

# ANNUAL GENERAL MEETING AGENDA

Tuesday 9 December 2025  
at

5.00pm Council Chambers, St Helens

John Brown, General Manager  
Break O'Day Council  
3 December 2025

### ***Division 3 – Annual General Meeting***

#### **72B. Annual General Meeting**

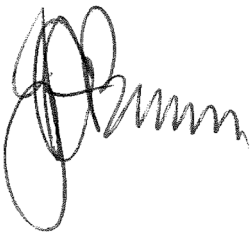
1. A Council must hold an Annual General Meeting on a date that –
  - a. Is not later than 15 December in each year; and
  - b. Is not before 14 days after the date of the first publication of a notice under subsection (2).
2. A Council must publish a notice on at least 2 separate occasions in a daily newspaper circulating in the municipal area or other prescribed newspaper specifying the date, time and place of the Annual General Meeting.
3. If a quorum of the Council is not present –
  - a. The Annual General Meeting is to be reconvened and held within 14 days; and
  - b. A notice is to be published in a daily newspaper circulating in the municipal area or other prescribed newspaper specifying the date, time and place of the Annual General Meeting.
4. Only electors in the municipal area are entitled to vote at an Annual General Meeting.
5. A motion at an Annual General Meeting is passed by a majority of votes taken by a show of hands or by any other means of ascertaining the vote the Council determines.
6. A motion passed at an Annual General Meeting is to be considered at the next meeting of the Council.
7. The General Manager is to keep minutes of the Annual General Meeting.

# NOTICE OF MEETING

Notice is hereby given that the Annual General Meeting of the Break O'Day Council will be held at the St Helens Council Chambers on Tuesday 9 December 2025 commencing at 5.00pm.

## CERTIFICATION

Pursuant to the provisions of Section 65 of the *Local Government Act 1993*, I hereby certify that the advice, information and recommendations contained within this Agenda have been given by a person who has the qualifications and / or experience necessary to give such advice, information and recommendations or such advice was obtained and taken into account in providing the general advice contained within the Agenda.



**JOHN BROWN**

**GENERAL MANAGER**

Date: 3 December 2025

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## AUDIO RECORDING OF ORDINARY MEETINGS OF COUNCIL

All ordinary meetings, special meetings and annual general meetings will be live streamed using audio/visual technology. The audio/visual recording of Council Meetings will be published for 12 months and will be retained for 2 years.

Other than an official Council recording, no video or audio recording of proceedings of Council Meetings shall be permitted without specific approval by resolution of the Meeting.

The streaming platform utilised for recording and streaming is setup specifically for Break O'Day Council and Council has full control of which meetings are streamed or uploaded for viewing. There is no ability for the public to comment, edit or download recordings in anyway. They can only be viewed via the Council link.

Participation in person at the Council Meeting is considered as providing your consent to livestreaming of that meeting.

In accordance with the Local Government Act 1993 and Regulation 43 of the Local Government (Meeting Procedures) Regulations 2025, these audio files will be published on Council's website for 12 months and be retained for two (2) years. The written minutes of a meeting, once confirmed, prevail over the audio recording of the meeting and a transcript of the recording will not be prepared.

## OPENING & INTRODUCTION

*The Mayor to welcome Councillors and staff and declare the meeting open at 10.00am.*

***This meeting is conducted in accordance with the Local Government Act 1993 and Local Government Meeting Procedures Regulations 2025. All Councillors are reminded of their obligation to act in the best interests of the community and to declare any interest in matters to be discussed.***

## ACKNOWLEDGEMENT OF COUNTRY

*We acknowledge the Traditional Custodians of the land on which we work and live, the Palawa people of this land Tasmania, and recognise their continuing connection to the lands, skies and waters. We pay respects to the Elders Past, present and future.*

## LIVE AUDIO/VISUAL STREAMING OF COUNCIL MEETINGS

*Ladies and gentlemen, I would like to advise you that today's Council Meeting is being live streamed and recorded. This means that members of the public who are unable to attend in person can still observe the proceedings. By remaining in this chamber, you are consenting to being filmed and recorded. Please be mindful of your actions and contributions as they will be visible to the public. Thank you for your cooperation.*

## 2022 LOCAL GOVERNMENT ELECTIONS – DECLARATIONS OF OFFICE

The General Manager advises that the Certificate of Election was issued to the Break O’Day Council on 2 December 2025 for the recount of the 2022 Local Government Elections following the vacancy in the office of Councillor due to the resignation of Clr Janet Drummond (as per attached)

Section 321 of the *Local Government Act 1993* (Tas) requires that:

- (1) Any person elected as councillor must make a prescribed declaration in a prescribed manner.
- (2) A person elected as a councillor who has not made a declaration must not-
  - (a) act in the office of councillor, mayor or deputy mayor; or
  - (b) take part in the proceedings of any meeting of the council or a committee.
- (3) A council is to acknowledge the making of a declaration at its meeting and the general manager is to record that fact in the minutes of that meeting

The General Manager advises that the Councillor named in the Certificate of Election made their declaration of office as follows:

Clr Lesa Whittaker at the Council office on 9December 2025

### OFFICER’S RECOMMENDATION:

That Council:

1. Notes the Certificate of Election issued to the Break O’Day Council on 2 December 2025.
2. Acknowledges the Declaration of Office by Lesa Whittaker

## BREAK O'DAY COUNCIL

### CERTIFICATE OF ELECTION BY RECOUNT

I have conducted a recount in accordance with  
section 307 of the *Local Government Act 1993*.

I have this day declared

**Lesa Whittaker**

elected to fill the vacant office of councillor  
to serve until the next ordinary election  
of the Council.



Andrew Hawkey  
ELECTORAL COMMISSIONER  
1 December 2025

## **AGM/25.1.0      ATTENDANCE**

### **AGM/25.1.1      Present**

Mayor Mick Tucker  
Deputy Mayor Kristi Chapple  
Councillor Gary Barnes  
Councillor Ian Carter  
Councillor Liz Johnstone  
Councillor Barry LeFevre  
Councillor Vaughan Oldham  
Councillor Lesa Whittaker  
Councillor Kylie Wright

### **AGM/25.1.2      Apologies**

### **AGM/25.1.3      Leave of Absence**

### **AGM/25.1.4      Staff in Attendance**

General Manager, John Brown  
Corporate Services and Governance Support Officer Linda Singline

## **AGM/25.2.0      WELCOME AND INTRODUCTION – MAYOR MICK TUCKER**

It's my pleasure as Mayor of Break O'Day to present our Annual Report for the 2024-25 financial year. In a year marked by change, challenges and opportunities, our Council has remained committed to building a more connected, resilient and thriving community for all residents and ratepayers.

The year brought a number of external challenges, including another Tasmanian state election. During times of political change and uncertainty, it was important for Council to remain steady, focused and proactive in advocating for our community. We worked hard to keep local priorities front and centre, secure resources and maintain essential services even as the political landscape shifted.

At the same time, pressures on local government continued to grow — from service delivery and workforce needs to maintaining and renewing our infrastructure. In response, Council focused on practical, locally driven solutions, strengthened engagement with our community and kept our attention on delivering outcomes that matter most to residents.

In a year shaped by shifting political landscapes, Council's advocacy and lobbying work was essential in making sure our region's needs were heard and acted on. We engaged with state and federal governments to secure funding and support for infrastructure, community services, tourism, environmental protection and regional connectivity. These efforts ensure that when opportunities arise, our municipality is ready, credible and has a clear plan for action.

During 2024-25, Council made the strategic decision to take over kerbside recycling collection across the municipality - a major step for our community. Under local management, this gives us greater control over service quality, reliability and value for money. It also supports local employment, keep jobs in our region and allow us to respond quickly to resident feedback. While the service officially started in July 2025, the decision itself represents a significant achievement and the community's support and understanding during the transition has been greatly appreciated.

Binalong Bay foreshore is one of our community's most loved spaces. The construction of the new BBQ shelter represents more than just new infrastructure, it's creating a welcoming, comfortable place for locals and visitors to come together. The new shelter provides a safe, inclusive space for everyone and makes it easier for families, community groups and visitors to enjoy the foreshore. It also supports our vision for liveable, vibrant townships that are welcoming and accessible.

Council has continued to focus on planning for key townships, including Scamander, Beaumaris and Binalong Bay. The Bay of Fires Master Plan, supported financially by the State Government, is helping us manage one of Tasmania's most iconic coastlines for the benefit of both locals and visitors. The plan provides a clear roadmap for future infrastructure, tourism and environmental protection, ensuring that any development is sustainable and reflects community values. By having a clear plan, we can protect the natural beauty of the area, guide investment in tourism and visitor facilities and ensure that decisions are made with the long-term interests of our community in mind.

Council has undertaken a feasibility study to explore the potential for a future aquatic facility in the municipality. The study looks at demand, options and practical ways to make such a facility possible.

This work will help Council make informed decisions about the next steps and, in time, make the decision to provide a facility that encourages active, healthy lifestyles, brings the community together and meets the recreation and wellbeing needs of people across our region.

As we prepare for the next financial year, Council will continue focusing on delivering locally managed services, completing key infrastructure and planning initiatives, strengthening community engagement and advocating for our region. Our goal is to ensure Break O'Day remains a resilient, well-connected and thriving community for all residents and visitors.

I extend my thanks to Council staff, volunteers, community groups and residents who make Break O'Day such a special place. Your energy, ideas, and participation transform plans into real, meaningful outcomes and together we will continue to build a municipality we can all be proud of.

**Mick Tucker**  
**Mayor**

The 2024-25 year marked 10 years since I rejoined the Break O'Day Council. Many in the community wouldn't know that I had previously worked with the Break O'Day Council for the first eight years after it was created in 1993 before deciding I needed a change and spending 14 years out of the sector in a number of other roles and activities. I can't help but compare and contrast the differences between the two periods as the years have rolled past. The most apparent changes are in relation to communication, community expectations, and the sheer volume and breadth of what we are now dealing with.

This breadth is really reflected in the strategy related work which we were dealing with this year. Our time was spread across work involving land use planning, recreational facilities, environmental, economic, childcare and education. There were nine major pieces of work underway spread across a fairly small team, despite the broad range of topics, they all contribute to a similar purpose – improving the place in which we choose to live. This all happens on top of the day-to-day activity of us delivering a wide range of services to the community.

Looking back at what we have achieved this year, one thing stands out and this relates to what we have achieved to support the education and training aspirations in our community. At the start of the year we had just started a two part project which we led the delivery of through the State Government funded Eastern Strategic Regional Partnership with the assistance and guidance of an incredibly passionate group of community members and stakeholders. The focus was on the education and training pathways in our community leading to employment; looking at whether a study hub was required in our area.

With a particular focus on our young people including those in the school system it is important for us to understand the barriers experienced as people traverse these pathways. The first part of the project focussed on whether there was a need for a study hub to service our communities – the report demonstrated that this was the case.

This report provided the evidence required to make a successful application to the federally funded Regional University Study Hub program and we were all incredibly excited in January when it was announced that we were successful. Since then the focus has been on establishing the study hub, CUC Eastern Tasmania. Take the time to learn more about what the study hub does, it will play a vital part in strengthening and developing our community into the future. It provides a way for our young people to stay in our community whilst pursuing their educational aspirations.

The activities of CUC Eastern Tasmania and Break O'Day Employment Connect (our local Regional Jobs Hub) are going to be combined under the umbrella of a new community run organisation, East Tas Education and Employment Ltd.

Throughout the year there was a very large focus on the Break O'Day Aquatic Facility Feasibility Analysis. With the support of a community working group which was established to develop this project, we have been steadily progressing through the feasibility analysis process and we have twice expanded the breadth of the investigation to ensure that all of the perspectives have been covered when it comes to the community for consideration. The scale and potential impact of this project on our community and the Council now and for future generations cannot be understated. We really appreciate the patience of our community and everyone involved, this is not a piece of work which can be rushed.

Another interesting project this year, also through the Eastern Strategic Regional Partnership, involved a needs analysis in relation to childcare with a particular focus on St Marys and then more broadly along the east coast. This is not something which the Council is normally closely involved in, as a result of the State Government funding we received this project started in the later part of the year and it has been really interesting seeing it evolve. St Marys desperately needs a new fit-for-purpose centre and when this project is completed we will have a clear direction and evidence to argue that a new centre be constructed.

There are so many projects and things I could have talked about, if I haven't mentioned them it is not because they are any less important. They will be mentioned in other areas of this report so please take the time to read through the Annual Report. This gives a bit of an idea of all of the hard work which happens through the Council team across the year, after all we are not just employees of the Council but also members of this community as well just like you.

Thank you to the BODC team, Councillors, employees and volunteers who serve our communities creating a better future for those lucky enough to live and visit the beautiful Break O'Day area. We need to be proud of what has been achieved and what we continue to do. I would also like to acknowledge those people in our community who contact us expressing their appreciation, this is always passed on as they are really welcome.

**John Brown**  
**General Manager**



## Financial Snapshots

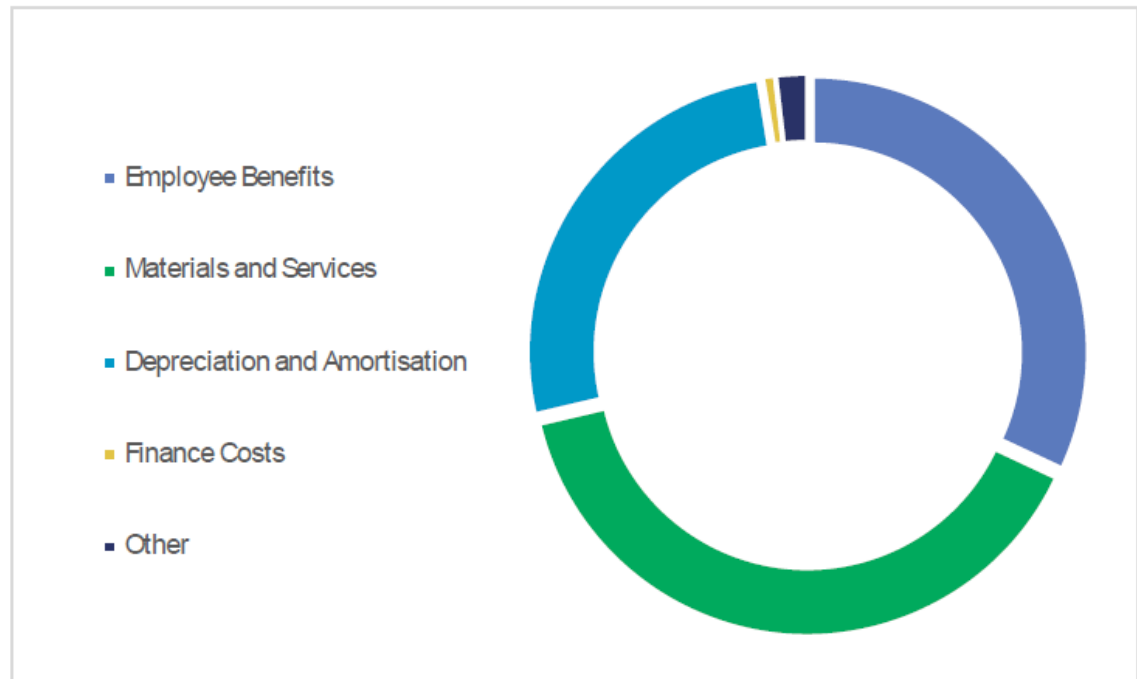
The following financial snap-shots have been taken directly from the financial statements following.

Income \$	
Rates and Charges	13,576,000
Statutory Fees and Fines	481,000
User Fees	985,000
Grants	3,348,000
Contributions - Cash	53,000
Interest	900,000
Investment revenue from TasWater	466,000
Capital Income -grants received specifically for new or upgraded assets	2,562,000
Other	182,000

- Rates and charges
- Statutory fees and fines
- User fees
- Grants
- Contributions - cash
- Interest
- Investment revenue from Water Corporation
- Other income
- Capital grants received specifically for new or upgraded assets

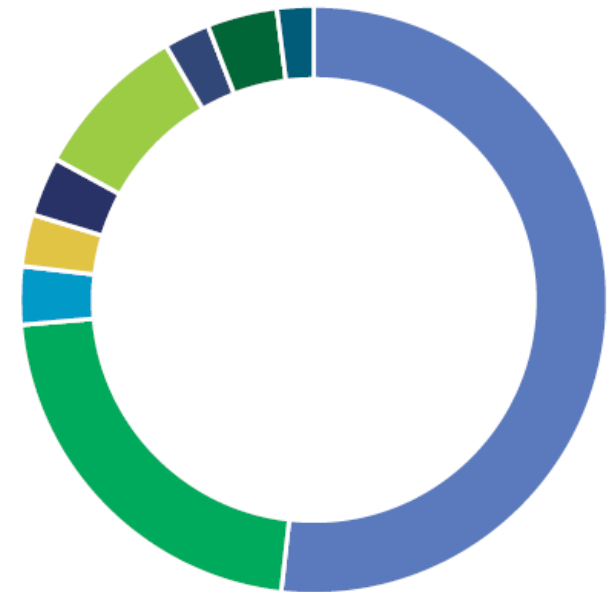


Expenses \$	
Employee Benefits	6,419,000
Materials and Services	7,905,000
Depreciation and amortisation	5,236,000
Finance Costs	149,000
Other	371,000



Function \$	
Governance and Administration	9,497,000
Roads, Streets and Bridges	4,012,000
Drainage	586,000
Waste Management	523,000
Building, Planning and Environmental Health	597,000
Community Amenities	1,589,000
Community Services	462,000
Recreation Facilities	708,000
Economic Development	369,000

- Governance and Administration
- Roads, Streets and Bridges
- Drainage
- Waste Management
- Building, Planning & Environmental Health
- Community Amenities
- Community Services
- Recreation Facilities
- Economic Development



ACTION	INFORMATION
PROPONENT	Council Officer
OFFICER	Raoul Harper, Manager Business Services
FILE REFERENCE	018\005\004\
ASSOCIATED REPORTS AND DOCUMENTS	Financial Statements 2024-2025

**OFFICER'S RECOMMENDATION:**

That Council receive the 2024-2025 Annual Financial Statements and note the detailed explanation of the key financial drivers behind the 2024–2025 underlying surplus.

**INTRODUCTION:**

Council has recently received audit sign-off on the 2024/2025 Annual Financial Statements. A key indicator arising from this process is the underlying result, which provides a clearer reflection of Council's true operating position by removing one-off items, capital funding and timing based anomalies that can distort year-to-year financial comparisons.

For the 2024/25 financial year, Council achieved an underlying surplus of \$979,000, representing an underlying surplus ratio of 5%, which is above the benchmark of zero and consistent with Council's objective of maintaining a sustainable operating position.

This result must be viewed in the context of Council's broader financial governance framework. The 2024/25 budget was developed and adopted in conjunction with the annually updated Long-Term Financial Plan (LTFP), Rates and Charges Policy and the associated Rates Resolution. Together, these documents established Council's approach to revenue generation, service prioritisation and asset investment for the year and reflected a deliberate balance between affordability for the community and the need to sustainably fund Council's operations and asset base.

This report has been prepared in response to questions from Councillors regarding why the end of financial year position differs from the original budget estimates. It provides a detailed, plain-English explanation of the principal income and expenditure movements that occurred throughout the year, and demonstrates how Council's strategic planning framework directly shaped the financial outcome.

**PREVIOUS COUNCIL CONSIDERATION:****Council Meeting 24 June 2024****06/24.13.4.387**Moved: Clr Wright / Seconded: Clr Carter

That Council adopt the budget estimates for the 2024/2025 FY.

**CARRIED UNANIMOUSLY**

Council formally adopted the 2024/2025 Annual Budget at its June 2024 meeting. Since the adoption of the Budget Estimates, Council has continued to receive and consider monthly financial performance reports, capital works updates and operational progress reports, providing ongoing oversight of the organisation's financial position. These reports enabled Council to monitor emerging pressures and opportunities throughout the year and ensured that financial decision-making remained aligned with the strategic intent outlined in the Long-Term Financial Plan and supporting revenue policies.

## **OFFICER'S REPORT:**

### **Background and Context**

Council's Annual Budget is prepared prior to the start of each financial year using the best information available at the time. It is informed by the Long-Term Financial Plan, asset renewal priorities, known service demands and best-estimate projections for rates, grants and other revenue streams.

As the year progresses, however, actual conditions rarely align perfectly with budget assumptions. Service demand can fluctuate, projects may occur at different times, staffing patterns can change, and external funding bodies may alter their payment schedules.

During the 2024/25 financial year, the most significant external factor impacting Council's budget was the Commonwealth's change to the timing of Financial Assistance Grant (FAG) pre-payments. Council budgeted on the basis that 85% of the subsequent year's FAG allocation would be received in advance, consistent with prior practice. However, only 50% was received, resulting in nearly \$1 million less in operating grant income being recognised in 2024/25 than originally planned.

While the timing of grant payments has a negative impact, the 2024/2025 result was positively influenced by decisions made in the previous financial year to progressively repay some Council borrowings early. This strategy reduced Council's long-term interest obligations and lowered ongoing finance costs across the current year. While the full benefit of this early debt reduction is not immediately visible when comparing 2024/25 budget to actual figures in isolation, it has had a real, structural impact on Council's underlying operating position. Funds that would otherwise have been committed to interest payments were instead available to support core service delivery, contribute to asset maintenance and renewal programs and strengthen Council's overall cash position.

At the same time, Council benefited from stronger than expected own source revenue, particularly in rates and interest income and achieved noticeable savings in operating expenditure, largely through improved procurement practices, effective scheduling of works and careful management of expenditure across all departments.

To ensure a fair and accurate assessment of Council's performance, the underlying result removes the impact of capital grants, pre-payments, disaster funding, asset disposals and other one-off items, providing a clearer measure of Council's true, recurrent operating position. After these adjustments, Council delivered an underlying surplus of \$979,000 for the 2024/25 financial year.

### **Income Analysis – Budget vs Actual**

Council's total recurrent income for the 2024/25 financial year was \$19.991 million, compared to a budget estimate of \$20.441 million, resulting in an unfavourable variance of \$450,000. It is important to note, however, that this variance does not reflect a systemic underperformance in Council's core revenue base. Rather, it is almost entirely attributable to changes in the timing of Commonwealth grant payments, which were outside Council's control.

### **Rates and Charges**

Revenue from rates and charges exceeded the original budget by \$191,000, with actual income of \$13.576 million compared to the budget of \$13.385 million. This positive result reflects greater stability and maturity in Council's rating base, supported by modest property growth, overall improvements in collection rates, and a reduction in arrears compared to previous years.

This is a particularly strong outcome because rates and charges form Council's most stable and predictable source of income. The result demonstrates the continued strengthening of Council's own source revenue capacity, which is a key objective under both the Long-Term Financial Plan and the Rates and Charges Policy.

### **Statutory Fees and Fines**

Income from statutory fees and fines was slightly below budget, with \$481,000 received against a forecast of \$521,000 (a variance of -\$40,000). This result is consistent with natural year to year variations in development activity, planning enquiries and compliance matters.

While this revenue stream can fluctuate based on community activity levels and external economic conditions, the variance in this instance is not considered significant in a structural sense and moreover demonstrates that a review in to effective cost recovery for these services was required. (This review assisted to informant he fees and charges in this area for the 2025/2026FY which are now showing a far better return across the board).

### **User Fees and Charges**

User fees and charges delivered a favourable outcome, with actual revenue of \$985,000 compared to a budget estimate of \$961,000 - a positive variance of \$24,000.

This increase was largely driven by higher utilisation of Council services, including waste management facilities and selected community assets. The result reflects ongoing community and visitor activity levels and supports the view that Council's operational services remain well utilised and appropriately priced.

### **Operating Grants – Shortfall (Timing Only)**

Operating grant income presents the most significant variance in the 2024/25 result. Council budgeted \$4.335 million, however only \$3.348 million was recognised in the financial year, resulting in an unfavourable variance of \$987,000.

This shortfall did not occur due to a loss of funding or a withdrawal of support. Instead, it reflects a further change by the Commonwealth in the timing of Financial Assistance Grant (FAG) pre-payments. When Council prepared the budget, it reasonably assumed that 85% of the following year's allocation would be received in advance, consistent with previous practice. In 2024/25, however, the Commonwealth reduced this advance payment to 50%.

This change simply shifted the timing of revenue recognition across financial years and does not represent a structural reduction in funding. Importantly, even with this almost \$1 million reduction in recognised operating grant revenue, Council still achieved a positive underlying surplus. This is a strong indicator of the resilience and improving strength of Council's core financial position.

This outcome reinforces the strategic importance of progressively reducing reliance on, at times, volatile external funding sources and continuing to build Council's own-source revenue base. A stronger self-funded position provides Council with a greater financial buffer to respond to natural disasters, asset failures and unforeseen operational demands without immediate reliance on emergency grants or unplanned borrowing.

### **Interest Income**

Interest income significantly outperformed budget expectations. Council budgeted **\$669,000**, however actual interest revenue totalled **\$900,000**, resulting in a favourable variance of **\$231,000**. This improvement was driven by a combination of higher average cash balances and the continued strength of interest rates throughout the year. Council's rolling maturity investment strategy and disciplined treasury management ensured that available funds were positioned to take advantage of favourable market conditions.

While interest rates may moderate in coming years, this outcome reflects strong short-term financial management and has materially supported Council's operating position in the current year.

### **Other Income**

Other income exceeded budget by \$88,000, with actual revenue of \$182,000 compared to a budget of \$94,000. This increase is primarily attributable to insurance recoveries, fuel tax credits and other minor reimbursements that could not be accurately forecast at the time of budget preparation.

Although these items are not recurrent in nature and should not be relied upon in future budgeting, they provided a welcome contribution to the overall result in 2024/25.

### **TasWater Investment Return**

Council received \$466,000 in dividend and investment income from TasWater, consistent with the original budget forecast of \$465,000. This line item remains a stable and predictable component of Council's total income profile.

### **Expenditure Analysis – Budget vs Actual**

Council's total operating expenditure for 2024/25 was \$20.080 million, compared to the budgeted \$20.451 million, resulting in a favourable variance of \$371,000. This variance is a direct reflection of improved cost control, stronger procurement discipline and effective workforce management throughout the year.

### **Employee Benefits**

Employee costs came in at \$6.419 million, compared to a budget of \$6.511 million, resulting in a favourable variance of \$92,000.

This outcome was primarily driven by natural vacancy periods and recruitment timing. These savings were achieved without reducing service levels and demonstrate effective workforce planning at a senior management level.

## Materials and Services

The most significant favourable variance in expenditure occurred within Materials and Services. Actual expenditure was \$7.905 million, compared to a budget of \$8.690 million, resulting in a saving of \$785,000.

This result reflects multiple factors:

- improved procurement processes and greater scrutiny of spending
- more effective scheduling of works and contracts
- reduced reliance on external contractors in some areas
- favourable market conditions in some procurement categories
- greater cost discipline across operational business units

Rather than being the result of deferred or abandoned activities, much of this saving came from achieving better value for money and more efficient delivery models. This is a positive indicator of strengthening internal financial controls and operational maturity.

## Depreciation

Depreciation expense exceeded budget, with actual depreciation of \$5.236 million compared to a budget of \$4.812 million, resulting in an unfavourable variance of \$424,000.

This increase is largely attributable to asset revaluations and the recognition of updated asset values and useful lives across multiple classes. While this increases the current accounting expense, it also represents an improvement in the accuracy and integrity of Council's asset register and financial reporting.

In the context of long-term financial planning, higher (but more accurate) depreciation allows Council to better understand its true renewal obligations and strengthens the alignment between asset management planning and financial forecasting. This improvement to data accuracy will be a valuable source of information in the year ahead as we develop a new Strategic Asset Management Plan and Transport Master Plan.

## Finance Costs

Finance costs were in line with expectations, with actual expenses of \$149,000 compared to a budget of \$144,000. This minor \$5,000 variance reflects normal movements in loan balances and timing and is not considered significant.

## Other Expenses

Other expenses exceeded budget by \$77,000, with actual expenditure totalling \$371,000, compared to a budget estimate of \$294,000.

This variance was primarily driven by two factors:

- 1) An increase in Councillor travel and related expense claims during the year. This reflected a heightened level of community engagement, meetings and external commitments.
- 2) Printing costs were significantly higher than anticipated, largely due to Councillors' preference for hard-copy distribution of agendas, workshop papers and reports. These documents are often lengthy and printed multiple times throughout the year, resulting in a cumulative cost well above the original budget allocation.



While not ideal from a cost-efficiency perspective, this increase is understandable within the context of current Council practices and presents an opportunity for further consolidation of digital information delivery, use and storage as part of Council's ongoing modernisation and sustainability efforts.

## Conclusion

The 2024/2025 underlying surplus of \$979,000 reflects a financial position that has strengthened despite a challenging operating environment. A substantial variation in the timing of Financial Assistance Grant payments reduced recognised operating income by almost \$1 million; however, this was effectively absorbed through a combination of stronger own-source revenue performance and meaningful efficiencies in operational expenditure.

This outcome has also been influenced by earlier strategic decisions, including the progressive early repayment of borrowings, which reduced Council's ongoing interest obligations and improved its capacity to redirect funds toward service delivery and asset maintenance. While not immediately visible in a single-year variance, this structural change has positively shaped the current year's operating position.

Recent improvements in asset data accuracy, reflected in updated depreciation values, have further strengthened the alignment between Council's financial planning and its true asset renewal responsibilities. This will directly support more informed decision-making as the Strategic Asset Management Plan and Transport Master Plan are developed.

Overall, the 2024/25 result demonstrates that Council is increasingly operating from a position of stability, supported by reliable revenue sources and prudent financial management. This provides greater flexibility to respond to emerging risks, address critical asset needs and continue delivering essential services to the community in a responsible and sustainable manner.

## STRATEGIC PLAN & ANNUAL PLAN:

### Break O'Day Strategic Plan 2017-2027 (Revised March 2022)

#### Goal

Services - 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.

#### Strategy

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

## LEGISLATION & POLICIES:

This report is prepared in accordance with the requirements of the *Local Government Act 1993*, the *Local Government (General) Regulations 2015* and the *Local Government (Management Indicators) Order 2014*. The underlying result has been calculated in line with the definitions prescribed under the Management Indicators framework and has been derived from the audited Annual Financial Statements, prepared in accordance with applicable Australian Accounting Standards.

#### **BUDGET; FUNDING AND FINANCIAL IMPLICATIONS:**

The financial implications to Council arising from this report are reflected in the audited 2024–2025 financial statements that form the basis of the legislative requirement to deliver an Annual Report for adoption at the Council Annual General Meeting.

#### **VOTING REQUIREMENTS:**

Simple Majority

Break O'Day Council

**ANNUAL FINANCIAL REPORT**  
*For the Year Ended 30 June 2025*

**Break O'Day Council  
Financial Report  
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## Statement of Comprehensive Income For the Year Ended 30 June 2025

	Note	Budget 2025 \$'000	Actual 2025 \$'000	Actual 2024 \$'000
<b>Income from continuing operations</b>				
<b>Recurrent income</b>				
Rates and charges	2.1	13,385	13,576	11,920
Statutory fees and fines	2.2	521	481	514
User fees	2.3	961	985	925
Grants	2.4	4,335	3,348	3,528
Contributions - cash	2.5	11	53	58
Interest	2.6	669	900	947
Other income	2.7	94	182	673
Investment revenue from Water Corporation	2.9, 5.1	465	466	466
		<b>20,441</b>	<b>19,991</b>	<b>19,031</b>
<b>Capital income</b>				
Capital grants received specifically for new or upgraded assets	2.4	3,070	2,562	2,207
Contributed assets	2.5	-	-	201
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	2.8	100	(776)	(1,408)
		<b>3,170</b>	<b>1,786</b>	<b>1,000</b>
<b>Total income from continuing operations</b>		<b>23,611</b>	<b>21,777</b>	<b>20,031</b>
<b>Expenses from continuing operations</b>				
Employee benefits	3.1	(6,511)	(6,419)	(5,991)
Materials and services	3.2	(8,690)	(7,905)	(7,048)
Impairment of receivables	3.3	-	-	2
Depreciation and amortisation	3.4	(4,812)	(5,236)	(4,803)
Finance costs	3.5	(144)	(149)	(244)
Other expenses	3.6	(294)	(371)	(261)
<b>Total expenses from continuing operations</b>		<b>(20,451)</b>	<b>(20,080)</b>	<b>(18,345)</b>
<b>Result from continuing operations</b>		<b>3,160</b>	<b>1,697</b>	<b>1,686</b>
<b>Net result for the year</b>		<b>3,160</b>	<b>1,697</b>	<b>1,686</b>
<b>Other comprehensive income</b>				
<b>Items that will not be reclassified subsequently to net result</b>				
Fair value adjustments on equity investment assets	5.1	-	697	1,785
Net asset revaluation increment/(decrement)	9.1	-	5,311	45,669
<b>Total Other Comprehensive Income</b>		<b>-</b>	<b>6,008</b>	<b>47,454</b>
<b>Total Comprehensive result</b>		<b>3,160</b>	<b>7,705</b>	<b>49,140</b>

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

# Statement of Financial Position As at 30 June 2025

	Note	2025 \$'000	2024 \$'000
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	4.1	8,455	4,726
Trade and other receivables	4.2	1,425	1,206
Investments	4.3	4,000	9,500
Inventories	4.4	311	78
Other assets	6.4	3	3
<b>Total current assets</b>		<b>14,194</b>	<b>15,513</b>
<b>Non-current assets</b>			
Trade and other receivables	4.2	14	14
Investment in water corporation	5.1	36,442	35,745
Property, infrastructure, plant and equipment	6.1	234,835	228,698
Intangible assets	6.2	-	21
Right-of-use assets	6.3	734	760
Other assets	6.4	182	30
<b>Total non-current assets</b>		<b>272,207</b>	<b>265,268</b>
<b>Total assets</b>		<b>286,401</b>	<b>280,781</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	7.1	1,874	1,115
Trust funds and deposits	7.2	577	561
Provisions	7.3	1,015	885
Lease liabilities	7.4	75	58
Contract liabilities	7.5	810	1,030
Interest-bearing loans and borrowings	8.1	385	2,605
<b>Total current liabilities</b>		<b>4,736</b>	<b>6,254</b>
<b>Non-current liabilities</b>			
Provisions	7.3	731	871
Lease liabilities	7.4	659	702
Interest-bearing loans and borrowings	8.1	610	994
<b>Total non-current liabilities</b>		<b>2,000</b>	<b>2,567</b>
<b>Total liabilities</b>		<b>6,736</b>	<b>8,821</b>
<b>Net Assets</b>		<b>279,665</b>	<b>271,960</b>
<b>Equity</b>			
Accumulated surplus		46,874	45,212
Reserves	9.1	232,791	226,748
<b>Total Equity</b>		<b>279,665</b>	<b>271,960</b>

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

## Statement of Cash Flows For the Year Ended 30 June 2025

		2025 Inflows/  (Outflows) \$'000	2024 Inflows/  (Outflows) \$'000
	Note		
<b>Cash flows from operating activities</b>			
Rates		13,402	11,827
User charges and other fines (inclusive of GST)		1,022	871
Grants (inclusive of GST)		3,770	3,878
Contributions		53	58
Interest received		1,016	874
Investment revenue from water corporation	2.9	466	466
Other receipts		610	824
Net GST refund/(payment)		446	688
Payments to suppliers (inclusive of GST)		(8,205)	(7,367)
Payments to employees (including redundancies)		(6,384)	(6,026)
Finance costs paid		(141)	(244)
Other payments		(371)	(261)
<b>Net cash provided by (used in) operating activities</b>	9.2	<b>5,684</b>	<b>5,588</b>
<b>Cash flows from investing activities</b>			
Payments for property, infrastructure, plant and equipment		(6,812)	(5,937)
Proceeds from sale of property, infrastructure, plant and equipment		53	688
Capital grants (inclusive of GST)		2,102	1,944
Transfers to financial assets.		5,500	(1,884)
Payment for other assets		(152)	-
<b>Net cash provided by (used in) investing activities</b>		<b>691</b>	<b>(5,189)</b>
<b>Cash flows from financing activities</b>			
Proceeds from trust funds and deposits		16	(181)
Repayment of lease liabilities (principal repayments)		(58)	(43)
Repayment of interest bearing loans and borrowings	9.3	(2,604)	(2,268)
<b>Net cash provided by (used in) financing activities</b>		<b>(2,646)</b>	<b>(2,492)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>3,729</b>	<b>(2,093)</b>
Cash and cash equivalents at the beginning of the financial year		4,726	6,819
<b>Cash and cash equivalents at the end of the financial year</b>	9.4	<b>8,455</b>	<b>4,726</b>
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 2025**

	Note	Accumulated Surplus 2025 \$'000	Asset Revaluation Reserve 2025 \$'000	Fair Value Reserve 2025 \$'000	Other Reserves 2025 \$'000	Total Equity 2025 \$'000
<b>2025</b>						
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	5.1,9.1	-	-	697	-	697
Net asset revaluation increment/(decrement)	9.1	-	5,311	-	-	5,311
Total comprehensive income		46,909	231,549	359	848	279,665
Transfers between reserves		(35)	-	-	35	-
<b>Balance at end of the financial year</b>		<b>46,874</b>	<b>231,549</b>	<b>359</b>	<b>883</b>	<b>279,665</b>
<b>2024</b>						
Balance at beginning of the financial year		43,665	180,570	(2,123)	709	222,821
Net result for the year		1,686	-	-	-	1,686
Other Comprehensive Income:						
Fair Value adjustment on equity investment assets	5.1,9.1	-	-	1,785	-	1,785
Net asset revaluation increment/(decrement)	9.1	-	45,668	-	-	45,668
Total comprehensive income		45,351	226,238	(338)	709	271,960
Transfers between reserves		(139)	-	-	139	-
<b>Balance at end of the financial year</b>		<b>45,212</b>	<b>226,238</b>	<b>(338)</b>	<b>848</b>	<b>271,960</b>

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 24 June 2024. 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 Operating Grants

Operating grant revenue was down \$986,865 (23%) on budget due to receiving 85% of the 2024/25 Financial Assistance Grants in advance in the prior year and only 50% of the 2025/2026 allocation in advance. Overall Financial Assistance Grants received in 2024/25 was \$1,048,425 below budget.

#### 2 Interest

Revenue from interest was up \$231,889 (20%) on budget due to higher than expected interest rates and higher levels of cash held in term deposits during the year than expected.

#### 2 Other income

Revenue was up \$87,564 on budget due mainly to receipt of funds for an insurance claim and the repricing of the rehabilitation provisions for the quarries.

#### 3 Capital grants

Revenue from capital grants was down \$508,838 (17%) on budget primarily due to the delay in receiving grant funds in line with achieving project milestones. A number of these grants are also forecast to occur over multiple financial years. Some grant funds are received but carried forward as a contract liability as funds are not yet spent.

#### 4 Net gain/loss on disposal of assets

Net gain/loss on disposal of assets was down on budget by \$876,058 due to the carrying value of assets replaced with new capital works being disposed of on replacement.

##### Expenses

#### 1 Other expenses

Other expenses are up \$76,623 (26%) on budget due to costs associated with finalising the Mangana Cell Tower predominantly funded by the Black Summer Bushfire Recovery program.

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						
2024 - 2025	1,270	12,229	13,499	4,002	9,497	15,255
2023 - 2024	1,409	10,856	12,265	3,577	8,688	16,572
Roads, streets and bridges						
2024 - 2025	3,271	(676)	2,595	6,607	(4,012)	164,377
2023 - 2024	2,846	(1,597)	1,249	5,858	(4,609)	161,041
Drainage						
2024 - 2025	-	(9)	(9)	577	(586)	28,811
2023 - 2024	-	-	-	647	(647)	28,202
Waste management						
2024 - 2025	-	3,137	3,137	2,614	523	1,301
2023 - 2024	-	3,231	3,231	2,543	688	1,390
Building, planning & environmental health						
2024 - 2025	8	792	800	1,397	(597)	33
2023 - 2024	-	791	791	1,344	(553)	39
Community amenities						
2024 - 2025	275	165	440	2,029	(1,589)	6,635
2023 - 2024	1,369	821	2,190	1,948	242	8,370
Community services						
2024 - 2025	173	64	237	699	(462)	636
2023 - 2024	80	51	131	519	(388)	667
Recreation facilities						
2024 - 2025	913	56	969	1,677	(708)	20,364
2023 - 2024	31	42	73	1,419	(1,346)	16,314
Economic development						
2024 - 2025	-	109	109	478	(369)	2,170
2023 - 2024	-	101	101	490	(389)	2,064
Other - not attributable						
2024 - 2025	-	-	-	-	-	46,819
2023 - 2024	-	-	-	-	-	46,122
<b>Total</b>						
<b>2024 - 2025</b>	<b>5,910</b>	<b>15,867</b>	<b>21,777</b>	<b>20,080</b>	<b>1,697</b>	<b>286,401</b>
<b>2023 - 2024</b>	<b>5,735</b>	<b>14,296</b>	<b>20,031</b>	<b>18,345</b>	<b>1,686</b>	<b>280,781</b>

1.5 Functions/Activities of the Council (Continued)

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

	2025 000's	2024 000's
Current assets	14,194	15,513
Non-current assets	272,207	265,268
	<b>286,401</b>	<b>280,781</b>

(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.

	2025	2024
	\$'000	\$'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 2024-25 was \$130.69 million (2023-24, \$114.85 million). The 2024-25 rate in the AAV dollar was \$0.0696555 (2023-24, \$0.0673) varied by use.

General Rate	10,349	8,875
Fire Levy	418	402
Waste Management Charge	1,704	1,602
Waste Collection Charges	1,105	1,041
<b>Total rates and charges</b>	<b>13,576</b>	<b>11,920</b>

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	1
Town Planning Fees	248	239
Land information certificates	105	88
Permits	120	186
<b>Total statutory fees and fines</b>	<b>481</b>	<b>514</b>

**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	300	283
Health food licences/fees	44	34
Dog registrations and associated revenue	41	39
Building surveying fees	174	171
Commission received	20	20
Facility leases and hall hire	185	169
Private works	17	24
Sale of goods	100	122
Other environmental fees	68	37
Other fees and charges	36	26
<b>Total user fees</b>	<b>985</b>	<b>925</b>

**User fees by timing of revenue recognition**

User fees recognised over time	-	-
User fees recognised at a point in time	985	925
	<b>985</b>	<b>925</b>

**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.

	2025 \$'000	2024 \$'000
<b>Note 2.4 Grants</b>		
Grants were received in respect of the following:		
<b>Summary of grants</b>		
Federally funded grants	3,937	5,404
State funded grants	1,973	330
<b>Total</b>	<b>5,910</b>	<b>5,734</b>
<b>Grants - Recurrent</b>		
Commonwealth Government Financial Assistance Grants (Untied) - general	312	4
Commonwealth Government Financial Assistance Grants (Untied) - roads & bridges	312	89
Commonwealth Government Financial Assistance Grants (Untied) - in advance	1,895	3,115
Learner Driver	12	30
Wellbeing	50	50
Heavy Vehicle Motor Tax	49	49
Mangana Cell Tower	-	1
Emergency repairs	489	190
Other	229	-
<b>Total recurrent grants</b>	<b>3,348</b>	<b>3,528</b>
<b>Capital grants received specifically for new or upgraded assets</b>		
Commonwealth Government - roads to recovery	836	351
Local Roads and Community Infrastructure	139	457
Black Summer Bushfire Grants	400	1,388
State - road safety & improvements	228	-
Emergency repairs	447	-
Other	512	11
<b>Total capital grants</b>	<b>2,562</b>	<b>2,207</b>
<b>Unspent grants and contributions</b>		
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:		
<b>Operating</b>		
Balance of unspent funds at 1 July	384	73
Add: Funds received and not recognised as revenue in the current year	443	334
Less: Funds received in prior year but revenue recognised and funds spent in current year	(141)	(23)
<b>Balance of unspent funds at 30 June</b>	<b>686</b>	<b>384</b>
<b>Capital</b>		
Balance of unspent funds at 1 July	646	949
Add: Funds received and not recognised as revenue in the current year	124	405
Less: Funds received in prior year but revenue recognised and funds spent in current year	(646)	(708)
<b>Balance of unspent funds at 30 June</b>	<b>124</b>	<b>646</b>
<b>Total unspent funds held as a contract liability</b>	<b>810</b>	<b>1,030</b>
<b>Grants by timing of revenue recognition</b>		
Grants recognised over time	787	708
Grants recognised at a point in time	5,123	5,026
	<b>5,910</b>	<b>5,734</b>

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 obligation 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.



	2025 \$'000	2024 \$'000
<p>If the transaction is a transfer of a financial asset to enable Council to acquire or construct a recognisable non-financial asset to be controlled by Council (i.e. an in-substance acquisition of a non-financial asset), a contract liability is recognised for the excess of the fair value of the transfer over any related amounts recognised and revenue as the unspent funds are expended at the point in time at which required performance obligations are completed.</p> <p>For construction projects, this is generally as the construction progresses in accordance with costs incurred, since this is deemed to be the most appropriate measure of the completeness of the construction project as there is no profit margin. For the acquisitions of assets, revenue is recognised when the asset is acquired and controlled by the Council.</p> <p>In both years the Commonwealth has made early payment of part of 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 2024-25 by \$1.895m (50% in advance), (2023-24, \$3.1m - 85% 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.</p>		

**Note 2.5 Contributions**

<b>Cash</b>		
Parks, open space, streetscapes and other	53	58
<b>Total</b>	<b>53</b>	<b>58</b>
<b>Non Cash</b>		
Contributed assets	-	201
<b>Total</b>	<b>-</b>	<b>201</b>

**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	724	821
Interest on rates	176	126
<b>Total</b>	<b>900</b>	<b>947</b>

**Accounting policy**  
**Interest income**  
Interest is recognised progressively as it is earned.

**Note 2.7 Other income**

Reimbursements	62	32
Fuel credits	20	26
Insurance recoveries	14	127
Repricing of rehabilitation provisions	53	363
Other	33	125
<b>Total other income</b>	<b>182</b>	<b>673</b>
<b>Other income by timing of revenue recognition</b>		
Other income recognised over time	-	-
Other income recognised at a point in time	182	673
<b>Total user fees</b>	<b>182</b>	<b>673</b>

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



	2025 \$'000	2024 \$'000
<b>Note 2.8 Net gain/(loss) on disposal of property, infrastructure, plant and equipment.</b>		
Proceeds of sale	53	688
Write down value of assets disposed	(829)	(2,096)
<b>Total</b>	<b>(776)</b>	<b>(1,408)</b>

**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.

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

**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**

<b>Note 3.1 Employee benefits</b>		
Wages and salaries	4,511	4,174
Workers compensation	109	120
Leave taken	1,004	913
Superannuation	658	617
Fringe benefits tax	66	44
Staff training, recruitment and conferences	58	35
Uniforms and protective clothing	46	36
Payroll tax	273	269
Other	25	7
	6,750	6,215
Less amounts capitalised	(331)	(224)
<b>Total employee benefits</b>	<b>6,419</b>	<b>5,991</b>

**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.

<b>Note 3.2 Materials and services</b>		
Materials and services	1,457	1,223
Contractor & consultant payments	3,984	3,457
Insurance	236	233
Utilities, telephone & internet	349	370
Leases & licenses	52	39
Land tax	85	86
IT expenses	256	266
Rates discount for early payment	120	117
Rates remissions	126	81
Fire levy	410	399
Plant and equipment maintenance and hire	654	687
Legal fees	176	90
<b>Total materials and services</b>	<b>7,905</b>	<b>7,048</b>

	2025 \$'000	2024 \$'000
<b>Accounting policy</b>		
<b>Materials and services expense</b>		
Expenses are recognised in the Statement of Comprehensive Income when a decrease in future economic benefits related to a decrease in asset or an increase of a liability has arisen that can be measured reliably.		
Routine maintenance, repair costs, and minor renewal costs are expensed as incurred. Where the repair relates to the replacement of a component of an asset and the cost exceeds the capitalisation threshold the cost is capitalised and depreciated. The carrying value of the replaced asset is expensed.		

**Note 3.3 Impairment of receivables**

Other debtors	-	(2)
<b>Total impairment of receivables</b>	-	(2)

<b>Accounting policy</b>	
<b>Impairment expense</b>	
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**

<i>Property</i>		
Land improvements	60	61
<i>Buildings</i>		
Buildings	522	488
<i>Plant and Equipment</i>		
Plant, machinery and equipment	427	402
Fixtures, fittings and furniture	95	119
<i>Infrastructure</i>		
Roads	2,587	2,241
Footpaths	276	215
Bridges	504	513
Drainage	406	448
Coastal assets	28	28
Parks and Recreation	187	188
Waste	27	25
<i>Intangible assets</i>		
Intangible assets	21	25
<i>Make good assets</i>		
Make good assets	37	-
<i>Right-of-use of assets</i>		
Right-of-use of assets	59	50
<b>Total</b>	<b>5,236</b>	<b>4,803</b>

<b>Accounting policy</b>	
<b>Depreciation and amortisation expense</b>	
Expenses are recognised in the Statement of Comprehensive Income when a decrease in future economic benefits related to a decrease in asset or an increase of a liability has arisen that can be measured reliably.	
Land improvements, buildings, infrastructure, plant and equipment and other assets having limited useful lives are systematically depreciated over their useful lives to Council in a manner which reflects consumption of the service potential embodied in those assets. Right-of-use assets are amortised over the lease term. Estimates of remaining useful lives and residual values are made on a regular basis with major asset classes reassessed annually. Depreciation and amortisation rates and methods are reviewed annually.	
Where assets have separate identifiable components that are subject to regular replacement, these components are assigned distinct useful lives and remaining values and a separate depreciation rate is determined for each component.	
Land, heritage and road earthwork assets are not depreciated on the basis that they are assessed as not having a limited useful life.	

	2025 \$'000	2024 \$'000
The non-depreciation of road earthwork assets shall be reviewed at least at the end of each reporting period, to ensure that the accounting policy applied to particular earthwork assets reflects the most recent assessment of the useful lives of the assets, having regard to factors such as asset usage, physical deterioration and technical and commercial obsolescence.		
Straight line depreciation is charged based on the residual useful life as determined each year.		
Major depreciation and amortisation periods used are listed below and are consistent with the prior year unless stated:		
		Period
Property		
Land improvements		10-100 years
Parks and Recreation		6-100 years
Coastal Assets		20-50 years
Buildings		
Buildings		25-220 years
Plant and Equipment		
Plant, machinery and equipment		3-20 years
Fixtures, fittings and furniture		5-75 years
Infrastructure		
Roads		
Road pavements and seals		15-100 years
Road substructure		75-100 years
Road formation and earthworks		n/a
Road kerb, channel and minor culverts		95 years
Bridges		
Bridges deck		20-80 years
Bridges substructure		20-80 years
Other Infrastructure		
Footpaths and cycleways		10-80 years
Drainage		75-120 years
Waste		25 years
Intangible assets		
Intangible assets		6 years
Right-of-use of assets		
Right-of-use of assets		5 years

	2025 \$'000	2024 \$'000
<b>Note 3.5 Finance costs</b>		
Interest - borrowings	141	244
Unwinding of rehabilitation provisions	8	-
<b>Total finance costs</b>	<b>149</b>	<b>244</b>

<b>Accounting policy</b>
<b>Finance expense</b>
Expenses are recognised in the Statement of Comprehensive Income when a decrease in future economic benefits related to a decrease in asset or an increase of a liability has arisen that can be measured reliably.
Finance costs are recognised as an expense in the period in which they are incurred, except where they are capitalised as part of a qualifying asset constructed by Council. Where specific borrowings are obtained for the purpose of specific asset acquisition, the weighted average interest rate applicable to borrowings at balance date, excluding borrowings associated with superannuation, is used to determine the borrowing costs to be capitalised. No borrowing costs were capitalised during the period.
Finance costs include interest on any bank overdrafts and borrowings.

	2025 \$'000	2024 \$'000
<b>Note 3.6 Other expenses</b>		
External auditors' remuneration	58	42
Councillors' allowances, reimbursements & training	230	206
Election Costs	5	3
Other	78	10
<b>Total</b>	<b>371</b>	<b>261</b>

**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	7,327	3,293
Cash on deposit	1,000	1,317
Committee accounts	126	114
<b>Total cash and cash equivalents</b>	<b>8,455</b>	<b>4,726</b>

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)	577	561
ii) Unspent grant funds with conditions (note 2.4)	810	1,030
	<b>1,387</b>	<b>1,591</b>

**Internal committed funds**

iii) Reserve funds (note 9.1)	883	848
iv) Employee provisions (note 7.3)	1,350	1,315
iv) Other provisions (note 7.3)	396	441
	<b>4,016</b>	<b>4,195</b>

**Committed funds**

<b>Total uncommitted cash and cash equivalents</b>	<b>4,439</b>	<b>531</b>
<b>Total Investments</b>	<b>4,000</b>	<b>9,500</b>
<b>Total uncommitted funds</b>	<b>8,439</b>	<b>10,031</b>

**Accounting policy**

**Cash and cash equivalents**

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

**Restricted and internally committed funds include:**

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

	2025 \$'000	2024 \$'000
<b>Note 4.2 Trade and other receivables</b>		
<i>Current</i>		
Rates debtors	1,018	814
Other debtors	317	208
Provision for expected credit loss - other debtors	(3)	(3)
Accrued revenue	79	195
Net GST receivable	14	(8)
<b>Total</b>	<b>1,425</b>	<b>1,206</b>
<i>Non-current</i>		
Loans and advances to community organisations	14	14
<b>Total</b>	<b>14</b>	<b>14</b>
<b>Total trade and other receivables</b>	<b>1,439</b>	<b>1,220</b>
<b>Reconciliation of movement in expected credit loss</b>		
Carrying amount at 1 July	3	5
Increase / (decrease) in provision recognised in profit or loss	-	(2)
Carrying amount at 30 June	<b>3</b>	<b>3</b>

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	4,000	9,500
<b>Total</b>	<b>4,000</b>	<b>9,500</b>

**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	311	78
<b>Total inventories</b>	<b>311</b>	<b>78</b>

**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.



	2025 \$'000	2024 \$'000
Note 5 Other investments		
Note 5.1 Investment in water corporation		
Opening balance	35,745	33,960
Fair Value adjustments on equity investment assets	697	1,785
Total investment in water corporation	<u>36,442</u>	<u>35,745</u>

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% (2023/2024: 1.89%) ownership interest in TasWater which is based on Schedule 2 of the Corporation's Constitution.

<b>Note 6</b>	<b>Non-current assets</b>		
<b>Note 6.1</b>	<b>Property, infrastructure, plant and equipment</b>	<b>2025</b>	<b>2024</b>
		<b>\$'000</b>	<b>\$'000</b>
	<b>Summary</b>		
	at cost	27,316	23,509
	Less accumulated depreciation	(7,555)	(6,727)
		<b>19,761</b>	<b>16,782</b>
	at fair value as at 30 June	296,409	287,627
	Less accumulated depreciation	(81,335)	(75,711)
		<b>215,074</b>	<b>211,916</b>
	<b>Total</b>	<b>234,835</b>	<b>228,698</b>
	<b>Property</b>		
	<b>Land</b>		
	at fair value	10,377	10,377
		<b>10,377</b>	<b>10,377</b>
	<b>Land under roads</b>		
	at fair value	9,102	9,102
		<b>9,102</b>	<b>9,102</b>
	<b>Land improvements</b>		
	at cost	1,674	1,621
	Less accumulated depreciation	(461)	(401)
		<b>1,213</b>	<b>1,220</b>
	<b>Total Land</b>	<b>20,692</b>	<b>20,699</b>
	<b>Buildings</b>		
	at cost	3,669	949
	Less accumulated depreciation	(48)	(18)
		<b>3,621</b>	<b>933</b>
	at fair value	27,207	26,085
	Less accumulated depreciation	(12,001)	(11,018)
		<b>15,206</b>	<b>15,069</b>
	<b>Heritage improvements</b>		
	at cost	17	17
	Less accumulated depreciation	(2)	(2)
		<b>15</b>	<b>15</b>
	<b>Total Buildings</b>	<b>18,842</b>	<b>16,017</b>
	<b>Total Property</b>	<b>39,534</b>	<b>36,716</b>
	<b>Plant and Equipment</b>		
	<b>Plant, machinery and equipment</b>		
	at cost	6,245	6,047
	Less accumulated depreciation	(3,795)	(3,446)
		<b>2,450</b>	<b>2,601</b>
	<b>Fixtures, fittings and furniture</b>		
	at cost	1,188	1,194
	Less accumulated depreciation	(834)	(742)
		<b>354</b>	<b>452</b>
	<b>Total Plant and Equipment</b>	<b>2,804</b>	<b>3,053</b>

Notes 6.1 Property, infrastructure, plant and equipment (continued)	2025 \$'000	2024 \$'000
<b>Infrastructure</b>		
<b>Roads</b>		
at fair value	156,122	150,675
Less accumulated depreciation	(39,485)	(36,357)
	<b>116,637</b>	<b>114,318</b>
<b>Footpaths</b>		
at fair value	13,874	13,389
Less accumulated depreciation	(4,050)	(3,676)
	<b>9,824</b>	<b>9,713</b>
<b>Bridges</b>		
at fair value	37,691	36,224
Less accumulated depreciation	(11,985)	(11,600)
	<b>25,706</b>	<b>24,624</b>
<b>Drainage</b>		
at fair value	42,036	40,826
Less accumulated depreciation	(13,814)	(13,046)
	<b>28,222</b>	<b>27,780</b>
<b>Parks and Recreation</b>		
at cost	11,551	10,438
Less accumulated depreciation	(1,772)	(1,585)
	<b>9,779</b>	<b>8,853</b>
<b>Coastal Assets</b>		
at cost	763	763
Less accumulated depreciation	(219)	(191)
	<b>544</b>	<b>572</b>
<b>Waste</b>		
at cost	944	930
Less accumulated depreciation	(387)	(360)
	<b>557</b>	<b>570</b>
<b>Make Good Obligation</b>		
at cost	399	441
Less accumulated depreciation	(37)	-
	<b>362</b>	<b>441</b>
<b>Total Infrastructure</b>	<b>191,631</b>	<b>186,871</b>
<b>Works in progress</b>		
Buildings	78	1,519
Roads	-	292
Footpaths	-	55
Land improvements	42	9
Parks & recreation	354	41
Plant, machinery and equipment	108	-
Fixtures, fittings and furniture	42	-
Waste	88	-
Drainage	154	18
Bridges	-	124
<b>Total Works in progress</b>	<b>866</b>	<b>2,058</b>
<b>Total property, infrastructure, plant and equipment</b>	<b>234,835</b>	<b>228,698</b>



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
2025								
	\$'000	\$'000	(note 9.1) \$'000	(note 3.4) \$'000	\$'000	\$'000	\$'000	\$'000
<b>Property</b>								
Land	10,377	-	-	-	-	-	-	10,377
Land under roads	9,102	-	-	-	-	-	-	9,102
Land improvements	1,220	-	-	(60)	-	-	53	1,213
<b>Total land</b>	<b>20,699</b>	<b>-</b>	<b>-</b>	<b>(60)</b>	<b>-</b>	<b>-</b>	<b>53</b>	<b>20,692</b>
Buildings	16,002	-	627	(522)	-	-	2,720	18,827
Heritage improvements	15	-	-	-	-	-	-	15
<b>Total buildings</b>	<b>16,017</b>	<b>-</b>	<b>627</b>	<b>(522)</b>	<b>-</b>	<b>-</b>	<b>2,720</b>	<b>18,842</b>
<b>Total property</b>	<b>36,716</b>	<b>-</b>	<b>627</b>	<b>(582)</b>	<b>-</b>	<b>-</b>	<b>2,773</b>	<b>39,534</b>
<b>Plant and Equipment</b>								
Plant, machinery and equipment	2,601	2	-	(427)	(22)	-	296	2,450
Fixtures, fittings and furniture	452	-	-	(95)	(3)	-	-	354
<b>Total plant and equipment</b>	<b>3,053</b>	<b>2</b>	<b>-</b>	<b>(522)</b>	<b>(25)</b>	<b>-</b>	<b>296</b>	<b>2,804</b>
<b>Infrastructure</b>								
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
<b>Total infrastructure</b>	<b>186,871</b>	<b>-</b>	<b>4,684</b>	<b>(4,052)</b>	<b>(804)</b>	<b>(1)</b>	<b>4,933</b>	<b>191,631</b>
<b>Works in progress</b>								
Buildings	1,519	1,296	-	-	-	(17)	(2,720)	78
Roads	292	2,533	-	-	-	(218)	(2,607)	-
Footpaths	55	81	-	-	-	-	(136)	-
Land Improvements	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)	-
<b>Total works in progress</b>	<b>2,058</b>	<b>7,056</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(246)</b>	<b>(8,002)</b>	<b>866</b>
<b>Total property, infrastructure, plant and equipment</b>	<b>228,698</b>	<b>7,058</b>	<b>5,311</b>	<b>(5,156)</b>	<b>(829)</b>	<b>(247)</b>	<b>-</b>	<b>234,835</b>

(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)

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

(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)

<b>Accounting policy</b>	
<b>Recognition and measurement of assets</b>	
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.	
<b>Revaluation</b>	
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 <i>Property, Plant &amp; Equipment</i> and AASB 13 <i>Fair Value Measurement</i> . 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.	
<b>Impairment of assets</b>	
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.	

	2025 \$'000	2024 \$'000
<b>Note 6.2 Intangible assets</b>		
Municipal revaluation	-	21
<b>Total intangible assets</b>	<b>-</b>	<b>21</b>

#### Accounting policy

##### Intangible assets

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

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

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

Municipal Revaluation 6 years

#### Note 6.3 Right-of-use assets

##### Right-of-use assets

	Property \$'000	Total \$'000
<b>2025</b>		
Opening Balance at 1 July 2024	760	760
Additions	33	33
Disposals	-	-
Depreciation expense	(59)	(59)
<b>Balance at 30 June 2025</b>	<b>734</b>	<b>734</b>
<b>2024</b>		
Opening Balance at 1 July 2023	792	792
Additions	29	29
Disposals	-	-
Depreciation expense	(61)	(61)
<b>Balance at 30 June 2024</b>	<b>760</b>	<b>760</b>

#### 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.



	2025 \$'000	2024 \$'000
<b>Note 6.4 Other assets</b>		
<i>Current</i>		
Bonds paid	3	3
<b>Total</b>	<b>3</b>	<b>3</b>
<i>Non-current</i>		
Shares in Bendigo Bank	30	30
Bonds paid	152	-
<b>Total</b>	<b>182</b>	<b>30</b>

**Note 7 Current liabilities**

**Note 7.1 Trade and other payables**

Trade payables	952	634
Rates and charges in advance	327	297
Unearned income	53	-
Accrued expenses	542	184
<b>Total trade and other payables</b>	<b>1,874</b>	<b>1,115</b>

**Accounting policy**

**Trade and other payables**

Liabilities are recognised for amounts to be paid in the future for goods and services provided to Council as at balance date whether or not invoices have been received. General Creditors are unsecured, not subject to interest charges and are normally settled within 30 days of invoice receipt. Rates and charges in advance represents amounts received by Council prior to the commencement of the rating or charging period. Revenue is recognised by Council at the beginning of the rating or charge period to which the advance payment relates.

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

**Note 7.2 Trust funds and deposits**

Refundable building deposits	173	102
Section 137 seizures	198	250
Refundable civic facilities deposits	8	7
Retention amounts	186	191
Other refundable deposits	12	11
<b>Total trust funds and deposits</b>	<b>577</b>	<b>561</b>

**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**

## **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	<b>437</b>	<b>619</b>	<b>396</b>	<b>294</b>	<b>1,746</b>
Current	437	401	-	177	1,015
Non-current	-	218	396	117	731
<b>Total</b>	<b>437</b>	<b>619</b>	<b>396</b>	<b>294</b>	<b>1,746</b>

## **2024**

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

## **(a) Employee benefits**

The following assumptions were adopted in measuring the present value of employee benefits:	<b>2025</b>	<b>2024</b>
Weighted average increase in employee costs	3.50%	3.75%
Weighted average discount rates	3.62%	4.23%

<b>Employee Numbers (FTE)</b>	60	60
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## **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	3.48%
- index rate	4.53%

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	3.48%
- index rate	4.53%

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.



	2025 \$'000	2024 \$'000
<b>Note 7.4 Lease liabilities</b>		
Lease liabilities	734	760
	<u>734</u>	<u>760</u>
Current	75	58
Non-Current	<u>659</u>	<u>702</u>

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

As at 30 June 2025	Minimum lease payments due						Total
	Within 1 Year \$ '000	1-2 Years \$ '000	2-3 Years \$ '000	3-4 Years \$ '000	4-5 Years \$ '000	After 5 Years \$ '000	
Lease payments	75	72	60	61	62	404	734
<b>As at 30 June 2024</b>							
Lease payments	58	59	58	59	61	465	760

#### 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.

	2025 \$'000	2024 \$'000
<b>Note 7.5 Contract Liabilities</b>		
<b>Current</b>		
Funds received to acquire on construct an asset controlled by Council	124	646
Funds received prior to performance obligation being satisfied (Upfront payments)	<u>686</u>	<u>384</u>
	<u>810</u>	<u>1,030</u>

#### Accounting policy

##### Council recognised the following contractual liabilities:

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

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

Funds received prior to performance obligation being satisfied (upfront payments) – AASB 15	<u>787</u>	<u>850</u>
	<u>787</u>	<u>850</u>

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

Borrowings - secured

385 2,605

385 2,605**Non-current**

Borrowings - secured

610 994

610 994**Total**995 3,599**Borrowings**

Borrowings are secured over Council's rate revenue

The maturity profile for Council's borrowings is:

Not later than one year

385 2,605

Later than one year and not later than five years

324 621

Later than five years

286 373**Total**995 3,599**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	Balance at beginning of reporting year	Increment	(Decrement)	Balance at end of reporting year
Note 9.1	Reserves	\$'000	\$'000	\$'000	\$'000
	<b>(a) Asset revaluation reserve</b>				
	<b>2025 Property</b>				
	Land	5,572	-	-	5,572
	Land under roads	6,438	-	-	6,438
	Buildings	5,797	827	-	6,424
		<b>17,807</b>	<b>627</b>	<b>-</b>	<b>18,434</b>
	<b>Infrastructure</b>				
	Roads	175,326	3,018	-	178,344
	Bridges	8,365	870	-	9,035
	Footpaths	1,888	257	-	2,145
	Drainage	22,853	739	-	23,592
		<b>208,432</b>	<b>4,684</b>	<b>-</b>	<b>213,116</b>
	<b>Total asset revaluation reserve</b>	<b>226,238</b>	<b>5,311</b>	<b>-</b>	<b>231,549</b>

	<b>2024 Property</b>				
	Land	5,572	-	-	5,572
	Land under roads	(47)	6,485	-	6,438
	Buildings	5,454	343	-	5,797
		<b>10,979</b>	<b>6,828</b>	<b>-</b>	<b>17,807</b>
	<b>Infrastructure</b>				
	Roads	145,248	30,078	-	175,326
	Bridges	7,316	1,049	-	8,365
	Footpaths	471	1,417	-	1,888
	Drainage	18,558	6,297	-	22,853
		<b>169,591</b>	<b>38,841</b>	<b>-</b>	<b>208,432</b>
	<b>Total asset revaluation reserve</b>	<b>180,570</b>	<b>45,669</b>	<b>-</b>	<b>226,238</b>

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

	Balance at beginning of reporting year	Increment	(Decrement)	Balance at end of reporting year
		\$'000	\$'000	\$'000
<b>(b) Fair value reserve</b>				
<b>2025 Equity Investment assets</b>				
Investment in water corporation	(339)	897	-	358
<b>Total fair value reserve</b>	<b>(339)</b>	<b>697</b>	<b>-</b>	<b>358</b>
<b>2024 Equity Investment assets</b>				
Investment in water corporation	(2,124)	1,785	-	(339)
<b>Total fair value reserve</b>	<b>(2,124)</b>	<b>1,785</b>	<b>-</b>	<b>(339)</b>

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.

	Balance at beginning of reporting year	Transfers From	Transfers To	Balance at end of reporting year
	\$'000	\$'000	\$'000	\$'000
<b>(c) Other reserves</b>				
<b>2025</b> Facilities and properties	262	35	-	297
Other Reserves	586	-	-	586
<b>Total Other reserves</b>	<b>848</b>	<b>35</b>	<b>-</b>	<b>883</b>
<b>2024</b> Facilities and properties	239	24	-	262
Other Reserves	471	115	-	586
<b>Total Other reserves</b>	<b>710</b>	<b>139</b>	<b>-</b>	<b>848</b>

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.

	2025	2024
	\$'000	\$'000
<b>Total Reserves</b>	<b>232,791</b>	<b>226,748</b>

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

Result from continuing operations	1,697	1,686
Depreciation/amortisation	5,177	4,753
Depreciation of right-of-use assets	59	50
Contributed assets	-	(201)
(Profit)/loss on disposal of property, infrastructure, plant and equipment	776	1,408
Capital grants received specifically for new or upgraded assets	(2,102)	(1,944)
Payment for mineral resources bond	152	-
Recognition of make good obligation asset	-	(441)
<i>Change in assets and liabilities:</i>		
Decrease/(increase) in trade and other receivables	(219)	(150)
Decrease/(increase) in other assets	(152)	-
Decrease/(increase) in inventories	(233)	164
Increase/(decrease) in trade and other payables	759	212
Increase/(decrease) in provisions	(10)	43
Increase/(decrease) in contract liabilities	(220)	8
<b>Net cash provided by/(used in) operating activities</b>	<b>5,684</b>	<b>5,588</b>

**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
<b>Balance as at 1 July 2024</b>	3,600	761
Changes from financing cash flows:		
Additions	-	31
Cash repayments	(2,605)	(58)
<b>Balance as at 30 June 2025</b>	<b>995</b>	<b>734</b>
<b>Balance as at 1 July 2023</b>	5,867	803
Changes from financing cash flows:		
Additions	-	29
Cash repayments	(2,267)	(71)
<b>Balance as at 30 June 2024</b>	<b>3,600</b>	<b>761</b>

	<b>2025</b>	<b>2024</b>
<b>Note 9.4 Reconciliation of cash and cash equivalents</b>		
Cash and cash equivalents (see note 4.1)	8,455	4,726
<b>Total reconciliation of cash and cash equivalents</b>	<b>8,455</b>	<b>4,726</b>

**Note 9.5 Financing arrangements**

Credit cards	17	18
Used facilities	(10)	(5)
Security Deposit Guarantee	150	150
Used Facility	-	(126)
<b>Unused facilities</b>	<b>157</b>	<b>37</b>

**Note 9.6 Superannuation**

Council makes superannuation contributions for a two of its employees to the Quadrant Defined Benefits Fund (the Fund), a sub-fund of CareSuper. The Quadrant Defined Benefits 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 2025 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 Spirit Super's financial statements for Council employees.

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

- Net Investment Return 4.50% p.a.
- Salary Inflation 3.50% 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 Spirit Super.

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

**Note 9.6 Superannuation (Continued)**

- During the reporting period the amount of superannuation contributions paid to defined benefits schemes was \$39,071 (2022-23, \$34,006), and the amount paid to accumulation schemes was \$694,074 (2022-23, \$664,064).
- During the next reporting period the expected amount of superannuation contributions to be paid to defined benefits schemes is \$40,634, and the amount to be paid to accumulation schemes is \$721,837.
- As reported on the first page of this note, Assets exceeded accrued benefits as at the date of the last actuarial review, 30 June 2023. Favourable investment returns, since that date, has seen further improvement in the financial position of the Fund. The financial position of the Fund will be fully investigated at the actuarial review as at 30 June 2026.
- An analysis of the assets and vested benefits of sub-funds participating in the Scheme, prepared by Deloitte Consulting Pty Ltd as at 30 June 2024, showed that the Fund had assets of \$41.8 million and members' Vested Benefits were \$32.6 million. These amounts represented 0.14% and 0.11% respectively of the corresponding total amounts for Spirit Super.
- As at 30 June 2024 the Fund had 55 members and the total employer contributions and member contributions for the year ending 30 June 2024 were \$668,923 and \$151,839 respectively.

	2025 \$'000	2024 \$'000
<b>Defined benefits fund</b>		
Employer contributions to Spirit Super & CareSuper	30	39
Employer contributions payable to CareSuper at reporting date	-	-
<b>Accumulation funds</b>		
Employer contributions to all super funds	737	694
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.

2025	Later than 1 year and not later than			Total \$'000
	Not later than 1 year \$'000	5 years \$'000	Later than 5 years \$'000	
<b>Contractual commitments</b>				
Waste transfer stations and collections	484	946	643	2,073
Cleaning contracts for council buildings	201	-	-	201
<b>Total contractual commitments</b>	<b>685</b>	<b>946</b>	<b>643</b>	<b>2,274</b>

There were no material capital commitments at 30 June 2025



Note 9.7 Commitments (cont.)

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

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:

	2025 \$'000	2024 \$'000
<b>Maturity analysis of operating lease payments to be received</b>		
Year 1	82	10
Year 2	83	10
Year 3	56	11
Year 4	28	11
Year 5	17	6
Later than 5 years	-	-
<b>Total</b>	<b>266</b>	<b>48</b>

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

Lease income on operating leases	94	98
Therein lease income relating to variable lease payments that do not depend on an index or rate	94	98

Note 9.9 Contingent Liabilities and contingent assets

Contingent liabilities

Security deposit guarantees	-	126
	<b>-</b>	<b>126</b>



**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.

**2025**

	Weighted average interest rate	Floating interest rate \$'000	Fixed interest maturing in:			Non-interest bearing \$'000	Total \$'000
			1 year or less \$'000	Over 1 to 5 years \$'000	More than 5 years \$'000		
<b>Financial assets</b>							
Cash and cash equivalents	3.84%	7,453	1,000	-	-	2	8,455
Investments	4.58%	-	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
<b>Total financial assets</b>		<b>8,471</b>	<b>3,000</b>	<b>2,000</b>	<b>-</b>	<b>36,837</b>	<b>50,308</b>
<b>Financial liabilities</b>							
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
<b>Total financial liabilities</b>		<b>-</b>	<b>385</b>	<b>324</b>	<b>286</b>	<b>2,451</b>	<b>3,446</b>
<b>Net financial assets (liabilities)</b>		<b>8,471</b>	<b>2,615</b>	<b>1,676</b>	<b>(286)</b>	<b>34,386</b>	<b>46,862</b>

Note 9.10 Financial Instruments (cont.)

2024

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

**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**

	<b>Financial Institutions (AAA credit rating)</b>	<b>Government agencies (BBB credit rating)</b>	<b>Other (min BBB credit rating)</b>	<b>Total</b>
<b>2025</b>				
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
<b>Total contractual financial assets</b>	<b>12,455</b>	<b>-</b>	<b>1,425</b>	<b>13,880</b>
<b>2024</b>				
Cash and cash equivalents	4,726	-	-	4,726
Trade and other receivables	-	-	1,220	1,220
Investments and other financial assets	9,500	-	-	9,500
<b>Total contractual financial assets</b>	<b>14,226</b>	<b>-</b>	<b>1,220</b>	<b>15,446</b>

**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:

	2025	2024
	\$'000	\$'000
Current (not yet due)	391	368
Past due by up to 30 days	-	5
Past due between 31 and 180 days	3	4
Past due between 181 and 365 days	13	14
Past due by more than 1 year	1,018	814
Total Trade & Other Receivables	1,425	1,206

**Ageing of individually impaired Trade and Other Receivables**

At balance date, other debtors representing financial assets with a nominal value of \$2,761 (2023-24: \$2,761) were impaired. The amount of the provision raised against these debtors was \$2,761 (\$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:

	2025	2024
	\$'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).

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

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

**(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	
2025	\$'000	Profit \$'000	Equity \$'000	Profit \$'000	Equity \$'000
<b>Financial assets:</b>					
Cash and cash equivalents	7,327	(147)	(147)	147	147

		Interest rate risk			
		-2 %		+2%	
		-200 basis points		+200 basis points	
		Profit	Equity	Profit	Equity
		\$'000	\$'000	\$'000	\$'000
2024	\$'000				
<b>Financial assets:</b>					
Cash and cash equivalents	3,293	(66)	(66)	66	66

#### 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	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
<i>Financial assets</i>				
Cash and cash equivalents	8,455	4,726	8,455	4,726
Investments	4,000	9,500	4,000	9,500
Trade and other receivables	1,439	1,220	1,439	1,220
Investment in water corporation	36,442	35,745	36,442	35,745
<i>Total financial assets</i>	<u>50,336</u>	<u>51,191</u>	<u>50,336</u>	<u>51,191</u>
<i>Financial liabilities</i>				
Trade and other payables	1,874	1,115	1,874	1,115
Trust funds and deposits	577	561	577	561
Interest-bearing loans and borrowings	995	3,599	1,007	3,564
<i>Total financial liabilities</i>	<u>3,446</u>	<u>5,275</u>	<u>3,458</u>	<u>5,240</u>

**Note 9.11 Fair Value Measurements**

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

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

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

**(a) Fair Value Hierarchy**

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

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

The table below shows the assigned level for each asset and liability held at fair value by the Council. The table presents the Council's assets and liabilities measured and recognised at fair value at 30 June 2025.

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 2025**

	Note	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>Recurring fair value measurements</b>					
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	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

**As at 30 June 2024**

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

**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 2024. Level 2 valuation inputs were used to value land in freehold title as well as land used for special purposes, which is restricted in use under current planning provisions. Sales prices of comparable land sites in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square metre. There was no change in the adjustment factors for Land as per the Valuer General for 2025.

**Land under roads**

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

**Buildings**

The fair value of buildings were determined by a Gavin Boyd, Council's contract Asset Engineer effective 30 June 2021. Fair value has been derived based on current replacement cost determined for the location by Rawlinsons Construction Costs 2020. The most significant input into this valuation approach was price per square metre. Buildings were indexed at 30 June 2025 at 4.3% based on the ABS Construction Cost Index for non residential buildings in Tasmania.

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 2025 at 2.7%, based on the ABS Construction Costs Index for Roads and Bridge in Australia.

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

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

Bridges

A full valuation of bridges assets was undertaken by independent valuers, AusSpan, effective 30 November 2023. Each bridge is assessed individually and componentised into sub-assets representing the deck and sub-structure. The valuation is based on the material type used for construction and the deck and sub-structure area. Bridges were indexed at 30 June 2025 at 2.7% based on the ABS Construction Cost Index for Roads and Bridges in Australia.

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 2025 at 2.7%, based on the ABS Construction Cost Index for Roads and Bridges in Australia.

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	116,637	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 higher the fair value.
		Useful life	Refer note 3.4	The longer the useful life, the higher the fair value.
Footpaths	9,824	Unit replacement cost per square metre.	from \$22.30/sqm (unsealed) up to \$202.70/sqm (concrete)	The higher the unit cost the higher the fair value.
		Useful life	Refer note 3.4	The longer the useful life, the higher the fair value.
Bridges	25,706	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 higher the fair value.
		Useful life	Refer note 3.4	The longer the useful life, the higher the fair value.
Drainage	28,222	Unit replacement cost per metre.	from \$106/m up to \$2,912/m, depending on pipe diameter	The higher the unit cost the higher the fair value.
		Useful life	Refer note 3.4	The longer the useful life, the higher the fair value.
Investment in Water Corporation	36,442	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 2025

Name	Position	Period	Short term employee benefits		Expenses <sup>1</sup>	Total allowances and expenses section 72
			Allowances	Total Compensation AASB 124		
			\$	\$	\$	\$
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
<b>Total</b>			<b>186,732</b>	<b>186,732</b>	<b>25,947</b>	<b>212,679</b>

Councillor Remuneration 2024

Mr M Tucker	Mayor	Full Year	50,098	50,098	1,485	51,583
Ms K Chapple	Deputy Mayor	Full Year	28,014	28,014	1,669	29,683
Mr G Barnes	Councillor	Full Year	14,313	14,313	1,199	15,512
Mr I Carter	Councillor	Full Year	14,313	14,313	1,486	15,799
Ms J Drummond	Councillor	Full Year	14,313	14,313	4,380	18,693
Mr B LeFevre	Councillor	Full Year	14,313	14,313	3,137	17,450
Ms E Johnstone	Councillor	Full Year	14,313	14,313	4,682	18,995
Mr V Oldham	Councillor	Full Year	14,313	14,313	2,423	16,736
Ms K Wright	Councillor	Full Year	14,313	14,313	1,199	15,512
<b>Total</b>			<b>178,303</b>	<b>178,303</b>	<b>21,660</b>	<b>199,963</b>

<sup>1</sup> Section 72(1) of the Local Government Act 1993 requires the disclosure of expenses paid to Councillors.

Note 10.1 Related party transactions (continued)

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

Number of Staff per Band	Remuneration band	Short term employee benefits			Post employment benefits		Non-monetary Benefits <sup>6</sup> \$	Total \$
		Salary <sup>1</sup>	Other Allowances & Benefits <sup>3</sup>	Vehicles <sup>2</sup>	Super-annuation <sup>4</sup>	Termination Benefits <sup>5</sup>		
		\$	\$	\$	\$	\$		
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
<b>Total</b>		<b>635,457</b>	<b>4,383</b>	<b>58,939</b>	<b>78,862</b>	<b>-</b>	<b>19,654</b>	<b>797,295</b>
<b>Key Management Personnel Remuneration 2024</b>								
1	\$230 001 - \$250 000	210,726	-	9,636	25,667	-	(8,516)	237,513
2	\$170 001 - \$190 000	309,892	-	17,819	38,071	-	(1,665)	364,117
1	\$110 001 - \$130 000	107,627	4,221	13,495	13,705	-	(12,836)	126,212
		<b>628,248</b>	<b>4,221</b>	<b>40,950</b>	<b>77,443</b>	<b>-</b>	<b>(23,019)</b>	<b>727,843</b>

(ii) Key Management Personnel Remuneration (Continued)

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

<sup>2</sup> 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).

<sup>3</sup> 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.

<sup>4</sup> Superannuation means the contribution to the superannuation fund of the individual.

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

<sup>6</sup> 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.

<i>Nature of the transaction</i>	<i>Amount of the transactions during the year</i>	<i>Outstanding balances, including commitments at year end</i>	<i>Terms and conditions</i>	<i>Provision for doubtful debts related outstanding balances</i>	<i>The expense recognised during the period relating to bad or doubtful debts due from related parties</i>
St Helens Newsagency/ Bay of Fires Florist (owned by Mayor Mick Tucker)	\$1,198	Nil	30-day terms on invoices	-	-
St Helens Auto Electrics - repairs (owned by General Manager's Brother in-law)	\$4,303	\$358	30-day terms on invoices	-	-
St Helens Online Access Centre - grant (Business Services Manager's Father is the Centre Vice President)	\$0	Nil	30-day terms on invoices	-	-
St Helens Neighbourhood House - venue hire (Clr Gary Barnes is the Manager)	\$900	Nil	30-day terms on invoices	-	-
Fingal Valley Neighbourhood House - venue hire (Clr Gary Barnes is the Manager)	\$1,403	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	\$113,584	\$12,485	\$126,069

**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 / revised budget estimates (date) and are not audited.

**(g) Adoption of new and amended accounting standards**

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

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

**(h) Pending Accounting Standards**

Certain new 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	2025 \$'000	2024 \$'000	2023 \$'000	2022 \$'000
(a)	<b>Underlying surplus or deficit</b>					
	Net result for the year		1,697	1,686	2,749	(1,444)
	<b>Less non-operating income</b>					
	Capital contributions - and recognition of assets		-	(201)	(160)	-
	Covid-19 and National disaster relief grants		(936)	(190)	-	(120)
	Grants specifically for new or upgraded assets		(1,140)	(1,399)	(464)	(1,692)
	Grants for renewal of assets		(1,422)	(808)	(1,664)	(895)
	Grants received in advance - current year		(1,895)	(3,115)	(3,558)	(2,374)
	Grants received in advance - prior year		3,115	3,558	2,374	1,521
	<b>Add non-operational expenses</b>					
	Disaster relief and recovery expenditure		756	560	187	162
	Unscheduled one-off loss on disposal of non-financial assets		804	1,808	697	4,128
	Non Council works/assets funded by capital grant.		-	10	59	-
	<b>Underlying surplus/deficit</b>	0	<u>979</u>	<u>1,909</u>	<u>220</u>	<u>(714)</u>
The intent of the underlying result is to show the outcome of a council's normal or usual day to day operations. Council's result of \$979,000 underlying surplus for 2024/25 is above the benchmark of 0, and a decrease from \$1,909,000 in 2023/24.						
(b)	<b>Underlying surplus ratio</b>					
	<u>Underlying surplus or deficit</u>		<u>979</u>	<u>1,909</u>	<u>220</u>	<u>(714)</u>
	Recurrent income		19,499	19,031	18,505	16,518
	Underlying surplus ratio %	0%	5%	10%	1%	-4%
This ratio serves as an overall measure of financial operating effectiveness. Council's underlying surplus ratio of 5% in 2024/25 is above the benchmark of 0%.						
(c)	<b>Net financial liabilities</b>					
	Liquid assets less		13,883	15,435	15,494	12,781
	total liabilities		<u>6,736</u>	<u>8,821</u>	<u>11,050</u>	<u>10,718</u>
	Net financial liabilities	0	<u>7,147</u>	<u>6,614</u>	<u>4,444</u>	<u>2,063</u>
This measure shows whether Council's total liabilities can be met by its liquid assets. An excess of total liabilities over liquid assets means that, if all liabilities fell due at once, additional revenue would be needed to fund the shortfall. Council has liquid assets in surplus of total liabilities by \$7,147,000 in 2024/25 and is above the benchmark of 0.						
(d)	<b>Net financial liabilities ratio</b>					
	<u>Net financial liabilities</u>		<u>7,147</u>	<u>6,614</u>	<u>4,444</u>	<u>2,063</u>
	Recurrent income		<u>19,499</u>	<u>19,031</u>	<u>18,505</u>	<u>16,518</u>
	Net financial liabilities ratio %	0% - (50%)	37%	35%	24%	12%
This ratio indicates the net financial obligations of Council compared to its recurrent income. Council's net financial liabilities ratio of 37% for 2024/25 is within the benchmark range of 0-50%.						
(e)	<b>Asset consumption ratio</b>					
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.						
	<i>Buildings</i>					
	<u>Fair value (Carrying amount)</u>		<u>15,221</u>	<u>16,017</u>	<u>15,624</u>	<u>15,009</u>
	Current replacement cost (Gross)		27,224	27,051	25,919	24,192
	Asset consumption ratio %		56%	59%	60%	62%



Note 10.4 Management indicators (cont.)

	2025	2024	2023	2022
	\$'000	\$'000	\$'000	\$'000
<i>Transport Infrastructure</i>				
Fair value (Carrying amount)	142,343	138,942	109,115	111,268
Current replacement cost (Gross)	193,813	186,899	164,850	164,512
Asset consumption ratio %	73%	74%	66%	68%
<i>Drainage</i>				
Fair value (Carrying amount)	28,222	27,780	21,633	20,654
Current replacement cost (Gross)	42,036	40,826	35,987	33,647
Asset consumption ratio %	67%	68%	60%	61%

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

(f) **Asset renewal funding ratio**

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

<i>Buildings</i>				
Projected capital funding outlays**		48	1,245	131
Projected capital expenditure funding***		522	488	131
Asset renewal funding ratio %	90-100%	9%	255%	100%
<i>Transport Infrastructure</i>				
Projected capital funding outlays**		2,610	2,076	1,954
Projected capital expenditure funding***		3,367	2,969	1,954
Asset renewal funding ratio %	90-100%	78%	70%	100%
<i>Drainage</i>				
Projected capital funding outlays**		30	155	56
Projected capital expenditure funding***		406	448	56
Asset renewal funding ratio %	90-100%	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		3,233	4,123	3,077	2,698
Annual depreciation expense		5,156	4,728	4,547	4,082
Asset sustainability ratio %	100%	63%	87%	68%	66%

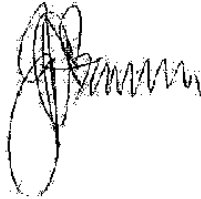
This ratio calculates the extent to which Council is maintaining operating capacity through renewal of their existing asset base.

2025	Capital renewal expenditure \$'000	Capital new /upgrade expenditure \$'000	Total Capital Expenditure \$'000
By asset class			
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
<b>Total</b>	<b>3,233</b>	<b>3,579</b>	<b>6,812</b>

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

## Certification of the Financial Report

The financial report presents fairly the financial position of the Break O'Day Council as at 30 June 2025 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 : 28/10/2025

### 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 2025 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

22/10/2025

ACTION	INFORMATION
PROPONENT	Council Officer
OFFICER	John Brown, General Manager
FILE REFERENCE	002\036\002\
ASSOCIATED REPORTS AND DOCUMENTS	2024-2025 Annual Report (Circulated under separate cover)

**OFFICER'S RECOMMENDATION:**

That Council receive the 2024-2025 Annual Report noting that there were no submissions made in relation to the Annual Report.

**INTRODUCTION:**

The Annual Report detailing Council's activities for the 2024-2025 financial year has been prepared in accordance with the requirements of section 72 of the *Local Government Act (Tas) 1993*.

**PREVIOUS COUNCIL CONSIDERATION:****Council Meeting 24 June 2024**

**06/24.17.2.397**      Moved: Clr LeFevre/ Seconded: Clr Wright

That Council adopt the 2024-25 Annual Plan as presented.

**CARRIED UNANIMOUSLY**

Council formally adopted the 2024/2025 Annual Plan at its June 2024 meeting. Since the adoption of the Annual Plan Council has continued to receive and consider quarterly updates on progress. These reports enabled Council to monitor emerging pressures and opportunities throughout the year.

**OFFICER'S REPORT:**

The General Manager draws Council's attention to the 2024-2025 Annual Report and advises that the Report has been developed to capture the key activities of Council during the year; progress with delivering the 2024-25 Annual Plan; and report against statutory requirements which must be included in the Report.

The General Manager advises that the Annual Report was advertised on 15 November 2025 notifying the availability of the Annual Report and inviting electors to lodge submissions on the report with Council by Monday 2 December 2024 for discussion at the Annual General Meeting.

The General Manager further advises that no submissions were received.

**STRATEGIC PLAN & ANNUAL PLAN:**

Break O’Day Annual Plan 2024-25

**LEGISLATION & POLICIES:**

Section 72 *Local Government Act (Tas) 1993*

**BUDGET; FUNDING AND FINANCIAL IMPLICATIONS:**

N/A

**VOTING REQUIREMENTS:**

Simple Majority

## AGM/25.4.0

## QUESTIONS ON NOTICE

Nil

## AGM/25.5.0

## QUESTIONS WITHOUT NOTICE

## AGM/25.6.0

## MOTIONS ON NOTICE

Nil

## AGM/25.7.0

## MOTIONS WITHOUT NOTICE

## AGM/25.8.0

## MEETING CLOSURE

The Mayor thanked everyone for their attendance and declared the meeting closed at ...pm

.....  
MAYOR

DATE