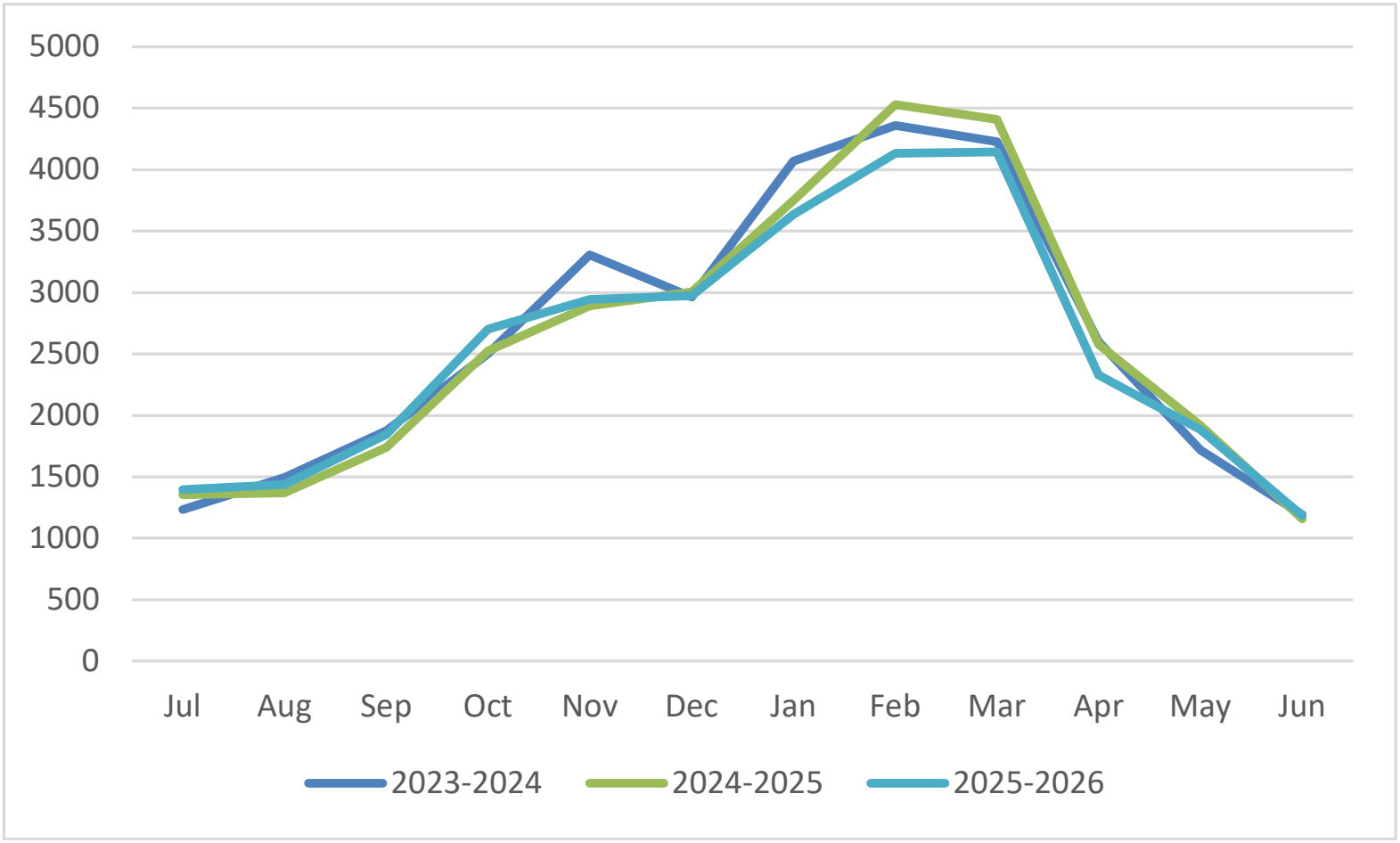
Total visitors to the VIC for the 2025-2026 FY was 30,607

Economy – 96%

Strategies – 4
Key Focus Areas – 4
Activities - 14



St Helens Visitor Information Centre - Door Count Statistics



Supporting Families and Our Local Economy

For many families, access to childcare can determine whether a parent can return to work, accept a new job or increase their hours. In regional communities, it can also influence whether families choose to stay, relocate or build their future locally.

Recognising the important connection between childcare and our local economy, Break O'Day Council, through the Eastern Strategic Regional Partnership and with support from the Tasmanian Government, progressed the St Marys and East Coast Childcare Needs Analysis.

The project was undertaken to better understand current and future demand for early childhood education and care and outside school hours care, initially focusing on St Marys before considering the needs of communities across the broader East Coast.

For St Marys and the Fingal Valley, limited access to childcare has been identified as a significant barrier to employment. Council has heard from people unable to take up job opportunities because suitable care was unavailable, highlighting an issue that affects not only families, but local employers and the wider economy.

For a region with an ageing population and a need to attract and retain working-age families, this has implications well beyond individual households.

Local businesses need workers. Families need employment. Communities need young families to remain viable and connected. Reliable childcare is an important part of bringing all three together.

The Needs Analysis provided the evidence needed to clearly demonstrate demand. It examined future childcare needs, service and workforce challenges, potential locations and options for delivering a sustainable service, with co-location at St Marys District School identified as the preferred solution.

Importantly, that work has already helped deliver a significant result for the community.

In January 2026, the Australian Government announced $4 million in funding for a new early learning service at St Marys District School, which will provide 24 early childhood education and care places.

Council sincerely thanks the Australian Government for this significant investment in St Marys and acknowledges the Tasmanian Government, community members, service providers and stakeholders who contributed to the Needs Analysis and helped demonstrate the need for improved childcare services in our region.

The funding represents an important step towards addressing a long-standing challenge for St Marys families, while supporting greater workforce participation, local businesses and the ability to attract and retain families in our region.

It also demonstrates the value of listening to our community, building a strong evidence base and using that evidence to advocate for investment.

Improving access to childcare is an investment in our children and families, our workforce and the long-term economic future of our region.

"It also demonstrates the value of listening to our community, building a strong evidence base and using that evidence to advocate for investment"

Images courtesy of Building Blocks.





Environment
94% 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.

Strategic land use planning was a major focus during 2025–26, with work progressing across several significant projects that will guide future development in Break O'Day. These included the Industrial Land Use Strategy, the Scamander–Beaumaris Structure Plan and the new Northern Tasmania Regional Land Use Strategy.

Council also continued work associated with flood-prone land and future climate risk, while progressing a Scenic Areas Assessment intended to inform future consideration of planning scheme provisions. The Industrial Land Use Strategy and Scamander–Beaumaris Structure Plan advanced substantially during the year and were close to completion when the resignation of Council's Senior Town Planner reduced capacity late in the reporting period.

The temporary vacancy also slowed progression of the scenic assessment work.

Overall, Council made strong progress on the strategic planning foundations needed to support appropriate, sustainable and well-informed future development.

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.

Council delivered a broad natural resource management program during 2025–26, supported by additional resourcing that enabled greater focus on strategic and higher-value environmental work. Activities included weed and biosecurity management, cat and dog management, coastal management, shorebird protection, community education and collaboration with landholders, volunteers and government agencies.

Council also supported and progressed a range of externally funded and regional environmental initiatives, including Weed Action Fund projects, Davies waxflower conservation, the Northern Drought Resilience Plan and two Break O'Day QuickWins projects. These initiatives complemented Council's ongoing on-ground environmental management and strengthened opportunities to work collaboratively with other agencies and land managers.

Weed control was undertaken across roadsides, parks, reserves, waste transfer stations, quarries and the mountain bike trail network, while Council also supported coordinated work with other land managers and volunteers, including removal of more than 30,000 sea spurge plants from beaches along larapuna. Responsible

cat ownership initiatives included work with the RSPCA, Parks and Wildlife Service and NRM North to address stray cat colonies, supported by community education on desexing, microchipping and feeding of stray cats.

Council continued to support the Northeast Shorebird Working Group, coastal access and awareness initiatives, and the Natural Resource Management Committee. Community engagement also included information on Georges Bay tides, sea level rise and natural hazards. Review of the Weed Action Plan commenced but was not completed and will continue into the next reporting period.

Overall, Council continued to protect and improve Break O'Day's natural environment through practical management, partnerships, education and long-term planning.

Climate Change:

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

Climate change adaptation and resilience became an increasingly significant area of Council activity during 2025–26, combining local projects with participation in regional initiatives through the Northern Tasmania Alliance for Resilient Councils and other government partnerships.

A major achievement was completion of the Scamander River Mouth Coastal Hazards and Pathways Adaptation Plan. More than 120 people participated in the project, which examined coastal and flood processes, risks to public and private assets and potential mitigation pathways. The final Plan identifies early, practical risk-reduction options, with design work for initial on-ground measures also progressed.

Council continued to reduce its own emissions and improve climate resilience through the addition of electric vehicles and equipment to the fleet, further rooftop solar installations and updated flood mapping that incorporates future climate change. Community access to renewable energy information was also supported through development of an online solar planning tool, helping residents better understand opportunities for solar generation.

Climate risk is also being progressively embedded into corporate risk, asset management and long-term planning, supported by regional resilience initiatives and funding opportunities. Community awareness was strengthened through initiatives including a Georges Bay sea-level and coastal hazards information session and regional work on healthy, climate-resilient communities.

Overall, Council strengthened both its practical response to climate risk and the long-term planning needed to build a more resilient municipality.

Environment – 94%

Strategies – 4

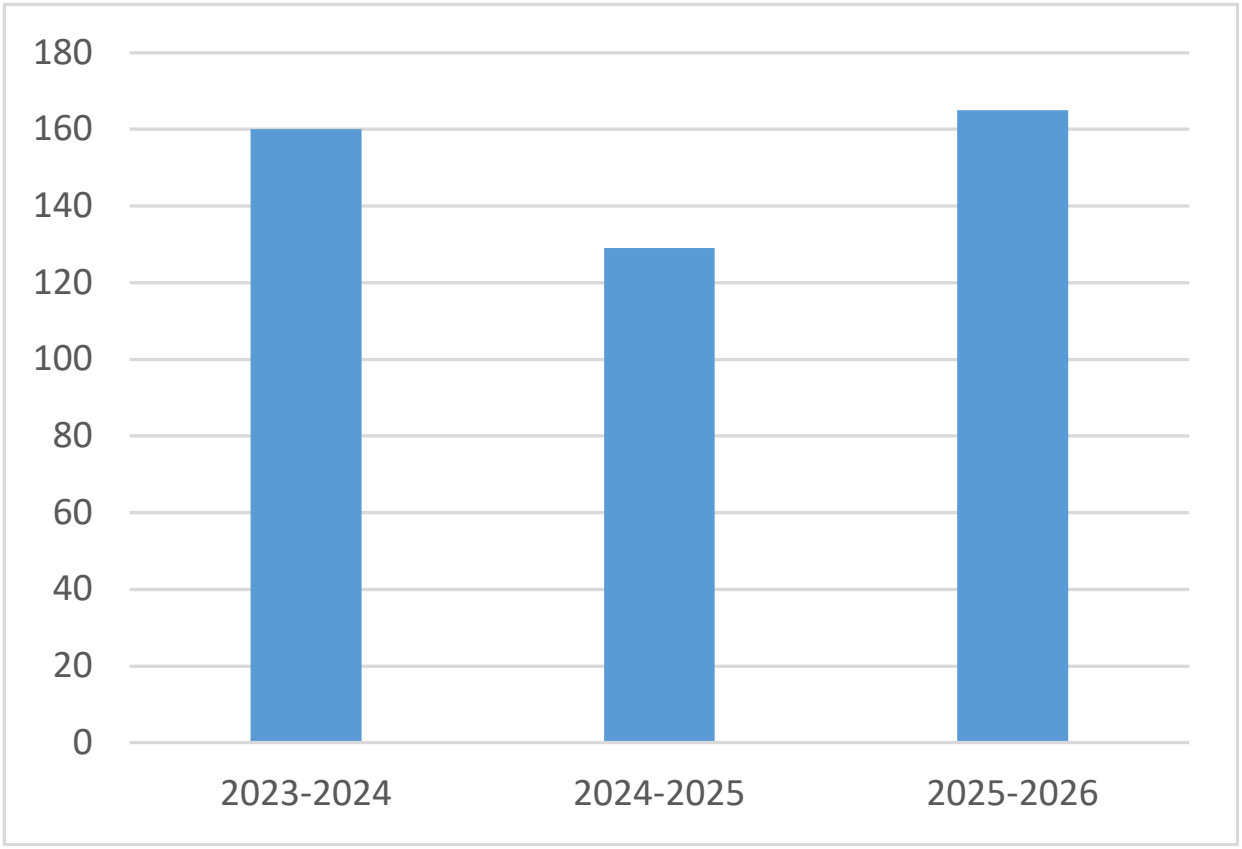
Key Focus Areas – 3

Activities – 17



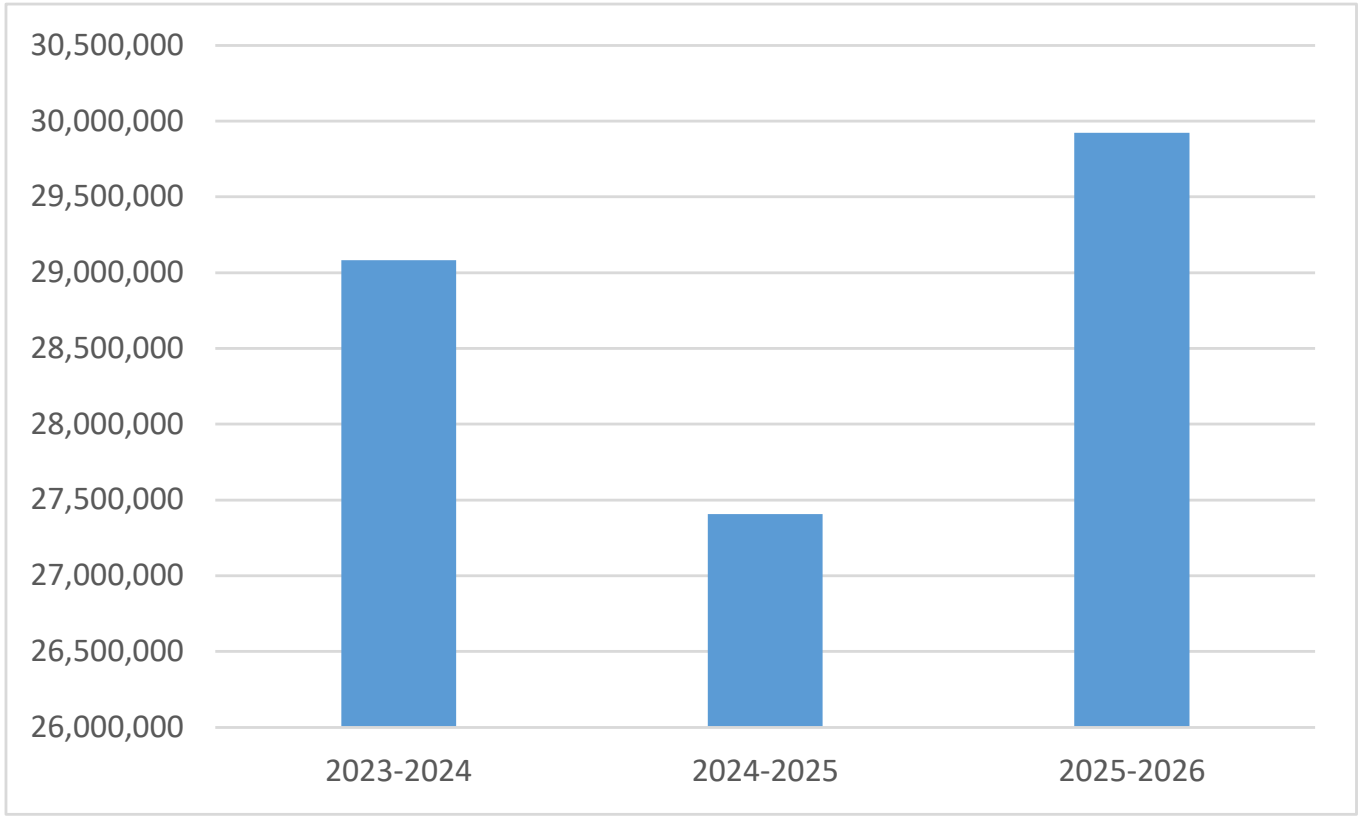
Accumulative Building Approvals 2025-26

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



Accumulative Value Building Approvals 2025-26

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



Reducing Our Footprint, Building a Resilient Future

Protecting our natural environment is an important part of planning for Break O'Day's future. During 2025–2026, Council continued working to reduce its environmental footprint while improving its understanding of climate change and how it may affect our community, infrastructure and services.

Reducing emissions is one part of this work. Council has been looking at opportunities to improve energy efficiency, reduce fuel consumption and make more sustainable choices across its operations.

This includes the use of electric and hybrid vehicles within Council's fleet, along with electric-powered equipment such as a ride-on mower, which has demonstrated lower running costs and reliable performance. Council has also previously invested in solar power and energy-efficient lighting, helping to reduce electricity consumption across its facilities.

Supporting the transition to electric vehicles is another important consideration, particularly in a regional area like Break O'Day where travel distances can be significant. Electric vehicle charging infrastructure provides opportunities to encourage lower-emission transport for residents and visitors as electric vehicle use continues to grow.

Alongside these practical measures, Council has been working to better understand where its emissions come from and where future reductions can be achieved. Carbon and energy assessments have provided valuable information about fuel and electricity use across Council's buildings, vehicles, plant and other operations. This information will help guide future investment and operational decisions.

A significant part of Council's climate change work has been its involvement in the Northern Tasmanian Alliance for Resilient Councils (NTARC), a partnership of eight Northern Councils working together to respond to climate change and strengthen regional resilience.

As this collaborative work progresses, Council is gaining access to practical tools, research and planning frameworks to help identify climate risks, reduce emissions and incorporate climate change considerations into everyday operations and longer-term planning.

This is particularly important for a municipality like Break O'Day, where coastal erosion, flooding, bushfire and changing weather conditions can affect our communities and infrastructure.

While reducing emissions is an ongoing process, the work undertaken is helping Council make informed decisions, manage future risks and identify practical opportunities for improvement.

By combining everyday changes with longer-term planning and regional collaboration, Council is working towards a more sustainable and resilient future for Break O'Day.

"By combining everyday changes with longer-term planning and regional collaboration, Council is working towards a more sustainable and resilient future for Break O'Day."

Image: One of Council's electric vehicles charging at Council's newly installed EV charging station.



Infrastructure
76%
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

Council continued to invest in and plan for community facilities that support recreation, participation and the needs of both residents and visitors. Work during 2025–26 was increasingly linked to the emerging St Helens–Binalong Bay Liveability Strategy, which will help guide future priorities for facilities, public spaces and supporting infrastructure.

A major completed project was the Georges Bay Foreshore Track lighting upgrade, improving usability and safety along an important community recreation asset. Council also progressed resurfacing works along the foreshore track and infrastructure planning at O'Connors Beach as part of broader efforts to improve the Georges Bay foreshore and strengthen connections between recreational areas.

Other work associated with the St Helens Sports Complex, Georges Bay Activation Strategy and St Helens Foreshore Master Plan has been aligned with the Liveability Strategy so that future investment decisions are informed by broader community needs and place-based priorities.

Overall, Council continued to improve existing facilities while building a stronger strategic foundation for future community infrastructure investment.

Towns

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

Planning for vibrant and functional townships continued during 2025–26, with much of the work linked to the St Helens–Binalong Bay Liveability Strategy. The Strategy commenced in the latter part of the year and will help shape future priorities for public spaces, movement, parking, infrastructure and town centre amenity.

The St Marys Parking Strategy was completed during the year and prepared for Council consideration in July 2026, providing a long-term framework for off-street parking in the township.

In St Helens, Council continued to investigate opportunities to improve parking within the town centre, including progressing discussions around the future ownership and development of the privately owned CBA car park, which has been identified as strategically important to future parking provision. Broader St Helens parking planning is also being integrated with the Liveability Strategy so that future solutions respond to community, business and movement needs rather than being considered in isolation.

Overall, Council continued to progress the strategic planning needed to make local townships safer, more functional, welcoming and responsive to future growth.

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.

Council continued to plan and invest in recreational opportunities that support active lifestyles for both residents and visitors. The major piece of strategic work during the year was completion of the Aquatic Facility Feasibility Study, which examined options, demand and financial implications for a potential aquatic facility at St Helens and was considered by Council in April 2026.

Implementation of the Recreational Trails Strategy also continued, though the investigation of the St Marys to Cornwall trail was halted by logging works occurring on adjacent property. Planning for a future St Helens to Binalong Bay link also continued as part of Council's longer-term approach to improving recreational connectivity.

A broader review of recreation and community facilities was deferred after work on Council's Strategic Asset Management Plan identified the need to first complete condition assessments, maintenance schedules and updated asset valuations. These foundational asset management priorities will provide better information to guide future decisions about recreation and community facilities.

Overall, Council continued to build the evidence and planning base for future recreational infrastructure while progressing priority trail and aquatic facility initiatives. long term.

Roads and Streets

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

Strategic transport planning and advocacy were the main focus of this Key Focus Area during 2025–26. Council completed the Transport Master Plan 2025–2035, which was endorsed in April 2026 and provides a long-term framework for transport priorities across the municipality.

Council also continued to advocate strongly for improvements to the State road network, including participation in the Tasman Highway Corridor Strategy and ongoing engagement regarding the future of St Marys Pass. Progress on both State-led projects remained slower than Council would have preferred, but Council continued to ensure local safety, access, freight and community needs were represented in discussions with the Department of State Growth.

Overall, Council strengthened its long-term transport planning while maintaining strong advocacy for critical State road improvements affecting Break O'Day.

Waste Management

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

Waste management was a significant area of strategic activity during 2025–26, with Council progressing several major projects that will shape services and infrastructure for many years. The new Waste Management Strategy was developed internally and endorsed by Council in May 2026, providing a clear framework for service delivery, infrastructure planning, resource recovery and the transition toward a circular economy.

Detailed engineering design for the proposed Scamander inert landfill was completed in June and prepared for submission to the Environmental Protection Authority. Council also completed a comprehensive assessment of options to replace the ageing Scamander waste compactor, selecting a new trailer loading facility as the preferred long-term solution and progressing the project into detailed design.

Council continued to participate in Circular North and regional waste initiatives, while community waste education promoted reduce, reuse and recycle principles, contamination reduction, hazardous waste collections and the State's container refund scheme. Work with TOMRA also progressed a permanent container receiving kiosk at the St Helens Recreation Ground.

The works crew gearing up for the day.

Overall, Council made substantial progress in modernising its waste management framework and planning the infrastructure needed for efficient, sustainable services into the future.



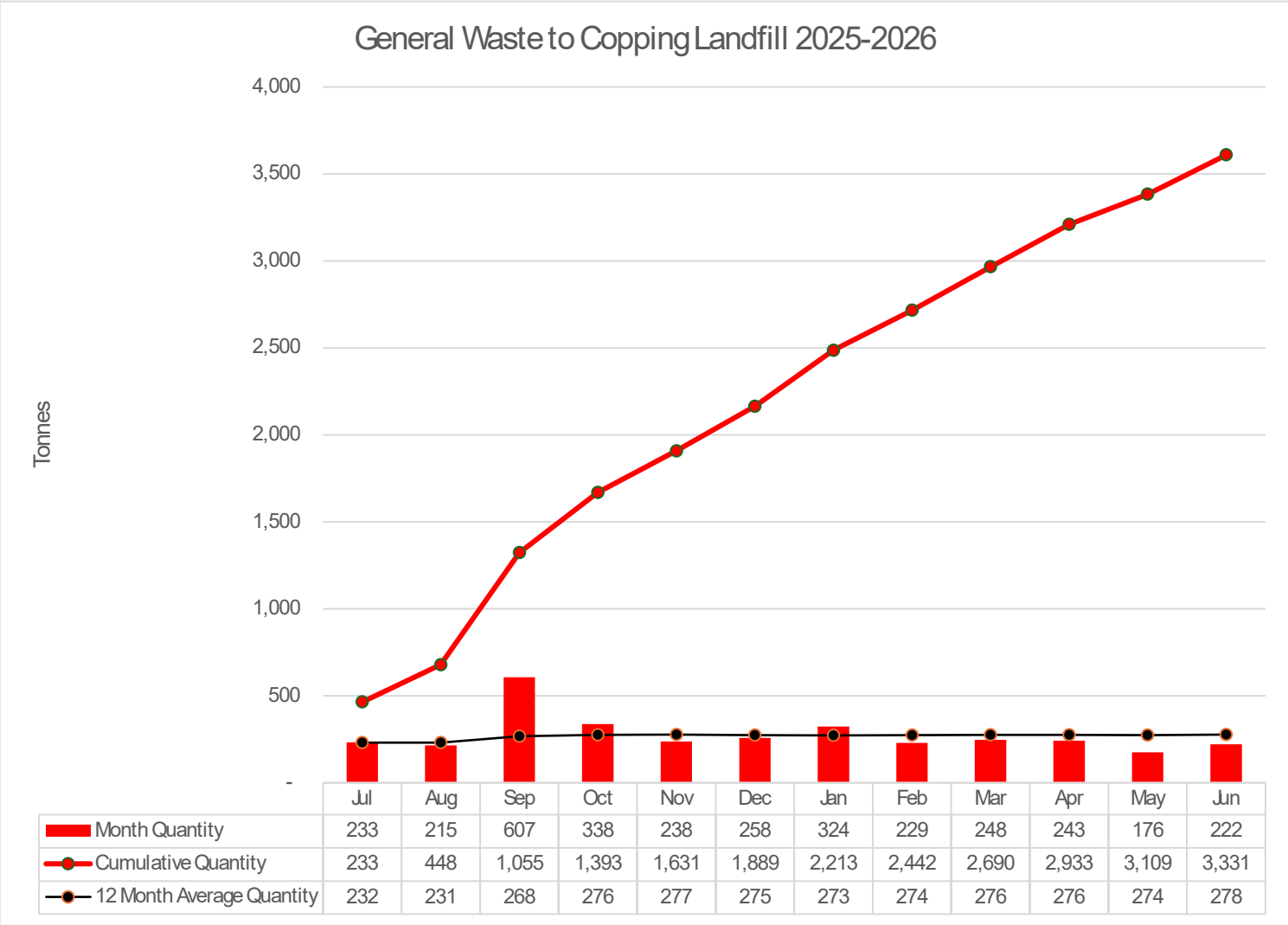
Infrastructure – 76%

Strategies – 3

Key Focus Areas – 5

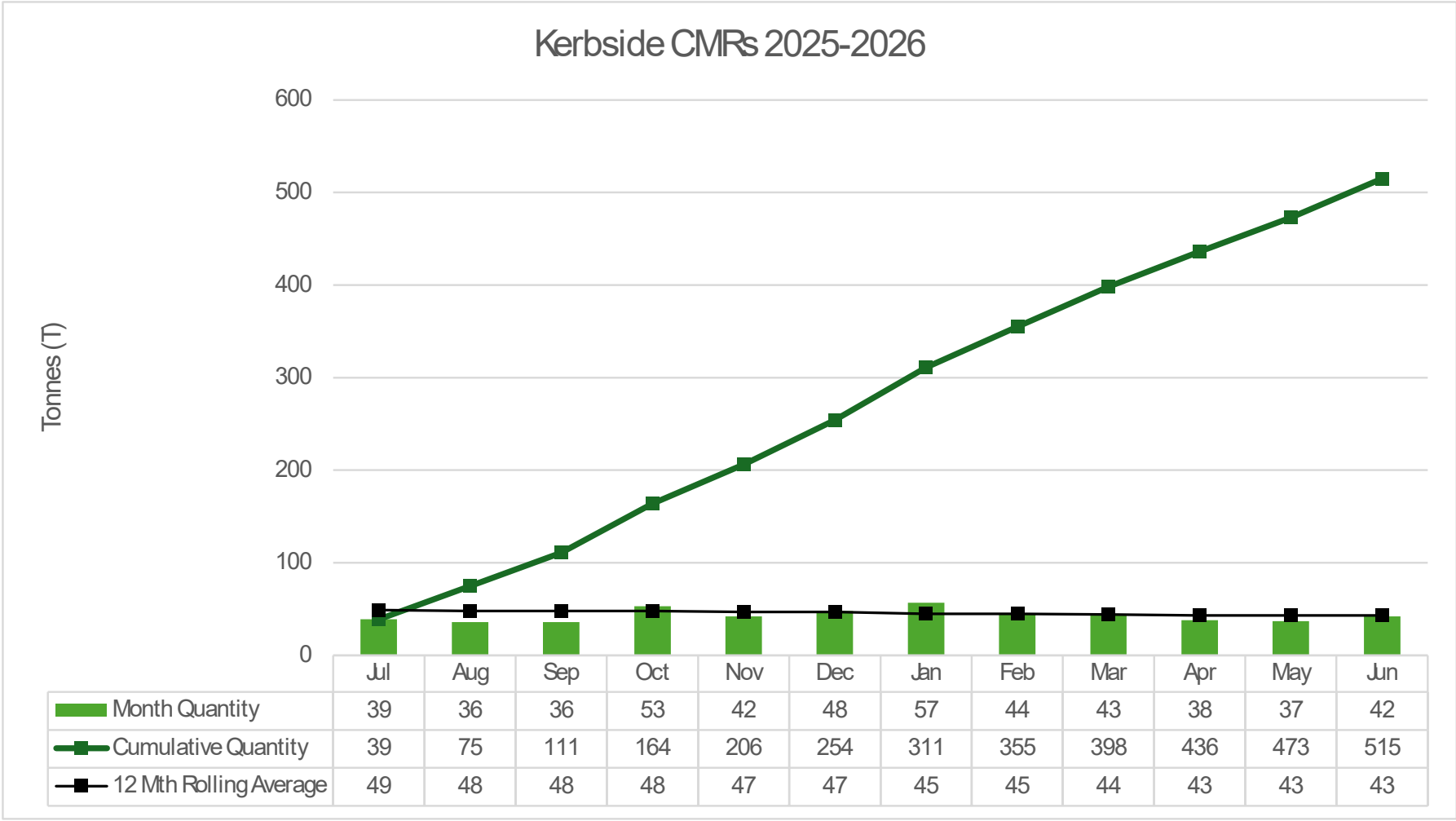
Activities - 20

Accumulative General Waste to Landfill



	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Month Quantity	233	215	607	338	238	258	324	229	248	243	176	222
Cumulative Quantity	233	448	1,055	1,393	1,631	1,889	2,213	2,442	2,690	2,933	3,109	3,331
12 Month Average Quantity	232	231	268	276	277	275	273	274	276	276	274	278

Accumulative Kerbside Co-mingled Recyclables



	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Month Quantity	39	36	36	53	42	48	57	44	43	38	37	42
Cumulative Quantity	39	75	111	164	206	254	311	355	398	436	473	515
12 Mth Rolling Average	49	48	48	48	47	47	45	45	44	43	43	43

Recycling: A Local Approach

During 2025–26, Council made an important change to kerbside recycling collection across Break O'Day, bringing the service in-house in July 2025.

Since the kerbside recycling service was introduced in late 2017, collections had been managed by an external waste contractor. Bringing the service into Council operations in 2025 provided an opportunity to create a more reliable, responsive and locally managed service.

The change required Council to purchase an additional waste truck and create a new driver position. The third truck also provides backup capacity, reducing the risk of collection delays and giving Council greater flexibility across its kerbside waste collection service and in maximising transport efficiency to Material Recovery Facilities.

As part of the transition and to manage driver fatigue risks under NHVR law, Council moved general waste and co-mingled recycling collections to alternating weeks. Collection days were also expanded from Monday–Thursday to Monday–Friday.

For 2025-2026, the Council collected 517 tonnes of material via the co-mingled kerbside recycling service, comprising five main categories: paper and cardboard, glass, plastics, mixed metals and contamination.

Contamination accounted for 114 tonnes (22.1 per cent) of kerbside recycling. Council's Waste Strategy 2025–2030 includes a stretch target to reduce contamination to below 14 per cent—the national average identified in the Strategy—through community education, clearer guidance and performance monitoring. Reducing contamination can lower Council's transport and material recovery facility costs, helping to limit waste-service cost pressures on ratepayers.

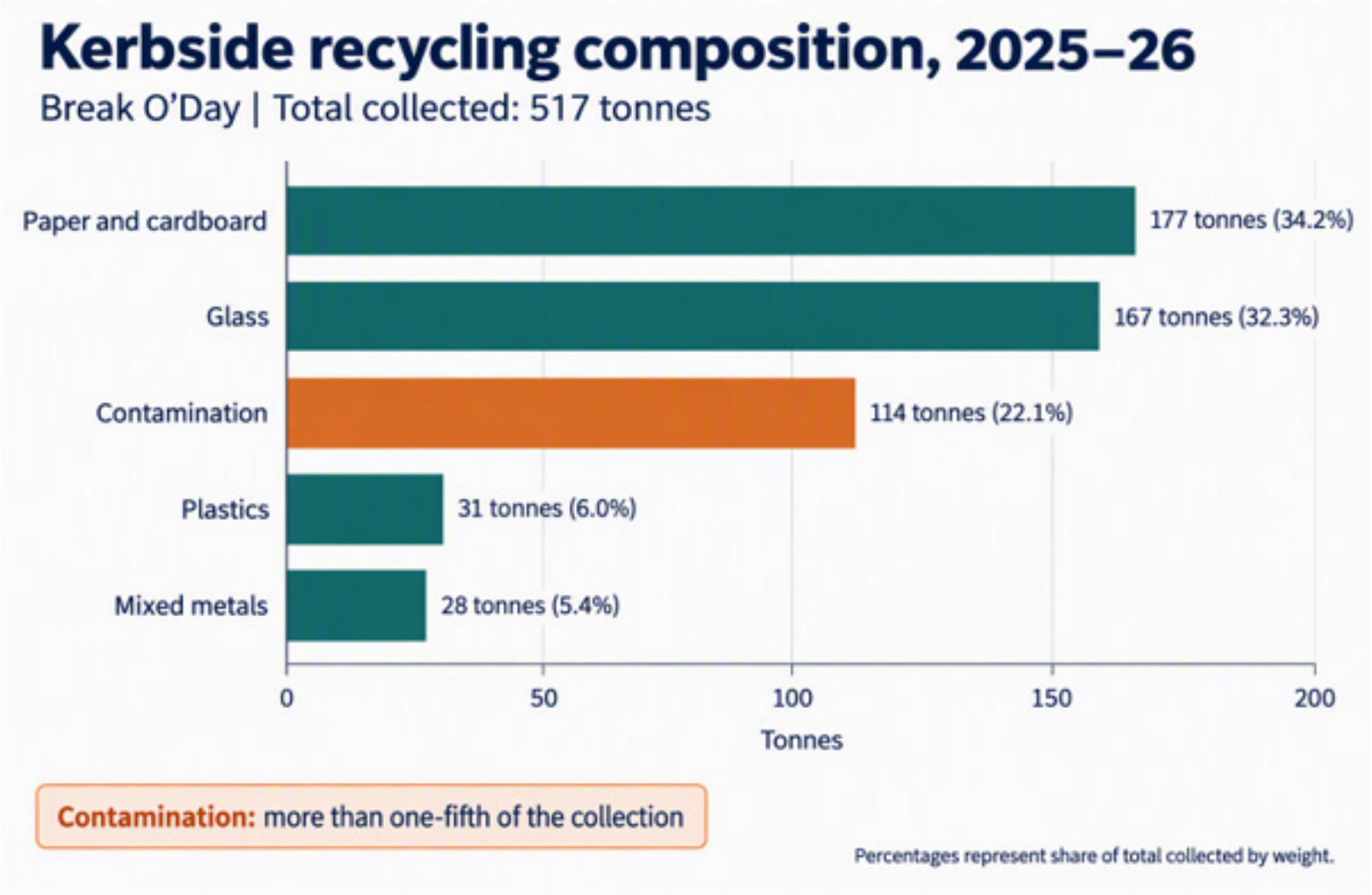
More ways to recycle

The year also saw another significant recycling change in the Break O'Day landscape, with the installation of a Recycle Rewards reverse vending machine at the St Helens Sports Complex as part of the State Government's Recycle Rewards Container Refund Scheme.

The scheme offers a 10-cent refund for eligible drink containers, giving the community another way to recycle, reduce litter and keep valuable materials in circulation.

The reverse vending machine complements Council's kerbside co-mingled recyclables collection by providing a local return point for eligible drink containers and a 10-cent refund per container. Together, these services offer convenient recycling options, support material recovery, and encourage container returns to reduce litter.

"For 2025-2026, the Council collected 517 tonnes of material via the co-mingled kerbside recycling service"


Kerbside recycling composition, 2025–26
Break O'Day | Total collected: 517 tonnes
Paper and cardboard
177 tonnes (34.2%)
Glass
167 tonnes (32.3%)
Contamination
114 tonnes (22.1%)
Plastics
31 tonnes (6.0%)
Mixed metals
28 tonnes (5.4%)
0
50
100
150
200
Tonnes
Contamination: more than one-fifth of the collection
Percentages represent share of total collected by weight.

Services 84% 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.

Progress on new youth initiatives was limited during 2025–26 due to staffing constraints in the Community Services area. Establishment of a formal youth voice to Council and co-design of a Youth Strategy were therefore delayed, with this work to resume once appropriate capacity is available.

Despite these delays, Council continued to support youth mental health and wellbeing through the Youth Live4Life program as a member of the local Partnership Group. A new Memorandum of Understanding was signed on 30 June 2026, reaffirming Council's commitment to collaborative youth mental health initiatives. The appointment of a new Community Wellbeing Officer late in the year also restored capacity to support future youth engagement and strategy development.

Overall, Council maintained its support for youth wellbeing and rebuilt the staff capacity required to progress stronger youth participation and planning in 2026–27.

Health and Mental Health

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

Council continued to strengthen relationships with health, mental health and community service providers throughout 2025–26, using its advocacy role to support better coordination and access to services across the municipality.

Quarterly networking meetings provided a regular forum for service providers to connect, share information, identify service gaps and develop collaborative responses. Information gathered through these networks also continued to support Council's online Support Services Directory, helping residents identify available local and regional services.

The appointment of a dedicated Community Wellbeing Officer strengthened Council's capacity to coordinate wellbeing initiatives, advocate for community needs and maintain partnerships with government agencies and community organisations. Council staff also remained active in mental health networks and initiatives focused on improving service availability, information sharing and community outcomes.

Overall, Council continued to provide local leadership and connection across the health and mental health sector, helping services work together more effectively for the community.

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.

The establishment of the Regional University Study Hub was a major achievement for education and training access in Break O'Day during 2025–26. Council supported the Hub through governance and administrative assistance, with the facility becoming operational, completing its fit-out and recruitment, and holding a community open day in October 2025.

The Hub was officially opened on 18 February 2026 by the Federal Minister for Skills, Andrew Giles, Federal Lyons Minister Rebecca White, Mayor Mick Tucker and Premier Jeremy Rockliff. By the end of the financial year, over 50 students had enrolled, demonstrating strong early demand for the opportunity to undertake tertiary or vocational study locally.

A significant focus in the final months of the year was the integration of the Study Hub and the Regional Jobs Hub, Break O'Day Employment Connect under East Tas Education and Employment Ltd. Changes to the governance structure were finalised in June, bringing education, training and employment support into closer alignment and creating stronger pathways between study and work.

Overall, Council helped establish important new education infrastructure and stronger connections between learning, skills development and local employment pathways.

Access and Inclusion

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

Council continued to work with community organisations, service providers and volunteers to improve equitable access to information, services and opportunities across Break O'Day. Quarterly networking meetings supported collaboration between organisations, helped identify emerging needs and created opportunities for joint responses to barriers affecting community participation.

Practical initiatives included continued support for the Get In2 Gear Learner Driver Mentor Program, helping eligible learner drivers gain the supervised driving experience needed to progress toward a licence. Work also progressed on the Break O'Day Regional Health Directory, providing a clearer and more accessible source of information about health and support services available to the community.

A major achievement was the development and adoption of Council's local reconciliation framework. Following review of the draft approach, Council adopted the Pathways to Connection – Walking Together Strategy and associated Local Action Plan in May 2026. The documents provide a framework for strengthening relationships, fostering respect and creating meaningful opportunities to work with Aboriginal and Torres Strait Islander people in Break O'Day.

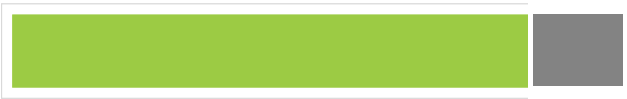
Overall, Council strengthened its commitment to inclusion by improving access to information and opportunities, supporting practical community programs and establishing a clear local framework for meaningful reconciliation.

Services – 84%

Strategies – 3

Key Focus Areas – 4

Activities - 11



Bringing Education to our Community

For people living in regional communities, pursuing further education can often mean travelling long distances or leaving home altogether.

During 2025–26, an important new service opened in St Helens that is helping to change that.

Country Universities Centre Eastern Tasmania provides local students with a dedicated place to study university and vocational courses while remaining connected to their families, employment and community.

The need for greater access to education is particularly significant in our region. Only around 17 per cent of young people in St Helens have a university degree, compared with almost half of young Australians nationally, highlighting the barriers regional communities can face in accessing higher education.

Council supported efforts to establish a Regional University Study Hub on the East Coast, recognising that better access to education and training creates more opportunities for local people while helping build the workforce our region needs.

Following a successful funding application, the Australian Government provided $1.5 million to establish and operate the Centre through its Regional University Study Hubs program.

Located at 48 Cecilia Street in St Helens, the Centre provides high-speed internet, computers and technology, dedicated study spaces and academic support, as well as the opportunity to connect with other local students.

Students can be enrolled with universities, TAFEs and training providers across Australia, giving people the flexibility to choose the course that is right for them while continuing to live, work and study on the East Coast.

Students began accessing CUC Eastern Tasmania from September 2025 and 52 students have registered and been supported by CUC Eastern Tasmania for the year 2025-2026.

The Centre is co-located with the Regional Jobs Hub, Break O'Day Employment Connect, bringing education, training and employment support together in one place.

This connection was already delivering benefits during the Centre's first year, including supporting students undertaking a Certificate III in Early Childhood Education and Care – helping to build the skilled workforce needed for local childcare services.

The Centre was officially opened in February by the Hon Andrew Giles MP, Federal Minister for Skills and Training, alongside Premier of Tasmania the Hon Jeremy Rockliff MP, the Hon Felix Ellis MP, the Hon Rebecca White MP and Mayor Mick Tucker, marking an important milestone for education and training opportunities on the East Coast. For Council, CUC Eastern Tasmania represents an important investment in our people and the future of our region.

Better access to further education can open doors to new careers, help local people develop new skills and support businesses and services looking for qualified workers. Just as importantly, it gives people the opportunity to pursue further education without having to leave the community they call home.

"For people living in regional communities, pursuing further education can often mean travelling long distances or leaving home altogether."

Mayor Mick Tucker, Federal Minister Andrew Giles, Lyons Federal Minister Rebecca White and Premier Jeremy Rockliff opening the CUC located in Cecilia Street St Helens



Grant Funding

The below table shows grant funding per project for the 2025-2026 FY.

Project	Grant funding	Funding body
Learner Driver	$21,000	Department of State Growth
Cardboard Compactor	$50,000	Circular North

Thank you

Grant Funding

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:

- State Growth for the Learner Driver Mentor Program Funding 2025-2026
- Circular North for the Cardboard Compactor funding

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Financial Assistance Grants to Local Government

Financial Assistance Grants are untied Commonwealth funding that supports Council's overall capacity to deliver services and maintain community infrastructure, including roads, bridges, buildings, public amenities and other Council services.
Council's Financial Assistance Grant allocation relating to 2025/26 was approximately $3.80 million, comprising general purpose and roads funding.

The timing of Commonwealth advance payments can cause the amount recognised in Council's financial statements to vary significantly between years. Council received $5.07 million in Financial Assistance Grants during 2025/26, which included $3.166 million, of the 2026/27 allocation paid in advance.

These timing differences affect reported grant revenue and annual operating results but do not represent an equivalent change in Council's underlying level of Financial Assistance Grant funding.

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.

Local Roads and Community Infrastructure Program:
Council's Phase 4 LRCI program provided $1.018 million in Commonwealth funding for projects completed by 30 June 2025.

Following completion and acquittal of the program, the final payment of $610,060 was received during 2025/26. Council's Phase 4 LRCI program supported road, pedestrian and community infrastructure improvements across Cornwall, St Helens, Pyengana, Scamander, Gray Road, Ansons Bay and Seymour. The program provided $1.018 million in Commonwealth funding, with all Phase 4 projects completed by 30 June 2025. A final payment of $610,060 was received in 2025/26 following completion and acquittal of the program.

Roads to Recovery
During 2025/26, Council continued its Roads to Recovery program, delivering Mangana Road rehabilitation, works to Gillies Road Bridge, replacement of the Pedder Street Bridge at Fingal, resealing works on sections of Ansons Bay Road, and resealing works on Gardens Road. Total Roads to Recovery expenditure during the year was $580,351.

Legislated Requirements

Grants and Benefits

"In accordance with section 77(2) of the Local Government Act 1993, the following grants and benefits were provided during 2025–26.

Organisation / Group	Project	Amount provided
Cornwall Community Development Group Inc	Eight ball table	$1,000.00
Scamander River Golf Club	Golf Course Machinery – ride on mower and chain saw	$4,139.00
St Helens Community Garden	Thrive in Autumn - Harvest Festival	$5,650.00
Scamander Sports Complex	Signage	$5,000.00
Beaumaris Interest Group	Interpretive signage, plantings etc	$4,245.00
St Helens Basketball Association	Tournament Participation –	$4,750.00
North East Bio-regional Network	Nature Interpretative Sign – Horseshore Bank, Dora Point	$1,250.00
St Marys Pacing Club	Kiosk Stainless Bench Fitout	$4,000.00
North East Boardriders	Youth Surf Development Program – Grom Day & Skills Development	$4,000.00
Tasmanian Lymphoedema & Laser Therapy Centre	Marketing – Treatment available	$2,000.00
Break O'Day Artists Incorporated	12 month Exhibition and Workshop Program.	$15,890
MoodMission	Mental Health Comedy Roadshow	$1,000
Mel Fidler and Natasha Lowe	Ocean Creatures with Plastic Features	$5,500

Rates and Charges

- Rate remissions/donations provided by Council: $141,205.65 (inc. Commercial relief)
- Pensioner Rebates funded by State Government: $545,665.27

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 2025-2026 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:

a) provide pro-active, engaged and strategic regional economic leadership;
b) consolidate an agreed vision for the development, sustainability and prosperity of the geographic region that the Organisation's Members encompass;
c) and implement a strategic economic action plan based on the Northern Regional Futures Plan framework or similar; and.
d) 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 2025-2026 was $30,706.30.

Code of Conduct Complaints

During the 2025-2026 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 **TWO** requests 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 2025-2026

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**

Dispute Resolution

In accordance with regulation 37 of the Local Government (General) Regulations 2025, Council reports the following dispute-resolution information for the 2025–2026 financial year.

- Disputes received - NIL
- Disputes determined or withdrawn - NIL
- Disputes commenced or continued and remaining unresolved - NIL
- Total cost of dispute resolution -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
$130,001 – $150,000	1
$190,001 – $210,000	2
$310,001 – $330,000	1

Contracts and Tenders

The following table details contracts and tenders valued at $100,000 or more (excluding GST) entered into or extended by Council during the 2025–2026 financial year, in accordance with regulation 30 of the Local Government (General) Regulations 2025. This includes contracts valued at $250,000 or more and contracts valued at $100,000 or more but less than $250,000 (excluding GST).

Description	Period of Contract	Value (Ex. GST)	Name	Address
Bituminous Surfacing Program	1 Oct 2025 – 27 Mar 2026	$655,486.24	Crossroads Civil Contracting Pty Ltd	73–79 Lilydale Rd, Rocherlea TAS 7248
Backhoe Loader Replacement	16 Mar 2026	$198,000	JF Machinery Pty Ltd	2–8 Pembury Pl, Rocherlea TAS 7248
Design & Construct Bridge 2684 Superstructure Replacement, Pedder Street, Fingal	5 Feb 2026 – 28 May 2026	$135,472	TasSpan Civil Contracting	27–28 Faulkner Dr, Latrobe TAS 7307
3.5t Kobelco Excavator & Trailer	Mar 2026	$105,540	Kobelco Construction Machinery	17–21 Killafaddy Rd, St Leonards TAS 7250
Bulk Waste Transport	1 Jul 2025 – 30 Jun 2026	$182,321.81	Qube Bulk Pty Ltd	1 Mobil Rd, Bell Bay TAS 7253
Recycling Processing	1 Jul 2025 – 30 Jun 2026	$118,112.64	Veolia Environmental Services Pty Ltd	7 Horrie Court, Spreyton TAS 7310
Insurance	1 Jul 2025 – 30 Jun 2026	$325,367.50	JLT Risk & Solutions Pty Ltd	Tower 1, 727 Collins Street, Docklands VIC 3008
Insurance	1 Jul 2025 – 30 Jun 2026	$156,859.54	MAV Insurance	Level 5, 1 Nicholson St, Melbourne VIC 3000
Information Technology and Support – Managed Service Agreement	1 Jul 2025 – 30 Jun 2026	Approx $110,000	Peak Computer Pty Ltd	187 Invermay Road, Invermay TAS 7248
Accounting Services	1 Jul 2025 – 30 Jun 2026	$104,079.75	Cloud9 Business Consulting Pty Ltd	Level 14, 333 Collins Street, Melbourne VIC 3000

Council did not apply any exemptions under regulations 28(a) or 28(i) of the Local Government (General) Regulations 2025 during the 2025–2026 financial year.

Public Health, Environmental Monitoring and Reporting

Public Health Statement

Responsibility for carrying out the legislative requirements of the Public Health Act 1997, the Food Act 2003 and the Environmental Management and Pollution Control Act 1994 rests with Councils Development Services Department. Council officers principally dealing with Public Health Matters include Councils Environmental Health Officer (0.2FTE) with administrative support provided by associated Administration Officers.

Functions carried out under the Public Health Act 1997

Recreational Water Quality

Under the Public Health Act 1997 and the Tasmanian Recreational Water Quality Guidelines, councils are required to monitor popular recreational swimming areas during the summer, months from December through to March.

Water samples are tested for Enterococci, a bacteriological indicator used to assess water quality and the risk of illness from primary contact (i.e. swimming).

The Guidelines are designed to protect public health by ensuring recreational waters are safe for activities involving direct contact with the water. Based on the results obtained from all monitored sites, the water quality was assessed as good and suitable for primary contact recreation.

Note: Enterococci results are reported as the number of organisms per 100 mL of water (Enterococci/100 mL). Recreational Water Quality Classifications are based on the Tasmanian Recreational Water Quality Guidelines.

Recreational Water	12 Dec. 2025		12 Jan. 2026		24 Feb. 2026		13 Mar. 2026	
	Ente*	Rec. WQ#	Ente*	Rec. WQ#	Ente*	Rec. WQ#	Ente*	Rec. WQ#
Grants Lagoon (Mouth B)	<10	Good	<10	Good	<10	Good	<10	Good
Grants Lagoon (Footbridge)	<10	Good	<10	Good	<10	Good	<10	Good
Grants Lagoon (Camp ground)	<10	Good	<10	Good	<10	Good	<10	Good
Beauty Bay	<10	Good	<10	Good	<10	Good	<10	Good
Yarmouth Creek	140	Good	<10	Good	<10	Good	<10	Good
Wrinklers Lagoon	<10	Good	<10	Good	<10	Good	10	Good
Scamander River mouth	<10	Good	<10	Good	<10	Good	20	Good
Henderson Lagoon	<10	Good	<10	Good	<10	Good	<10	Good
Denison Rivulet	<10	Good	10	Good	10	Good	60	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 2025-2026 a total of 73 children and a total of 107 vaccines administered.

Public Health Risk Activities

Registration of premises in which a public health risk activity is conducted – **3**

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

Place of Assembly Licences

Licences issued - **NIL**

Private burial

Approvals issued - **NIL**

Sharps Exchange

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

For the 2025-2026 period a total of 79 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 30
- P2 registered 79
- P3 registered 16
- P3 N. Low risk only require notification, not registration. 8
- A total of 133 food businesses are registered, 32 of which are Mobile food businesses.

Food business complaints:

SIX written complaints received, investigated and actioned appropriately. Council has also 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) = **3**

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

170 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.

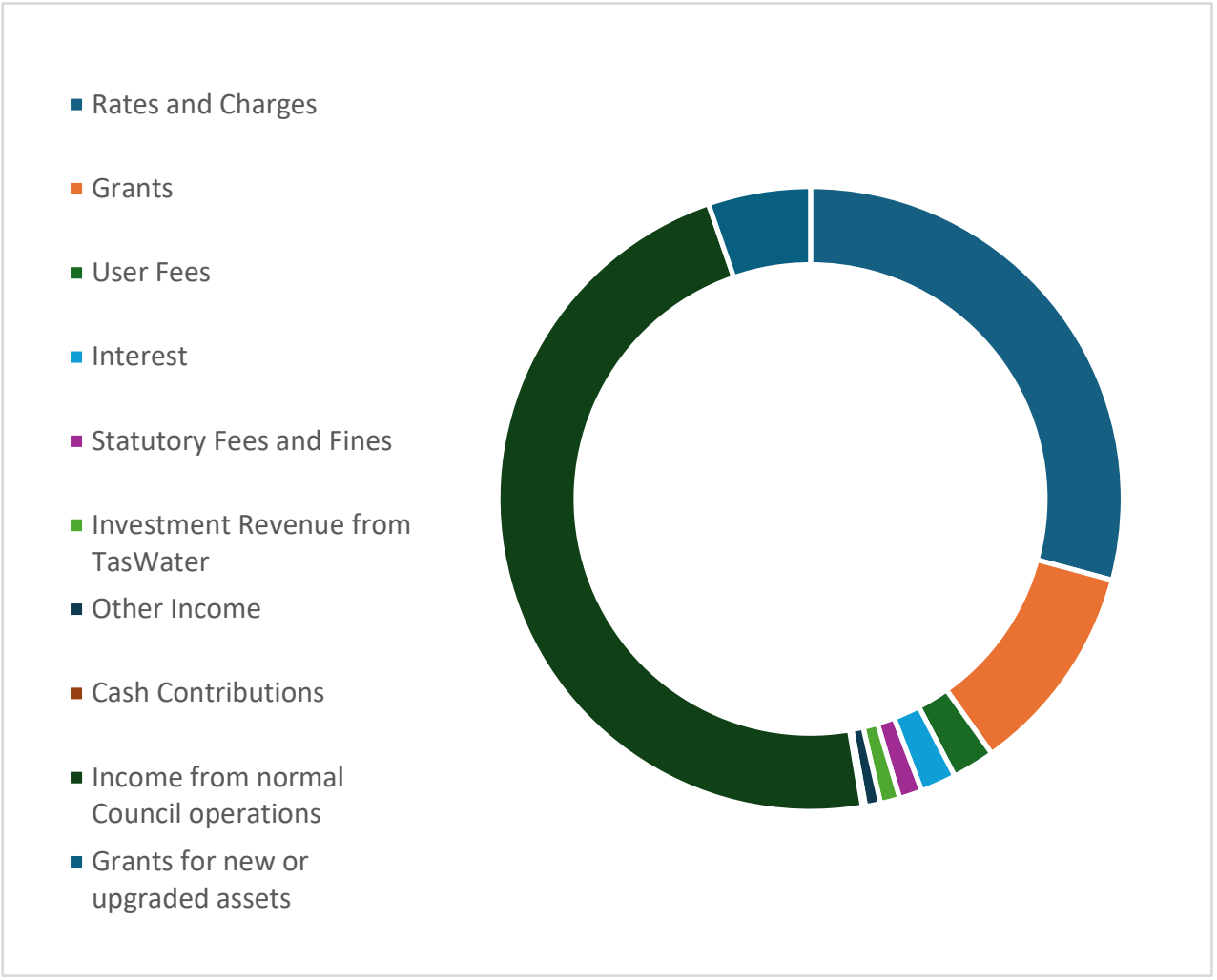
Consent to install all approved designs was provided. Also provided planning advice to comply with the code requirements of the Break O'Day Planning Scheme 2013.

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

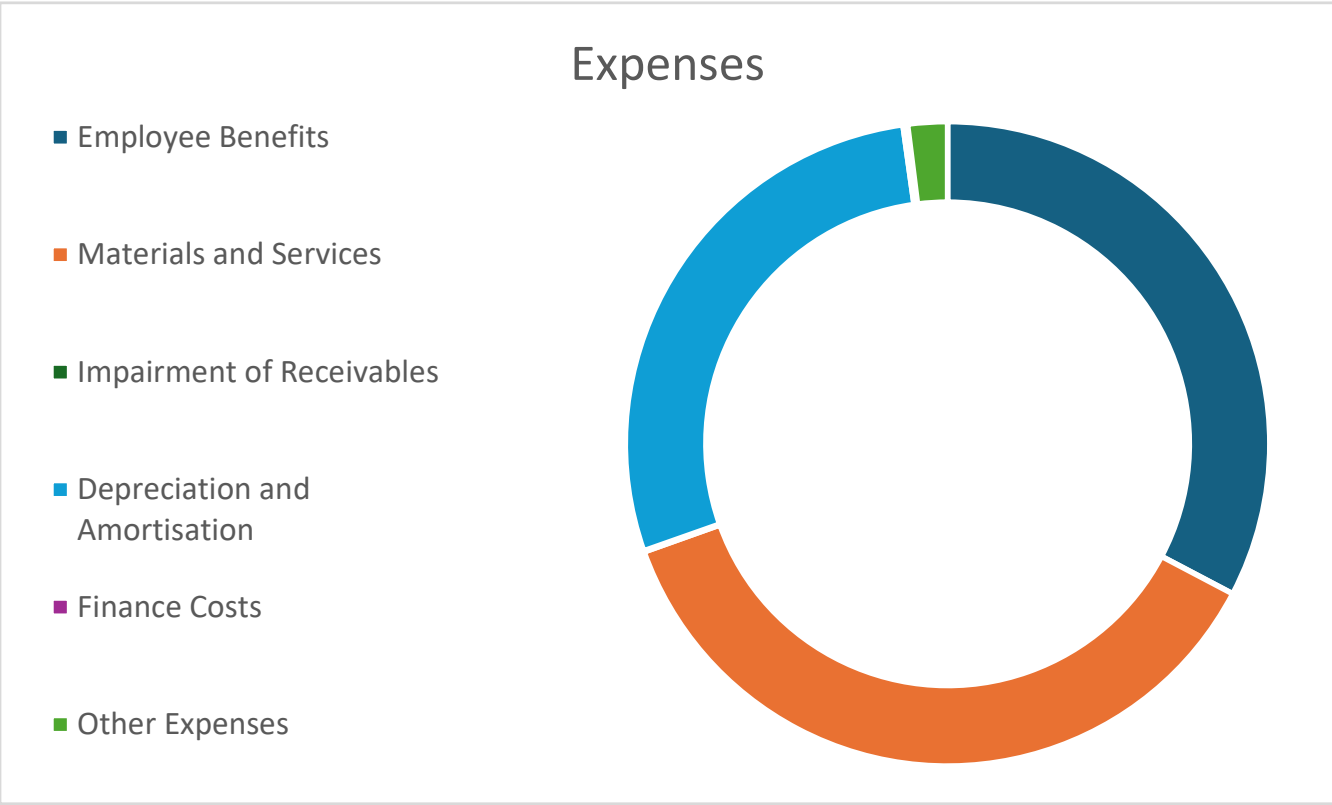
Financial Snapshots

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

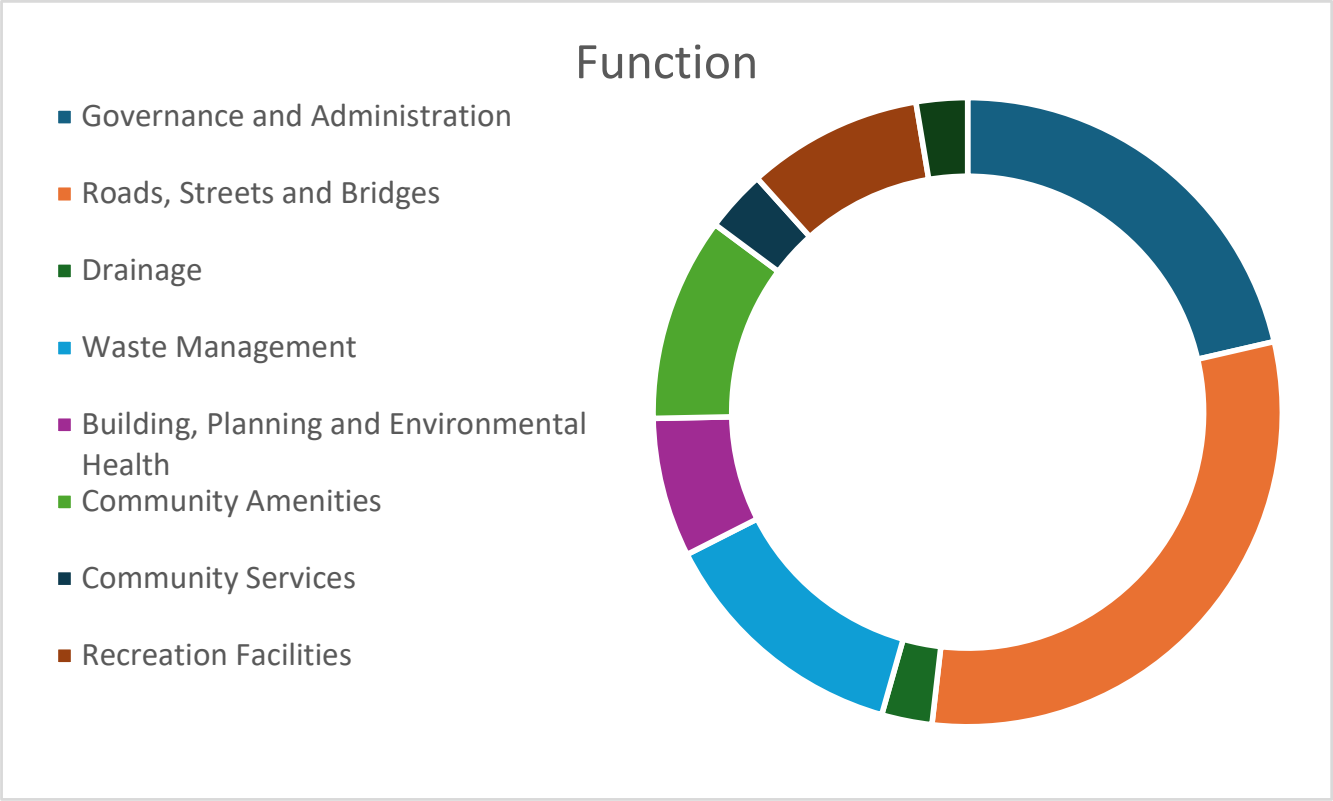
Income $	
Rates and Charges	$14,566,000
Grants	$5,478,000
User Fees	$1,100,000
Interest	$920,000
Statutory Fees and Fines	$591,000
Investment Revenue from TasWater	$504,000
Other Income	$390,000
Cash Contributions	$82,000
Income from normal Council operations	$23,631,000
Grants for new or upgraded assets	$2,646,000



Expenses $	
Employee Benefits	$6,967,000
Materials and Services	$7,849,000
Impairment of Receivables	$12,000
Depreciation and Amortisation	$6,000,000
Finance Costs	$49,000
Other Expenses	$423,000



Function $	
Governance and Administration	$4,559,000
Roads, Streets and Bridges	$6,478,000
Drainage	$552,000
Waste Management	$2,795,000
Building, Planning and Environmental Health	$1,525,000
Community Amenities	$2,233,000
Community Services	$675,000
Recreation Facilities	$1,922,000
Economic Development	$561,000



Break O'Day Council

ANNUAL FINANCIAL REPORT

For the Year Ended 30 June 2026

Break O'Day Council
Financial Report
Table of Contents

FINANCIAL REPORT		Page
Notes to Financial Statements		
Note 1	**Overview**	
1.1	Reporting entity	5
1.2	Basis of accounting	5
1.3	Use of estimates and judgements	5
1.4	Material Budget Variations	6
1.5	Functions/Activities of the Council	7
Note 2	**Revenue**	
2.1	Rates and charges	9
2.2	Statutory fees and fines	9
2.3	User fees	9
2.4	Grants	10
2.5	Contributions	11
2.6	Interest	11
2.7	Other income	11
2.8	Net gain/(loss) on disposal of property, infrastructure, plant and equipment	12
2.9	Investment revenue from water corporation	12
Note 3	**Expenses**	
3.1	Employee benefits	12
3.2	Materials and services	12
3.3	Impairment of receivables	13
3.4	Depreciation and amortisation	13
3.5	Finance costs	14
3.6	Other expenses	15
Note 4	**Current Assets**	
4.1	Cash and cash equivalents	15
4.2	Trades and other receivables	16
4.3	Investments	16
4.4	Inventories	16
Note 5	**Other Investments**	
5.1	Investment in water corporation	17
Note 6	**Non-current assets**	
6.1	Property, infrastructure, plant and equipment	18
6.2	Right-of-use assets	23
6.3	Other assets	24
Note 7	**Current liabilities**	
7.1	Trade and other payables	24
7.2	Trust funds and deposits	24
7.3	Provisions	25
7.4	Lease liabilities	27
7.5	Contract liabilities	27

Break O'Day Council
Financial Report
Table of Contents

FINANCIAL REPORT		Page
Notes to Financial Statements		
Note 8	**Non-current liabilities**	
8.1	Interest bearing loans and borrowings	28
Note 9	**Other financial information**	
9.1	Reserves	29
9.2	Reconciliation of cash flows from operating activities to surplus (deficit)	30
9.3	Reconciliation of liabilities arising from financing activities	31
9.4	Reconciliation of cash and cash equivalents	31
9.5	Financing arrangements	31
9.6	Superannuation	31
9.7	Commitments	33
9.8	Operating leases as lessor	34
9.9	Contingent liabilities and contingent assets	34
9.10	Financial instruments	35
9.11	Fair value measurements	41
9.12	Events occurring after balance date	44
Note 10	**Other matters**	
10.1	Related party transactions	45
10.2	Special committees and other activities	47
10.3	Other significant accounting policies and pending accounting standards	48
10.4	Management indicators	50
	Certification of the Financial Report	53

Statement of Comprehensive Income
For the Year Ended 30 June 2026

	Note	Budget 2026 $'000	Actual 2026 $'000	Actual 2025 $'000
Income from continuing operations				
Recurrent income				
Rates and charges	2.1	14,369	14,566	13,576
Statutory fees and fines	2.2	471	591	481
User fees	2.3	1,007	1,100	985
Grants	2.4	4,217	5,478	3,348
Contributions - cash	2.5	6	82	53
Interest	2.6	660	920	900
Other income	2.7	50	390	182
Investment revenue from Water Corporation	2.9, 5.1	388	504	466
		21,168	**23,631**	**19,991**
Capital income				
Capital grants received specifically for new or upgraded assets	2.4	2,166	2,646	2,562
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	2.8	100	(605)	(776)
		2,266	**2,041**	**1,786**
Total income from continuing operations		**23,434**	**25,672**	**21,777**
Expenses from continuing operations				
Employee benefits	3.1	(6,939)	(6,966)	(6,419)
Materials and services	3.2	(8,747)	(7,847)	(7,905)
Impairment of receivables	3.3	-	(12)	-
Depreciation and amortisation	3.4	(5,259)	(6,000)	(5,236)
Finance costs	3.5	(42)	(49)	(149)
Other expenses	3.6	(343)	(423)	(371)
Total expenses from continuing operations		**(21,330)**	**(21,297)**	**(20,080)**
Result from continuing operations		**2,104**	**4,375**	**1,697**
Net result for the year		**2,104**	**4,375**	**1,697**
Other comprehensive income				
Items that will not be reclassified subsequently to net result				
Fair value adjustments on equity investment assets	5.1	-	1,179	697
Net asset revaluation increment/(decrement)	9.1	-	50,427	5,311
Total Other Comprehensive Income		**-**	**51,606**	**6,008**
Total Comprehensive result		**2,104**	**55,981**	**7,705**

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

Statement of Financial Position
As at 30 June 2026

	Note	2026 $'000	2025 $'000
Assets			
Current assets			
Cash and cash equivalents	4.1	10,746	8,455
Trade and other receivables	4.2	1,738	1,425
Investments	4.3	7,500	4,000
Inventories	4.4	237	311
Other assets	6.3	3	3
Total current assets		**20,224**	**14,194**
Non-current assets			
Trade and other receivables	4.2	14	14
Investment in water corporation	5.1	37,621	36,442
Property, infrastructure, plant and equipment	6.1	283,395	234,835
Right-of-use assets	6.2	684	734
Other assets	6.3	182	182
Total non-current assets		**321,896**	**272,207**
Total assets		**342,120**	**286,401**
Liabilities			
Current liabilities			
Trade and other payables	7.1	1,486	1,874
Trust funds and deposits	7.2	374	577
Provisions	7.3	1,069	1,015
Lease liabilities	7.4	77	75
Contract liabilities	7.5	1,473	810
Interest-bearing loans and borrowings	8.1	75	385
Total current liabilities		**4,554**	**4,736**
Non-current liabilities			
Provisions	7.3	778	731
Lease liabilities	7.4	607	659
Interest-bearing loans and borrowings	8.1	535	610
Total non-current liabilities		**1,920**	**2,000**
Total liabilities		**6,474**	**6,736**
Net Assets		**335,646**	**279,665**
Equity			
Accumulated surplus		50,976	46,874
Reserves	9.1	284,670	232,791
Total Equity		**335,646**	**279,665**

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

Statement of Cash Flows
For the Year Ended 30 June 2026

	Note	2026 Inflows/ (Outflows) $'000	2025 Inflows/ (Outflows) $'000
Cash flows from operating activities			
Rates		14,489	13,402
User charges and other fines (inclusive of GST)		1,867	1,022
Grants (inclusive of GST)		5,305	3,770
Contributions		82	53
Interest received		778	1,016
Investment revenue from water corporation	2.9	504	466
Other receipts		390	610
Net GST refund/(payment)		461	446
Payments to suppliers (inclusive of GST)		(8,987)	(8,205)
Payments to employees (including redundancies)		(6,873)	(6,384)
Finance costs paid		(49)	(141)
Other payments		(435)	(371)
Net cash provided by (used in) operating activities	9.2	**7,532**	**5,684**
Cash flows from investing activities			
Payments for property, infrastructure, plant and equipment		(4,868)	(6,812)
Proceeds from sale of property, infrastructure, plant and equipment		205	53
Capital grants (inclusive of GST)		3,585	2,102
Transfers to financial assets.		(3,500)	5,500
Payment for other assets		-	(152)
Net cash provided by (used in) investing activities		**(4,578)**	**691**
Cash flows from financing activities			
Proceeds from trust funds and deposits		(203)	16
Repayment of lease liabilities (principal repayments)		(75)	(58)
Repayment of interest bearing loans and borrowings	9.3	(385)	(2,604)
Net cash provided by (used in) financing activities		**(663)**	**(2,646)**
Net increase (decrease) in cash and cash equivalents		**2,291**	**3,729**
Cash and cash equivalents at the beginning of the financial year		8,455	4,726
Cash and cash equivalents at the end of the financial year	9.4	**10,746**	**8,455**
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 2026

2026	Note	Accumulated Surplus 2026 $'000	Asset Revaluation Reserve 2026 $'000	Fair Value Reserve 2026 $'000	Other Reserves 2026 $'000	Total Equity 2026 $'000
Balance at beginning of the financial year		46,874	231,549	359	883	279,665
Net result for the year		4,375	-	-	-	4,375
Other Comprehensive Income:						
Fair Value adjustment on equity investment assets	5.1,9.1	-	-	1,179	-	1,179
Net asset revaluation increment/(decrement)	9.1	-	50,427	-	-	50,427
Total comprehensive income		**51,249**	**281,976**	**1,538**	**883**	**335,646**
Transfers between reserves		(273)	-	-	273	-
Balance at end of the financial year		**50,976**	**281,976**	**1,538**	**1,156**	**335,646**

2025	Accumulated Surplus 2025 $'000	Asset Revaluation Reserve 2025 $'000	Fair Value Reserve 2025 $'000	Other Reserves 2025 $'000	Total Equity 2025 $'000
Balance at beginning of the financial year	45,212	226,238	(338)	848	271,960
Net result for the year	1,697	-	-	-	1,697
Other Comprehensive Income:					
Fair Value adjustment on equity investment assets	-	-	697	-	697
Net asset revaluation increment/(decrement)	-	5,311	-	-	5,311
Total comprehensive income	**46,909**	**231,549**	**359**	**848**	**279,665**
Transfers between reserves	(35)	-	-	35	-
Balance at end of the financial year	**46,874**	**231,549**	**359**	**883**	**279,665**

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 16 June 2026. 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 Statutory fees and fines

Statutory fees and fines was up $120k (25%) primarily due to a higher level charges relating to planning and buildings applications.

2 Operating grants

Operating grants was up $1.26m (30%) on budget due to receiving 80% of the 2026/27 Financial Assistance Grants in advance. Overall Financial Assistance Grants received in 2025/26 was $1.48m above budget.

3 Contributions - cash

Revenue from cash contributions was up $76k on budget, primarily from Public Open Space contributions which are generally not budgeted for due to their unpredictable nature.

4 Interest

Revenue from interest was up $260k (39%) on budget due to higher than expected interest rates and higher levels of cash held in term deposits during the year than expected.

5 Other income

Other income was up $340k on budget due mainly to the recognition of unclaimed proceeds, from the sale of properties for unpaid rates, reimbursement from Telstra in relation to the Mangana Cell Tower Project and other reimbursements.

6 Investment revenue from Water Corporation

Revenue from TasWater dividends was up $116k (30%) on budget due higher dividends and bonus dividends continuing to be paid.

7 Capital grants

Revenue from capital grants was up $480k (22%) on budget primarily due to the final payment of grant funds for projects completed in the prior year.

8 Net gain/loss on disposal of assets

Net gain/loss on disposal of assets was down on budget by $705k due to the carrying value of assets replaced with new capital works being disposed of on replacement.

Expenses

1 Materials and services

Materials and services was down $898k (10%) on budget primarily due to grant funded strategic projects which are still to be completed, savings in some areas, such as land tax, and some projects that will carry over to the next financial year.

2 Depreciation and amortisation

Depreciation and amortisation was up $741k (14%) on budget primarily due to the revaluation of Building assets at 1 July 2025.

3 Other expenses

Other expenses are up $80k (23%) on budget due to the refund of grant funds.

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						
2025 - 2026	2,247	13,235	15,482	4,557	10,925	22,449
2024 - 2025	1,270	12,229	13,499	4,002	9,497	15,255
Roads, streets and bridges						
2025 - 2026	4,710	(211)	4,499	6,478	(1,979)	178,191
2024 - 2025	3,271	(676)	2,595	6,607	(4,012)	164,377
Drainage						
2025 - 2026	-	(41)	(41)	552	(593)	31,044
2024 - 2025	-	(9)	(9)	577	(586)	28,811
Waste management						
2025 - 2026	-	3,375	3,375	2,795	580	1,902
2024 - 2025	-	3,137	3,137	2,614	523	1,301
Building, planning & environmental health						
2025 - 2026	158	1,025	1,183	1,524	(341)	26
2024 - 2025	8	792	800	1,397	(597)	33
Community amenities						
2025 - 2026	263	104	367	2,233	(1,866)	20,754
2024 - 2025	275	165	440	2,029	(1,589)	6,635
Community services						
2025 - 2026	152	53	205	675	(470)	624
2024 - 2025	173	64	237	699	(462)	636
Recreation facilities						
2025 - 2026	594	107	701	1,922	(1,221)	26,652
2024 - 2025	913	56	969	1,677	(708)	20,364
Economic development						
2025 - 2026	-	101	101	561	(460)	3,871
2024 - 2025	-	109	109	478	(369)	2,170
Other - not attributable						
2025 - 2026	-	(200)	(200)	-	(200)	56,607
2024 - 2025	-	-	-	-	-	53,735
Total						
2025 - 2026	**8,124**	**17,548**	**25,672**	**21,297**	**4,375**	**342,120**
2024 - 2025	**5,910**	**15,867**	**21,777**	**20,080**	**1,697**	**286,401**

1.5 Functions/Activities of the Council (Continued)

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

	2026 000's	2025 000's
Current assets	20,224	14,194
Non-current assets	321,896	272,207
	342,120	**286,401**

(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 arts, culture and the community events. Operation of the History Room. 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.

	2026 $'000	2025 $'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 2025-26 was $132.89 million (2024-25, $130.69 million). The 2025-26 rate in the AAV dollar was $0.0723720645 (2024-25, $0.0696555) varied by use.

General Rate	11,152	10,349
Fire Levy	431	418
Waste Management Charge	1,805	1,704
Waste Collection Charges	1,178	1,105
Total rates and charges	**14,566**	**13,576**

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	8	8
Town Planning Fees	276	248
Land information certificates	138	105
Permits	169	120
Total statutory fees and fines	**591**	**481**

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	306	300
Health food licences/fees	35	44
Dog registrations and associated revenue	42	41
Building surveying fees	275	174
Commission received	20	20
Facility leases and hall hire	180	185
Private works	15	17
Sale of goods	130	100
Other environmental fees	61	68
Other fees and charges	36	36
Total user fees	**1,100**	**985**

User fees by timing of revenue recognition

User fees recognised over time	-	-
User fees recognised at a point in time	1,100	985
	1,100	**985**

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.

		2026 $'000	2025 $'000
Note 2.4	**Grants**		
	Grants were received in respect of the following:		
	Summary of grants		
	Federally funded grants	6,816	3,937
	State funded grants	1,308	1,973
	Total	**8,124**	**5,910**
	Grants - Recurrent		
	Commonwealth Government Financial Assistance Grants (Untied) - general	847	312
	Commonwealth Government Financial Assistance Grants (Untied) - roads & bridges	1,057	312
	Commonwealth Government Financial Assistance Grants (Untied) - in advance	3,166	1,895
	Learner Driver	21	12
	Wellbeing	-	50
	Heavy Vehicle Motor Tax	170	49
	Mangana Cell Tower	10	-
	Emergency repairs	54	489
	Other	153	229
	Total recurrent grants	**5,478**	**3,348**
	Capital grants received specifically for new or upgraded assets		
	Commonwealth Government - roads to recovery	841	836
	Local Roads and Community Infrastructure	610	139
	Black Summer Bushfire Grants	480	400
	State - road safety & improvements	28	228
	Emergency repairs	175	447
	Other	512	512
	Total capital grants	**2,646**	**2,562**
	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	**686**	**384**
	Add: Funds received and not recognised as revenue in the current year	-	443
	Less: Funds received in prior year but revenue recognised and funds spent in current year	(175)	(141)
	Balance of unspent funds at 30 June	**511**	**686**
	Capital		
	Balance of unspent funds at 1 July	**124**	**646**
	Add: Funds received and not recognised as revenue in the current year	838	124
	Less: Funds received in prior year but revenue recognised and funds spent in current year	-	(646)
	Balance of unspent funds at 30 June	**962**	**124**
	Total unspent funds held as a contract liability	**1,473**	**810**
	Grants by timing of revenue recognition		
	Grants recognised over time	175	787
	Grants recognised at a point in time	7,949	5,123
		8,124	**5,910**

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.

	2026 $'000	2025 $'000

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.

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.

In both years the Commonwealth has made early payment of part of untied Financial Assistance Grants for the following year. The early receipt of instalments resulted in Commonwealth Government Financial Assistance Grants being in advance in 2025-26 by $3.166m (80% in advance), (2024-25, $1.895m - 50% in advance). 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.

Note 2.5 Contributions

Cash		
Parks, open space, streetscapes and other	82	53
Total	**82**	**53**

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	726	724
Interest on rates	194	176
Total	**920**	**900**

Accounting policy

Interest income

Interest is recognised progressively as it is earned.

Note 2.7 Other income

Reimbursements	85	62
Fuel credits	17	20
Insurance recoveries	-	14
Repricing of rehabilitation provisions	-	53
Waste Rebate	29	-
Other	259	33
Total other income	**390**	**182**
Other income by timing of revenue recognition		
Other income recognised over time	198	-
Other income recognised at a point in time	192	182
Total user fees	**390**	**182**

Accounting policy

Other income

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

		2026 $'000	2025 $'000
Note 2.8	**Net gain/(loss) on disposal of property, infrastructure, plant and equipment.**		
	Proceeds of sale	205	53
	Write down value of assets disposed	(810)	(829)
	Total	**(605)**	**(776)**

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	429	391
	Tax equivalent received	75	75
	Total investment revenue from water corporation	**504**	**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	4,704	4,511
	Workers compensation	151	109
	Leave taken	1,074	1,004
	Superannuation	688	658
	Fringe benefits tax	72	66
	Staff training, recruitment and conferences	120	58
	Uniforms and protective clothing	47	46
	Payroll tax	338	273
	Other	8	25
		7,202	6,750
	Less amounts capitalised	(236)	(331)
	Total employee benefits	**6,966**	**6,419**

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	1,622	1,457
	Contractor & consultant payments	3,426	3,984
	Insurance	335	236
	Utilities, telephone & internet	352	349
	Leases & licenses	58	52
	Land tax	82	85
	IT expenses	272	256
	Rates discount for early payment	133	120
	Rates remissions	141	126
	Fire levy	422	410
	Plant and equipment maintenance and hire	874	654
	Legal fees	130	176
	Total materials and services	**7,847**	**7,905**

	2026 $'000	2025 $'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	12	-
Total impairment of receivables	**12**	**-**

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	59	60
Buildings		
Buildings	1,143	522
Plant and Equipment		
Plant, machinery and equipment	484	427
Fixtures, fittings and furniture	32	95
Infrastructure		
Roads	2,689	2,587
Footpaths	286	276
Bridges	517	504
Drainage	418	406
Coastal assets	28	28
Parks and Recreation	208	187
Waste	28	27
Intangible assets		
Intangible assets	-	21
Make good assets		
Make good assets	33	37
Right-of-use of assets		
Right-of-use of assets	75	59
Total	**6,000**	**5,236**

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

	2026 $'000	2025 $'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	
Buildings	25-220 years
Land improvements	10-100 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	
Parks and Recreation	6-100years
Coastal Assets	20-50 years
Footpaths and cycleways	10-80 years
Drainage	75-120 years
Waste	25 years
Right-of-use of assets	
Right-of-use of assets	5 years

		2026 $'000	2025 $'000
Note 3.5	**Finance costs**		
	Interest - borrowings	40	141
	Unwinding of rehabilitation provisions	9	8
	Total finance costs	**49**	**149**

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, borrowings and unwinding of rehabilitation provisions.

		2026 $'000	2025 $'000
Note 3.6	**Other expenses**		
	External auditors' remuneration	62	58
	Councillors' allowances, reimbursements & training	227	230
	Election Costs	6	5
	Other	128	78
	Total	**423**	**371**

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	10,618	7,327
Cash on deposit	-	1,000
Committee accounts	126	126
Total cash and cash equivalents	**10,746**	**8,455**

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)	374	577
ii) Unspent grant funds with conditions (note 2.4)	1,473	810
	1,847	**1,387**
Internal committed funds		
iii) Reserve funds (note 9.1)	1,156	883
iv) Employee provisions (note 7.3)	1,443	1,350
v) Rehabilitation provisions (note 7.3)	404	396
Committed funds	**4,850**	**4,016**
Total uncommitted cash and cash equivalents	**5,896**	**4,439**
Total Investments	7,500	4,000
Total uncommitted funds	**13,396**	**8,439**

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) Restricted reserves for development contributions and the history room.
iv) Monies set aside to meet employee provision obligations
v) Funds set aside for Council to meet rehabilitation obligations.

		2026 $'000	2025 $'000
Note 4.2	**Trade and other receivables**		
	Current		
	Rates debtors	1,110	1,018
	Other debtors	259	317
	Provision for expected credit loss - other debtors	(3)	(3)
	Accrued revenue	221	79
	Net GST receivable	151	14
	Total	**1,738**	**1,425**
	Non-current		
	Loans and advances to community organisations	14	14
	Total	**14**	**14**
	Total trade and other receivables	**1,752**	**1,439**
	Reconciliation of movement in expected credit loss		
	Carrying amount at 1 July	**3**	**3**
	Increase / (decrease) in provision recognised in profit or loss	-	-
	Carrying amount at 30 June	**3**	**3**

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	7,500	4,000
		7,500	**4,000**

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	237	311
	Total inventories	**237**	**311**

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.

		2026 $'000	2025 $'000
Note 5	**Other investments**		
Note 5.1	**Investment in water corporation**		
	Opening balance	36,442	35,745
	Fair Value adjustments on equity investment assets	1,179	697
	Total investment in water corporation	**37,621**	**36,442**

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% (2024/2025: 1.89%) 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

	2026 $'000	2025 $'000
Summary		
at cost	24,586	23,647
Less accumulated depreciation	(7,347)	(7,507)
	17,239	**16,140**
at fair value as at 30 June	366,310	300,078
Less accumulated depreciation	(100,154)	(81,383)
	266,156	**218,695**
Total	**283,395**	**234,835**
Property		
Land		
at fair value	16,114	10,377
	16,114	**10,377**
Land under roads		
at fair value	9,102	9,102
	9,102	**9,102**
Land improvements		
at cost	1,674	1,674
Less accumulated depreciation	(520)	(461)
	1,154	**1,213**
Total Land	**26,370**	**20,692**
Buildings		
at fair value	69,390	30,876
Less accumulated depreciation	(21,693)	(12,049)
	47,697	**18,827**
Heritage improvements		
at cost	17	17
Less accumulated depreciation	(2)	(2)
	15	**15**
Total Buildings	**47,712**	**18,842**
Total Property	**74,082**	**39,534**
Plant and Equipment		
Plant, machinery and equipment		
at cost	7,248	6,245
Less accumulated depreciation	(3,822)	(3,795)
	3,426	**2,450**
Fixtures, fittings and furniture		
at cost	386	1,188
Less accumulated depreciation	(297)	(834)
	89	**354**
Total Plant and Equipment	**3,515**	**2,804**

Note 6.1 Property, infrastructure, plant and equipment (continued)	2026 $'000	2025 $'000
Infrastructure		
Roads		
at fair value	169,607	156,122
Less accumulated depreciation	(44,859)	(39,485)
	124,748	**116,637**
Footpaths		
at fair value	15,232	13,874
Less accumulated depreciation	(4,690)	(4,050)
	10,542	**9,824**
Bridges		
at fair value	41,019	37,691
Less accumulated depreciation	(13,521)	(11,985)
	27,498	**25,706**
Drainage		
at fair value	45,846	42,036
Less accumulated depreciation	(15,391)	(13,814)
	30,455	**28,222**
Parks and Recreation		
at cost	12,114	11,551
Less accumulated depreciation	(1,974)	(1,772)
	10,140	**9,779**
Coastal Assets		
at cost	763	763
Less accumulated depreciation	(247)	(219)
	516	**544**
Waste		
at cost	944	944
Less accumulated depreciation	(415)	(387)
	529	**557**
Make Good Obligation		
at cost	399	399
Less accumulated depreciation	(70)	(37)
	329	**362**
Total Infrastructure	**204,757**	**191,631**
Works in progress		
Buildings	204	78
Roads	11	-
Land improvements	176	42
Parks & recreation	40	354
Plant, machinery and equipment	51	108
Fixtures, fittings and furniture	89	42
Waste	191	88
Drainage	164	154
Bridges	115	-
Total Works in progress	**1,041**	**866**
Total property, infrastructure, plant and equipment	**283,395**	**234,835**

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	Items expensed	Transfers	Balance at end of financial year
2026								
			(note 9.1)	(note 3.4)				
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Property								
Land	10,377	-	5,937	-	(200)	-	-	16,114
Land under roads	9,102	-	-	-	-	-	-	9,102
Land improvements	1,213	-	-	(59)	-	-	-	1,154
Total land	20,692	-	5,937	(59)	(200)	-	-	26,370
Buildings	18,827	-	29,417	(1,143)	(21)	-	617	47,697
Heritage improvements	15	-	-	-	-	-	-	15
Total buildings	18,842	-	29,417	(1,143)	(21)	-	617	47,712
Total property	39,534	-	35,354	(1,202)	(221)	-	617	74,082
Plant and Equipment								
Plant, machinery and equipment	2,450	-	-	(484)	(47)	-	1,507	3,426
Fixtures, fittings and furniture	354	-	-	(32)	(94)	-	(139)	89
Total plant and equipment	2,804	-	-	(516)	(141)	-	1,368	3,515
Infrastructure								
Roads	116,637	-	9,731	(2,689)	(401)	-	1,470	124,748
Footpaths	9,824	-	822	(286)	(6)	1	187	10,542
Bridges	25,706	-	2,145	(517)	-	-	164	27,498
Drainage	28,222	-	2,375	(418)	(41)	1	316	30,455
Parks & Recreation	9,779	-	-	(208)	-	-	569	10,140
Coastal Assets	544	-	-	(28)	-	-	-	516
Waste	557	-	-	(28)	-	-	-	529
Make Good Obligation	362	-	-	(33)	-	-	-	329
Total infrastructure	191,631	-	15,073	(4,207)	(448)	2	2,706	204,757
Works in progress								
Buildings	78	581	-	-	-	(15)	(440)	204
Roads	-	1,521	-	-	-	(40)	(1,470)	11
Footpaths	-	187	-	-	-	-	(187)	-
Land Improvements	42	134	-	-	-	-	-	176
Parks & Recreation	354	255	-	-	-	-	(569)	40
Plant, machinery and equipment	108	1,447	-	-	-	(3)	(1,501)	51
Fixtures, fittings and furniture	42	85	-	-	-	-	(38)	89
Waste	88	109	-	-	-	-	(6)	191
Drainage	154	327	-	-	-	(1)	(316)	164
Bridges	-	279	-	-	-	-	(164)	115
Total works in progress	866	4,925	-	-	-	(59)	(4,691)	1,041
Total property, infrastructure, plant and equipment	**234,835**	**4,925**	**50,427**	**(5,925)**	**(810)**	**(57)**	**-**	**283,395**

(a) Impairment losses or items expensed

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)

2025	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	Items Expensed	Transfers	Balance at end of financial year
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Property								
Land	10,377	-	-	-	-	-	-	10,377
Land under roads	9,102	-	-	-	-	-	-	9,102
Land improvements	1,220	-	-	(60)	-	-	53	1,213
Total land	20,699	-	-	(60)	-	-	53	20,692
Buildings	16,002	-	627	(522)	-	-	2,720	18,827
Heritage improvements	15	-	-	-	-	-	-	15
Total buildings	16,017	-	627	(522)	-	-	2,720	18,842
Total property	36,716	-	627	(582)	-	-	2,773	39,534
Plant and Equipment								
Plant, machinery and equipment	2,601	2	-	(427)	(22)	-	296	2,450
Fixtures, fittings and furniture	452	-	-	(95)	(3)	-	-	354
Total plant and equipment	3,053	2	-	(522)	(25)	-	296	2,804
Infrastructure								
Roads	114,318	-	3,018	(2,587)	(718)	(1)	2,607	116,637
Footpaths	9,713	-	257	(276)	(6)	-	136	9,824
Bridges	24,624	-	670	(504)	(29)	-	945	25,706
Drainage	27,780	-	739	(406)	(9)	-	118	28,222
Parks & Recreation	8,853	-	-	(187)	-	-	1,113	9,779
Coastal Assets	572	-	-	(28)	-	-	-	544
Waste	570	-	-	(27)	-	-	14	557
Make Good Obligation	441	-	-	(37)	(42)	-	-	362
Total infrastructure	186,871	-	4,684	(4,052)	(804)	(1)	4,933	191,631
Works in progress								
Buildings								
Roads	1,519	1,296	-	-	-	(17)	(2,720)	78
Footpaths	292	2,533	-	-	-	(218)	(2,607)	-
Land Improvements	55	81	-	-	-	-	(136)	-
Land Under Roads	9	86	-	-	-	-	(53)	42
Parks & Recreation	41	1,426	-	-	-	-	(1,113)	354
Plant, machinery and equipment	-	418	-	-	-	(14)	(296)	108
Fixtures, fittings and furniture	-	56	-	-	-	(14)	-	42
Waste	-	102	-	-	-	-	(14)	88
Drainage	18	237	-	-	-	17	(118)	154
Bridges	124	821	-	-	-	-	(945)	-
Total works in progress	2,058	7,056	-	-	-	(246)	(8,002)	866
Total property, infrastructure, plant and equipment	**228,698**	**7,058**	**5,311**	**(5,156)**	**(829)**	**(247)**	**-**	**234,835**

(a) Impairment losses or items expensed

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
Work In Progress	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.

	2026	2025
	$'000	$'000

Note 6.2 Right-of-use assets

Right-of-use assets

	Property	Total
2026	**$'000**	**$'000**
Opening Balance at 1 July 2025	734	734
Additions	25	25
Disposals	-	-
Depreciation expense	(75)	(75)
Balance at 30 June 2026	684	684
2025		
Opening Balance at 1 July 2024	760	760
Additions	33	33
Disposals	-	-
Depreciation expense	(59)	(59)
Balance at 30 June 2025	734	734

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.

		2026 $'000	2025 $'000
Note 6.3	**Other assets**		
	Current		
	Bonds paid	3	3
	Total	**3**	**3**
	Non-current		
	Shares in Bendigo Bank	30	30
	Bonds paid	152	152
	Total	**182**	**182**

Note 7 Current liabilities

Note 7.1 Trade and other payables

	2026 $'000	2025 $'000
Trade payables	729	952
Rates and charges in advance	342	327
Unearned income	55	53
Accrued expenses	360	542
Total trade and other payables	**1,486**	**1,874**

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

	2026 $'000	2025 $'000
Refundable building deposits	173	173
Section 137 seizures	-	198
Refundable civic facilities deposits	8	8
Retention amounts	182	186
Other refundable deposits	11	12
Total trust funds and deposits	**374**	**577**

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

2026	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	437	619	396	294	1,746
Additional provisions	484	83	-	210	777
Amounts used	(424)	(142)	-	(192)	(758)
(Increase)/decrease in the discounted amount arising because of time and the effect of any change in the discount rate	-	74	8	-	82
Balance at the end of the financial year	**497**	**634**	**404**	**312**	**1,847**
Current	497	382	-	190	1,069
Non-current	-	252	404	122	778
Total	**497**	**634**	**404**	**312**	**1,847**

2025	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	401	635	441	279	1,756
Additional provisions	456	(19)	-	194	631
Amounts used	(420)	(93)	(42)	(179)	(734)
(Increase)/decrease in the discounted amount arising because of time and the effect of any change in the discount rate	-	96	(3)	-	93
Balance at the end of the financial year	**437**	**619**	**396**	**294**	**1,746**
Current	437	401	-	177	1,015
Non-current	-	218	396	117	731
Total	**437**	**619**	**396**	**294**	**1,746**

(a) Employee benefits

The following assumptions were adopted in measuring the present value of employee benefits:	2026	2025
Weighted average increase in employee costs	4.50%	3.50%
Weighted average discount rates	4.59%	3.62%
Employee Numbers (FTE)	64	60

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.

Note 7.3 Provisions (Continued)

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 CareSuper Defined Benefits Fund (the 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. 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 St Helens 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 4.15%
- index rate 4.95%

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 quarry restoration provision on an annual basis, including the key assumptions listed below.

Key assumptions:
- discount rate 4.15%
- index rate 4.95%

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.

	2026 $'000	2025 $'000
Note 7.4 Lease liabilities		
Lease liabilities	684	734
	684	734
Current	77	75
Non-Current	607	659

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

	Minimum lease payments due						
As at 30 June 2026	**Within 1 Year $ '000**	**1-2 Years $ '000**	**2-3 Years $ '000**	**3-4 Years $ '000**	**4-5 Years $ '000**	**After 5 Years $ '000**	**Total $ '000**
Lease payments	77	61	63	65	67	351	684
As at 30 June 2025							
Lease payments	75	72	60	61	62	404	734

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.

	2026 $'000	2025 $'000
Note 7.5 Contract Liabilities		
Current		
Funds received to acquire on construct an asset controlled by Council	962	124
Funds received prior to performance obligation being satisfied (Upfront payments)	511	686
	1,473	810

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	175	787
	175	**787**

		2026 $'000	2025 $'000
Note 8	**Non-current liabilities**		
Note 8.1	**Interest-bearing loans and borrowings**		
	Current		
	Borrowings - secured	75	385
		75	**385**
	Non-current		
	Borrowings - secured	535	610
		535	**610**
	Total	**610**	**995**
	Borrowings		
	Borrowings are secured over Council's rate revenue		
	The maturity profile for Council's borrowings is:		
	Not later than one year	75	385
	Later than one year and not later than five years	339	324
	Later than five years	196	286
	Total	**610**	**995**

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.

Note 9 Other financial information
Note 9.1 Reserves

(a) Asset revaluation reserve	Balance at beginning of reporting year $'000	Increment $'000	(Decrement) $'000	Balance at end of reporting year $'000
2026 Property				
Land	5,572	5,937	-	11,509
Land under roads	6,438	-	-	6,438
Buildings	6,424	29,417	-	35,841
	18,434	**35,354**	**-**	**53,788**
Infrastructure				
Roads	178,344	9,731	-	188,075
Bridges	9,035	822	-	9,857
Footpaths	2,145	2,145	-	4,290
Drainage	23,592	2,375	-	25,967
	213,116	**15,073**	**-**	**228,189**
Total asset revaluation reserve	**231,549**	**50,427**	**-**	**281,976**
2025 Property				
Land	5,572	-	-	5,572
Land under roads	6,438	-	-	6,438
Buildings	5,797	627	-	6,424
	17,807	**627**	**-**	**18,434**
Infrastructure				
Roads	175,326	3,018	-	178,344
Bridges	8,365	670	-	9,035
Footpaths	1,888	257	-	2,145
Drainage	22,853	739	-	23,592
	208,432	**4,684**	**-**	**213,116**
Total asset revaluation reserve	**226,238**	**5,311**	**-**	**231,549**

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

(b) Fair value reserve	Balance at beginning of reporting year	Increment $'000	(Decrement) $'000	Balance at end of reporting year $'000
2026 Equity Investment assets				
Investment in water corporation	358	1,179	-	1,537
Total fair value reserve	**358**	**1,179**	**-**	**1,537**
2025 Equity Investment assets				
Investment in water corporation	(339)	697	-	358
Total fair value reserve	**(339)**	**697**	**-**	**358**

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.

(c) Other reserves		Balance at beginning of reporting year $'000	Transfers From $'000	Transfers To $'000	Balance at end of reporting year $'000
2026	Facilities and properties	297	-	75	372
	Other Reserves	586	-	198	784
	Total Other reserves	**883**	**-**	**273**	**1,156**
2025	Facilities and properties	262	-	35	297
	Other Reserves	586	-	-	586
	Total Other reserves	**848**	**-**	**35**	**883**

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.

		2026 $'000	2025 $'000
	Total Reserves	**284,670**	**232,791**

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

Result from continuing operations	4,375	1,697
Depreciation/amortisation	5,925	5,177
Depreciation of right-of-use assets	75	59
(Profit)/loss on disposal of property, infrastructure, plant and equipment	605	776
Capital grants received specifically for new or upgraded assets	(3,585)	(2,102)
Payment for mineral resources bond	-	152
Change in assets and liabilities:		
Decrease/(increase) in trade and other receivables	(313)	(219)
Decrease/(increase) in other assets	-	(152)
Decrease/(increase) in inventories	74	(233)
Increase/(decrease) in trade and other payables	(388)	759
Increase/(decrease) in provisions	101	(10)
Increase/(decrease) in contract liabilities	663	(220)
Net cash provided by/(used in) operating activities	**7,532**	**5,684**

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
	$'000	**$'000**
Balance as at 1 July 2025	995	734
Changes from financing cash flows:		
Additions	-	-
Cash repayments	(385)	-
Balance as at 30 June 2026	**610**	**734**
Balance as at 1 July 2024	3,600	761
Changes from financing cash flows:		
Additions	-	31
Cash repayments	(2,605)	(58)
Balance as at 30 June 2025	**995**	**734**

Note 9.4 Reconciliation of cash and cash equivalents

	2026	**2025**
Cash and cash equivalents (see note 4.1)	10,746	8,455
Total reconciliation of cash and cash equivalents	**10,746**	**8,455**

Note 9.5 Financing arrangements

Credit cards	30	17
Used facilities	(10)	(10)
Security Deposit Guarantee	150	150
Used Facility	-	-
Unused facilities	**170**	**157**

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 CareSuper. 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 2026 the Council contributed 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, the 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 Care 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 3.50% 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 CareSuper 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 CareSuper 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 Dependants 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 CareSuper.

- 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 $31,408 (2024-25, $40,954), and the amount paid to accumulation schemes was $738,831 (2024-25, $723,853).
- During the next reporting period the expected amount of superannuation contributions to be paid to defined benefits schemes is $32,820, and the amount to be paid to accumulation schemes is $729,543.
- 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 2025, showed that the Fund had assets of $38.81 million and members' Vested Benefits were $28.97 million. These amounts represented 0.07% and 0.05% respectively of the corresponding total amounts for CareSuper.
- As at 30 June 2025 the Fund had 55 members and the total employer contributions and member contributions for the year ending 30 June 2025 were $547,842 and $184,457 respectively.

	2026 $'000	2025 $'000
Defined benefits fund		
Employer contributions to CareSuper	31	41
Employer contributions payable to CareSuper at reporting date	-	-
Accumulation funds		
Employer contributions to all super funds	739	726
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.

2026	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				
Roads	56	-	-	56
Total capital expenditure commitments	**56**	**-**	**-**	**56**
Contractual commitments				
Waste transfer stations and collections	600	852	560	2,012
Total contractual commitments	**600**	**852**	**560**	**2,012**

Note 9.7 Commitments (cont.)

2025	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	484	946	643	2,073
Cleaning contracts for council buildings	201	-	-	201
Total contractual commitments	**685**	**946**	**643**	**2,274**

There were no material capital commitments at 30 June 2025

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:

	2026 $'000	2025 $'000
Maturity analysis of operating lease payments to be received		
Year 1	75	82
Year 2	48	83
Year 3	25	56
Year 4	16	28
Year 5	-	17
Later than 5 years	-	-
Total	**164**	**266**
The following table presents the amounts reported in profit or loss:		
Lease income on operating leases	94	94
Therein lease income relating to variable lease payments that do not depend on an index or rate	94	94

Note 9.9 Contingent Liabilities and contingent assets

There were no contingent liabilities or assets as at 30 June 2026.

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 if required.

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.

2026

			Fixed interest maturing in:				
	Weighted average interest rate	Floating interest rate $'000	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	4.14%	10,744	-	-	-	2	10,746
Investments	4.58%	-	5,500	2,000	-	-	7,500
Trade and other receivables	10.30%	1,110	-	-	-	477	1,587
Investment in water corporation		-	-	-	-	37,621	37,621
Total financial assets		11,854	5,500	2,000	-	38,100	57,454
Financial liabilities							
Trade and other payables		-	-	-	-	1,486	1,486
Trust funds and deposits		-	-	-	-	374	374
Interest-bearing loans and borrowings	5.15%	-	75	339	196	-	610
Total financial liabilities		-	75	339	196	1,860	2,470
Net financial assets (liabilities)		11,854	5,425	1,661	(196)	36,240	54,984

Note 9.10 Financial Instruments (cont.)

2025

	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	3.84%	7,453	1,000	-	-	2	8,455
Investments	4.68%	-	2,000	2,000	-	-	4,000
Trade and other receivables	10.14%	1,018	-	-	-	393	1,411
Investment in water corporation		-	-	-	-	36,442	36,442
Total financial assets		8,471	3,000	2,000	-	36,837	50,308
Financial liabilities							
Trade and other payables		-	-	-	-	1,874	1,874
Trust funds and deposits		-	-	-	-	577	577
Interest-bearing loans and borrowings	4.49%	-	385	324	286	-	995
Total financial liabilities		-	385	324	286	2,451	3,446
Net financial assets (liabilities)		8,471	2,615	1,676	(286)	34,386	46,862

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 (BBBB credit rating)	Other (min BBB credit rating)	Total
2026				
Cash and cash equivalents	10,746	-	-	10,746
Trade and other receivables	-	-	1,738	1,738
Investments and other financial assets	7,500	-	-	7,500
Total contractual financial assets	**18,246**	**-**	**1,738**	**19,984**
2025				
Cash and cash equivalents	8,455	-	-	8,455
Trade and other receivables	-	-	1,425	1,425
Investments and other financial assets	4,000	-	-	4,000
Total contractual financial assets	**12,455**	**-**	**1,425**	**13,880**

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:

	2026	2025
	$'000	$'000
Current (not yet due)	562	391
Past due by up to 30 days	48	-
Past due between 31 and 180 days	4	3
Past due between 181 and 365 days	-	13
Past due by more than 1 year	1,124	1,018
Total Trade & Other Receivables	**1,738**	**1,425**

Ageing of individually impaired Trade and Other Receivables

At balance date, other debtors representing financial assets with a nominal value of $3,220 (2024-25: $2,761) were impaired. The amount of the provision raised against these debtors was $3,220 ($2,761). 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:

	2026	2025
	$'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	-	-
Past due by more than 1 year	3	3
Total Trade & Other Receivables	3	3

(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).

2026	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	1,486	-	-	-	-	1,486	1,486
Trust funds and deposits	-	374	-	-	-	374	374
Interest-bearing loans and borrowings	37	38	79	260	196	610	610
Total financial liabilities	1,523	412	79	260	196	2,470	2,470

2025	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	1,874	-	-	-	-	1,874	1,874
Trust funds and deposits	-	577	-	-	-	577	577
Interest-bearing loans and borrowings	47	338	76	248	286	995	995
Total financial liabilities	1,921	915	76	248	286	3,446	3,446

(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	
2026	$'000	Profit $'000	Equity $'000	Profit $'000	Equity $'000
Financial assets:					
Cash and cash equivalents	10,618	(212)	(212)	212	212

		Interest rate risk			
		-2 %		+2%	
		-200 basis points		+200 basis points	
		Profit	Equity	Profit	Equity
2025	$'000	$'000	$'000	$'000	$'000
Financial assets:					
Cash and cash equivalents	7,327	(147)	(147)	147	147

Fair Value

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

Financial Instruments	**Total carrying amount as per the Statement of Financial Position**		**Aggregate net fair value**	
	2026 $'000	**2025 $'000**	**2026 $'000**	**2025 $'000**
Financial assets				
Cash and cash equivalents	10,746	8,455	10,746	8,455
Investments	7,500	4,000	7,500	4,000
Trade and other receivables	1,752	1,439	1,752	1,439
Investment in water corporation	37,621	36,442	37,621	36,442
Total financial assets	57,619	50,336	57,619	50,336
Financial liabilities				
Trade and other payables	1,486	1,874	1,486	1,874
Trust funds and deposits	374	577	374	577
Interest-bearing loans and borrowings	610	995	609	1,007
Total financial liabilities	2,470	3,446	2,469	3,458

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 2026.

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 2026

	Note	Level 1	Level 2	Level 3	Total
Recurring fair value measurements		$'000	$'000	$'000	$'000
Investment in water corporation	5.1	-	-	37,621	37,621
Land	6.1	-	-	16,114	16,114
Land under roads	6.1	-	-	9,102	9,102
Buildings	6.1	-	-	47,697	47,697
Roads	6.1	-	-	124,748	124,748
Footpaths	6.1	-	-	10,542	10,542
Bridges	6.1	-	-	27,498	27,498
Drainage	6.1	-	-	30,455	30,455
		-	-	303,777	303,777

As at 30 June 2025

	Note	Level 1	Level 2	Level 3	Total
Recurring fair value measurements		$'000	$'000	$'000	$'000
Investment in water corporation	5.1	-	-	36,442	36,442
Land	6.1	-	-	10,377	10,377
Land under roads	6.1	-	-	9,102	9,102
Buildings	6.1	-	-	15,206	15,206
Roads and footpaths	6.1	-	-	116,637	116,637
Footpaths	6.1	-	-	9,824	9,824
Bridges	6.1	-	-	25,706	25,706
Drainage	6.1	-	-	28,222	28,222
		-	-	251,516	251,516

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 2026. 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.

Land under roads

The value of the Land Under Road network at 30 June 2026 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 KnowLedge, Council's contractor, effective 1 July 2025. Fair value has been derived based on current replacement cost determined for the location by Rawlinsons Construction Costs 2025. The most significant input into this valuation approach was price per square metre.

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. Roads and footpaths were indexed at 30 June 2026 at 8.46%, based on the ABS Construction Costs Index for Roads and Bridge in Victoria.

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 200 mm for high traffic areas and 100 mm 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 2026 at 8.46% based on the ABS Construction Cost Index for Roads and Bridges in Victoria.

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. Drainage assets were indexed at 30 June 2026 at 8.46%, based on the ABS Construction Cost Index for Roads and Bridges in Victoria.

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	124,748	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	10,542	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	27,498	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	30,455	Unit replacement cost per metre.	from $106/m up to $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	37,621	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) No significant events have occurred.

Note 10 Other matters

Note 10.1 Related party transactions

(i) Councillor Remuneration 2026

Name	Position	Period	Short term employee benefits: Allowances	Total Compensation AASB 124	Expenses[1]	Total allowances and expenses section 72
			$	$	$	$
Mr M Tucker	*Mayor*	*Full Year*	55,958	55,958	1,439	57,397
Ms K Chapple	*Deputy Mayor*	*Full Year*	31,290	31,290	1,199	32,489
Mr G Barnes	*Councillor*	*Full Year*	15,987	15,987	1,199	17,186
Mr I Carter	*Councillor*	*Full Year*	15,987	15,987	1,199	17,186
Ms J Drummond	*Councillor*	*Part Year*	5,934	5,934	701	6,635
Mr B LeFevre	*Councillor*	*Full Year*	15,987	15,987	3,633	19,620
Ms E Johnstone	*Councillor*	*Full Year*	15,987	15,987	3,603	19,590
Mr V Oldham	*Councillor*	*Full Year*	15,987	15,987	2,844	18,831
Ms L Whittaker	*Councillor*	*Part Year*	9,415	9,415	700	10,115
Ms K Wright	*Councillor*	*Full Year*	15,987	15,987	1,199	17,186
Total			**198,519**	**198,519**	**17,716**	**216,235**

Councillor Remuneration 2025

Mr M Tucker	*Mayor*	*Full Year*	52,465	52,465	1,439	53,904
Ms K Chapple	*Deputy Mayor*	*Full Year*	29,337	29,337	1,199	30,536
Mr G Barnes	*Councillor*	*Full Year*	14,990	14,990	1,199	16,189
Mr I Carter	*Councillor*	*Full Year*	14,990	14,990	1,199	16,189
Ms J Drummond	*Councillor*	*Full Year*	14,990	14,990	5,105	20,095
Mr B LeFevre	*Councillor*	*Full Year*	14,990	14,990	3,263	18,253
Ms E Johnstone	*Councillor*	*Full Year*	14,990	14,990	7,004	21,994
Mr V Oldham	*Councillor*	*Full Year*	14,990	14,990	3,880	18,870
Ms K Wright	*Councillor*	*Full Year*	14,990	14,990	1,659	16,649
Total			**186,732**	**186,732**	**25,947**	**212,679**

[1] Section 72(1)cb of the *Local Government Act 1993* requires the disclosure of expenses paid to Councillors.

Note 10.1 Related party transactions (continued)

Council have defined the Key Management Personnel as the senior management team.

(ii) Key Management Personnel Remuneration 2026

Number of Staff per Band	Remuneration band	Short term employee benefits			Post employment benefits			
		Salary[1]	Other Allowances & Benefits[3]	Vehicles[2]	Super-annuation[4]	Termination Benefits[5]	Non-monetary Benefits[6]	Total
		$	$	$	$	$	$	$
1	$310 001 - $330 000	235,534	-	11,163	29,218	-	48,648	324,563
2	$190 001 - $210 000	322,150	-	29,789	42,561	-	13,912	408,412
1	$130 001 - $150 000	122,892	4,537	13,954	14,728	-	(10,358)	145,752
Total		**680,576**	**4,537**	**54,906**	**86,507**	**-**	**52,202**	**878,727**
Key Management Personnel Remuneration 2025								
1	$240 001 - $260 000	213,509	-	13,338	26,430	-	626	253,903
2	$180 001 - $200 000	308,829	-	33,038	38,204	-	12,962	393,033
1	$140 001 - $160 000	113,119	4,383	12,563	14,228	-	6,066	150,359
		635,457	**4,383**	**58,939**	**78,862**	**-**	**19,654**	**797,295**

(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 provided they comply with requirements of Fair Work.

Acting Arrangements

When members of key management personnel are unable to fulfil 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.

Nature of the transaction	*Amount of the transactions during the year*	*Outstanding balances, including commitments at year end*	*Terms and conditions*	*Provision for doubtful debts related outstanding balances*	*The expense recognised during the period relating to bad or doubtful debts due from related parties*
St Helens Newsagency/ Bay of Fires Florist (owned by Mayor Mick Tucker)	$1,720	Nil	30-day terms on invoices	-	-
St Helens Auto Electrics - repairs (owned by General Manager's Brother in-law)	$726	Nil	30-day terms on invoices	-	-
Coastal Carpets and Interiors (owned by son of Clr Ian Carter)	$20,360	Nil	30-day terms on invoices		
Fingal Valley Neighbourhood House - venue hire (Clr Gary Barnes is the Manager)	$2,408 (revenue)	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	$126,069	($18)	$126,051

Note 10.3 Other material 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.

(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 Australian Accounting Standards and interpretations have been published that are not mandatory for the 30 June 2025 reporting period. Council assesses the impact of these new standards. As at 30 June 2025 there were no new accounting standards or interpretations issued by the AASB which are applicable for the year ending 30 June 2025 that are expected to impact Council.

In September 2024 the Australian Accounting Standards Board (AASB) issued two Australian Sustainability Reporting Standards (ASRS). This followed Commonwealth legislation establishing Australia's sustainability reporting framework. Relevant entities will be required to undertake mandatory reporting of climate-related disclosures in future financial years. Public sector application issues remain under consideration and Council will continue to monitor developments and potential implications for future financial years.

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	2026 $'000	2025 $'000	2024 $'000	2023 $'000
(a) Underlying surplus or deficit					
Net result for the year		4,375	1,697	1,686	2,749
Less non-operating income					
Capital contributions - and recognition of assets		0	0	(201)	(160)
National disaster relief grants		(229)	(936)	(190)	-
Grants specifically for new or upgraded assets		(1,020)	(1,140)	(1,399)	(464)
Grants for renewal of assets		(1,626)	(1,422)	(808)	(1,664)
Grants received in advance - current year		(3,166)	(1,895)	(3,115)	(3,558)
Grants received in advance - prior year		1,895	3,115	3,558	2,374
Add non-operational expenses					
Disaster relief and recovery expenditure		37	756	560	187
Unscheduled one-off loss on disposal of non-financial assets		469	804	1,808	697
Non Council works/assets funded by capital grant.		-	-	10	59
Underlying surplus/deficit	0	735	979	1,909	220

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 $735,000 underlying surplus for 2025/26 is above the benchmark of 0, and a decrease from $979,000 in 2024/25.

(b) Underlying surplus ratio					
Underlying surplus or deficit		735	979	1,909	220
Recurrent income		21,526	19,499	19,031	18,505
Underlying surplus ratio %	0%	3%	5%	10%	1%

This ratio serves as an overall measure of financial operating effectiveness.
Council's underlying surplus ratio of 3% in 2025/26 is above the benchmark of 0%.

(c) Net financial liabilities					
Liquid assets less		19,987	13,883	15,435	15,494
total liabilities		6,474	6,736	8,821	11,050
Net financial liabilities	0	13,513	7,147	6,614	4,444

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 $13,513,000 in 2025/26 and is above the benchmark of 0.

(d) Net financial liabilities ratio					
Net financial liabilities		13,513	7,147	6,614	4,444
Recurrent income		21,526	19,499	19,031	18,505
Net financial (liabilities) / asset ratio %	0% - (50%)	63%	37%	35%	24%

This ratio indicates the net financial obligations of Council compared to its recurrent income.
Council's net financial (liabilities) / asset ratio of 63% for 2025/26 is above 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					
Fair value (Carrying amount)		47,712	15,221	16,017	15,624
Current replacement cost (Gross)		69,407	27,224	27,051	25,919
Asset consumption ratio %		69%	56%	59%	60%

Note 10.4 Management indicators (cont.)

		2026 $'000	2025 $'000	2024 $'000	2023 $'000
Transport Infrastructure					
Fair value (Carrying amount)		152,246	142,343	138,942	109,115
Current replacement cost (Gross)		210,626	193,813	186,899	164,850
Asset consumption ratio %		72%	73%	74%	66%
Drainage					
Fair value (Carrying amount)		30,455	28,222	27,780	21,633
Current replacement cost (Gross)		45,846	42,036	40,826	35,987
Asset consumption ratio %		66%	67%	68%	60%

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.

Buildings					
Projected capital funding outlays**		432	48	1,245	131
Projected capital expenditure funding***		1,143	522	488	131
Asset renewal funding ratio %	90-100%	38%	9%	255%	100%
Transport Infrastructure					
Projected capital funding outlays**		1,694	2,610	2,076	1,954
Projected capital expenditure funding***		3,492	3,367	2,969	1,954
Asset renewal funding ratio %	90-100%	49%	78%	70%	100%
Drainage					
Projected capital funding outlays**		264	30	155	56
Projected capital expenditure funding***		418	406	448	56
Asset renewal funding ratio %	90-100%	63%	7%	35%	100%

** 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		3,347	3,233	4,123	3,077
Annual depreciation expense		5,925	5,156	4,728	4,547
Asset sustainability ratio %	100%	56%	63%	87%	68%

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

2026	Capital renewal expenditure	Capital new /upgrade expenditure	Total Capital Expenditure
By asset class	**$'000**	**$'000**	**$'000**
Parks & recreation	46	208	254
Buildings	432	134	566
Land improvements	134	-	134
Plant, machinery and equipment	739	706	1,445
Fixtures, fittings and furniture	17	69	86
Roads	1,481	-	1,481
Bridges	115	164	279
Footpaths	98	89	187
Drainage	264	63	327
Waste management	21	88	109
Total	3,347	1,521	4,868

2025	Capital renewal expenditure	Capital new /upgrade expenditure	Total Capital Expenditure
By asset class	**$'000**	**$'000**	**$'000**
Parks & recreation	1	1,425	1,426
Buildings	48	1,231	1,279
Land improvements	52	34	86
Plant, machinery and equipment	379	27	406
Fixtures, fittings and furniture	-	42	42
Roads	1,796	519	2,315
Bridges	784	37	821
Footpaths	30	51	81
Drainage	129	125	254
Waste management	14	88	102
Total	3,233	3,579	6,812

Certification of the Financial Report

The financial report presents fairly the financial position of the Break O'Day Council as at 30 June 2026 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 : *26/10/2026*

Management Certification of the Financial Report

The accompanying financial statements of the Break O'Day Council are in agreement with the relevant accounts and records and have been prepared in compliance with:

- Australian Accounting Standards and other authoritative pronouncements issued by the Australian Accounting Standards Board
- the *Local Government Act 1993*

I believe that, in all material respects, the financial statements present a view which is consistent with my understanding of Council's financial position as at 30 June 2026 and the results of its operations and cash flows for the year then ended.

At the date of signing this certification, I am not aware of any circumstances which would render the particulars included in the financial statements misleading or inaccurate.

The completed Financial Statements Preparation and Submission Checklist is enclosed.

Marissa Walters
Marissa Walters
Contract Accountant

26/10/2026

Audit Tasmania

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 2026 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 significant 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 2026 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.

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

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.



Chloe Bellchambers
Director, Financial and Sustainability Audit
Delegate of the Auditor-General

26 October 2026
Hobart