

GEORGE TOWN COUNCIL / ANNUAL REPORT 2024-25

ANNEX A



2024
2025

**Total Actual Expenditure during 2024/2025
Capital Works Program and Carry Forward Projects**

Job Number	Project Description	Value Greater than \$5,000
J90015	Capital Work - Kanamaluka Trail	\$ 195,725.04
J90023	Windmill Point - Interpretation	\$6,210.86
J90024	Dalrymple Rd Old Bangor Rd Intersection	\$565,058.08
J90037	Grant Matching Opportunities	\$35,421.73
J90038	Baxter Bridge Replacement	\$ 765,536.57
J90041	Pontoon Capital Repairs	\$20,624.31
J90044	Council Painting Program	\$24,674.16
J90045	Lighting Renewal Program	\$19,161.17
J90050	Council Footpath Upgrades	\$177,334.47
J90054	Plant & Equipment Replacement	\$12,106.17
J90059	Glen Road & Dalrymple Road Upgrade	\$124,585.71
J90068	GT Cemetery Fence Upgrade	\$ 86,555.79
J90069	Records Management System	\$7,350.00
J90070	Design and Scope for future Cap Ex	\$91,126.60
J90071	GT Aquatic Health & Wellbeing Centre	\$909,715.90
J90077	Capital Works - Reseal 2024-25 Program	\$310,751.69
J90081	Rekeying Buildings & Facilities	\$ 21,241.06
J90082	HR Department Renovations	\$ 83,816.94
J90083	Weymouth Hall - New Heat Pump	\$11,337.61
J90084	Esplanade South New Footpath	\$54,693.82
J90085	Fitting & Fixtures Renewal Program	\$85,790.60
J90086	RSL Cenotaph	\$ 15,272.78
J90087	Plant & Equipment Replacement Program	\$214,784.24

Total Actual Expenditure during 2024/2025 Capital Works Program and Carry Forward Projects		
Job Number	Project Description	Value Greater than \$5,000
J90088	Replacement of Street Banner Poles	\$ 13,346.11
J90090	Hillwood Open Space Plan	\$48,933.82
J90091	Reseal Preparation Works Program	\$84,680.31
J90092	Old Aerodrome Rd Upgrade (stage 2)	\$644,984.28
J90093	Franklin St Roundabout Repair	\$19,850.24
J90094	Agnes St Reconstruction	\$320,197.18
J90095	Gravel Road Resheeting	215,055.63
J90096	Stormwater Pipe Renewal Program	\$47,379.25
J90097	Emergency Infrastructure Works	\$236,546.05
J90098	Kerb & Gutter Replacement Program	\$93,068.28
J90099	Side Entry Pit & Lintel Upgrade	\$104,366.81
J90100	Seascape Drive Drainage Works	\$104,439.94
J90101	McKenzie Drive Drainage Works	\$266,961.95
J90102	J90102-Township Character Plans	\$105,129.80
J90104	Strategic Asset Acquisition	\$20,395.56
J90107	Capital Works - Bellingham Jetty Solar Light	\$7,978.20
J90108	New Shed replacement - Bluegum Park	\$10,393.81
J90109	Drainage Upgrade Victoria St Easement	\$5,433.00
TOTAL CAPITAL WORKS EXPENDITURE 2024/2025		\$6,633,091.57



GEORGE TOWN COUNCIL / ANNUAL REPORT 2024-25

ANNEX B



2024
2025

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General Manager's Declaration

The financial report presents fairly the financial position of the George Town 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.



Shane Power
General Manager

Dated: 26 September 2025

Statement of Comprehensive Income

for the year ended 30 June 2025

(Amounts shown in \$)	Note	Budget 2025	Actual 2025	Actual 2024
Income from continuing operations				
Recurrent Income				
Rates and charges	2.2a	11,273,537	11,485,027	10,682,095
Statutory fees and fines	2.2b	605,510	513,317	644,733
User fees	2.2c	695,072	857,306	506,776
Grants	2.2d	2,505,350	2,247,144	2,516,759
Interest	2.2e	204,000	399,039	418,047
Other income	2.2f	363,829	480,714	443,953
Investment revenue from water corporation	2.2g	226,000	271,200	271,200
		15,873,298	16,253,747	15,483,563
Net Capital Income				
Capital grants received specifically for new or upgraded assets	2.2d	-	4,131,904	6,864,478
Contributions	2.2h	-	3,418,518	3,783,385
Net gain/(loss) on disposal of property, plant, technology and infrastructure	2.2i	-	(300,200)	(46,529)
		-	7,250,222	10,601,334
Total income from continuing operations		15,873,298	23,503,969	26,084,897
Expenses from continuing operations				
Employee benefits	2.3a	(5,733,124)	(5,893,316)	(5,692,006)
Materials and services	2.3b	(4,352,317)	(4,968,405)	(4,804,350)
Impairment of receivables	2.3c	(5,000)	(10,812)	(5,780)
Depreciation and amortisation	2.3d	(3,214,888)	(5,088,703)	(3,156,099)
Finance costs	2.3e	(63,437)	(108,595)	(106,833)
Other expenses	2.3f	(2,319,729)	(2,360,454)	(2,321,554)
Total expenses from continuing operations		(15,688,495)	(18,430,285)	(16,086,622)
Net result from continuing operations		184,803	5,073,684	9,998,275
Other comprehensive income				
Items that will not be reclassified to net result				
Fair value adjustments on equity investment asset increment/(decrement)	3.4	-	409,699	1,021,350
Net asset revaluation increment/(decrement)	3.5	-	7,088,104	22,097,925
Total Other Comprehensive Income		-	7,497,803	23,119,275
Total Comprehensive Result		184,803	12,571,487	33,117,550

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

Statement of Financial Position

as at 30 June 2025

(Amounts shown in \$)	Note	Actual 2025	Actual 2024
Assets			
Current assets			
Cash and cash equivalents	3.1	7,409,863	7,365,916
Trade and other receivables	3.2	1,049,189	2,971,422
Other assets	3.3	1,582,519	282,804
Total current assets		10,041,571	10,620,142
Non-current assets			
Investment in water corporation	3.4	21,404,645	20,994,946
Property, plant, technology and infrastructure	3.5	194,515,789	183,606,807
Museum collection	3.6	2,551,460	1,798,010
Right of use assets	3.7	86,486	91,619
Total non-current assets		218,558,380	206,491,382
Total assets		228,599,951	217,111,524
Liabilities			
Current liabilities			
Trade and other payables	3.8	1,387,649	1,966,889
Trust funds and deposits	3.9	501,598	505,505
Contract liabilities	3.10	2,689,060	2,779,648
Employee provisions	4.1	757,239	748,625
Interest-bearing loans and borrowings	5.1	225,109	384,726
Lease liabilities	5.2	21,341	19,495
Total current liabilities		5,581,996	6,404,888
Non-current liabilities			
Employee provisions	4.1	69,978	98,912
Interest-bearing loans and borrowings	5.1	1,739,542	1,964,651
Lease liabilities	5.2	72,582	78,707
Total non-current liabilities		1,882,102	2,142,270
Total liabilities		7,464,098	8,547,158
Net Assets		221,135,853	208,564,366
Equity			
Accumulated surplus		96,050,490	91,073,054
Reserves	6.1	125,085,363	117,491,312
Total Equity		221,135,853	208,564,366

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

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

(Amounts shown in \$)	Note	Total	Accumulated Surplus	Asset Revaluation Reserve	Fair Value Reserve	Other Reserves
Balance as at 30 June 2023		175,446,816	80,985,982	94,598,432	(993,806)	856,208
Net result from continuing operations		9,998,275	9,998,275	-	-	-
Fair value adjustment on equity investment asset	3.4	1,021,350	-	-	1,021,350	-
Net asset revaluation increment/(decrement)	3.5	22,097,925	-	22,097,925	-	-
Transfers between reserves	6.1	-	88,797	-	-	(88,797)
Balance as at 30 June 2024		208,564,366	91,073,054	116,696,357	27,544	767,411
Net result from continuing operations		5,073,684	5,073,684	-	-	-
Fair value adjustment on equity investment asset	3.4	409,699	-	-	409,699	-
Net revaluation reserve increment/(decrement)	3.5	7,088,104	-	7,088,104	-	-
Transfers between reserves	6.1	-	(96,248)	-	-	96,248
Balance as at 30 June 2025		221,135,853	96,050,490	123,784,461	437,243	863,659

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

Statement of Cash Flows

for the year ended 30 June 2025

(Amounts shown in \$)	Note	Actual 2025	Actual 2024
Cash flows from operating activities			
Rates		11,758,512	10,430,737
Statutory fees and charges		513,317	644,733
User charges and other fines (inclusive of GST)		947,954	623,988
Grant (inclusive of GST)		2,014,631	2,516,759
Interest		382,615	438,652
Investment revenue from water corporation		271,200	271,200
Other receipts (inclusive of GST)		498,075	443,953
Net GST refund/(payment)		867,254	1,356,276
Payments to suppliers (inclusive of GST)		(9,196,662)	(8,249,480)
Payments to employees		(5,913,636)	(5,539,262)
Finance costs paid		(108,595)	(106,833)
Net cash provided by (used in) operating activities	2.4	2,034,665	2,830,723
Cash flows from investing activities			
Payments for property, plant, technology and infrastructure		(6,654,399)	(10,073,740)
Proceeds from sale of property, plant, technology and infrastructure		64,721	135,359
Developer contributions for capital works		67,169	224,805
Capital grants (inclusive of GST)		4,941,774	7,581,225
Net cash provided by (used in) investing activities		(1,580,735)	(2,132,351)
Cash flows from financing activities			
Trust funds and deposits		(3,907)	10,721
Repayment of lease liabilities		(21,350)	(19,190)
Repayment of interest bearing loans and borrowings		(384,726)	(549,179)
Net cash provided by (used in) financing activities	2.5	(409,983)	(557,648)
Net increase (decrease) in cash and cash equivalents		43,947	140,724
Cash and cash equivalents at the beginning of the financial year		7,365,916	7,225,192
Cash and cash equivalents at the end of the financial year	3.1	7,409,863	7,365,916

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

Notes to the Financial Report

for the year ended 30 June 2025

1 About the financial statements

This section outlines the basis on which the Council's financial statements have been prepared including key judgements and estimates and any events which occurred subsequent to balance date that required reporting.

1.1 Reporting entity

- (a) George Town Council is a body corporate with perpetual succession and a common seal. Council's main office is located at Anne Street, George Town.
- (b) The purpose of the Council is to:
 - provide for health, safety and welfare of the community;
 - to improve the overall quality of life of people in the local community;
 - promote appropriate business and employment opportunities

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. As a result this financial report does not comply with International Financial Reporting Standards.

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 dollar.

This financial report has been prepared under the historical cost convention, except where specifically stated.

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.

The financial report includes transactions for any Special Committees of Council. Council does not control any subsidiary or participate in any joint venture.

Notes to the Financial Report

for the year ended 30 June 2025

1.3 Use of judgements and estimates

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 4.1.

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 4.3.

Investment in water corporation

Assumptions utilised in the determination of Council's valuation of its investment in TasWater are discussed in notes 3.4 and 3.11.

Fair value of property, plant, equipment and infrastructure

Assumptions and judgements are utilised in determining the fair value of Council's property, plant, equipment and infrastructure including useful lives and depreciation rates. These assumptions are discussed in notes 2.3, 3.5 and 3.11.

Museum collection

Assumptions utilised in the determination of Council's valuation of its museum collection are discussed in notes 3.6 and 3.11.

1.4 Events occurring after balance date

Council entered into a contract for construction of the George Town Aquatic and Wellbeing Centre for \$15,009,938 (ex GST), to be funded by the Australian and Tasmanian Governments. This has not been disclosed as a capital expenditure commitment at note 6.2, as the contract commenced after balance date.

Notes to the Financial Report

for the year ended 30 June 2025

2 Financial performance

This section outlines the financial performance of Council including its functions/activities. Details of operating income, expenses, cash flow information, management indicators compared with benchmarks and significant business activities are disclosed in the notes.

2.1 Functions/Activities of the Council

2.1a Revenue, expenses and assets attributable to each function as categorised in Note 2.1c below:

(Amounts shown in \$)	Income from continuing operations		Expenses from continuing operations		Result from continuing operations		Assets	
	2025	2024	2025	2024	2025	2024	2025	2024
Roads, streets and bridges	6,344,628	5,385,312	4,394,118	3,977,466	1,950,510	1,407,846	127,506,522	118,294,113
Drainage	387,395	-	211,772	192,559	175,623	(192,559)	12,579,143	11,391,174
Waste management	2,189,286	1,782,902	1,827,890	1,726,611	361,396	56,291	2,598,483	2,657,374
Community amenities	228,204	2,384,614	1,919,729	1,699,682	(1,691,525)	684,932	23,199,109	23,095,578
Environmental health	14,800	7,915	73,198	67,327	(58,398)	(59,412)	-	-
Planning services	214,196	360,846	392,480	406,017	(178,284)	(45,171)	-	-
Building control	207,101	281,326	691,042	951,461	(483,941)	(670,135)	-	-
Economic development	468,941	232,097	445,759	580,322	23,182	(348,225)	-	-
Community services	381,823	157,441	1,180,441	1,078,490	(798,618)	(921,049)	2,551,460	1,798,010
Recreation facilities	103,771	3,255,690	2,463,094	679,238	(2,359,323)	2,576,452	14,827,255	16,496,136
Governance and administration	12,897,846	12,083,274	3,896,483	4,170,889	9,001,363	7,912,385	41,979,880	43,096,334
Other - non attributable	65,978	153,480	934,279	556,560	(868,301)	(403,080)	3,358,099	282,805
	23,503,969	26,084,897	18,430,285	16,086,622	5,073,684	9,998,275	228,599,951	217,111,524

Grants included in Income from continuing operations:

	2025	2024
Roads, streets and bridges	3,488,510	1,793,238
Community amenities	50,000	2,221,263
Economic development	112,650	215,750
Community services	171,473	134,000
Recreation facilities	125,000	3,204,515
Governance and administration	2,431,415	1,812,471
	6,379,048	9,381,237

2.1b Reconciliation of Assets with the Statement of Financial Position at 30 June:

	2025	2024
Current assets	10,041,571	10,620,142
Non- current assets	218,558,380	206,491,382
	228,599,951	217,111,524

Notes to the Financial Report

for the year ended 30 June 2025

2.1 Functions/Activities of the Council (continued)

2.1c Nature and objective of functions/activities

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.

Community amenities

Operation and maintenance of housing for aged persons and persons of limited means, Civic Centre, Council halls (excluding indoor sports complexes).

Environmental health/Environmental management

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

Planning services

Administration of the town planning scheme, subdivisions and urban and rural renewal programs.

Building control

The development and maintenance of building constructions standards.

Economic development

Maintenance and marketing of tourist facilities, property development and operation of caravan parks and administration of the Wild Tamar project.

Community services

Administration and operation of dog registration, operation of pounds, control of straying stock and noxious weeds. Operation and support of the performing arts, museum including the Bass and Flinders Maritime Museum and the presentation of events. 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 swimming pools, active and passive recreation and recreation centres).

Governance and administration

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

Other - not attributable

Rates and charges and work not attributed elsewhere.

Notes to the Financial Report

for the year ended 30 June 2025

2.2 Income from continuing operations

(Amounts shown in \$)

	2025	2024
2.2a Rates and charges		
General	9,517,942	8,902,241
Fire levy	301,328	297,309
Garbage charge	1,665,757	1,482,545
Total rates and charges	11,485,027	10,682,095

Recognition and measurement

Council uses capital value as the basis of valuation of all properties within the municipality. The capital value of a property is its total value of the property, including the land value but excluding any plant and machinery. The amount is assessed by the Valuer-General and is adjusted every two years. The adjusted valuation base used to calculate general rates for 2024-25 was \$2.338 billion (2023-24 \$2.124 billion). The 2024-25 general rate in the capital value dollar was \$0.001833 (2023-24 \$0.002429), this rate is varied for properties zoned industrial and commercial. Properties that are used or predominantly used for residential purposes are rated by the Averaged Area Rate.

The date of the latest general revaluation of land for rating purposes within the municipality was 1 July 2018.

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.

2.2b Statutory fees and fines

Animal control and environmental fees	48,681	62,368
Town planning, building and plumbing statutory fees	379,092	512,577
Court fines and costs recovered	-	1,498
Land information certificates	85,544	68,290
Total statutory fees and fines	513,317	644,733

Recognition and measurement

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.

2.2c User fees

Town planning fees	30,999	33,769
Waste disposal fees	500,009	299,430
Other fees and charges	326,298	173,577
Total user fees	857,306	506,776

Recognition and measurement

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

Notes to the Financial Report

for the year ended 30 June 2025

2.2 Income from continuing operations (continued)

(Amounts shown in \$)

2025

2024

2.2d Grants

Grants - recurrent

Australian Government Financial Assistance Grants - General Purpose (untied)	1,200,676	1,310,316
Australian Government Financial Assistance Grants - Roads (untied)	612,735	889,560
Australian Government Financial Assistance Grants - Bridges (untied)	26,392	46,601
Australian Government - National Disaster Relief	232,513	-
Australian Government - Australia Day	10,000	-
Australian Government - Regional Arts Fund Tasmania	2,000	-
Tasmanian Government - Event Promotion	12,880	44,782
Tasmanian Government - Future Impact Group Funding	112,650	225,500
Tasmanian Government - Isolated Communities Resilience Grants	26,168	-
Tasmanian Government - Australia Day	226	-
Other - grants	10,904	-

Total recurrent grants

2,247,144 **2,516,759**

Capital grants received specifically for new or upgraded assets

Australian Government - Roads to Recovery	586,316	612,127
Australian Government - George Town Mountain Bike Trail	-	2,424,718
Australian Government - National Disaster Relief	536,575	462,465
Australian Government - Local Roads and Community Infrastructure	166,552	315,149
Australian Government - Dalrymple Road Bridge Replacement	-	484,999
Tasmanian Government - York Cove to Mt George Trail	121,571	376,943
Tasmanian Government - Vulnerable Road Users	1,189,218	625,077
Tasmanian Government - George Town Aquatic Health and Wellbeing Centre	1,086,261	47,498
Tasmanian Government - Old Aerodrome Road Rehabilitation	300,000	220,000
Tasmanian Government - Bellingham Jetty Solar Lights	8,169	-
Tasmanian Government - Hillwood Recreational Trail	50,000	119,462
Tasmanian Government - Weymouth BreakWall	-	189,873
Tasmanian Government - kanamaluka Walking & Story Telling Trail	87,242	266,506
Tasmanian Government - Hillwood Recreational Hub	-	226,764
Tasmanian Government - Blackspot	-	250,000
Other - Anzac Parade Building - Future Impact Group	-	197,036
Other - grants	-	45,861

Total grants - capital

4,131,904 **6,864,478**

Funding source

Australian Government funded grants	3,373,759	6,545,935
Tasmanian Government funded grants	2,994,385	2,592,405
Other	10,904	242,897

Total

6,379,048 **9,381,237**

Notes to the Financial Report

for the year ended 30 June 2025

2.2 Income from continuing operations (continued)

(Amounts shown in \$)

2025

2024

Timing of revenue recognition

Grants recognised at a point in time	2,247,144	2,516,759
Grants recognised over time	4,131,904	6,864,478
Total	6,379,048	9,381,237

The Australian Government provides untied Financial Assistance Grants to Council for general purpose use and the provision of local roads and bridges. In both years the Australian Government made early payment of instalments for the following year. The early receipt of instalments resulted in Australian Government Financial Assistance Grants being above that originally budgeted in 2024-25 by \$1,353,718 (2023-24 by \$2,192,151). 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 sufficiently specific performance obligations. As a result, they are recognised as income when received.

Unspent grants

Grants 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:

Capital

Balance of unspent funds at 1 July	2,729,648	1,367,390
Add: Funds received and not recognised as revenue in the year	1,198,659	2,629,648
Less: Funds received in prior year but revenue recognised and funds spent in the year	(1,264,247)	(1,267,390)
Total unspent grants held as a contract liability	2,664,060	2,729,648

Recognition and measurement

Council recognises untied grant revenue and those without performance obligations when received. In cases where funding includes specific performance obligations or is to acquire or construct a recognisable non-financial asset, a liability is recognised for funds received in advance and recognises income as obligations are fulfilled.

The performance obligations are varied based on the agreement, but include the construction of roads and other community infrastructure.

Each performance obligation is considered to ensure that the revenue recognition reflects the transfer of control and within grant agreements there may be some performance obligations where control transfers at a point in time and others which have 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.

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 acquisitions of assets, the revenue is recognised when the asset is acquired and controlled by the Council.

Notes to the Financial Report

for the year ended 30 June 2025

2.2 Income from continuing operations (continued)

(Amounts shown in \$)

2.2e Interest

Interest on financial assets	399,039	418,047
Total interest	399,039	418,047

Recognition and measurement

Interest is recognised progressively as it is earned.

2.2f Other income

Reimbursements	33,011	57,671
Fuel rebate	10,500	10,018
Sundry	50,328	56,868
Insurance proceeds	35,353	17,066
Volunteer services	351,522	302,330
Total other income	480,714	443,953

Recognition and measurement

Volunteer services

Council recognises the inflow of resources in the form of volunteer services at a point in time where the fair value of those services can be reliably measured and Council would have purchased those services if they had not been donated.

All other income

All other income is recognised as revenue when the payment is due or the payment is received, whichever occurs first.

2.2g Investment revenue from water corporation

Dividend revenue received	163,720	163,720
Tax equivalent received	76,952	76,952
Guarantee fee received	30,528	30,528
Total investment revenue from water corporation	271,200	271,200

Recognition and measurement

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

Notes to the Financial Report

for the year ended 30 June 2025

2.2 Income from continuing operations (continued)

(Amounts shown in \$)

2025

2024

2.2h Contributions

Cash

Roads, footpaths, cycleways and drainage	25,000	26,505
Recreational, leisure and community facilities	16,419	33,480
Parks, open space and streetscapes	25,750	114,820
	67,169	174,805

Non-monetary assets

Land under roads	-	369,943
Roads	2,791,158	3,238,637
Drainage	430,191	-
Museum collection	130,000	-
	3,351,349	3,608,580

Total contributions

3,418,518 **3,783,385**

Recognition and measurement

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.

2.2i Net gain/(loss) on disposal of property, plant, technology and infrastructure

Proceeds of sale	64,721	135,359
Written down value of non-current assets disposed	(364,921)	(181,888)
Total gain/(loss)	(300,200)	(46,529)

Recognition and measurement

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

Total income from continuing operations

23,503,969 **26,084,897**

Notes to the Financial Report

for the year ended 30 June 2025

2.3 Expenses from continuing operations

(Amounts shown in \$)	2025	2024
2.3a Employee benefits		
Wages and salaries	4,426,424	4,333,230
Workers compensation	64,513	71,420
Annual leave and long service leave	361,845	508,568
Personal leave	155,750	123,029
Allowances	58,801	59,931
Superannuation	645,832	600,283
Fringe benefits tax	63,181	62,598
Payroll tax	281,651	271,699
Uniforms	27,132	23,152
	6,085,129	6,053,910
Less amounts capitalised	(191,813)	(361,904)
Total employee benefits	5,893,316	5,692,006

Recognition and measurement

Employee benefits include, where applicable, entitlements to wages and salaries, annual leave, sick leave, long service leave, superannuation and any other post-employment benefits. See also note 4.1.

2.3b Materials and services		
Building maintenance	270,760	343,593
Cleaning	8,710	10,472
Community programs and events	313,056	281,820
Grounds maintenance	497,498	494,572
Information technology	141,158	144,691
Office administration	313,757	276,021
Plant and equipment maintenance	296,234	231,699
Professional services	608,657	704,234
Roads and infrastructure maintenance	584,052	528,137
Security	96,011	64,437
Storm damage restoration	87,692	35,996
Swimming pool operation	37,848	26,529
Waste management disposal	1,161,069	1,170,994
Volunteer services	351,522	302,329
Other materials and contracts	200,381	188,826
Total materials and services	4,968,405	4,804,350

Recognition and measurement

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.

Notes to the Financial Report

for the year ended 30 June 2025

2.3 Expenses from continuing operations (continued)

(Amounts shown in \$)	2025	2024
2.3c Impairment of receivables		
Provision for impairment movement	10,812	5,780
<i>Total impairment of receivables</i>	10,812	5,780
Recognition and measurement		
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 3.2.		
2.3d Depreciation and amortisation		
Property		
Buildings	2,048,518	495,806
Plant and technology		
Plant and machinery	349,519	260,386
Furniture and fixtures	18,939	17,342
Infrastructure		
Roads	1,384,089	1,364,892
Kerb and gutter	104,408	103,001
Footpaths and cycleways	106,664	92,111
Light poles	53,274	31,705
Bridges	231,930	195,592
Drainage	205,193	192,559
Land improvements	498,813	316,971
Playground equipment	56,229	56,229
Domestic waste	8,923	8,927
Right of use assets	22,204	20,578
<i>Total depreciation and amortisation</i>	5,088,703	3,156,099

Change in accounting estimate - depreciation of existing aquatic facility

During the current financial year Council approved a project, funded by the Australian and Tasmanian Governments, to demolish and replace the existing aquatic facility assets in the next financial year. As a result, the assets remaining useful lives were revised to one year. This change in accounting estimate resulted in an increase in depreciation expense in the current year for buildings by \$1,595,538. These assets were fully depreciated at the end the current year, and no further depreciation will be recognised for in future years.

Recognition and measurement

Buildings, plant and equipment, infrastructure 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, unless the intention is to retain the asset, in which case it is amortised over the useful life of the asset. Estimates of remaining useful lives and residual values are made on a regular basis with major asset classes reassessed annually. Depreciation 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.

Notes to the Financial Report

for the year ended 30 June 2025

2.3 Expenses from continuing operations (continued)

Land, museum collection and road earthwork assets are not depreciated on the basis that they are assessed as not having a limited useful life. The non-depreciation of road earthwork assets has been reviewed at the end the current reporting period and Council has determined this remains appropriate having regard to factors such as asset usage, physical deterioration and technical and commercial obsolescence. The museum collection comprises heritage and cultural assets that are stored, managed, displayed, repaired and restored in ways that will maintain their heritage and cultural value over time. Where conservation, restoration and preservation activities demonstrate that an asset will be maintained for an indefinite period, these items are considered to have indefinite useful lives and therefore not subject to depreciation.

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
Buildings	
Heritage buildings	52 - 300 years
All other buildings	20 - 195 years
Plant and technology	
Plant and machinery	3 - 20 years
Information technology	4 - 30 years
Furniture and fixtures	2 - 10 years (2024: 5 - 30 years)
Roads	
Road pavements and seals	21 - 150 years
Road kerb and gutter	15 - 110 years
Footpaths and cycleways	30 - 90 years
Bridges	
Bridges substructure	10 - 80 years
Bridges superstructure	10 - 80 years
Other Infrastructure	
Drainage	20 - 100 years
Light poles	20 - 40 years
Land improvements	10 - 100 years
Playground equipment	10 - 20 years
Domestic waste	3 - 10 years
Right of use assets	2 - 5 years

(Amounts shown in \$)

2.3e Finance costs

Interest - Borrowings	104,450	102,261
Interest - Lease liabilities	4,145	4,572
Total finance costs	108,595	106,833

Recognition and measurement

Finance costs represent interest on lease liabilities and borrowings. Interest is expensed as it accrues and no interest has been capitalised during the current or comparative reporting period.

Notes to the Financial Report

for the year ended 30 June 2025

2.3 Expenses from continuing operations (continued)

(Amounts shown in \$)	2025	2024
2.3f Other expenses		
Advertising	31,196	59,611
Audit Fees	47,902	43,400
Bank fees and charges	21,752	20,515
Building levies	52,743	21,220
Government levies	507,381	464,944
Community grants - Other	26,103	17,324
Course seminar & conference registration	85,586	53,275
Elected members allowances and kilometre reimbursements	227,491	211,472
Electricity	241,130	254,889
Insurance	308,710	274,252
Land tax	81,059	81,898
Telephone charges	53,192	51,666
Vehicle registration	33,915	535
Plant hire costs and recovery	28,740	67,945
Software licences	142,191	206,380
Sponsorships	23,900	43,675
Subscriptions and memberships	97,094	93,366
TasWater charges	118,393	117,017
Training fund levy	92,323	58,420
Other	139,653	179,750
Total other expenses	2,360,454	2,321,554

Audit fees (Tasmanian Audit Office)

The base audit fee for the audit of the financial statements for the current year was \$46,000 (2024: \$43,400).

Recognition and measurement

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.

Total expenses from continuing operations	18,430,285	16,086,622
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Notes to the Financial Report

for the year ended 30 June 2025

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

(Amounts shown in \$)	2025	2024
Result from continuing operations	5,073,684	9,998,275
Depreciation and amortisation	5,088,703	3,156,099
Net (gain)/loss on disposal of property, plant, technology and infrastructure	300,200	46,529
Capital grants received specifically for new or upgraded assets	(4,941,774)	(7,581,225)
Contributions	(3,418,518)	(3,783,385)
Change in assets and liabilities:		
Decrease/(increase) in trade and other receivables	1,922,233	(1,435,563)
Decrease/(increase) in other assets	(1,299,715)	208,938
Increase/(decrease) in trade and other payables	(579,240)	706,053
Increase/(decrease) in contract liabilities	(90,588)	1,362,258
Increase/(decrease) in employee provisions	(20,320)	152,744
<i>Net cash provided by/(used in) operating activities</i>	2,034,665	2,830,723
Reconciliation of cash and cash equivalents		
Cash and cash equivalents (see note 3.1)	7,409,863	7,365,916
<i>Total reconciliation of cash and cash equivalents</i>	7,409,863	7,365,916

2.5 Reconciliation of liabilities arising from financing activities

(Amounts shown in \$)	2025	2024
Trust funds and deposits		
<i>Balance at the beginning of the financial year</i>	505,505	494,784
Net movements	(3,907)	10,721
<i>Balance at the end of the financial year</i>	501,598	505,505
Interest-bearing loans and borrowings		
<i>Balance at the beginning of the financial year</i>	2,349,377	2,898,556
Cash repayments	(384,726)	(549,179)
<i>Balance at the end of the financial year</i>	1,964,651	2,349,377
Lease liabilities		
<i>Balance at the beginning of the financial year</i>	98,202	117,392
New leases	17,071	-
Cash repayments	(21,350)	(19,190)
<i>Balance at the end of the financial year</i>	93,923	98,202

Notes to the Financial Report

for the year ended 30 June 2025

2.6 Management indicators

(Amounts shown in \$)	Benchmark	2025	2024	2023	2022
2.6a Underlying surplus or deficit					
Income from continuing operations		23,503,969	26,084,897	19,793,599	17,286,454
Less non-operating income					
Financial Assistance Grant in advance - prior year		2,192,151	2,503,302	1,600,898	1,123,170
Financial Assistance Grant in advance - current year		(1,353,718)	(2,192,151)	(2,503,302)	(1,600,898)
Future Impact Group projects grants in advance - prior year		-	378,426	624,575	500,000
Future Impact Group projects grants in advance - current year		-	-	(378,426)	(624,575)
Artisan Guild operating grants in advance - prior year		275,885	317,439	-	-
Artisan Guild operating grants in advance - current year		(252,393)	(275,885)	(317,439)	-
National Disaster Relief operating grants - current year		(232,513)	-	(207,590)	-
Other operating grants in advance - prior year		14,247	30,142	35,668	-
Other operating grants in advance - current year		(11,128)	(14,247)	(30,142)	(35,668)
Grants - Capital		(4,131,904)	(6,864,478)	(3,461,937)	(3,359,209)
Contributions		(3,418,518)	(3,783,385)	(138,419)	(33,750)
Disposal of assets replaced due to funding availability		21,633	-	-	-
Proceeds from insurance claims		(35,364)	(17,066)	(31,132)	(46,048)
Income related to COVID 19		-	-	-	(10,000)
Recurrent income		16,572,347	16,166,994	14,986,353	13,199,476
Expenses from continuing operations		18,430,285	16,086,622	14,773,503	13,119,254
Less non-operating expenditure					
Expenses related to National Disaster Relief		(334,220)	(76,139)	(292,693)	-
Assets written down to be replaced due to funding availability		(1,595,538)	-	-	-
Recurrent expenditure		16,500,527	16,010,483	14,480,810	13,119,254
Underlying surplus/deficit		71,820	156,511	505,543	80,222

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

The underlying surplus in the current year reflects continued strong financial management and responsible budgeting to achieve a financial surplus over the last four years.

2.6b Underlying surplus or deficit ratio

Underlying surplus or deficit		71,820	156,511	505,543	80,222
Recurrent income		16,572,347	16,166,994	14,986,353	13,199,476
Underlying surplus ratio %	0%	0.4%	1.0%	3.4%	0.6%

This ratio serves as an overall measure of financial operating effectiveness. The reasons for the result in the current year are consistent with the comments at note 2.6a.

Notes to the Financial Report

for the year ended 30 June 2025

2.6 Management indicators (continued)

(Amounts shown in \$)	Benchmark	2025	2024	2023	2022
2.6c Net financial liabilities					
Liquid assets		8,459,052	10,337,338	8,761,051	8,597,283
Total liabilities		7,464,098	8,547,158	6,833,751	7,652,474
Net financial liabilities	\$ Nil	994,954	1,790,180	1,927,300	944,809

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. This position remains strong.

2.6d Net financial liabilities ratio

Net financial liabilities		994,954	1,790,180	1,927,300	944,809
Recurrent income		16,572,347	16,166,994	14,986,353	13,199,476
Net financial liabilities ratio %	0% - (50%)	6.0%	11.1%	12.9%	7.2%

This ratio indicates the net financial obligations of Council compared to its recurrent income which remains solid. The performance is consistent with the comments in note 2.6c.

2.6e Asset consumption ratio

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

Transport Infrastructure

Fair value (Carrying amount)	103,279,874	93,256,845	83,381,004	83,330,948
Current replacement cost (Gross)	156,957,555	143,190,543	130,494,177	126,020,872
Asset consumption ratio %	65.8%	65.1%	63.9%	66.1%

Buildings

Fair value (Carrying amount)	22,361,720	23,136,604	21,513,536	20,554,404
Current replacement cost (Gross)	39,215,487	37,477,299	35,135,870	33,111,297
Asset consumption ratio %	57.0%	61.7%	61.2%	62.1%

Drainage

Fair value (Carrying amount)	12,579,143	11,391,173	10,945,321	10,680,963
Current replacement cost (Gross)	21,790,010	20,089,865	19,007,617	18,261,325
Asset consumption ratio %	57.7%	56.7%	57.6%	58.5%

This ratio indicates the level of service potential available in Council's existing asset base. The change in the Transport Infrastructure asset values reflects the revaluation of assets in the current year. Transport infrastructure and drainage have remained stable and remain in line with Council's current long term strategy.

Notes to the Financial Report

for the year ended 30 June 2025

2.6 Management indicators (continued)

(Amounts shown in \$)	Benchmark	2025	2024	2023	2022
2.6f 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.					
Transport Infrastructure					
Projected capital funding outlays ¹		18,313,000	19,237,000	12,056,000	13,829,000
Projected capital expenditure funding ²		18,840,000	20,601,000	12,056,000	13,829,000
Asset renewal funding ratio %	90-100%	97.2%	93.4%	100.0%	100.0%
Buildings					
Projected capital funding outlays ¹		2,538,000	2,907,000	1,400,000	1,435,000
Projected capital expenditure funding ²		2,538,000	2,907,000	1,400,000	1,570,000
Asset renewal funding ratio %	90-100%	100.0%	100.0%	100.0%	91.4%
Drainage					
Projected capital funding outlays ¹		1,150,000	1,647,000	605,000	680,000
Projected capital expenditure funding ²		1,220,000	1,973,000	605,000	716,000
Asset renewal funding ratio %	90-100%	94.3%	83.5%	100.0%	95.0%

¹ Current value of projected capital funding outlays for an asset identified in Council's long-term financial plan.

² 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. Council has completed asset management plans to assess future needs and guide long term financial planning.

Notes to the Financial Report

for the year ended 30 June 2025

2.6 Management indicators (continued)

(Amounts shown in \$)	Benchmark	2025	2024	2023	2022
2.6g Asset sustainability ratio					
Capex on replacement/renewal of existing assets		2,396,241	4,259,786	3,257,881	2,120,639
Annual depreciation expense ¹		5,066,499	3,135,521	3,081,077	2,937,609
Asset sustainability ratio %	100%	47.3%	135.9%	105.7%	72.2%

¹ Annual depreciation expense excludes depreciation of right of use assets.

This ratio calculates the extent to which Council is maintaining operating capacity through renewal of its existing asset base. The result in the current year is below the benchmark due largely to the timing of completion of capital expenditure work in progress, together with the upgrade of major bridge infrastructure rather than renewal of existing. The writedown against depreciation of the aquatic centre assets in the current year has impacted on the asset sustainability ratio. Without that writedown, the 2025 asset sustainability ratio would have been 69.0%.

(Amounts shown in \$)	Capital renewal expenditure	Capital new /upgrade expenditure	Total Capital Expenditure
2025			
Buildings	120,089	116,116	236,205
Roads	1,086,620	1,374,127	2,460,747
Kerb and gutter	149,684	-	149,684
Footpaths and cycleways	-	450,376	450,376
Light poles	7,978	-	7,978
Bridges	813,831	-	813,831
Drainage	-	560,870	560,870
Land improvements	46,906	1,220,800	1,267,706
Domestic waste	18,022	-	18,022
Information technology	153,111	-	153,111
Total	2,396,241	3,722,289	6,118,530
2024			
Buildings	124,996	1,678,464	1,803,460
Plant and machinery	966,074	-	966,074
Roads	1,680,034	1,397,174	3,077,208
Kerb and gutter	74,825	-	74,825
Footpaths and cycleways	295,522	748,584	1,044,106
Light poles	60,821	-	60,821
Bridges	239,924	500,968	740,892
Drainage	110,393	-	110,393
Land improvements	645,168	1,204,234	1,849,402
Domestic waste	62,029	-	62,029
Information technology	-	284,530	284,530
Total	4,259,786	5,813,954	10,073,740

2.7 Significant business activities

Council is required to report the operating, capital and competitive neutrality costs in respect of each significant business activity undertaken by the Council. Council has determined that it does not have any significant business activities.

Notes to the Financial Report

for the year ended 30 June 2025

3 Assets and operating liabilities

This section outlines the assets held by Council used to generate its financial performance and services for the community and operating liabilities incurred as a result, excluding employee provisions and interest bearing long term debts which are discussed in section 4 *People* and 5 *Debt and Risk Management* respectively.

3.1 Cash and cash equivalents

(Amounts shown in \$)	2025	2024
Cash on hand	2,800	3,300
Cash at bank	379,123	2,328,413
Money market call account	396,395	-
Term deposits (less than 3 months maturity)	6,631,545	5,034,203
Total cash and cash equivalents	7,409,863	7,365,916
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. The following amounts represent the balance of restricted funds:		
Restricted funds		
a) Trust funds and deposits (note 3.9)	501,598	505,505
b) Unspent grant funds with conditions (note 2.2d)	2,664,060	2,729,648
	3,165,658	3,235,153
Internally committed funds		
c) Leave provisions (note 4.1)	827,217	847,537
d) Reserves (note 6.1)	863,659	767,411
	1,690,876	1,614,948
Total restricted and internally committed funds	4,856,534	4,850,101
Total unrestricted cash and cash equivalents	2,553,329	2,515,815

Recognition and measurement

For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand, deposits at call, and other liquid investments.

Restricted and internally committed funds represent:

- a) Trust funds and deposits, Including refundable building, contract and other refundable amounts held in trust by Council for completion of specific purposes.
- b) Unspent grant funds with conditions until specific performance obligations required under funding arrangements are completed.
- c) Funds held to fund leave provisions.
- d) Reserves held where Council has resolved to restrict cash funds for a particular purpose. The value of the funds is recorded as a reserve until such time as the funds are required for the particular purpose, at which time the reserve is reduced.

Notes to the Financial Report

for the year ended 30 June 2025

3.2 Trade and other receivables

(Amounts shown in \$)	2025	2024
Rates debtors	465,953	683,664
Provision for expected credit loss - rate debtors	(84,124)	(73,313)
Payroll	(12,722)	(14,739)
Other debtors	108,626	156,869
Grant receivable - Australian Government - George Town Mountain Bike Trail	-	1,320,000
Grant receivable - Tasmanian Government	330,000	773,000
Net GST receivable	241,456	125,941
Total trade and other receivables	1,049,189	2,971,422

Movement in Provisions for Expected Credit Loss of Trade and Other Receivables

Balance at the beginning of the year	73,313	67,532
New Provisions recognised during the year	22,438	16,383
Amounts provided for but recovered during the year	(11,627)	(10,602)
Balance at the end of the year	84,124	73,313

Recognition and measurement

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.

Notes to the Financial Report

for the year ended 30 June 2025

3.3 Other assets

(Amounts shown in \$)	2025	2024
Prepayments	285,156	249,164
Accrued interest income	32,572	16,148
Accrued recurrent grant - Australian Government - National Disaster Relief	232,513	-
Accrued capital grant - Australian Government - National Disaster Relief	445,831	-
Accrued capital grant - Australian Government - Roads to Recovery	586,316	-
Other accrued income	131	17,492
<i>Total other assets</i>	1,582,519	282,804

3.4 Investment in water corporation

(Amounts shown in \$)	2025	2024
Balance at beginning of financial year	20,994,946	19,973,596
Fair Value adjustments on equity investment assets	409,699	1,021,350
<i>Total investment in water corporation</i>	21,404,645	20,994,946

Recognition and measurement

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 as 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 6.1) 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 TasWater's net asset value at balance date. Council held a 1.11% ownership interest in TasWater as at 30 June 2025 (2024: 1.11%) which is based on Schedule 2 of the Corporation's Constitution which reflects the Council's voting rights.

Notes to the Financial Report

for the year ended 30 June 2025

3.5 Property, plant, technology and infrastructure

(Amounts shown in \$)	Gross book value		Accumulated depreciation		Total	
	2025	2024	2025	2024	2025	2024
Property						
At fair value						
Land	8,848,250	8,768,750	-	-	8,848,250	8,768,750
Land under roads	24,103,345	24,103,345	-	-	24,103,345	24,103,345
Buildings	39,215,487	37,477,299	(16,853,767)	(14,340,695)	22,361,720	23,136,604
Total property	72,167,082	70,349,394	(16,853,767)	(14,340,695)	55,313,315	56,008,699
Plant and technology						
At fair value						
Plant and machinery	3,719,733	4,723,061	(1,537,388)	(2,309,175)	2,182,345	2,413,886
At cost						
Information technology	441,053	-	-	-	441,053	-
Furniture and fixtures	966,912	966,912	(788,485)	(769,546)	178,427	197,366
Total plant and technology	5,127,698	5,689,973	(2,325,873)	(3,078,721)	2,801,825	2,611,252
Infrastructure						
At fair value						
Roads	115,078,596	106,755,184	(37,578,207)	(35,250,499)	77,500,389	71,504,685
Kerb and gutter	12,154,292	11,211,898	(4,847,754)	(4,566,072)	7,306,538	6,645,826
Footpaths and cycleways	10,244,715	9,074,957	(3,643,370)	(3,413,079)	6,601,345	5,661,878
Light poles	2,215,414	1,986,936	(917,185)	(863,911)	1,298,229	1,123,025
Bridges	19,479,952	16,148,504	(7,608,350)	(6,704,048)	11,871,602	9,444,456
Drainage	21,790,010	20,089,865	(9,210,867)	(8,698,692)	12,579,143	11,391,173
Land improvements	24,199,543	23,979,770	(7,931,742)	(7,440,783)	16,267,801	16,538,987
Playground equipment	1,640,600	1,640,600	(581,985)	(525,756)	1,058,615	1,114,844
At cost						
Domestic waste	348,763	330,740	(207,356)	(198,432)	141,407	132,308
Total infrastructure	207,151,885	191,218,454	(72,526,816)	(67,661,272)	134,625,069	123,557,182
Work in progress						
At cost						
Buildings	120,988	47,498	-	-	120,988	47,498
Information technology	158,186	446,128	-	-	158,186	446,128
Roads	371,605	481,556	-	-	371,605	481,556
Footpaths and cycleways	65,553	266,506	-	-	65,553	266,506
Bridges	27,670	185,861	-	-	27,670	185,861
Land improvements	1,031,578	2,125	-	-	1,031,578	2,125
Total work in progress	1,775,580	1,429,674	-	-	1,775,580	1,429,674
Total property, plant, technology & infrastructure	286,222,245	268,687,495	(91,706,456)	(85,080,688)	194,515,789	183,606,807

Notes to the Financial Report

for the year ended 30 June 2025

3.5 Property, plant, technology and infrastructure (continued)

(Amounts shown in \$)	Balance at beginning of financial year	Acquisition of assets	Revaluation increase (decrease)	Depreciation and amortisation	Written down value of disposals	Contribution of assets	Transfers between asset classes	Balance at end of financial year
2025								
Property								
Land	8,768,750	79,500	-	-	-	-	-	8,848,250
Land under roads	24,103,345	-	-	-	-	-	-	24,103,345
Buildings	23,136,604	239,871	941,704	(2,048,518)	(70,656)	-	162,715	22,361,720
Total property	56,008,699	319,371	941,704	(2,048,518)	(70,656)	-	162,715	55,313,315
Plant and technology								
Plant and machinery	2,413,886	216,498	-	(349,519)	(98,520)	-	-	2,182,345
Information technology	-	-	-	-	-	-	441,053	441,053
Furniture and fixtures	197,366	-	-	(18,939)	-	-	-	178,427
Total plant and technology	2,611,252	216,498	-	(368,458)	(98,520)	-	441,053	2,801,825
Infrastructure								
Roads	71,504,685	-	2,897,107	(1,384,089)	(82,803)	1,994,791	2,570,698	77,500,389
Kerb and gutter	6,645,826	-	267,217	(104,408)	(19,738)	367,957	149,684	7,306,538
Footpaths and cycleways	5,661,878	-	224,512	(106,664)	(37,619)	207,909	651,329	6,601,345
Light poles	1,123,025	-	-	(53,274)	-	220,500	7,978	1,298,229
Bridges	9,444,456	-	1,687,054	(231,930)	-	-	972,022	11,871,602
Drainage	11,391,173	-	444,900	(205,193)	(42,799)	430,192	560,870	12,579,143
Land improvements	16,538,987	-	-	(498,813)	(10,626)	-	238,253	16,267,801
Playground equipment	1,114,844	-	-	(56,229)	-	-	-	1,058,615
Domestic waste	132,308	-	-	(8,923)	-	-	18,022	141,407
Total infrastructure	123,557,182	-	5,520,790	(2,649,523)	(193,585)	3,221,349	5,168,856	134,625,069
Work in progress								
Buildings	47,498	236,205	-	-	-	-	(162,715)	120,988
Information technology	446,128	153,111	-	-	-	-	(441,053)	158,186
Roads	481,556	2,460,747	-	-	-	-	(2,570,698)	371,605
Kerb and gutter	-	149,684	-	-	-	-	(149,684)	-
Footpaths and cycleways	266,506	450,376	-	-	-	-	(651,329)	65,553
Light poles	-	7,978	-	-	-	-	(7,978)	-
Bridges	185,861	813,831	-	-	-	-	(972,022)	27,670
Drainage	-	560,870	-	-	-	-	(560,870)	-
Land improvements	2,125	1,267,706	-	-	-	-	(238,253)	1,031,578
Domestic waste	-	18,022	-	-	-	-	(18,022)	-
Total work in progress	1,429,674	6,118,530	-	-	-	-	(5,772,624)	1,775,580
Total property, plant, technology & infrastructure	183,606,807	6,654,399	6,462,494	(5,066,499)	(362,761)	3,221,349	-	194,515,789

Notes to the Financial Report

for the year ended 30 June 2025

3.5 Property, plant, technology and infrastructure (continued)

(Amounts shown in \$)	Balance at beginning of financial year	Acquisition of assets	Revaluation increase (decrease)	Depreciation and amortisation	Written down value of disposals	Assets transferred from held for sale	Transfers between asset classes	Balance at end of financial year
2024								
Property								
Land	8,768,750	-	-	-	-	-	-	8,768,750
Land under roads	7,851,877	-	15,881,525	-	-	369,943	-	24,103,345
Buildings	21,513,536	-	351,481	(495,806)	-	-	1,767,393	23,136,604
Total property	38,134,163	-	16,233,006	(495,806)	-	369,943	1,767,393	56,008,699
Plant and technology								
Plant and machinery	1,786,696	-	-	(260,386)	(78,498)	-	966,074	2,413,886
Furniture and fixtures	214,708	-	-	(17,342)	-	-	-	197,366
Total plant and technology	2,001,404	-	-	(277,728)	(78,498)	-	966,074	2,611,252
Infrastructure								
Roads	63,923,355	-	2,933,664	(1,364,892)	-	3,238,637	2,773,921	71,504,685
Kerb and gutter	6,381,055	-	292,947	(103,001)	-	-	74,825	6,645,826
Footpaths and cycleways	4,015,235	-	184,335	(92,111)	-	-	1,554,419	5,661,878
Light poles	752,678	-	350,773	(31,705)	(9,542)	-	60,821	1,123,025
Bridges	9,061,359	-	-	(195,592)	(93,848)	-	672,537	9,444,456
Drainage	10,945,321	-	503,600	(192,559)	-	-	134,811	11,391,173
Land improvements	12,905,780	-	1,423,885	(316,971)	-	-	2,526,293	16,538,987
Playground equipment	995,358	-	175,715	(56,229)	-	-	-	1,114,844
Domestic waste	79,206	-	-	(8,927)	-	-	62,029	132,308
Total infrastructure	109,059,347	-	5,864,919	(2,361,987)	(103,390)	3,238,637	7,859,656	123,557,182
Work in progress								
Buildings	11,431	1,803,460	-	-	-	-	(1,767,393)	47,498
Plant and machinery	-	966,074	-	-	-	-	(966,074)	-
Information technology	161,598	284,530	-	-	-	-	-	446,128
Roads	178,269	3,077,208	-	-	-	-	(2,773,921)	481,556
Kerb and gutter	-	74,825	-	-	-	-	(74,825)	-
Footpaths and cycleways	776,819	1,044,106	-	-	-	-	(1,554,419)	266,506
Light poles	-	60,821	-	-	-	-	(60,821)	-
Bridges	137,693	740,892	-	-	-	-	(692,724)	185,861
Drainage	4,231	110,393	-	-	-	-	(114,624)	-
Land improvements	679,016	1,849,402	-	-	-	-	(2,526,293)	2,125
Domestic waste	-	62,029	-	-	-	-	(62,029)	-
Total work in progress	1,949,057	10,073,740	-	-	-	-	(10,593,123)	1,429,674
Total property, plant, technology & infrastructure	151,143,971	10,073,740	22,097,925	(3,135,521)	(181,888)	3,608,580	-	183,606,807

Notes to the Financial Report

for the year ended 30 June 2025

3.5 Property, plant, technology and infrastructure (continued)

Recognition and measurement

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, infrastructure, plant and technology 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. Council has adopted the following valuation bases for each asset class.

	Threshold	Valuation
	\$	Bases
Property		
Land	1	Fair value
Land under roads	1	Fair value
Buildings	10,000	Fair value
Plant and technology		
Plant and machinery	5,000	Fair value
Information technology	5,000	Cost
Furniture and fittings	5,000	Cost
Infrastructure		
Roads	10,000	Fair value
Kerb and gutter	10,000	Fair value
Footpaths and cycleways	10,000	Fair value
Light poles	10,000	Fair value
Bridges	10,000	Fair value
Drainage	10,000	Fair value
Land improvements	5,000	Fair value
Playground equipment	5,000	Fair value
Domestic waste	5,000	Cost

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

In addition, Council undertakes formal revaluations of land, buildings, plant and machinery and infrastructure assets on a regular basis to ensure valuations represent fair value. The 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.

Notes to the Financial Report

for the year ended 30 June 2025

3.5 Property, plant, technology and infrastructure (continued)

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

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

Impairment 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.

3.6 Museum collection

(Amounts shown in \$)	2025	2024
Balance at beginning of the financial year	1,798,010	1,798,010
Additions of gifted assets	130,000	-
Disposals	(2,160)	-
Revaluation increment	625,610	-
<i>Total museum collection</i>	2,551,460	1,798,010

Recognition and measurement

The fair value of the museum collection was determined by an independent valuation undertaken by Simon Storey FAVAA of Simon Storey Valuations as at 30 June 2025. Revaluations will be made with sufficient regularity to maintain the collection at fair value. As noted at note 2.3d, these assets are not depreciated as they have been assessed as having indefinite useful lives. The threshold limit for recognition of new assets contributed to the museum collection is \$5,000.

3.7 Right of use assets

(Amounts shown in \$)	2025	2024
Land	93,771	93,771
Accumulated amortisation	(32,770)	(26,668)
	61,001	67,103
Plant and machinery	54,423	162,840
Accumulated amortisation	(28,938)	(138,324)
	25,485	24,516
<i>Total right of use assets</i>	86,486	91,619

Notes to the Financial Report

for the year ended 30 June 2025

3.7 Right of use assets (continued)

(Amounts shown in \$)	Balance at beginning of financial year	Acquisition of assets	Amortisation	Lease change applied to right of use	Balance at end of financial year
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2025

Land	67,989	-	(6,101)	-	61,888
Plant and machinery	23,630	17,071	(16,103)	-	24,598
Total right of use assets	91,619	17,071	(22,204)	-	86,486

2024

Land	74,089	-	(6,100)	-	67,989
Plant and machinery	38,108	-	(14,478)	-	23,630
Total right of use assets	112,197	-	(20,578)	-	91,619

Concessionary leases

For leases that have significantly below market terms and conditions principally to enable the Council to further its objectives, commonly known as "peppercorn (concessionary) leases", Council has elected to measure a class (or classes) of right-of-use assets arising under 'concessionary leases' at initial recognition at cost, in accordance with AASB16.23–25. Cost being the initial measurement of the lease liability.

Council has 26 concessionary leases (2024: 26) with the Crown in Right of Tasmania for land within the municipality. Council uses this leased land for community facilities, public recreation and the provision of infrastructure. Council is dependent on these leases to further its objectives. The consideration paid for each of these leases is "peppercorn", with lease fees per annum typically 10 cents per annum or \$1 per annum if demanded, over a lease term of up to 99 years. The lease liability for these leases is immaterial and, in accordance with Council's accounting policy to measure right of use assets arising from concessionary leases at the initial measurement of the lease liability, the right of use assets are also immaterial and have not been recognised.

Recognition and measurement

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 5.2 for details on accounting policy for lease liabilities.

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 machinery in note 3.5. 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 amortised 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 the Group expects to exercise a purchase option, the related right-of-use asset is amortised over the useful life of the underlying asset. The amortisation starts at the commencement date of the lease.

Notes to the Financial Report

for the year ended 30 June 2025

3.8 Trade and other payables

(Amounts shown in \$)	2025	2024
Trade payables	631,205	1,369,248
Accrued expenses	186,330	120,628
Rates and charges in advance	550,743	473,346
Other	19,371	3,667
<i>Total trade and other payables</i>	1,387,649	1,966,889

Recognition and measurement

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.

3.9 Trust funds and deposits

(Amounts shown in \$)	2025	2024
MAIB Trust Fund	481	481
Proceeds from sale of properties with unpaid rates	47,684	47,684
Other refundable deposits	453,433	457,340
<i>Total trust funds and deposits</i>	501,598	505,505

Recognition and measurement

Amounts received as tender deposits and retention amounts controlled by Council are recognised as trust funds until they are returned or forfeited. Proceeds from sale of properties with unpaid rates are the balance of funds remaining after settlement of outstanding rates, other costs and liabilities prescribed under the *Local Government Act 1993*. These funds are held on trust for payment to the previous owner of the land if that person becomes known within 3 years of the sale.

3.10 Contract liabilities

(Amounts shown in \$)	2025	2024
Funds received to acquire or construct an asset controlled by Council	2,664,060	2,729,648
Contribution received in advance	25,000	50,000
<i>Total contract liabilities</i>	2,689,060	2,779,648

Recognition and measurement

Grants received but unspent to construct Council controlled assets represent funding for construction projects for community infrastructure. The funds received are under enforceable contracts which require Council to construct identified assets for the community infrastructure projects which will be under Council's control on completion. The revenue is recognised as Council constructs the assets 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

Grants to construct Council controlled assets	1,264,247	1,267,390
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for the year ended 30 June 2025

3.11 Fair value measurements

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

- Investment in water corporation as disclosed at note 3.4
- Property, plant, technology and infrastructure as disclosed at note 3.5
- Museum collection as disclosed at note 3.6

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 balance date.

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.

Notes to the Financial Report

for the year ended 30 June 2025

3.11 Fair value measurements (continued)

(Amounts shown in \$)	Level 1		Level 2		Level 3		Total
	2025	2024	2025	2024	2025	2024	2024
Fair value measurements							
Recurring							
Investment in water corporation	-	-	-	-	21,404,645	20,994,946	21,404,645
Property							
Land	-	-	8,848,250	8,768,750	-	-	8,848,250
Land under roads	-	-	24,103,345	24,103,345	-	-	24,103,345
Buildings	-	-	-	-	22,361,720	23,136,604	22,361,720
Plant and technology							
Plant and machinery	-	-	2,182,345	2,413,886	-	-	2,182,345
Infrastructure							
Roads	-	-	-	-	77,500,389	71,504,685	77,500,389
Kerb and gutter	-	-	-	-	7,306,538	6,645,826	7,306,538
Footpaths and cycleways	-	-	-	-	6,601,345	5,661,878	6,601,345
Light poles	-	-	-	-	1,298,229	1,123,025	1,298,229
Bridges	-	-	-	-	11,871,602	9,444,456	11,871,602
Drainage	-	-	-	-	12,579,143	11,391,173	12,579,143
Land improvements	-	-	-	-	16,267,801	16,538,987	16,267,801
Playground equipment	-	-	1,058,615	1,114,844	-	-	1,058,615
Museum collection	-	-	-	-	2,551,460	1,798,010	2,551,460
Total recurring	-	-	36,192,555	36,400,825	179,742,872	168,239,590	215,935,427

Transfers between levels of the hierarchy

Council's policy is to recognise transfers in and out of the fair value hierarchy levels as at the end of the reporting period. There were no transfers between levels 1 and 2 during the year, nor between levels 2 and 3.

(b) Highest and best use

AASB 13 requires the fair value of non-financial assets to be calculated based on their "highest and best use". Council considers that all assets 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 3.5 for details of valuation techniques used to derive fair values.

Notes to the Financial Report

for the year ended 30 June 2025

3.11 Fair value measurements (continued)

Land

A full revaluation of land fair values was undertaken by the Tasmanian Valuer General, effective 1 July 2018, an adjustment factor of 150% provided by the Tasmanian Valuer General as at 31 March 2024 have been applied. The next full valuation is planned for 30 June 2026. Level 2 valuation inputs were used to value land in freehold title as well as land used for special purposes, which is restricted in use under current planning provisions. Sales prices of comparable land sites in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square metre.

Land under roads

The value of land under roads is based on valuation data determined by the Tasmanian Valuer-General, effective 30 June 2024. 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 \$0.52 and \$17.17 per square metre.

Buildings

Council considers that its buildings are of a specialist nature and there is no active market for the assets. Fair value has been determined on the basis of replacement with a new asset having similar service potential. APV Valuers & Asset Management, an independent valuer, completed a valuation of the gross values, effective 30 June 2022, by reference to market data for recent projects and costing guides. In the year ended 30 June 2023 Council assessed these values in light of the movements in construction costs in Tasmania since the valuation date of 30 June 2022. In undertaking this assessment Council considered information from construction cost indexes published by external organisations. Council calculated and applied a percentage index as an average adjustment to the gross values as at 30 June 2023 of 4.6%, 30 June 2024 of 1.6% and 30 June 2025 of 4.3%.

In determining the level of accumulated depreciation the asset class 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.

Inputs to the valuation include the design and construction, average cost of construction, condition and consumption score for each component as well as the dates of acquisition and decommissioning. As these are supported by observable evidence obtained via inspection and market evidence they have been classified as level 2 inputs. The unobservable inputs such as the relationship between condition and the assessed level of remaining service potential of the depreciable amount required extensive professional judgement and impacted significantly on the final determination of fair value. As such these assets were classified as having been valued using level 3 valuation inputs.

Plant and machinery

Plant and machinery fair values were determined by a qualified independent valuer, Pickles, effective 1 July 2018. Level 2 valuation inputs were used. The most significant input into this valuation approach is the recent sales data of comparable items of plant and machinery, adjusted where appropriate for differences in age, location and condition. Council will be reviewing the valuation method used for plant and machinery in 2025/26, to move to the cost model of valuation under AASB 116 *Property, Plant & Equipment*, utilising the provisions of AASB 108.14 *Accounting Policies, Changes in Accounting Estimates and Errors*.

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.

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for the year ended 30 June 2025

3.11 Fair value measurements (continued)

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 "Brownfield" assumption meaning that the CRC was determined as the cost of reconstruction of these assets with all of the additional incumbrances such as other services and traffic control.

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 2.3d. The methods for calculating CRC are described under individual asset categories below. 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.

Roads, including kerb and gutter, footpaths and cycleways

Council categorises its road infrastructure into urban and rural roads and then further sub-categorises these into sealed and unsealed roads. Roads are managed in segments. All road segments are then componentised into formation, pavement and seal (where applicable), kerb and gutter, footpaths and cycleways. Council assumes that environmental factors such as soil type, climate and topography are consistent across each segment.

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. Construction estimates, material and services prices are based on supplier price lists and labour wage rates are deemed to be applicable to industry wide standards. Unit prices were estimated by an independent valuer, Moloney Asset Management Systems, effective April 2023. Council calculated and applied a percentage index as an average adjustment as at 30 June 2024 of 4.6% and 30 June 2025 of 4.1%.

Bridges

A full revaluation of bridges was performed by an independent valuer, TasSpan, effective 30 June 2025. 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.

Drainage

Similar to roads, drainage assets are managed in segments; pits and pipes being the major components. Consistent with roads, Council assumes that environmental factors such as soil type, climate and topography are consistent across each segment and that a segment is designed and constructed to the same standard and uses a consistent amount of labour and materials. CRC is based on the unit price for the component type. For pipes, the unit price is multiplied by the asset's length. The unit price for pipes is based on the construction material as well as the depth the pipe is laid. A full revaluation was undertaken by an independent valuer, Asset Valuer Pro - Valuers and Asset Management as at 30 June 2021. In the year ended 30 June 2022 Council assessed these values in light of the movements in construction costs in Tasmania since the valuation date of 30 June 2021. In undertaking this assessment Council considered information from construction cost indexes published by external organisations. Council calculated and applied a percentage index as an average adjustment to the gross values as at 30 June 2022 of 7.0%, 30 June 2023 of 3.9%, 30 June 2024 of 5.2% and 30 June 2025 of 3.8%. The next valuation is scheduled for 1 July 2026.

Light poles

The light pole assets were assessed by Council Officers and first recognised at fair value effective 30 June 2016. A full revaluation was undertaken by Council officers, including assessment of unit rates and condition, as at 30 June 2024.

Land Improvements

Parks and reserves assets were assessed by Council Officers and first recognised as fair value effective 30 June 2016. A full revaluation, including assessment of unit rates and condition, was undertaken by LG Valuation Services as at 30 June 2024. These parks and reserves assets have been classified as Land Improvements.

Notes to the Financial Report

for the year ended 30 June 2025

3.11 Fair value measurements (continued)

Playground equipment

Playground assets were assessed by Council Officers and first recognised as fair value effective 30 June 2016. In recent years there has been significant investment in playground equipment which was included in the value at 30 June 2022. A full revaluation, including assessment of unit rates and condition was undertaken by LG Valuation Services as at 30 June 2024.

Museum collection

The fair value of the museum collection was determined by an independent valuation undertaken by Simon Storey FAVAA of Simon Storey Valuations as at 30 June 2025. The museum collection consists of heritage and cultural assets which do not have an observable market value. The valuer has determined the fair value based on knowledge and experience of these types of assets and similar collections throughout Australia. These assets were initially valued in 2021 at the time that Council took ownership of the assets. Due to the irreplaceable nature of these assets Council will continue to hold the assets at this valuation. The next valuation is scheduled for 30 June 2027.

(d) Changes in recurring level 3 fair value measurements

The changes in level 3 property and infrastructure assets with recurring fair value measurements are detailed in note 3.5 (Property, plant, technology and infrastructure). Investment in water corporation and museum collection, which are classified as level 3 have been separately disclosed in note 3.4 and note 3.6 respectively. There were no transfers between levels 1 and 2 during the year, nor between levels 2 and 3.

(e) Valuation processes

At the end of each year Council assess whether the carrying amount of its assets varies significantly from the fair value. This is done by consideration of changes in utilisation, obsolescence, assessment of unit rates, patterns of consumption, residual life, useful life, condition and remaining useful life.

Based on this assessment assets may need to be revalued and/or depreciation rates changed.

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

(f) 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 5.4 is provided by Tascorp (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).

Notes to the Financial Report

for the year ended 30 June 2025

4 People

This section outlines the amounts provided for employee benefits during and post employment and related party transactions.

4.1 Employee provisions

(Amounts shown in \$)	2025	2024
Current		
Annual leave	339,634	359,586
Long service leave	255,230	235,035
Other - including oncost	162,375	154,004
Total current	757,239	748,625
Non-current		
Long service leave	66,478	86,842
Other - including oncost	3,500	12,070
Total non-current	69,978	98,912
Total employee provisions	827,217	847,537

Movements in employee provisions during the financial year

(Amounts shown in \$)	Annual leave		Long service leave		Other		Total
	2025	2024	2025	2024	2025	2024	2025
Balance at beginning of the year	359,586	339,364	321,877	234,822	166,074	120,607	847,537
Additional provisions	344,044	308,806	38,363	125,587	120,559	145,649	580,042
Amounts used	(363,996)	(288,584)	(38,532)	(38,532)	(120,758)	(100,182)	(523,286)
Balance at end of the year	339,634	359,586	321,708	321,877	165,875	166,074	827,217

Recognition and measurement

Short term obligations

Liabilities for wages and salaries, including non-monetary benefits, annual leave and time in lieu 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 liabilities for annual leave and time in lieu are recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables.

Other long term employee benefit obligations

The liability for long service 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.

Notes to the Financial Report
for the year ended 30 June 2025

4.2 Related party transactions

Responsible Persons

Names of persons holding the position of a Responsible Person at the Council at any time during the year are:

Councillors	Councillor Kieser (Mayor)	1 July 2024 to 30 June 2025
	Councillor Dawson (Deputy Mayor)	1 July 2024 to 30 June 2025
	Councillor Archer	1 July 2024 to 30 June 2025
	Councillor Ashley	1 July 2024 to 30 June 2025
	Councillor Barwick	1 July 2024 to 30 June 2025
	Councillor Harris	1 July 2024 to 30 June 2025
	Councillor Lowe	1 July 2024 to 30 June 2025
	Councillor Mason	1 July 2024 to 30 June 2025
	Councillor Orr	1 July 2024 to 30 June 2025
General Manager	Mr Shane Power	1 July 2024 to 30 June 2025
Directors of:		
Corporate & Community	Mrs Cheryl Hyde	1 July 2024 to 30 June 2025
Organisational Performance, Strategy and Engagement	Mr Ricky Dunn	1 July 2024 to 30 June 2025
Infrastructure & Development	Mr Andrew McCarthy	1 July 2024 to 30 June 2025

Councillor Remuneration

(Amounts shown in \$)

	Allowances	Compensation AASB 124	Kilometre reimbursements	Expenses	Total Allowances and Expenses section 72
2025					
Councillor Kieser (Mayor)	52,500	52,500	6,957	7,817	67,274
Councillor Dawson (Deputy Mayor)	29,352	29,352	254	7,853	37,459
Councillor Archer	15,000	15,000	-	1,604	16,604
Councillor Ashley	15,000	15,000	-	1,604	16,604
Councillor Barwick	15,000	15,000	1,391	1,604	17,995
Councillor Harris	15,000	15,000	-	1,604	16,604
Councillor Lowe	15,000	15,000	263	3,149	18,412
Councillor Mason	15,000	15,000	-	1,695	16,695
Councillor Orr	15,000	15,000	2,150	2,694	19,844
Total	186,852	186,852	11,015	29,624	227,491

Notes to the Financial Report

for the year ended 30 June 2025

4.2 Related party transactions (continued)

Councillor Remuneration

(Amounts shown in \$)

	Allowances	Compensation AASB 124	Kilometre reimbursements	Expenses	Total Allowances and Expenses section 72
2024					
Councillor Kieser (Mayor)	50,104	50,104	9,250	7,215	66,569
Councillor Dawson (Deputy Mayor)	28,016	28,016	611	5,824	34,451
Councillor Archer	14,316	14,316	-	1,528	15,844
Councillor Ashley	14,316	14,316	-	1,528	15,844
Councillor Barwick	14,316	14,316	1,824	1,566	17,706
Councillor Harris	14,316	14,316	532	1,921	16,769
Councillor Lowe	14,316	14,316	179	1,528	16,023
Councillor Mason	14,316	14,316	-	1,528	15,844
Councillor Orr	14,316	14,316	2,751	2,611	19,678
Total	178,332	178,332	15,147	25,249	218,728

Allowances - statutory allowances as paid in accordance with the *Local Government Act 1993*.

Kilometre reimbursements - reimbursement for kilometres travelled while on Council business at a rate per kilometre.

Expenses - reimbursements paid to Councillors for telephone, internet usage, childcare, stationery and computer consumables.

Key Management Personnel Remuneration

(Amounts shown in \$)

(Amounts shown in \$)		Short term benefits			Post employment benefits			Total
		Salary	Vehicles	Other benefits	Superannuation	Termination benefits	Other non-monetary benefits	
2025								
Remuneration band	Employees							
\$180 001 - \$200 000	1	154,400	16,575	-	22,014	-	6,592	199,581
\$200 001 - \$220 000	2	327,108	31,343	-	46,169	-	4,457	409,077
\$310 001 - \$330 000	1	257,660	24,025	-	28,515	-	12,125	322,325
		739,168	71,943	-	96,698	-	23,174	930,983
2024								
Remuneration band	Employees							
Less than \$100 001	1 (part yr)	17,021	1,119	-	2,383	16,102	-	36,625
\$120 001 - \$140 000	1 (part yr)	95,202	10,275	-	13,328	-	7,842	126,647
\$200 001 - \$220 000	2	320,678	33,249	-	44,895	-	29,809	428,631
\$300 001 - \$320 000	1	251,908	22,147	-	27,710	-	3,022	304,787
		684,809	66,790	-	88,316	16,102	40,673	896,690

Notes to the Financial Report

for the year ended 30 June 2025

4.2 Related party transactions (continued)

Key Management Personnel Remuneration

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

Vehicles - 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 or leased and fringe benefits tax).

Other 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.

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

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

Other non-monetary benefits - include annual and long service leave movements.

Remuneration Principles

Councillors

Councillor allowances are paid in accordance with those set by Regulation 42 (2) of the *Local Government General Regulations 2015*. Council has further determined by policy that in order to carry out their functions as a Councillor, reimbursements will be paid to Councillors for travelling while on Council related business on a kilometre travelled basis, child care costs, that stationery and consumables will be provided and that a communications allowance will be paid to offset the cost of telephone and internet charges.

Senior management

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 manager, including the General Manager, is reviewed annually which includes a review of their remuneration package, which takes account of their performance against key indicators and of salary packages for similar roles in the region. Whilst not automatic, contracts can be extended.

Acting arrangements

In the current year, there were no Acting arrangements for a period of greater than four weeks.

Notes to the Financial Report

for the year ended 30 June 2025

4.2 Related party transactions (continued)

Transactions with related parties

During the year Council entered into transactions with entities that are a related party of key management personnel to the value of \$780 (2024: \$nil). All transactions in the prior year were at arm's length and were in the normal course of Council operations.

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.

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.

4.3 Post employment benefits

Recognition and measurement

Defined contribution funds

Council contributes to defined contribution plans on behalf of a number of employees; however the Council has no ongoing responsibility to make good any deficiencies, if any, that may occur in those schemes. 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.

Defined benefit fund

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

For the year ended 30 June 2025 the Council contributed 0% (2024: 0%) 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.

Notes to the Financial Report

for the year ended 30 June 2025

4.3 Post employment benefits (continued)

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 3.50% p.a.
- Salary Inflation 3.00% p.a.
- Price Inflation n/a

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.

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

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

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

- In terms of Rule 15.2 of the Spirit Super Trust Deed (Trust Deed), there is a risk that employers within the Fund may incur an additional liability when an Employer ceases to participate in the Fund at a time when the assets of the Fund are less than members' vested benefits. Each member of the Fund who is an employee of the Employer who is ceasing to Participate is required to be provided with a benefit at least equal to their vested benefit. However, there is no provision in the Trust Deed requiring an employer to make contributions other than its regular contributions up to the date of cessation of contributions.

Notes to the Financial Report

for the year ended 30 June 2025

4.3 Post employment benefits (continued)

- The application of Fund assets on Spirit Super being wound-up is set out in Rule 20.2. This Rule provides that expenses and taxation liabilities should have first call on the available assets. Additional assets will initially be applied for the benefit of the then remaining members and/or their 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.
- During the reporting period the amount of contributions paid to defined benefits schemes was \$nil (2023-24, \$nil), and the amount paid to accumulation schemes was \$645,832 (2023-24, \$600,283).
- During the next reporting period the expected amount of contributions to be paid to defined benefits schemes is \$nil, and the amount to be paid to accumulation schemes is \$691,368.
- 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 \$41.80 million and members' Vested Benefits were \$32.60 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.

Employer contributions made during the financial year:

(Amounts shown in \$)	2025	2024
<i>Defined benefit fund</i>		
Employer contributions	-	-
<i>Defined contribution fund</i>		
Employer contributions	645,832	600,283

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.

Notes to the Financial Report

for the year ended 30 June 2025

5 Debt and risk management

This section sets out the interest bearing debts and lease liabilities of Council and outlines Council's exposure to financial risks and how these risks are managed.

5.1 Interest-bearing loans and borrowings

(Amounts shown in \$)	2025	2024
Current		
Borrowings - secured	225,109	384,726
Non-current		
Borrowings - secured	1,739,542	1,964,651
Total borrowings	1,964,651	2,349,377
Borrowings are secured over the rate income of Council. There have been no defaults or breaches of the loan agreement during the year.		
The maturity profile for Council's borrowings is:		
Not later than one year	225,109	384,726
Later than one year and not later than five years	791,206	878,581
Later than five years	948,336	1,086,070
Total	1,964,651	2,349,377

Recognition and measurement

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.

5.2 Lease liabilities

(Amounts shown in \$)	2025	2024
Current		
Lease liabilities	21,341	19,495
Non-current		
Lease liabilities	72,582	78,707
Total lease liabilities	93,923	98,202

Lease liabilities are secured by the related underlying assets.

Notes to the Financial Report

for the year ended 30 June 2025

5.2 Lease liabilities (continued)

(Amounts shown in \$)	2025	2024
Future minimum lease payments for Council's lease liabilities are as follows:		
Not later than one year	25,495	23,402
Later than one year and not later than two years	22,998	19,410
Later than two years and not later than three years	12,138	8,550
Later than three years and not later than four years	12,138	8,550
Later than four years and not later than five years	12,138	8,550
Later than five years and not later than six years	10,344	8,550
Later than six years	42,750	42,750
<i>Minimum lease payments</i>	138,001	119,762
Less future finance charges	(44,077)	(21,560)
<i>Present value of minimum lease payments</i>	93,924	98,202

Recognition and measurement

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 these being leases with a lease term of 12 months or less and leases of low-value assets 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.

Exposure from extension options and termination options

Council currently has no material potential future lease payments which are not included in lease liabilities which relate to the exercise of a lease option(s) that are not reasonably certain.

Concessionary leases

Refer to note 3.7 for details on the recognition and measurement of leased assets for concessionary leases. The lease liability for these leases is immaterial and has not been recognised.

5.3 Financing arrangements

(Amounts shown in \$)	2025	2024
Credit card facility	50,000	50,000
Vehicle lease facility	100,000	100,000
IT equipment leasing facility	470,000	470,000
Used facilities	(54,937)	(29,554)
<i>Unused facilities</i>	565,063	590,446

Notes to the Financial Report

for the year ended 30 June 2025

5.4 Financial Instruments

Accounting policy, terms and conditions

Recognised financial instruments	Accounting policy	Terms and Conditions
<i>Financial assets</i>		
Cash and cash equivalents	See Note 3.1	On call deposits returned a floating interest rate of 3.85% (4.35% in 2024). The interest rate at balance date was 3.85% (4.35% in 2024).
Trade and other receivables	See Note 3.2	General debtors are unsecured and arrears attract an interest rate of 0% (0% in 2024). Credit terms are based on 14 days.
Investment in Water Corporation	See Note 3.4	Council's Investment in Water Corporation returns investment revenue, variable from year to year, as disclosed at note 2.2g.
<i>Financial Liabilities</i>		
Trade and other payables	See Note 3.8	General Creditors are unsecured, not subject to interest charges and are normally settled within 30 days of invoice receipt.
Interest-bearing loans and borrowings	See Note 5.1	Borrowings are secured by way of mortgages over the general rates of the Council. Weighted average interest rate 5.03% (2024: 3.22%).

Notes to the Financial Report

for the year ended 30 June 2025

5.4 Financial Instruments (continued)

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 that we use. Non derivative interest bearing assets are predominantly short term liquid assets. Our interest rate liability risk arises primarily from long term loans and borrowings at fixed rates which exposes us to fair value interest rate risk.

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

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

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

Investment of surplus funds is made with approved financial institutions under the *Local Government Act 1993*. We 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.

Notes to the Financial Report

for the year ended 30 June 2025

5.4 Financial Instruments (continued)

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 5.2.

(Amounts shown in \$)	Weighted average interest rate	Floating interest rate	Fixed interest maturing in:			Non-interest bearing	Total
			1 year or less	Over 1 year to 5 years	More than 5 years		
2025							
Financial assets							
Cash and cash equivalents	3.85%	7,409,863	-	-	-	-	7,409,863
Trade and other receivables		-	-	-	-	1,049,189	1,049,189
Investment in water corporation		-	-	-	-	21,404,645	21,404,645
Total financial assets		7,409,863	-	-	-	22,453,834	29,863,697
Financial liabilities							
Trade and other payables		-	-	-	-	1,387,649	1,387,649
Trust funds and deposits		-	-	-	-	501,598	501,598
Interest-bearing loans and borrowings	5.03%	-	225,109	791,206	948,336	-	1,964,651
Total financial liabilities		-	225,109	791,206	948,336	1,889,247	3,853,898
Net financial assets (liabilities)		7,409,863	(225,109)	(791,206)	(948,336)	20,564,587	26,009,799
2024							
Financial assets							
Cash and cash equivalents	4.35%	7,365,916	-	-	-	-	7,365,916
Trade and other receivables		-	-	-	-	2,971,422	2,971,422
Investment in water corporation		-	-	-	-	20,994,946	20,994,946
Total financial assets		7,365,916	-	-	-	23,966,368	31,332,284
Financial liabilities							
Trade and other payables		-	-	-	-	1,966,889	1,966,889
Trust funds and deposits		-	-	-	-	505,505	505,505
Interest-bearing loans and borrowings	3.22%	-	384,726	878,581	1,086,070	-	2,349,377
Total financial liabilities		-	384,726	878,581	1,086,070	2,472,394	4,821,771
Net financial assets (liabilities)		7,365,916	(384,726)	(878,581)	(1,086,070)	21,493,974	26,510,513

Notes to the Financial Report

for the year ended 30 June 2025

5.4 Financial Instruments (continued)

(b) 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 Investment policy.

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.

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 (net of impaired amounts) was:

(Amounts shown in \$)	2025	2024
Current (not yet due)	241,009	2,240,219
Past due by up to 30 days	15,350	54,070
Past due between 31 and 180 days	708,706	603,820
Past due between 181 and 365 days	-	-
Past due by more than 1 year	84,124	73,313
Total Trade & Other Receivables	1,049,189	2,971,422

Ageing of individually impaired Trade and Other Receivables

At balance date, other debtors representing financial assets with a nominal value of \$84,124 (2024: \$73,313) were impaired. The amount of the provision raised against these debtors was \$84,124 (2024: \$73,313). The individually impaired debtors relate to general and sundry debtor and have been impaired as a result of their doubtful collection. Some of the long outstanding past due amounts have been lodged with Council's debt collectors or are on payment arrangements.

Notes to the Financial Report

for the year ended 30 June 2025

5.4 Financial Instruments (continued)

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

(Amounts shown in \$)	2025	2024
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	84,124	73,313
Total Trade & Other Receivables	84,124	73,313

(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.

The table below lists the contractual maturities for Financial Liabilities. These amounts represent the discounted cash flow payments (ie principal only). For lease liabilities refer to note 5.2.

2025 (Amounts shown in \$)	6 mths or less	6-12 months	1-2 years	2-5 years	>5 years	Contracted cash flow	Carrying amount
Trade and other payables	1,387,649	-	-	-	-	1,387,649	1,387,649
Trust funds and deposits	501,598	-	-	-	-	501,598	501,598
Interest-bearing loans and borrowings	111,161	113,948	236,448	554,758	948,336	1,964,651	1,964,651
Total financial liabilities	2,000,408	113,948	236,448	554,758	948,336	3,853,898	3,853,898
2024 (Amounts shown in \$)	6 mths or less	6-12 months	1-2 years	2-5 years	>5 years	Contracted cash flow	Carrying amount
Trade and other payables	1,966,889	-	-	-	-	1,966,889	1,966,889
Trust funds and deposits	505,505	-	-	-	-	505,505	505,505
Interest-bearing loans and borrowings	276,228	108,498	225,109	653,482	1,086,060	2,349,377	2,349,377
Total financial liabilities	2,748,622	108,498	225,109	653,482	1,086,060	4,821,771	4,821,771

Notes to the Financial Report

for the year ended 30 June 2025

5.4 Financial Instruments (continued)

(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.

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

(Amounts shown in \$)	Total carrying amount per Statement of Financial Position		Net fair value	
	2025	2024	2025	2024
<i>Financial assets:</i>				
Cash and cash equivalents	7,409,863	7,365,916	7,409,863	7,365,916
Trade and other receivables	1,049,189	2,971,422	1,049,189	2,971,422
Investment in water corporation	21,404,645	20,994,946	21,404,645	20,994,946
<i>Total financial assets</i>	29,863,697	31,332,284	29,863,697	31,332,284
<i>Financial liabilities:</i>				
Trade and other payables	1,387,649	1,966,889	1,387,649	1,966,889
Trust funds and deposits	501,598	505,505	501,598	505,505
Interest-bearing loans and borrowings	1,964,651	2,349,377	1,964,651	2,349,377
<i>Total financial liabilities</i>	3,853,898	4,821,771	3,853,898	4,821,771

Sensitivity disclosure analysis

Taking into account past performance, future expectations, economic forecasts, and management's knowledge and experience of the financial markets, the Council believes the following movements are 'reasonably possible' over the next 12 months (Base rates are sourced from Reserve Bank of Australia):

- A parallel shift of -1.0% and +1.0% in market interest rates (AUD) from year-end rates. (2024: -1.0% and +1.0%)

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.

2025

(Amounts shown in \$)	Balance	Interest rate risk			
		-1.0%		+1.0%	
		- 100 basis points Profit	Equity	+ 100 basis points Profit	Equity
<i>Financial assets:</i>					
Cash and cash equivalents	7,409,863	(74,099)	(74,099)	74,099	74,099
<i>Financial liabilities:</i>					
Interest-bearing loans and borrowings	1,964,651	19,647	19,647	(19,647)	(19,647)

2024

(Amounts shown in \$)	Balance	Interest rate risk			
		-1.0%		+1.0%	
		- 100 basis points Profit	Equity	+ 100 basis points Profit	Equity
<i>Financial assets:</i>					
Cash and cash equivalents	7,365,916	(73,659)	(73,659)	73,659	73,659
<i>Financial liabilities:</i>					
Interest-bearing loans and borrowings	2,349,377	23,494	23,494	(23,494)	(23,494)

Notes to the Financial Report

for the year ended 30 June 2025

6 Other information

This section outlines additional financial information not included in other sections but required in accordance with accounting standards. Details of Council's reserves, commitments and contingencies are included in the notes together with other current accounting policies, changes to accounting standards adopted in the financial year and new or amended accounting standards not yet adopted.

6.1 Reserves

(Amounts shown in \$)	Balance as at 30 June 2023	Revaluation increment (decrement)	Other movements	Balance as at 30 June 2024	Revaluation increment (decrement)	Other movements	Balance as at 30 June 2025
Asset revaluation reserve							
<i>Property</i>							
Land	5,502,172	-	-	5,502,172	-	-	5,502,172
Land under roads	1,905,118	15,881,525	-	17,786,643	-	-	17,786,643
Buildings	17,250,307	351,481	-	17,601,788	941,704	-	18,543,492
Total property	24,657,597	16,233,006	-	40,890,603	941,704	-	41,832,307
<i>Plant and equipment</i>							
Plant and machinery	178,728	-	-	178,728	-	-	178,728
Total plant and equipment	178,728	-	-	178,728	-	-	178,728
<i>Infrastructure</i>							
Roads	47,529,697	2,933,664	-	50,463,361	2,897,107	-	53,360,468
Kerb and gutter	7,247,433	292,947	-	7,540,380	267,217	-	7,807,597
Footpaths and cycleways	1,320,053	184,335	-	1,504,388	224,512	-	1,728,900
Light poles	604,655	350,773	-	955,428	-	-	955,428
Bridges	4,781,793	-	-	4,781,793	1,687,054	-	6,468,847
Drainage	8,012,385	503,600	-	8,515,985	444,900	-	8,960,885
Parks and reserves	-	1,423,885	-	1,423,885	-	-	1,423,885
Playground equipment	-	175,715	-	175,715	-	-	175,715
Other infrastructure	266,091	-	-	266,091	-	-	266,091
Total infrastructure	69,762,107	5,864,919	-	75,627,026	5,520,790	-	81,147,816
<i>Museum</i>							
Museum collection	-	-	-	-	625,610	-	625,610
Total museum collection	-	-	-	-	625,610	-	625,610
Total asset revaluation reserve	94,598,432	22,097,925	-	116,696,357	7,088,104	-	123,784,461
Fair value reserve							
<i>Equity investment asset</i>							
Investment in water corporation	(993,806)	-	1,021,350	27,544	-	409,699	437,243
Total fair value reserve	(993,806)	-	1,021,350	27,544	-	409,699	437,243
Other reserves							
Plant replacement reserve	417,385	-	(237,097)	180,288	-	34,499	214,787
Public open space reserve	190,081	-	148,300	338,381	-	61,749	400,130
Airport maintenance reserve	4,252	-	-	4,252	-	-	4,252
Road development reserve	108,085	-	-	108,085	-	-	108,085
Working capital reserve	123,977	-	-	123,977	-	-	123,977
Private works reserve	11,519	-	-	11,519	-	-	11,519
Footpaths reserve	909	-	-	909	-	-	909
Total other reserves	856,208	-	(88,797)	767,411	-	96,248	863,659
Total reserves	94,460,834	22,097,925	932,553	117,491,312	7,088,104	505,947	125,085,363

Notes to the Financial Report

for the year ended 30 June 2025

6.1 Reserves (continued)

Recognition and measurement

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

Council has designated 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. This equity Investment asset within the fair value reserve was previously classified as an available for sale asset.

Other reserves have been created at the discretion of Council to capture allocations for specific purposes as follows:

The plant replacement reserve is budgeted to be used to upgrade the plant fleet in line with the plant replacement program.

The public open space replacement reserve has been allocated to the Regent Square redevelopment program.

The airport maintenance reserve is to be used for specific maintenance to the airport.

The road development reserve is developer contributions to be used for future road upgrades or renewals.

The working capital reserve is to provide additional funding where required within the capital works budget.

The private works reserve is for a private works project.

The footpaths reserve is developer contributions to be used on future footpath upgrades or renewals.

Notes to the Financial Report

for the year ended 30 June 2025

6.2 Commitments

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

(Amounts shown in \$)	1 year or less	Over 1 year to 5 years	More than 5 years	Total
2025				
Capital expenditure commitments				
Roads, bridges, footpaths and drainage	77,168	-	-	77,168
Plant, machinery, furniture, fittings and equipment	2,276	-	-	2,276
Information technology	20,625	-	-	20,625
Total capital expenditure commitments	100,069	-	-	100,069
Other contractual commitments				
Insurance	325,983	-	-	325,983
Information technology technical support	104,482	-	-	104,482
Waste collections and recycling	929,596	3,718,386	2,081,444	6,729,426
Environmental health	42,240	-	-	42,240
Total other contractual commitments	1,402,301	3,718,386	2,081,444	7,202,131
Total capital expenditure and other contractual commitments	1,502,370	3,718,386	2,081,444	7,302,200
2024				
Capital expenditure commitments				
Roads, bridges, footpaths and drainage	1,535,426	-	-	1,535,426
Total capital expenditure commitments	1,535,426	-	-	1,535,426
Other contractual commitments				
Insurance	299,268	-	-	299,268
Information technology technical support	98,976	-	-	98,976
Waste collections and recycling	946,341	3,785,366	3,011,484	7,743,191
Environmental health	42,240	-	-	42,240
Total other contractual commitments	1,386,825	3,785,366	3,011,484	8,183,675
Total capital expenditure and other contractual commitments	2,922,251	3,785,366	3,011,484	9,719,101

Notes to the Financial Report

for the year ended 30 June 2025

6.3 Operating leases receivables

(Amounts shown in \$)

2025

2024

Operating lease receivables

Council has operating leases in place for the lease of Council owned buildings or part thereof. These include lease income received for parts of Memorial Hall, residential property in Anne Street utilised to accommodate trainee medical staff and the George Town Airport.

Maturity analysis of operating lease payments to be received as follows:

Not later than one year	13,938	13,692
Later than one year and not later than two years	13,958	13,692
Later than two years and not later than three years	13,358	13,692
Later than three years and not later than four years	-	13,692
<i>Total operating lease payments to be received</i>	41,254	54,768

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

Lease income on operating leases	13,692	13,292
Therein lease income relating to variable lease payments that do not depend on an index or rate	-	-

6.4 Contingent liabilities and contingent assets

Council has no material contingent liabilities or contingent assets at balance date.

Recognition and measurement

Contingent liabilities and contingent assets are not recognised in the statement of financial position, but are disclosed by way of note and, if quantifiable, are measured at nominal value. Contingent liabilities and contingent assets are presented inclusive of GST receivable or payable respectively.

6.5 Other significant accounting policies and new accounting standards

(a) 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.

Notes to the Financial Report

for the year ended 30 June 2025

6.5 Other significant accounting policies and new accounting standards (continued)

(b) 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

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.

(c) Budget

The estimated revenue and expense amounts in the statement of comprehensive income represent revised budget amounts and are not audited.

(d) 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, and determined that none would have a material effect on Council's operations or financial reporting.

(e) Pending Accounting Standards

Certain new accounting standards and interpretations have been published that are not mandatory in the current year. Council assessed the impact of these new standards. As at balance date there were no new accounting standards or interpretations issued by the AASB which are applicable for the current year or future years that are expected to impact Council.



Independent Auditor's Report

To the Councillors of George Town Council

Report on the Audit of the Financial Report

Opinion

I have audited the financial report of George Town Council (Council), which comprises the statement of financial position as at 30 June 2025 and statements of comprehensive income, changes in equity and cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, other explanatory notes and the statement of certification signed by the General Manager.

In my opinion, the accompanying financial report:

- (a) presents fairly, in all material respects, Council's financial position as at 30 June 2025 and its financial performance and its cash flows for the year then ended
- (b) is in accordance with the *Local Government Act 1993* and Australian Accounting Standards.

Basis for Opinion

I conducted the audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. I am independent of Council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

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

My audit responsibility does not extend to the budget figures included in the financial report, nor the asset renewal funding ratio disclosed in note 2.6f to the financial report and accordingly, I express no opinion on them. Furthermore, I express no opinion on the General Manager's determination that Council did not have any Significant Business Activities for

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

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

Key Audit Matters

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

Why this matter is considered to be one of the most significant matters in the audit	Audit procedures to address the matter included
Valuation of property, plant and machinery and infrastructure assets <i>Refer to note 3.5, 3.6 and 6.1</i>	
At 30 June 2025, Council’s assets included • properties, such as land, land under roads and buildings, • and infrastructure assets, such as roads, kerb and gutter, footpaths and cycleways, light poles, bridge, drainage, and playground equipment • museum collection which were valued at fair value totalling \$192.35 million. The fair values of these assets are based on market value or current replacement cost. Council undertakes formal revaluations on a regular basis to ensure valuations represent fair value. In 2024-25, Council undertook full revaluations on • bridge • and museum collection Indexation was applied to • land, • building, • roads, kerb and gutter, footpaths and cycleways, and drainage	• Ensured asset valuations were conducted by appropriately qualified and experienced persons. • Evaluated management’s oversight of the valuation process and assessment of valuation results. • Assessed the scope, expertise and independence of experts involved to assist in the valuations. • Evaluated the appropriateness of the valuation methodology applied to determine fair values, including the assumptions and key inputs in the valuation model. • Tested, on a sample basis, the mathematical accuracy of the revaluation calculations and recording of the valuations in the asset register and general ledger. • Evaluated indexation applied to assets between formal valuations. • Evaluated the adequacy of disclosures made in the financial report, including those regarding key assumptions used.

The valuations are determined by experts and are highly dependent upon a range of assumptions and estimated unit rates	
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Responsibilities of the General Manager for the Financial Report

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

In preparing the financial report, the General Manager is responsible for assessing Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Council is to be dissolved by an Act of Parliament or the Councillors intend to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

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

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

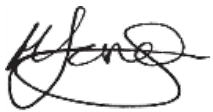
- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the General Manager.
- Conclude on the appropriateness of the General Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Council's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the

related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusion is based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause Council to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the General Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

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



Hanna Jones
Acting Director, Financial Audit Services
Delegate of the Auditor-General

29 September 2025
Hobart





GEORGE TOWN COUNCIL / ANNUAL REPORT 2024-25

ANNEX C



2024
2025

ANNUAL PLAN — PERFORMANCE REPORT — 2024/2025

Desired Outcome	Strategic Priorities	Actions	Responsible Directorate	Progress	Status
PROGRESSIVE WELL-RESOURCED COMMUNITIES					
Social infrastructure and services match growth and community needs	i) Community services and social infrastructure match the aspirations and needs of growth communities.	Commence work on Growth Scenario Planning to identify future community and infrastructure needs.	Organisational Performance & Strategy	100%	Ongoing annually.
	v) Well designed and maintained, safe spaces and places work well.	Submit precincts and partnerships application for Macquarie Street Precinct.	Infrastructure & Development	100%	Completed.
Local access to services and support	i) Local needs and service gaps are understood and filled.	Tip Shop business case.	Infrastructure & Development	100%	Ongoing subject to outcome of grant application.
		Establish Health & Wellbeing Committee.	Corporate & Community	100%	Committee appointed.
	ii) Expanded local provision and workforce capabilities particularly for services and supports in NDIS and Aged Care.	Develop mock hospital business case.	Corporate & Community	100%	Proposal completed by stakeholders.
Vibrant local communities	i) Progress and Community Associations plan and achieve their annual priorities.	Review User Agreements.	Corporate & Community	75%	Agreements reviewed, consultation with user groups continuing.
PROSPERITY FOR ALL IN ALL ASPECTS OF LIFE					
A diversified local economy	i) An economy transitioning from heavy industry to advanced manufacturing, renewable energy, visitor economy, care, area branded produce and niche products through a circular economy approach.	Continue to proactively work with proponents on existing and new development proposals.	Organisational Performance & Strategy	100%	Engagement ongoing
	ii) The Bell Bay Precinct and Port is central to the State's economy and a global enabler of the green economy and advanced manufacturing.	Identify opportunities to promote the George Town LGA as a destination option for new development, particularly Advanced Manufacturing, Transport and Logistics.	Organisational Performance & Strategy	100%	Engagement ongoing
	iii) The Bell Bay Port and Advanced Manufacturing Zone is promoted in the domestic and state economy highlighting the advantages of deep water, available land, protected water, inter-nodal rail, access to services and innovation.	Supported by NTDC lead Bell Bay Impact Study.	Office of the General Manager	100%	Ongoing

Desired Outcome	Strategic Priorities	Actions	Responsible Directorate	Progress	Status
Growth in tourism yield	i) Compelling value proposition, brand and narrative supports the growth of the visitor economy.	Develop Marketing and Tourism Plan.	Corporate & Community	75%	Draft plan developed and reviewed in preparation to present to Council and for consultation in 2025-26.
Healthy, active communities	i) Preventative health and well-being practices are central to community life.	Detailed design completed, contractor for construction engaged for Aquatic, Health & Wellbeing Centre.	Infrastructure & Development	100%	Completed.
Sustainable, connected housing and neighbourhoods	i) Housing developments meet Environmentally Sustainable Design principles.	Old Bangor Tram Road and Dalrymple Road Junction upgrade.	Infrastructure & Development	100%	Completed.
		Old Aerodrome Road Stage 2 upgrade.	Infrastructure & Development	100%	Completed.
		Baxters Road Bridge replacement.	Infrastructure & Development	100%	Completed.
	iv) Leafy, green spaces and shared pathways connect housing developments to other community spaces.	Priority Footpath and Road Network Layout Plans.	Infrastructure & Development	100%	Completed.

COMMUNITY PRIDE

All communities take pride in their place	ii) The plans, programs and achievements of groups that work to improve amenity and build pride in our communities are supported and celebrated.	Commence implementation of the Township Character Plans.	Infrastructure & Development	100%	Completed.
	iii) The design and maintenance of public spaces and places reinforce community identity and reputation.	Develop George Town Open Space Plan.	Infrastructure & Development	100%	Completed.
	iv) All communities are weed-free, litter-free, safe and appealing.	Tree planting program.	Infrastructure & Development	100%	Completed.

LEADERSHIP & GOVERNANCE

A culture of engagement, communication and participation	i) Community views are heard through skilled, trust and inclusive community engagement processes.	Undertake community satisfaction survey.	Organisational Performance & Strategy	100%	Community Survey completed. Results to be presented to Council and community in 1st Quarter 2025-26.
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Desired Outcome	Strategic Priorities	Actions	Responsible Directorate	Progress	Status
		Review Rating Strategy and Policy.	Corporate & Community	100%	Review of strategy and policy undertaken. Community feedback will be sought in 2025-26.
Positive mindsets across communities	i) Communities are open to new ideas and have the courage to try new things.	Cat Management Year 1 pilot program implementation.	Organisational Performance & Strategy	100%	Implementation completed. Program continues.
Capable leadership in communities	ii) Council is capable, nimble, well-resourced and responsive.	Revised Advocacy Plan.	Office of the General Manager	100%	Completed.
Positive and productive working relationship will all levels of government and their agencies	i) Government agencies provide current and timely data about services and community priorities.	Climate change - Statewide Committee.	Office of the General Manager	100%	Continuing participation.
Collaborative working relationships with neighbouring Councils and regional organisations	ii) George Town is active in regional development works collaboratively on beneficial regional initiatives.	Continue BBAMZ participation.	Office of the General Manager	100%	Continuing participation.
Fair and open planning and regulatory processes	i) There is community knowledge and understanding of planning and regulatory responsibilities and processes.	Undertake Environmental Health Compliance activities.	Organisational Performance & Strategy	100%	Program Completed for 2024-25.
		Commence the establishment of WHS improvement action plan.	Organisational Performance & Strategy	100%	Completed. Implementation commences 2025-26.
		Review, amend and implement policies in line with the Policy Review Workplan.	Organisational Performance & Strategy	100%	Work Plan priorities completed.
		Continue ERP implementation.	Corporate & Community	95%	Multi year project with 95% implementation as at 30/6/25, scheduled for completion in September 25.
		Compliance with audit requirements and accounting standards.	Corporate & Community	100%	Completed.

Desired Outcome	Strategic Priorities	Actions	Responsible Directorate	Progress	Status
PUBLIC HEALTH GOALS					

As part of Council's public health goals and objectives for 2020/2021 the Developmental & Environment Department will seek to:

1. Continue to provide an efficient animal control service promoting the amenity and safety of the community and animal welfare through:	i) Maintain responsive service levels through contemporary service delivery models	Organisational Performance & Strategy	100%	Completed.
	ii) Implement a Cat Management Pilot Program to improve outcomes for the community	Organisational Performance & Strategy	100%	Completed.
	iii) Build on our positive relationships with all levels of government in managing the risks to wildlife, such as penguins.	Organisational Performance & Strategy	100%	Completed.
	iv) Continue educational programs and promote responsible pet ownership.	Organisational Performance & Strategy	100%	Completed.
	v) Promote responsible Dog Ownership in line with Council's new Dog Management Policy GTC-C-03.	Organisational Performance & Strategy	100%	Completed.
2. Continue to promote, implement and monitor public health standards through:	i) Provide a continual role in the education of the public and compliance with premises/activities regarding public and environmental health.	Organisational Performance & Strategy	100%	Completed.
	ii) Act in a timely manner on reports of public and environmental health concerns.	Organisational Performance & Strategy	100%	Completed.
	iii) Undertake water sampling of public pools and primary recreational water sites to ensure the water is suitable for the intended use and complies with the Tasmanian Water Quality Guidelines.	Organisational Performance & Strategy	100%	Completed.
	iv) Undertake food sampling as part of a Statewide food sampling program.	Organisational Performance & Strategy	100%	Completed.

Desired Outcome	Strategic Priorities	Actions	Responsible Directorate	Progress	Status
		v) Ensure onsite wastewater systems are installed, operating and maintained in accordance with conditions on the Council's plumbing permit and the Certificate of Accreditation issued by CBOS for specific systems.	Organisational Performance & Strategy	100%	Completed.
		vi) Provide a school-based immunisation program for grades 7 and 10 students.	Organisational Performance & Strategy	100%	Completed.

2024
2025



GEORGE TOWN COUNCIL

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