



Oatlands Highland Gathering - April 2025

# ANNUAL REPORT 2024/25

# PREAMBLE

The Southern Midlands Council was created on the 2nd April 1993 through the merging of the Municipalities of Oatlands, Green Ponds and the Northern wards of the Municipalities of Brighton and Richmond. The municipal area has a predominantly rural based economy.

Towns and localities include Mangalore, Bagdad, Broadmarsh, Elderslie, Dysart, Kempton, Melton Mowbray, Oatlands, Tunbridge, Tunnack, Parattah, Woodsdale, Levendale, Runnymede, Colebrook, Campania, Pontville and Rekuna.

The Southern Midlands covers an area of 2,561 km<sup>2</sup>, of which 2,406 kms<sup>2</sup> is privately owned land, divided into approximately 3,900 rateable properties.

According to the 2021 ABS Census, the population was 6,675. As at June 2023, the estimated population had increased to 6,912, equating to a population density of 2.70 people per km<sup>2</sup>.

The municipal area is centrally located, with both the Midland Highway and the north-south rail route bisecting the municipality.

Council is responsible for 814 kilometres of road made up of 41km of urban sealed roads; 200km of rural sealed roads; 573km of rural unsealed roads and 152 bridges.

Council offices are located in Oatlands and Kempton.



# INDEX

|                                                 |           |
|-------------------------------------------------|-----------|
| <b>Preamble .....</b>                           | <b>2</b>  |
| <b>Introduction .....</b>                       | <b>6</b>  |
| <b>Overview .....</b>                           | <b>8</b>  |
| <b>Council .....</b>                            | <b>10</b> |
| <b>Council Committee Structure .....</b>        | <b>11</b> |
| <b>Organisation Structure .....</b>             | <b>14</b> |
| <b>Statistics 2024/25 .....</b>                 | <b>15</b> |
| <b>INFRASTRUCTURE .....</b>                     | <b>18</b> |
| Roads.....                                      | 19        |
| Bridges .....                                   | 22        |
| Walkways, Cycleways & Trails.....               | 23        |
| Lighting.....                                   | 24        |
| Buildings .....                                 | 25        |
| Sewer / Water and Energy .....                  | 26        |
| Drainage .....                                  | 27        |
| Waste.....                                      | 28        |
| Information, Communication and Technology ..... | 29        |
| <b>GROWTH .....</b>                             | <b>30</b> |
| Residential .....                               | 31        |
| Tourism.....                                    | 32        |
| <b>Business.....</b>                            | <b>33</b> |
| Industry .....                                  | 34        |
| <b>LANDSCAPES .....</b>                         | <b>35</b> |
| Heritage .....                                  | 36        |
| Natural.....                                    | 38        |
| Cultural.....                                   | 42        |
| Regulatory .....                                | 45        |
| Regulatory – Plumbing & Building .....          | 49        |
| Regulatory – Public Health .....                | 51        |
| Regulatory – Animal Control & Compliance .....  | 54        |
| Environmental Sustainability.....               | 55        |

|                                                                      |           |
|----------------------------------------------------------------------|-----------|
| <b>COMMUNITY.....</b>                                                | <b>57</b> |
| Community Health & Wellbeing.....                                    | 58        |
| Recreation .....                                                     | 59        |
| Access .....                                                         | 63        |
| Volunteers.....                                                      | 64        |
| Families .....                                                       | 66        |
| Education .....                                                      | 69        |
| Capacity, Sustainability and Resilience.....                         | 70        |
| Safety.....                                                          | 72        |
| Consultation & Communication .....                                   | 73        |
| <b>ORGANISATION.....</b>                                             | <b>74</b> |
| Improvement .....                                                    | 75        |
| Sustainability.....                                                  | 77        |
| Finances.....                                                        | 79        |
| Allowances and Expenses Statement.....                               | 82        |
| Code of Conduct Complaints Statement .....                           | 82        |
| Attendance at Council and Council Committee Meetings Statement ..... | 83        |
| Donation of Land Statement .....                                     | 84        |
| Remuneration Statement .....                                         | 84        |
| Advertising of Annual Report .....                                   | 84        |
| Public Health Statement .....                                        | 85        |
| Contracts .....                                                      | 85        |
| Enterprise Power Statement .....                                     | 86        |
| Grants & Donations.....                                              | 88        |
| Elected Member Learning and Development Activities .....             | 90        |
| <b>2024/2025 FINANCIAL STATEMENTS .....</b>                          | <b>92</b> |

## Our Vision

A community spirit based on friendliness, cooperation and self-help;  
An environment which encourages diversity, inclusion, local creativity, manufacturing, enterprise and self-help;  
Resilient and sustainable Communities across the Southern Midlands;  
A diversified local economy creating employment opportunities through sustainable agriculture/horticulture, commercial, industrial activity, heritage tourism and viable historic villages/service centres;  
Development based on the sustainable use of local resources and the physical environment;  
An enduring commitment to child and youth safety; and  
A range and standard of services within the Southern Midlands that are affordable and efficient.

## Our Mission

*Work for the benefit of the community;*  
*Be progressive and provide leadership;*  
*Operate as a team of Councillors and Employees focused upon performance; and*  
*Be financially responsible.*

## Our Guiding Principles

Consult as well as listen to our customers & team members by maintaining open communication and keep the community informed;  
Treat people with respect and courtesy;  
Provide advice to the best of our professional ability;  
Be sensitive to the needs of residents and visitors;  
Respond promptly to customers concerns and requests;  
Be fair, equitable and consistent in decisions and conduct;  
Facilitate participation as well as be responsive to the input of children and young people;  
Fully utilise the expertise and resources available to Council within the organisation and the Community;  
Develop the full potential of Councillors and all employees; and  
Operate in accordance with the "Codes of Conduct" adopted by Council.

# INTRODUCTION



## *The Year in Review*

This past year has been one of growth, collaboration, and renewed community spirit across the Southern Midlands. Our towns continue to evolve while holding on to the values that make this region such a special place to live — a strong sense of connection, care for our heritage, and a shared vision for the future.

The completion of the Southern Midlands Community Infrastructure Plan marked an important milestone in planning for our region's long-term needs. Through this process, we've listened carefully to our communities and identified the development of recreational facilities within our townships as a key priority for future funding. These spaces bring people together — they support healthy, active lifestyles and provide opportunities for all ages to connect, participate, and enjoy the outdoors.

This focus is already guiding our work, with major recreational projects planned and underway in 2024–25 and beyond. Whether it's improving local sporting grounds, enhancing play spaces, or investing in shared community hubs, we are committed to creating facilities that reflect the pride and energy of our residents.

Of particular note, is the Flour Mill Park Redevelopment Project at Campania. This plan, being prepared by Inspiring Place (Recreation/Landscape Architects), has involved extensive community engagement and will be finalised in the latter part of the 2025 calendar year.

In terms of planning for future growth and development, the Bagdad-Mangalore Structure Plan will also be completed in the near future. Again, this process has provided for extensive community input, with members of the community being directly involved in the Steering Committee that provides guidance and advice to the consulting team. This new Plan will replace the 2010 Bagdad-Mangalore Structure Plan. The key areas of focus are housing needs; roads and paths; open space; community infrastructure; liveability and sustainability; agricultural land and economic opportunities.

The Structure Plan will include recommendations for physical improvements, planning scheme amendments, actions to achieve community goals over time, and other strategies desired by the community.

Having commented about these specific projects, I'm continually inspired by the dedication of our community groups, volunteers, and Council staff, who work side by side to make these projects possible. Their efforts remind us that progress is not only measured by infrastructure, but by the strength of the community that surrounds it.

As we look ahead, Council remains focused on supporting local growth, maintaining our essential services, and preserving the character and charm that define the Southern Midlands. Together, we're building a region that balances opportunity with tradition — a place where people feel connected, supported, and proud to call home.

A handwritten signature in black ink, appearing to read 'Edwin Batt', with a long, sweeping horizontal stroke extending to the right.

Cllr Edwin Batt  
**MAYOR**

# OVERVIEW

## Update from the General Manager

This Annual Report is one of four major documents produced by Council each year to ensure transparency and public accountability. They are:

- Strategic Plan;
- Annual Operational Plan;
- Annual Budget; and
- Annual Report & Financial Statement.

All of these documents are available to the public.

Under the *Local Government Act 1993*, Council is required to provide a summary of its Operational Plan, including performance in relation to the targets set for the year. The following sections of this Annual Report outline the key achievements of the Southern Midlands Council during the 2024-25 reporting period. The report is structured around the five strategic themes of Council's Strategic Plan – Infrastructure, Growth, Landscapes, Community and Organisation.

This Annual Report offers an informative overview of Councils' operations during 2024-25, highlighting achievements in meeting the objectives and activities identified in the Strategic Plan. It reflects the breadth of work undertaken across our communities, showcasing the many positive outcomes that result from the dedication and cooperation of our elected members, staff, and community partners.

### Financial Performance

The audited Financial Statements, prepared in accordance with Australian Accounting Standards, are appended to this report.

For the year ended 30 June 2025, Council has reported an underlying surplus of \$89K, compared with a \$275K surplus for the previous year. This is a favourable result when compared with the forecast deficit in Council's Long-term Financial Plan.

The Underlying Surplus is lower than the 'Result from continuing operations' surplus of \$4.929 million. The 'Underlying Surplus/Deficit' is an adjusted figure that is the recurrent income (excluding income received specifically for new or upgraded assets, physical resources received free of charge, or other income of a capital nature) of Council for a financial year less



the recurrent expenses for that financial year. The Underlying Surplus/Deficit figure allows a more accurate comparison of continued operations between years as it is adjusted to exclude anomalies.

In calculating the underlying surplus, capital grants totaling \$5.669 million were excluded. Council also received an advanced payment of \$4.542 million for the 2024-25 Financial Assistance Grant, with adjustments made for advance payments relating to future periods.

Council received an unqualified Audit Opinion from the Tasmanian Audit Office on 31 October 2025, confirming that the financial statements present fairly the financial position and performance of Council.

A review of the information presented within this Annual Report demonstrates the broad scope of Council's activities and the significant outcomes achieved throughout the year. It is always inspiring to see what can be accomplished by a small but dedicated team of elected members and employees working towards shared goals.

Whilst many noteworthy projects could be highlighted individually, they are detailed throughout this Report under their respective strategic themes.

In closing, I would like to extend my sincere appreciation to the Mayor and Councillors for their guidance and support throughout the year, and to all Council employees for their professionalism, commitment and outstanding efforts in serving the Southern Midlands community.

A handwritten signature in dark ink, appearing to read 'Tim Kirkwood', with a long, sweeping flourish extending from the end.

Tim Kirkwood  
**GENERAL MANAGER**

# COUNCIL

July 2024 – June 2025



**Mayor**  
Edwin Batt



**Deputy Mayor**  
Karen Dudgeon



**Councillor**  
Anthony (Tony) Bisdee OAM



**Councillor**  
Don Fish



**Councillor**  
Donna Blackwell



**Councillor**  
Fraser Miller



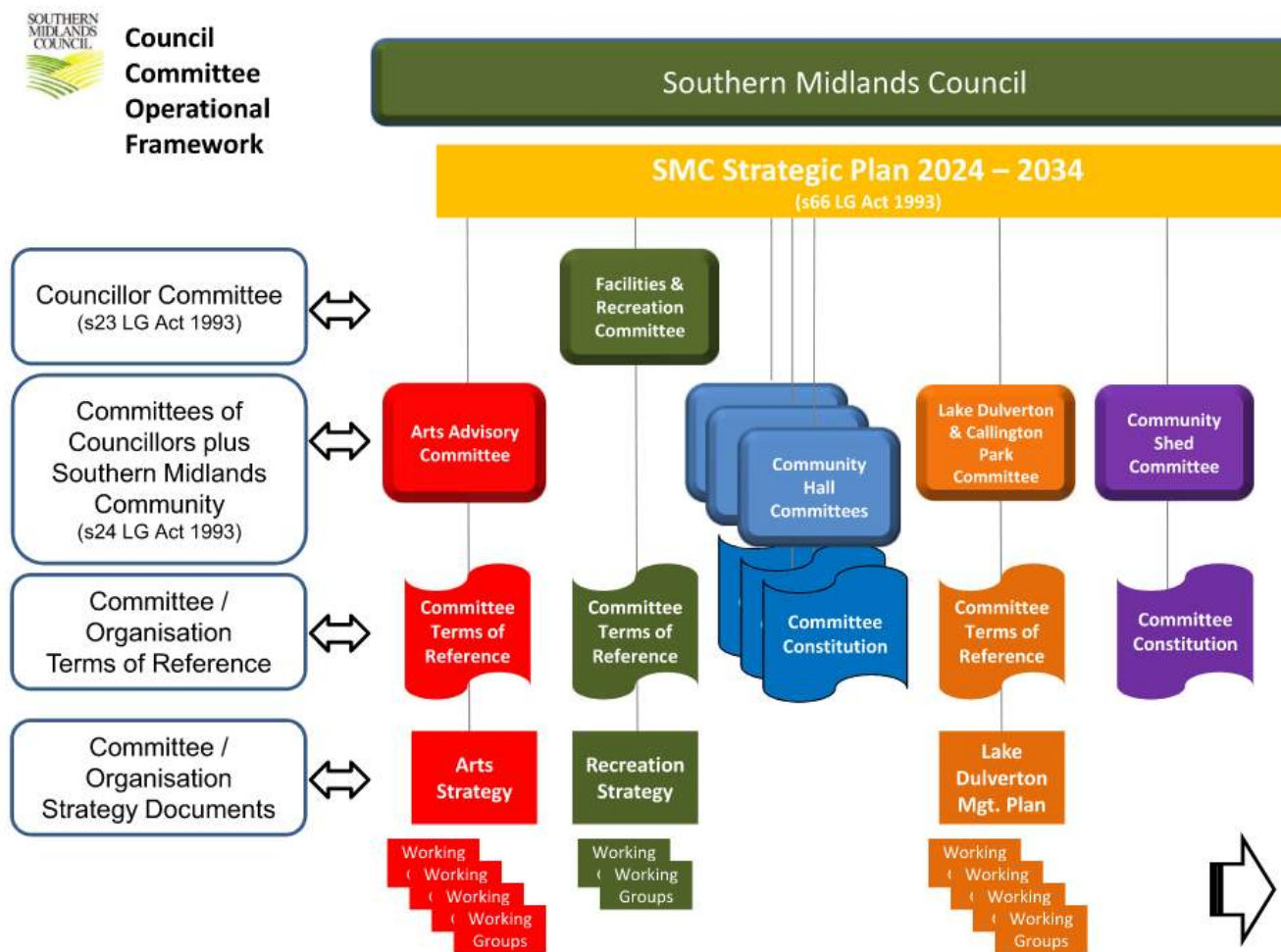
**Councillor**  
Bob Campbell

# COUNCIL COMMITTEE STRUCTURE

| COUNCILLOR                                  | COUNCIL & COMMITTEE MEMBERSHIP                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|---------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Mayor</b><br><b>Edwin Batt</b>           | <ul style="list-style-type: none"> <li>♦ Australia Day Awards Committee (Chair)</li> <li>♦ Enterprise Bargaining/Award Consultative Committee (Chair)</li> <li>♦ Campania Recreation Ground Management Committee (Chair)</li> <li>♦ Southern Tasmanian Councils Authority</li> <li>♦ Local Government Association General Meetings</li> <li>♦ TasWater Corporation – Owners Representatives &amp; Board Committee (Proxy)</li> <li>♦ Arts Advisory Committee (Chair)</li> <li>♦ Heritage and Bullock Festival Committee</li> <li>♦ Heritage Hub Management Committee (Chair)</li> <li>♦ Melton Mowbray Park Advisory Group (Chair)</li> <li>♦ Southern Midlands Facilities &amp; Recreation Management Committee</li> <li>♦ Southern Midlands Emergency Management Planning Committee (Chair)</li> <li>♦ Tunnack Recreation Ground Management Committee (Proxy)</li> <li>♦ Southern Midlands Memorial Trees Committee (Chair)</li> </ul> |
| <b>Deputy Mayor</b><br><b>Karen Dudgeon</b> | <ul style="list-style-type: none"> <li>♦ Woodsdale Hall Management Committee</li> <li>♦ Southern Midlands Facilities &amp; Recreation Committee</li> <li>♦ Lake Dulverton &amp; Callington Park Management Committee (Proxy)</li> <li>♦ Oatlands Community Shed Committee (Proxy)</li> <li>♦ MMPHC Community Advisory Committee (Proxy)</li> <li>♦ Australia Day Awards Committee (Proxy)</li> <li>♦ Enterprise Bargaining/Award Consultative Committee (Proxy)</li> <li>♦ Southern Tasmanian Councils Authority (Proxy)</li> <li>♦ Local Government Association General Meetings (Proxy)</li> <li>♦ Heritage Highway Tourism Region Association</li> <li>♦ Parattah Progress Association (Proxy)</li> <li>♦ Mt Pleasant Recreation Ground Management Committee</li> </ul>                                                                                                                                                               |

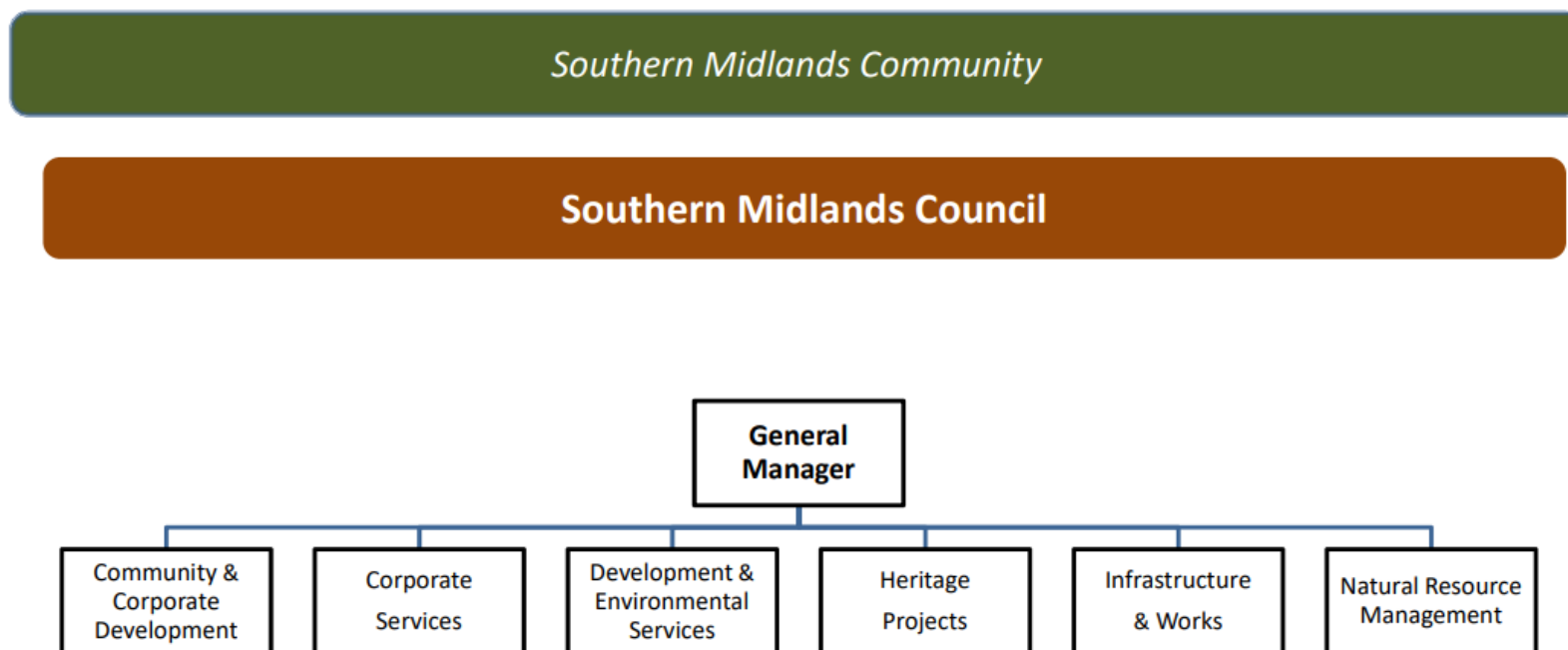
| COUNCILLOR                            | COUNCIL & COMMITTEE MEMBERSHIP                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|---------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Councillor<br/>Tony Bisdee OAM</b> | <ul style="list-style-type: none"> <li>◆ MMPHC Community Advisory Committee</li> <li>◆ TasWater Corporation – Owners Representatives &amp; Board Committee</li> <li>◆ Southern Midlands Audit Panel</li> <li>◆ Mangalore Recreation Ground Management Committee (Proxy)</li> <li>◆ Southern Midlands Memorial Trees Committee (Proxy)</li> <li>◆ Melton Mowbray Park Advisory Group</li> <li>◆ Campania Recreation Ground Management Committee (Proxy)</li> </ul>                                                                                                                                                                                                                                                                 |
| <b>Councillor<br/>Donald Fish</b>     | <ul style="list-style-type: none"> <li>◆ Southern Midlands Facilities &amp; Recreation Management Committee (Chair)</li> <li>◆ Lake Dulverton / Callington Park Management Committee (Chair)</li> <li>◆ Parattah Progress Association (Council Representative)</li> <li>◆ Oatlands Community Shed Committee(Chair)</li> <li>◆ Southern Midlands Emergency Management Planning Committee (Proxy)</li> <li>◆ Colebrook Hall Management Committee (Proxy)</li> <li>◆ Oatlands Community Hall Management Committee</li> <li>◆ Parattah Railway Restoration Management Committee (Proxy)</li> <li>◆ Mt Pleasant Recreation Ground Management Committee (Proxy)</li> <li>◆ Heritage &amp; Bullock Festival Committee (Proxy)</li> </ul> |
| <b>Councillor<br/>Fraser Miller</b>   | <ul style="list-style-type: none"> <li>◆ Campania Halls Management Committee</li> <li>◆ Southern Midlands Audit Panel</li> <li>◆ Colebrook Memorial Hall Management Committee (Chair)</li> <li>◆ Woodsdale Hall Management Committee (Proxy)</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>Councillor<br/>Donna Blackwell</b> | <ul style="list-style-type: none"> <li>◆ Mangalore Recreation Ground Management Committee (Chair)</li> <li>◆ Southern Midlands Audit Panel (Proxy)</li> <li>◆ Campania Halls Management Committee (Proxy)</li> <li>◆ Chauncy Vale Management Committee (Chair)</li> <li>◆ Southern Midlands Facilities &amp; Recreation Committee (Proxy)</li> <li>◆ Arts Advisory Committee (Proxy)</li> <li>◆ Heritage Highway Tourism Region Association (Proxy)</li> </ul>                                                                                                                                                                                                                                                                    |

| COUNCILLOR                               | COUNCIL & COMMITTEE MEMBERSHIP                                                                                                                                                                                                                                                                                                                         |
|------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Councillor</b><br><b>Bob Campbell</b> | <ul style="list-style-type: none"> <li>♦ Chauncy Vale Management Committee (Proxy)</li> <li>♦ Oatlands Community Hall Management Committee (Proxy)</li> <li>♦ Parattah Progress Association (Council Representative)</li> <li>♦ Tunnack Recreation Ground Management Committee</li> <li>♦ Parattah Railway Restoration Management Committee</li> </ul> |



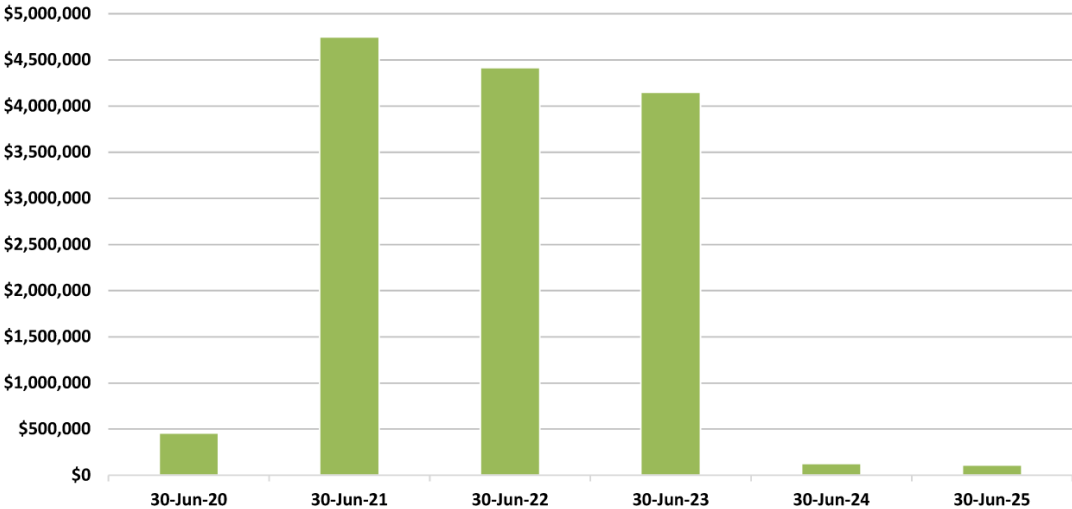
# ORGANISATION STRUCTURE

## Organisation Structure by Function

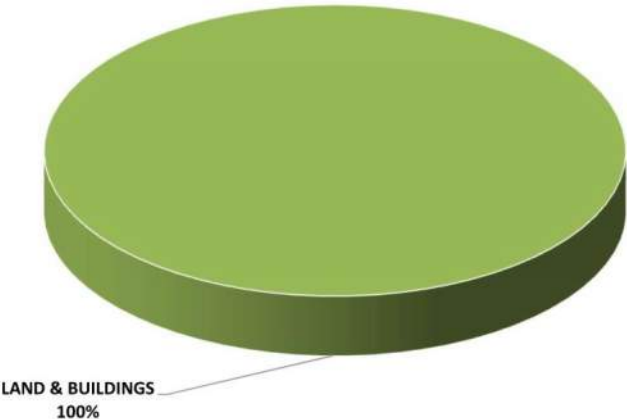


# STATISTICS 2024/25

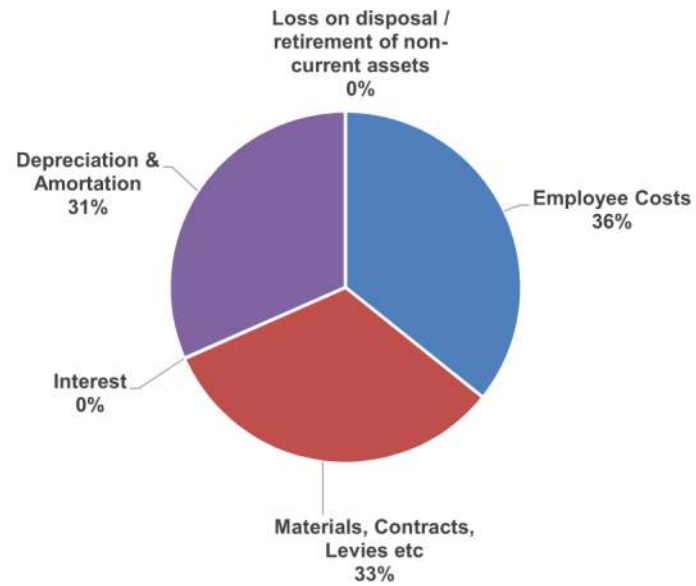
TOTAL LOAN DEBT - TREND



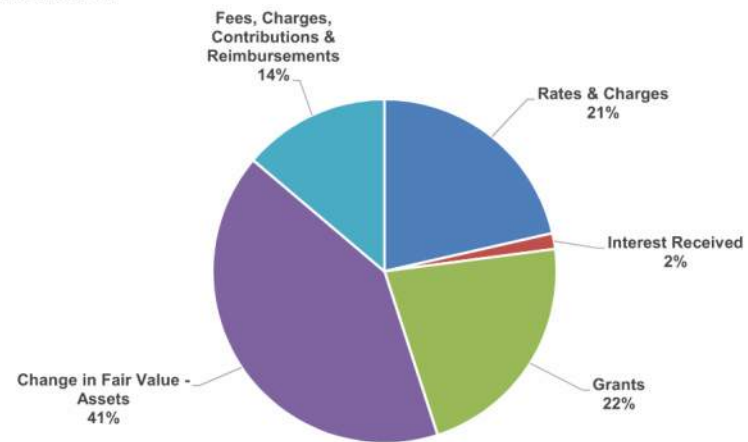
LOAN DEBT by Type  
as at 30th June 2025  
Total Debt \$109,510



## ANALYSIS OF EXPENSES



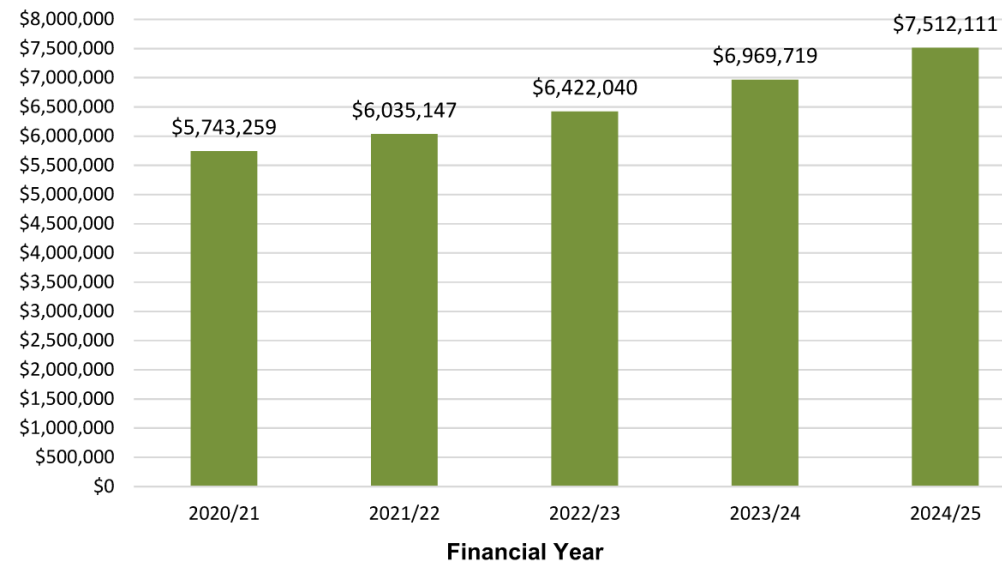
## ANALYSIS OF REVENUE



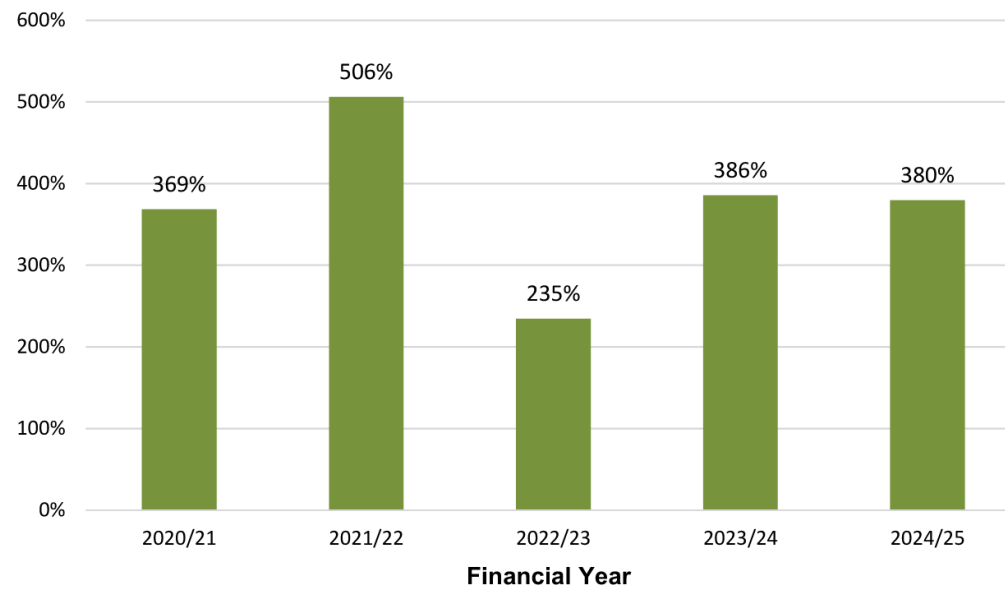
*Note - Change in Fair Value of Assets - includes increased equity in Taswater (\$247K), and increased value following revaluation of Roads (\$9.62M), Bridges (\$4.03M) and Stormwater (\$518M)*



### TOTAL RATES LEVIED - TREND



### LIQUIDITY RATIO



# INFRASTRUCTURE

*The need to maintain, improve and maximise the community benefit from infrastructure provided by Council*



# Roads

## MAINTENANCE AND IMPROVEMENT OF THE STANDARD AND SAFETY OF ROADS IN THE MUNICIPAL AREA

### 2024-25 Achievements

The total road length for the municipal area is 814 kilometers which are classified as follows:

- 41 kilometres – Urban Sealed
- 200 kilometres – Rural Sealed
- 573 kilometres – Rural Unsealed

Road projects, totaling \$8.3 million were completed in the 2024-25 financial year. These included:

- \$547k on re-sheeting unsealed roads;
- \$164k on edge break on sealed roads;
- \$367k on Reseals;
- \$840k on reconstruction and resealing roads – Station Street Colebrook, Church Lane, Pelham Road, Eldon Road, York Plains Road and Woodsdale Road;
- \$6m new seal – Interlaken Road;
- \$227k on other road improvements, including intersections, realignment, kerb and gutter, carparks and installation of safety railing.

This level of capital expenditure is partly due to the ongoing funding received through the 'Roads to Recovery' Program by the Australian Government. The objective of Roads to Recovery is to contribute to the Infrastructure Investment Program through supporting maintenance of the nation's local road infrastructure asset, which facilitates greater access for Australians and improved safety, economic and social outcomes. The Roads to Recovery program does not contain a sunset clause under the new *National Land Transport Act 2014* meaning no new legislation will be required for the continuation of the program.

From 2024-25 to 2028-29, the Southern Midlands Council will receive a total of \$5,856,693 Roads to Recovery Funding, of which \$865,193 was received in 2024-25. The nominal funding allocation is to increase gradually each year reaching \$1,331,067 in 2028-29.

In 2020-21, the Federal Government announced the Local Roads and Community Infrastructure Program (LRCI) in response to COVID -19, as a source of economic stimulus. The Program was implemented in four stages. The Southern Midlands Council were allocated \$665,531 for Phase 1 (completed 30 June 2022), \$609,032 for Phase 2 (completed 30 June 2023), \$1,331,062 for Phase 3 (completed 30 June 2024) and \$1,049,424 for Phase 4 (completed 30 June 2025). In addition to roads, projects

nominated under the LRCI Program could be for other types of community infrastructure. This Program has now ended, with additional funding now available for roads under the Roads to Recovery Program.

### **Road Infrastructure Condition Assessment and Valuation 2025**

Council received the latest road condition and valuation assessment report from Moloney Asset Management Company.

*The report provides a summary of the major findings coming out of the condition survey which is undertaken every 3 years.*

### **Major Findings**

1. *The road assets within Southern Midlands Council were generally found to be in "Very Good to Excellent" overall condition when benchmarked against all 72 councils assessed by Moloney.*
2. *Your performance since our last survey in 2022 has delivered a solid condition improvement across all asset classes.*

The written down value of Council's roads as at 30 June 2025 was \$76,529 million (total replacement value of \$140,340 million).

This important data is used to formulate and prioritise our road maintenance program ensuring that our road assets maintain their condition and value.

### **Road Traffic Counter**

The Road Traffic Counter was placed on a number of roads during the reporting period. Use of the counter is aimed at gaining a better understanding of the road network; the level of use (i.e. traffic numbers), and the type of vehicles travelling individual roads. This information is valuable in the budgeting process, where there is always a need to prioritise capital expenditure projects.

### **Road Reconstruction (including reseal works) Tenders**

Awarded to Stabilised Pavements of Australia (SPA) for an amount of \$483,120 (Exc. GST).

Major works included in this contract were Pelham Road, Woodsdale Road and York Plains Road.

### **Road Reseal Tenders**

Awarded to Fulton Hogan for an amount of \$266,524 (Exc. GST).

Resealing works included in this contract were Green Valley Road in Bagdad, Estate Road in Campania, Station Street in Colebrook, Sugarloaf Road and the Council Chambers Car Park in Kempton, High Streets and Barrack Street in Oatlands, Aldridge Road in Orielton and Brighton Road in Pontville.



---

## Specific Purpose Grants

Council were successful with a grant application to secure funding of \$5.346 million under the Australian Government's 'Remote Roads Upgrade Pilot Program'. This funding contributed towards the reconstruction and sealing of 12km of Interlaken Road. Following a tender and negotiation process, Andrew Walters Construction were engaged at a contract value of \$4,949,977.80.

The construction phase of this project commenced in January 2024 and was completed in February 2025.

The sealing of a large section of Interlaken Road has resulted in safety benefits for many road users, including residents and visitors to the Southern Midlands.



**Interlaken Road Post Construction**



# Bridges

## MAINTENANCE AND IMPROVEMENT OF THE STANDARD AND SAFETY OF BRIDGES IN THE MUNICIPAL AREA

### 2024-25 Achievements

There are 172 bridges and major culverts within the municipal area, with a total deck area of 8,295m<sup>2</sup>. \$99,869 (excluding depreciation) was expended on the maintenance of bridges within the municipal area.

The written down value of Council's bridges as at 30 June 2025 was \$26.309 million (total replacement value of \$42.432m).

Council continues to engage AusSpan (Total Bridge Management) to undertake a full condition assessment of all bridges on a quarterly basis. This is a valuable contracted service that ensures Council is up to date with maintenance on all of their bridge assets. AusSpan also provides an independent asset valuation of all bridges for inclusion in the financial statements.



Before



After

*Shareway Footbridge Replacement at the Midland Highway, Bagdad*

# Walkways, Cycleways & Trails

MAINTENANCE AND IMPROVEMENT OF THE STANDARD AND SAFETY OF WALKWAYS, CYCLEWAYS AND PEDESTRIAN AREAS TO PROVIDE CONSISTENT ACCESSIBILITY

## 2024-25 Achievements

\$230,756 was expended on maintenance and minor improvements on footpaths and walkways throughout the municipal area. Walkway renewal / replacements projects totalling \$1.223m were capitalised at the end of the 2024-25 financial year.

### Specific Purpose Grants

Under the Vulnerable Road Users Program, Council secured \$130,000 towards footpath improvements in Campania, with a section adjacent to Flour Mill Park, a section from the Recreation Ground to Villeneuve Street, and a section crossing the railway line in Climie Street.

\$39,246 was secured under the State Government All Weather Bus Stop Upgrade Program towards a bus stop shelter in Campania and a new bus stop in Oatlands.

Construction also commenced on the footpath linking Burnett Street in Kempton to Mood Food. This project is jointly funded by Council and through funding provided by the State Government.

An Election Commitment of \$150,000 towards the continuation of the Bagdad Midland Highway Shareway from the School to the Community Club, where Council has also committed \$90,000 to the project which will be constructed in 2025-26.

The Southern Midlands Community Infrastructure Plan (March 2024) provides a strong emphasis on shared pathways and walkways to improve linkages between key nodes across the municipality. The Plan provides a strategic outlook to 2042 and includes a range of recommendations to guide future infrastructure.



The 2.5 metre-wide Bagdad Footpath and Shareway along the Midland Highway, extending from Hall Lane to Iden Road, has been a major project undertaken by Council with the support of the State Government. The new shareway provides all-weather, all abilities access and represents a significant improvement on the former narrow gravel path and its two small footbridges. The presence of extensive underground and overhead services created challenges for the alignment and renewal of both the shareway and the footbridges. The power poles currently located within the pathway will be relocated outside of the shareway when they are renewed by TasNetworks.



## Lighting

---

ENSURE ADEQUATE LIGHTING BASED ON DEMONSTRATED NEED AND CONTESTABILITY OF ENERGY SUPPLY

### 2024-25 Achievements

An amount of \$60,965 was paid to Aurora Energy in 2024-25 for street lighting.

Council continues to receive the benefits associated with entering into a combined contract between Councils and Aurora Energy, facilitated and coordinated by the Local Government Association of Tasmania.



# Buildings

---

## MAINTENANCE AND IMPROVEMENT OF THE STANDARD AND SAFETY OF PUBLIC BUILDINGS IN THE MUNICIPAL AREA

### 2024-25 Achievements

After finalising the Southern Midlands Community Infrastructure Plan, Council identified the development of new and improved recreational facilities in our townships has been identified as a key funding priority. This focus is already shaping our work on major recreation projects in 2024-25 and in the years ahead.

#### **Bagdad Community Club**

Following an extended period of community consultation, ownership of the Bagdad Community Club was transferred to Council in June 2025. The Bagdad Community were also actively involved in our new Bagdad Community Club Precinct Plan. Council are now ready to move forward with extensive upgrades to the Club precinct as funding become available.

#### **Campania Recreation Ground**

A major upgrade program has commenced at the Campania Recreation Ground. Total funding of \$1.374 million has been allocated to projects including upgraded change rooms, all abilities car parking, landscaping and tiered seating and an electronic scoreboard. As well as Council funding, the projects include grant funding from State Government election commitments, the Local Government Association of Tasmania Open Space Program and the Federal Government Local Road and Community Infrastructure Program. The scoreboard was installed in 2024-25 and planning completed for the other projects, with the expectation that works will be completed by March 2026.

#### **Kempton Recreation Ground**

Council completed an \$80,000 irrigation installation project at the Kempton Recreation Ground in 24-25, funded through the Australian Government Local Roads and Community Infrastructure Program. A further \$80,000 was secured as a State Government election commitment through the Active Tasmania Program, for a cricket net and basketball / pickle ball court, to be completed in 2025-26.

#### **Oatlands GP Accommodation Units**

Two GP accommodation units were completed in Church Street Oatlands to enable visiting GPs and other medical professionals to stay overnight rather than having to travel. The Midlands Multi-Purpose Health Centre (MMPHC) Community Advisory Committee initiated this project and also provided funding towards the project, along with funding from the MMPHC Auxiliary, the State Government and Council.

# Sewer / Water and Energy

INCREASE THE CAPACITY TO ACCESS TO RETICULATED SEWERAGE SERVICES

INCREASE THE CAPACITY AND ABILITY TO ACCESS WATER TO SATISFY DEVELOPMENT AND COMMUNITY TO HAVE ACCESS TO RETICULATED WATER

INCREASE THE CAPACITY OF ACCESS TO RETICULATED ENERGY SERVICES

## 2024-25 Achievements

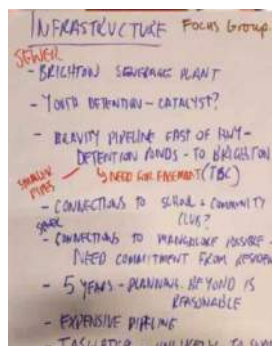
At 30 June 2025, Council held a 0.67% ownership interest in TasWater, based on schedule 2 of the Corporation's constitution, which reflects Council's voting rights. The total value of Council's investment increased by \$247,296 to \$12.92 million.

\$182,400 was received from TasWater via dividends and tax equivalent payments.

In September 2018, Council endorsed a number of resolutions which were submitted to a Special General Meeting of TasWater. The intent of these of these resolutions were to implement changes, and formally introduce prior negotiated agreements associated with the State Government's injection of \$200 million in equity over 10 years. The State Government will receive a total 10% equity over the ten-year period, but will not receive dividends during that period. The resolutions related to the adoption of a new Constitution; pricing; adoption of a new 'Shareholders' Letter of Expectations'; and Share subscriptions agreement.

Whilst Council's distribution entitlement of \$152k per annum was secured though to the end of the 2025-26 financial year under this arrangement, due to the financial effects of Covid-19 on TasWater, in years 2019-20 and 2020-21 Council received only half of our distribution entitlement. TasWater have committed to paying previously unpaid entitlements of \$152k, over a 5 year period, resulting in receiving a distribution of \$30,400 since 2021-22 in addition to our \$152k per annum.

As part of Council's Structure Planning Project (i.e. the Bagdad Mangalore Structure Plan) which was commenced during the year, a high priority is placed on future services provision of infrastructure such as water, sewer and energy.



# Drainage

## MAINTENANCE AND IMPROVEMENT OF THE TOWN STORM-WATER DRAINAGE SYSTEMS

### 2024-25 Achievements

The total replacement value of our drainage assets is assessed at \$7.7 million, with a current written down value of \$5.6 million.

Council allocated a sum of \$40,000 to have comprehensive storm water management plans prepared for Campania, Oatlands, Kempton and Bagdad areas.

The plans will deliver a coordinated storm water strategy for the combined areas, consistent with the requirements and intent of the Tasmanian Urban Drainage Act 2013.

The plans will guide council as to where the priority areas are throughout the municipality for storm water renewal and maintenance expenditure and will form part of an ongoing forward Capital Works Program.



# Waste

---

MAINTENANCE AND IMPROVEMENT OF THE PROVISION OF WASTE MANAGEMENT SERVICES TO THE COMMUNITY

---

## 2024-2025 Achievements

**Southern Tasmanian Regional Waste Authority** – Council is a member of TasWaste South as a Joint Authority established by the twelve southern Tasmanian councils under the *Local Government Act 1993*.

The Authority is responsible for dealing with all waste related issues for the southern region, including managing the new recycling contact. The Authority will provide a direct link to the State Government for discussion and collaboration (and funding opportunities) in the waste sector.

TasWaste South has commenced a number of key strategic projects, including:

1. Regional Infrastructure Plan,
2. Regional Organics Plan and
3. Circular Economy Procurement

In September 2024, a household hazardous waste (HHW) day was conducted at Oatlands, which was part of a broader program within the region.

TasWaste South has also secured funding through to 30 June 2028 for the 'Rethink Waste' initiative.

This funding supports resourcing consisting of a Coordinator that operates state-wide but is employed by TasWaste South along with three regional Engagement Officers – one in each region of the State. Immediate priorities include:

- Alignment of education resources across the regions;
- Approaches to schools for education delivery;
- Progression of education delivery initiative with Libraries Tasmania; and
- Targeting priority areas like contamination in kerbside recycling and FOGO.

**Household Collection Service** – in response to community requests, Council conducted a survey of the Tunnack Township to determine the level of support for an extension of the kerb-side garbage collection service to residents in Tunnack. On the basis of majority support, the service has been extended and will commence in the new financial year.



# Information, Communication and Technology

IMPROVE ACCESS TO MODERN COMMUNICATIONS INFRASTRUCTURE

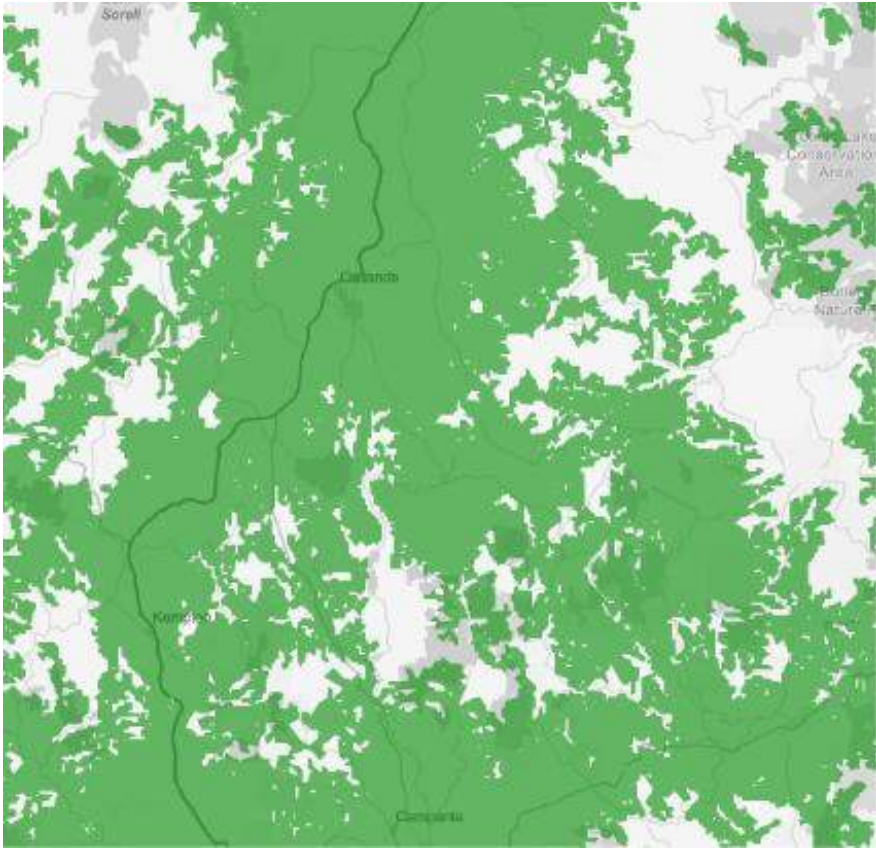
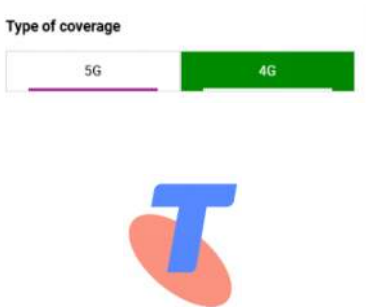
## 2024-25 Achievements

Council are continuing discussions with Telstra to enhance mobile and data services within the Southern Midlands.

Upgrading Council's core network security, including implementation of a Fortinet firewall, endpoint detection, and two-factor authentication.

Commencement of Council website upgrade and content refresh.

**Network Coverage Map**  
4G and 5G mobile coverage.



# GROWTH

*The need to increase the population in the municipality to a long term sustainable level and to grow the level of agricultural/horticulture, timber, commercial and industrial activity, balanced with environmental, heritage and cultural values along with the provision of appropriate services*





# Residential

INCREASE THE RESIDENT, RATE PAYING POPULATION IN THE MUNICIPALITY

## 2024-25 Achievements

Council continues to work to ensure a sufficient supply of residential land in the Southern Midlands for the next 15-25 years and beyond. This is achieved through monitoring the progress of development and continuing to review the current residential zoning following the adoption of the Southern Midlands Local Provisions Schedule of the Tasmanian Planning Scheme in June 2022.

Overall the municipality has experienced a modest level of residential growth this year, with the southern areas continuing to have the highest residential approvals. 70 new dwellings were approved in the 2024/2025 year, which represents a significant increase on the number approved in 2023/2024. Overall development approvals however were down for the year.

Strong residential development has continued with previously approved subdivisions progressing to construction in Campania, Kempton and Bagdad as well as growing interest in Oatlands and surrounding settlements.

Council Officers continue to work closely with developers and build strong working relationships. This ensures quality planning and urban design outcomes will be achieved. This is an attitude fostered by Council and Management.

Planning and Building approvals are always issued within the statutory timeframes and Council Officers provide advice and guidance to applicants where needed. The average time for assessment of a Discretionary Development Application is 35 days (from an average of 37 days in 2023/24) and the average time for a Permitted Development Application is 13 days (from 14 days).

Council has determined a number of complex applications including a social housing development (Kempton).

In August 2024, Council approved a Development Application for multiple dwellings at Louisa Street, Kempton. The proposal includes a total of 16 dwellings which comprises 13 individual dwellings and a set of 3 co-joined units. The intent of the development s to provide quality and affordable homes in Kempton.



# Tourism

INCREASE THE NUMBER OF TOURISTS VISITING AND SPENDING MONEY IN THE MUNICIPALITY

## 2024-25 Achievements

Southern Midlands is a key partner, along with the Northern Midlands Council, in the Heritage Highway Tourism Region Association. This organisation is responsible for regional marketing across the two local government areas that make up the Heritage Highway region.



Destination Southern Tasmania (DST) is a not-for-profit organisation funded by membership fees and support from state government and local councils.

They are an industry-led organisation with a strong voice for tourism in the southern region. They work with local businesses, councils and other stakeholders to promote the destination's diversity to domestic and international visitors, the tourism trade and the media.



| OATLANDS        |           |           |
|-----------------|-----------|-----------|
| Year ending     | June 2024 | June 2025 |
| Visitor Numbers | 112,788   | 118,844   |
| Nights Spent    | 28,592    | 17,636    |



# Business

INCREASE THE NUMBER AND DIVERSITY OF BUSINESSES IN THE SOUTHERN MIDLANDS; INCREASE EMPLOYMENT WITHIN THE MUNICIPALITY;  
INCREASE COUNCIL REVENUE TO FACILITATE BUSINESS AND DEVELOPMENT ACTIVITIES (SOCIAL ENTERPRISE)

## 2024-25 Achievements

Award winning Whisky Distilleries have emerged as a significant growth business across the Southern Midlands



Callington Mill Distillery - Oatlands



Lark Distillery - Mangalore



Old Kempton Distillery - Kempton



Belgrove Distillery – Melton Mowbray





# Industry

RETAIN AND ENHANCE THE DEVELOPMENT OF THE RURAL SECTOR AS A KEY ECONOMIC DRIVER IN THE SOUTHERN MIDLANDS; INCREASE ACCESS TO IRRIGATION WATER WITHIN THE MUNICIPALITY

## 2024-25 Achievements

The predominant industry sector in the Southern Midlands is agriculture and whilst these pursuits are not reliant on Local Government, Council is playing a crucial role in lobbying for irrigation assets to be part of the Southern Midlands landscape.

Council continues to be active with Tas Irrigation (TI) and our rural stakeholders. This included providing a letter of support to Tasfarmers who were seeking a commitment of \$150 million to facilitate the construction of the Greater South East Irrigation Scheme (commitment subsequently secured).

Specifically in relation to the service / design area of the Greater South East Irrigation Scheme, Council expressed its concern that the proposed scheme will not supply irrigation water into the Craigbourne Dam (as per initial concept plans). Council facilitated a workshop with representatives from Tas Irrigation and landowners within the Colebrook district to gain an understanding of the current position. It was emphasized that should any variation to the initial concept plan of delivering water into the Craigbourne Dam be considered, then full disclosure and detail be provided to key stakeholders (including the Southern Midlands Council) as part of its planning and deliberations.



# LANDSCAPES

*The need to maintain, improve and maximise the benefits of the existing heritage, natural and cultural landscapes of the Southern Midlands*



*High Street Oatlands Looking South*



# Heritage

MAINTENANCE AND RESTORATION OF SIGNIFICANT PUBLIC HERITAGE ASSETS; ACT AS AN ADVOCATE FOR HERITAGE AND PROVIDE SUPPORT TO HERITAGE PROPERTY OWNERS; INVESTIGATE DOCUMENT, UNDERSTAND AND PROMOTE THE HERITAGE VALUES OF THE SOUTHERN MIDLANDS

## 2024-25 Achievements

- Ensuring that Council upholds its responsibilities as a Planning Authority under the Land Use Planning and Approvals Act by providing statutory heritage assessments in the development process.
- Monitoring and promoting the Oatlands Key system and seeking to promote and improve where possible along with annual updates to all heritage & heritage tourism related publications.
- Continued promotion of a full program of artists through the AiRSpace program at 79 High Street Oatlands, which results in community engagement and building of Council's art collection.
- Planning for a 'Performing Residencies in Southern Midlands' (PRISM) project in Roche Hall. Preparatory works to the building have commenced.
- Increased promotion and usage of Oatlands heritage buildings for private events through a 'for hire' system.
- Upgrades to the Gay Street Hall consistent with its heritage values.
- Near completion of the C.L. Batt Memorial Park at Melton Mowbray in preparation for the return of the trough and installation of interpretation.
- The old Oatlands Pool has been demolished to historic ground level, with substantial archaeological remains revealed. Further archaeological and interpretation planning is underway ahead of reactivation of the goal yard for public purposes.
- Ongoing management of Council's heritage and archaeology collections including: an expanded 'temporary' collection store and ongoing planning for a new purpose-built store. The online database has been launched to allow public access to collection data.



Oatlands Pool during demolition.

- Ongoing promotion of Southern Midlands heritage through talks, presentations, media events (local, statewide and national and the Heritage and Bullock Festival). Several exhibitions were staged and numerous heritage and community groups have been hosted through the year.
- Collaboration with the Institute of Architects Tasmania Branch on *Open House Southern Midlands* to be staged in November 2025.
- Collaboration with the Royal Society of Tasmania for the *Hidden Treasures* exhibition to be held in August 2025.
- Supervision of an active volunteer program.
- Heritage Projects Program staff continue to have a role in a range of Council committees (e.g. Heritage and Bullock Festival, State Planning Provisions Local Government Review group, Heritage Highway Regional Tourism Association etc.) to promote the heritage of the region in a range of initiatives.
- Various staff up-skilling opportunities undertaken where opportunities arose.



Railway Hotel, Colebrook – lost in the 1967 bushfires.



Lisa Moroney, Artist in residence, January 2025

# Natural

---

IDENTIFY AND PROTECT AREAS THAT ARE OF HIGH CONSERVATION VALUE; ENCOURAGE THE ADOPTION OF "BEST PRACTICE" LAND CARE TECHNIQUES

## 2024-25 Achievements

The Natural Resources Management (NRM) business unit continues to provide best practice land care information, assistance and site visits across a range of natural resource matters. Advice on native tree species suitable for varying locations remains in high demand from ratepayers, with increasing consideration given to climate change impacts such as warmer day time temperatures and extended periods of low rainfall. Southern Midlands NRM staff delivered a presentation to more than 60 ratepayers at an information session held in Campania, organised by Landcare Tas. The presentation covered topics including planting techniques, site selection, suitable plant species and ongoing maintenance requirements.

The Midlands Tree Committee purchased 1,490 plants (comprising both understory species and trees) using Committee held funds. These plants were made available to interested undertaking native tree establishment projects.

Ratepayers also continued to seek advice on weed management issues, with the *Report a Weed* service – available via the Council web site - being regularly utilised. NRM staff participated in several weed management forums and contributed to the Australian Government's *Regional Drought Resilience Plan for Southern Tasmania*, which was finalised in June 2025. A small grant funding round under this program is scheduled for early 2025/2026.

Additionally, staff successfully completed their Chemcert Certificate renewal to maintain compliance with safe chemical handling and application standards.

### Weeds

Working in conjunction with Council's weeds spraying contractor, the primary treatment priorities continue to focus on gorse and broom along Council roadsides and on Council managed or owned properties. Smaller infestations of Spanish Heath and Chilean Needle grass are also being actively managed on Council roadsides.

On private land, the highest priority weed species remain Stemless thistle and Serrated tussock, with Chilean Needle Grass (CNG) continuing to be a concern. While only small amounts of CNG are present on Council roadsides – and minor patches on State-managed roadsides – the majority of infestations occur on private landholdings. Council continues to support the Coal River Products Association Inc., which has previously received grant funding to assist private landholders in managing this weed.



Council also received additional *Weeds Action Fund* grant money to continue assisting landowners in managing Serrated tussock infestations. Support was further provided to the landholder managing the only known Stemless thistle site in Tasmania, which remains restricted to a single property.

Council staff continue to monitor and remove boneseed plants, with only two known areas – Green Valley and Dysart – where isolated plants persist. The number of boneseed plants detected continues to decline each year (213 plants in 2023, reduced to 42 plants in 2024).

As part of the 24/25 reporting period, pampas grass appears to have been successfully eradicated from all known areas within the municipality, following Council correspondence with affected ratepayers.



Council's part time Weeds Officer continues to be in high demand, with many ratepayers seeking information and advice on the identification and control of weed species. Roadside woody weeds surveyed in 2023 have now undergone control treatment at the identified priority sites. The Roadside Woody Weed database continues to be a valuable resource, assisting the weed-spraying contractor in locating and managing infestations.

Throughout the year, the Weeds Officer visited more than 125 roadside and reserve sites. During one site inspection, a single Aztec tobacco plant (*Nicotiana rustica*) was discovered on Interlaken Road – the only known record of this species occurring on mainland Tasmania. The plant was promptly removed and has been preserved as an official reference specimen at the Tasmanian Herbarium. (See adjacent image - glasses case shown for size reference).

Regular weed management information continues to be published in the Southern Regional News and the Ratepayer Newsletter, helping to raise awareness and provide practical guidance on timely and effective weed control.

The popular "Weed of the Week" display at the Oatlands Council office also continues to engage the community. Since its commencement in October 2022, the display has featured real-life samples of local weed species along with control information. In the 2024-2025 reporting year, 46 weed species were featured.

## Lake Dulverton

The *Lake Dulverton Management Plan 1980*, together with the *Lake Dulverton Management Strategy 2002* and the *Lake Dulverton Action Plan 2021*, continues to guide management activities and on-ground works around the Lake.



F Photo: *Euc pauciflora* (Cabbage Gum)  
Natural regeneration occurring on a  
foreshore section of Lake Dulverton.

Cumbungi (*Typha* spp.) control remains an ongoing focus both within and around Lake Dulverton. Control works have been undertaken over many years, with a steady decline in plant numbers until a spike was recorded and managed during 2023–2024. This prompted an intensive search of the lakebed during 2024–2025. It is estimated that only one-fifth of the previous year's cumbungi numbers were found, and the work was considerably easier due to the extensive areas of dry lakebed along the periphery. Despite this progress, cumbungi infestations continue to increase across the wider municipality, leaving Lake Dulverton vulnerable to potential reinfestation.

Ongoing improvements and maintenance continue along the Dulverton Walking Track (linking Lake Dulverton Esplanade to Parattah township), with attention given to weed control and the care of native vegetation planted along the route. In 2024–2025, gorse and broom in the Hawthorn Bay area and broom and horehound near the toilet facility were specifically targeted for control.



Under the Midlands Water Scheme (MWS) winter water allocation (1 March – 30 September 2025), Council placed 174.62 megalitres (ML) of water into the Lake, against a total annual allocation of 215 ML. Water levels are monitored weekly across the 51-hectare area encompassing the

Photo: Swans nesting near a walkway  
on the lake foreshore.



---

## Chauncy Vale Reserve Management

For over 40,000 years, the Palawa people have cared for the lands and waters of Lutruwita (Tasmania), including the area now known as Chauncy Vale. Their connection to Country is not just physical – it is spiritual, cultural, and ancestral. Chauncy Vale receives approximately 5,000 visitors per year and Council resources are allocated to visitor services, management of natural and cultural values, and control of threats such as weeds. Chauncy Vale Wildlife Sanctuary is one of the older private reserves in the State. The whole sanctuary is a valuable heritage and natural environment study site. Chauncy Vale, including Day Dawn and the associated outbuildings, are registered on the Tasmanian Heritage Register and is a site of historic significance.

The Chauncy Vale Management Committee secured funding through the Election Grants Program to construct new toilet facilities at the Reserve, which are now substantially complete, as well as funding for new interpretation signage.



# Cultural

ENSURE THAT THE CULTURAL DIVERSITY OF THE SOUTHERN MIDLANDS IS MAXIMISED

## 2024-25 Achievements

### Heritage & Bullock Festival

The Heritage & Bullock Festival held in Oatlands on the 10<sup>th</sup> & 11<sup>th</sup> August, 2024. The Festival attracted approximately 7,200 people during the two day event, it was wonderful to see many faces, old friends and new, come together to celebrate our shared heritage, enjoying festivities, and immersing themselves in the rich tapestry of traditions, craft and culture. The Festival as usual commenced with the street parade which brings history and culture to life as it moves down High Street. This year's festival paid special tribute to the pioneering women of the Southern Midlands, recognising their resilience, hard work and lasting contribution to shaping our rural communities. A key addition to the program was the inaugural Heritage & Bullock Festival Shearing and Wool Handling Competition, conducted under Sport Shear Australia rules. The competition showcased the skill, speed, and precision of local and regional shearers and wool handlers, adding an exciting new dimension to the festival and celebrating one of Australia's most iconic rural industries.







Festivals and Events harness and celebrate the unique strengths and capabilities of our community by showcasing local talent, culture, and volunteerism. By using local infrastructure and adopting place-based approaches, festivals provide services and experiences tailored to the needs of our residents. These events act as a platform for presenting and advocating for the community's interests, attracting regional attention and highlighting local initiatives. Festivals promote social cohesion, economic activity, and environmental awareness, contributing directly to the social, economic, and environmental stability of the Southern Midlands community.



The Artist in Residence Program



The First of the Proposed Major Summer Festivals



The Old Pretenders  
Pipe Band



**Oatlands Highland Gathering**  
**Callington Park**  
**Saturday 5<sup>th</sup> April 2025**

**Event Summary & Evaluation**  
by  
Andrew Benson  
Project Manager  
Southern Midlands Council  
April 2025







# Regulatory

A REGULATORY ENVIRONMENT THAT IS SUPPORTIVE OF AND ENABLES APPROPRIATE DEVELOPMENT

## 2024-25 Achievements

### Development & Environmental Services

The Development and Environmental Services incorporates the key regulatory functions of Planning services, Building and Plumbing, Environmental Health, Animal Control and Compliance.

### Planning Services

All individuals, communities and developers who undertake a development or project within the Southern Midlands Municipality will need to comply with the Tasmanian Planning Scheme and associated policies and procedures. The Planning unit was staffed by a Senior Planner, a Planning Officer and an Administration Officer. The unit's role is to manage the assessment process for Planning Applications across the municipal area in line with the Tasmania Planning Scheme. This unit has an extensive interface with the community in order to provide information, and where possible guidance to potential developers within our area.

Development and investment in Southern Midlands is continuing to grow, with Council approving 108 planning applications in the 2024/2025 financial year, worth more than \$131 million. This figure is a marked increase on the preceding financial year and signals continued growth and confidence in the region and its economy. The upgrade and redevelopment of existing community recreation facilities at Oatlands, Bagdad and Campania has contributed significantly to this increased value of works, which are contingent on Federal and State Government funding.

14 applications were also received for subdivisions, however the majority of these are for minor adjustments of boundaries as opposed to the creation of new lots. As noted in 2024, several larger subdivisions in Campania and Bagdad have now progressed to construction stage and that market conditions are impacting also.

In addition to the statutory planning work, Council undertakes strategic functions under the *Land Use Planning and Approvals Act 1993*, for planning scheme amendments and local strategic documents (such as the Bagdad Mangalore Structure Plan).

Some key work undertaken during the 2024/2025 year included:

### Planning Reform – Southern Tasmania Regional Land Use Strategy (STRLUS)

Council has been involved in a comprehensive review of the *Southern Tasmanian Regional Land Use Strategy (STRLUS)*. The STRLUS is a long-term plan for the southern Tasmanian region to facilitate and manage change, growth, and development, whilst protecting our natural values.

Since the preparation of the current STRLUS in 2010, this review was considered necessary due to the Southern Tasmanian region having experienced significant population growth and new economic and social conditions are driving change.



There have been several minor amendments to STRLUS in the intervening time but no comprehensive review has occurred as was originally intended to occur every five years.

The STRLUS applies in the Southern Tasmania region, which is formed by the following council areas:

- Brighton
- Central Highlands
- Clarence
- Derwent Valley
- Glamorgan Spring-Bay
- Glenorchy
- Hobart
- Huon Valley
- Kingborough
- Sorell
- Southern Midlands and
- Tasman.

In 2023 the twelve Southern Councils (LGAs) in conjunction with the State Government committed to undertake a comprehensive review of STRLUS. This is co-funded by the 12 Councils and the State Government.

The STRLUS is a key planning tool that includes long-term planning directions for the Southern Tasmania region, influencing land use and development and providing a critical link between State and local strategic planning within the region. (e.g. it plays a crucial role in the preparation of draft Local Provision Schedules, structure plans and amendments for the rezoning of land).

Work has been undertaken throughout 2024 and it is anticipated that a draft new STRLUS will be ready for public consultation in mid-late 2025. It can be estimated that a final new STRLUS would emerge after the consideration of public submissions and subsequent amendments sometime in 2026.

The Urban Growth Boundary of Greater Hobart is a major component of the STRLUS. Land around metropolitan Hobart cannot be proposed for rezoning to a residential zone unless it is within the Urban Growth Boundary. No part of the Urban Growth Boundary extends up into the Southern Midlands. Growth in the rural & regional areas of the Southern Tasmania region is guided by other strategies within the STRLUS.

**Updates**

- After initial consultation in late 2024 (closed 18 December 2024) the draft reviewed STRLUS was expected to be placed on public exhibition in mid-2025.
- The STRLUS 2010-2035 was amended and officially declared on 19 May 2025.
- The key change in the May 2025 amendment: updates to the Urban Growth Boundary (UGB) — specifically Map 10 of the Strategy.

- The UGB update did not affect Southern Midlands and instead affected the local government areas of Clarence, Kingborough, Sorell, and Brighton through the addition of further land for residential development which has implications on infrastructure planning and housing supply.
- The proposed updates will add a further 615 hectares to the land already identified for urban growth in Greater Hobart which may provide for up to an additional 10,000 homes following rezoning. This is in addition to the land already rezoned for housing and identified within the Greater Hobart Urban Growth Boundary.
- Additional public consultation is expected to be undertaken later in 2025 and the Minister for Housing, Planning and Consumer Affairs has set a timeframe for the declaration of the revised strategy by mid-2026.

### **Preparation of Tasmanian Planning Policies (TPP)**

The Tasmanian Planning Policies (TPP) will guide Tasmania's land use planning system and are the highest level of land use planning policy.

The TPP are a set of new state-wide policies that will guide the content of the STRLUS and upon implementation will ensure adequate supply of land to address the existing and future needs of the community for a minimum of 20 years. The current reviews are at a stage where they can accommodate the specific housing supply targets that are set for Tasmania and coordinate a statewide response to ensure these are delivered in the most appropriate areas from a statewide and regional perspective.

The State Planning Office (SPO) has prepared the draft TPPs, which included extensive community and key stakeholder consultation. The process began in 2021 with the release of a Scoping Paper for public comment. This invited input from anyone in Tasmania about what the TPPs should cover.

The public exhibition of the draft TPPs was from 28 March to 26 June 2023.

The State Planning Office (SPO) released a summary of the submissions received.

The Tasmanian Planning Commission (TPC) considered submissions and prepared its report and recommendations to the Minister.

The Minister is currently considering the TPC recommendations. Before making the TPPs, the Minister can accept, modify or reject the TPPs, but must publicly give reasons for any decision.

## Bagdad Mangalore Structure Plan

Southern Midland Council is developing a long-term plan for the Bagdad-Mangalore valley, to replace the 2010 Bagdad-Mangalore Structure Plan. Council in late 2024 engaged *Jensen PLUS* (with other consultants – Civil Engineers and Agronomists) to assist in the process.

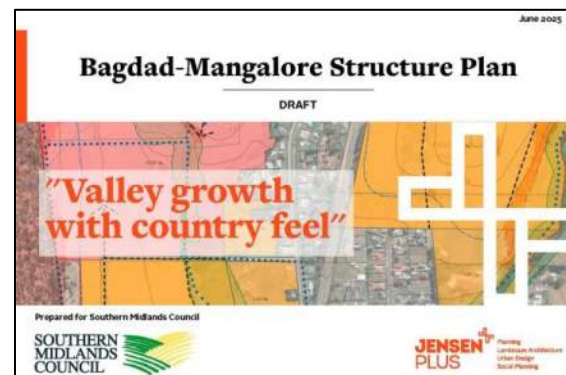
To date the plan has been informed by extensive community and stakeholder engagement that included TAS Water, Dept. of State Growth, Dept. of Education, Children & Young People and TAS Networks).

A vision statement and six guiding principles are the foundation of the Structure Plan and to shape the development of the area over the next 30 years and beyond.

Some of the major themes and objectives of the draft plan include:

- **Growing Valley:** Plan for well-managed growth in population, housing and services, to cater for growing demand for valley lifestyle. Encouraging new housing within the village nodes (Bagdad and Mangalore) rather than ribbon development along the highway. Promoting smaller village lots plus rural-living options.
- **Infrastructure supporting growth:** Including sewer network capacity, water, power, open space and community facilities.
- **Keep the country feel:** Protect valley landscape character, with spacious country/rural living, alongside some village development of smaller homes.
- **Attractive "village centres":** Make business and community nodes at Bagdad, Bagdad Community Club, and Mangalore clearer through zoning, public realm improvements and better access.
- **Promote destinations:** Place-making and identity improvements, building upon "Heritage Mile", "gateway to country" and other attractions.
- **Connected valley:** Connect people and places within the valley, and regionally, via roads, walking, cycling, horse riding and public transport routes.

The Plan is expected to be finalised before the end of 2025.



## Regulatory – Plumbing & Building

Council operates as both a Building and Plumbing Permit Authority. The role of these units is primarily a regulatory one, to ensure compliance with legislative requirements in relation to building and plumbing applications and enforcement. The primary aim is to undertake this role in a cost effective manner, while ensuring the appropriate standards of service are maintained.

The Building permit division was staffed by Executive Officer (Building Permit Authority). A total of 101 building applications were received and approved for the financial year. This represents a significant increase (63%) from 62 the preceding year.

The Plumbing Permit Authority was staffed by a Plumbing Inspector. A total of 78 plumbing applications were received and approved for the financial year. This represents a slight decrease from 84 the preceding year.

### Building, Plumbing and Development Applications

The following table provides an overview of the number and type of Building, Plumbing and Development Applications (including Subdivision Applications and any certificates or amendments to sealed plans under the *Local Government Building and Miscellaneous Provisions Act 1993*).

The table provides data from the 2024/2025 year measured against the previous four (4) financial years to provide a succinct five (5) year comparison.

| Application Type                                                                                                                                                                                                                                                                          | 2024/2025                                                                                              | 2023/2024                                                                   | 2022/2023                                                                   | 2021/2022                                                                   | 2019/2020                                                                   |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------|-----------------------------------------------------------------------------|-----------------------------------------------------------------------------|-----------------------------------------------------------------------------|
| <b>Building Applications</b><br><i>This is inclusive of all applications for permits, Certificates or notifiable works under the Building Act 2016</i>                                                                                                                                    | 107                                                                                                    | 62                                                                          | 101                                                                         | 116                                                                         | 117                                                                         |
| <b>Plumbing Applications</b><br><i>This is inclusive of all applications for permits or notifiable works under the Building Act 2016. The figures are inclusive of the former "Special Plumbing permits" under the former Building Act 2000 (now just Permit works).</i>                  | 78                                                                                                     | 84                                                                          | 75                                                                          | 68                                                                          | 75                                                                          |
| <b>Development Applications</b><br><i>This is inclusive of all Development Applications under the Land Use Planning and Approvals Act 1993 and a small number of certificates or amendments to sealed plans under the Local Government Building and Miscellaneous Provisions Act 1993</i> | <b>108*</b><br><i>*includes 14 Development Applications for Subdivision (incl. minor subdivisions)</i> | <b>116*</b><br><i>*includes 10 Development Applications for Subdivision</i> | <b>144*</b><br><i>*includes 20 Development Applications for Subdivision</i> | <b>166*</b><br><i>*includes 20 Development Applications for Subdivision</i> | <b>197*</b><br><i>*includes 19 Development Applications for Subdivision</i> |



A total of \$131 million worth of development was approved in the Southern Midlands during the 2024/2025 reporting period. This figure is based on the estimated cost of development as submitted at the time of the Development Application. The figure does not include the cost of subdivision works (as accurate data is not provided by the applicant).

70 new dwellings were approved in the reporting period. 34 new dwellings were approved in the previous year. Council continues to remain at the forefront of modern day best practice in the processing of building, plumbing and planning applications through the electronic submission and assessment of applications. Council Officers have a strong focus on customer service and value the relationship with Applicants.



# Regulatory – Public Health

## Public Health Statement

Section 72(1) (ab) of the *Local Government Act 1993* requires Council to prepare a statement that describes the extent to which Council has carried out its functions under the *Public Health Act 1997* and the *Food Act 2003* during the financial year.

The statement must also outline the resources allocated to public health by Council and the extent to which its goals, objectives, policies and programs in relation to public health meet the needs of people within our municipal area.

Council's Public and Environmental Health program is managed by the Environmental Health Officers within Development and Environmental Services. The program includes actions to support the Southern Midlands Council Strategic Plan 2024-2034.

| 2024-2034 Strategic Plan Key Actions                                            | Actioned |
|---------------------------------------------------------------------------------|----------|
| 3.5.1.1 Continue to provide school immunisation programs                        | Yes      |
| 3.5.1.2 Continue to register and monitor food premises                          | Yes      |
| 3.5.1.3 Continue to ensure that on-site waste water disposal is effective       | Yes      |
| 3.5.1.6 Continually raise the awareness of Notifiable Diseases in the Community | Yes      |

In 2024/2025 Environmental Health Officers were provided on a weekly basis by the Glenorchy City Council's Environmental Health team. The Glenorchy City Council's team comprises the following positions:

| Position                                  | 2024/25 FTE |
|-------------------------------------------|-------------|
| Coordinator Environmental Health Services | 1.0         |
| Senior Environmental Health Officer       | 1.0         |
| Environmental Health Officer              | 2.77        |
| Cadet Environmental Health Officer        | 0.9         |
| Immunisation Officer                      | 0.8         |
| Environmental Health Technical Officer    | 0.8         |

Glenorchy City Council also employs 6 x casual authorised nurse immunisers who assist Southern Midlands to deliver a school-based Immunisation program.

Environmental Health Services' expenditure for the 2024/2025 financial year was \$52,024.57. The section also generated \$20,548.37 in income, with majority of this income being generated from licencing requirements.

The Environmental Health Section administers the following key pieces of legislation (and their associated regulations):

1. *Public Health Act 1997*
2. *Food Act 2003*
3. *Local Government Act 1993*
4. *Litter Act 2007*
5. *Environmental Management and Pollution Control Act 1994*

The key regulatory areas under these Acts include:

- Food safety
- Notifiable diseases (food borne illnesses)
- Immunisations
- Places of Assembly
- Public Health Risk Activities
- Unhealthy Premises
- Public health and environmental nuisances
- Disease prevention and control
- Public health education and promotion
- Water quality monitoring
- On site wastewater management; and
- Pollution events.



## **Immunisation Programs**

As part of a resource sharing agreement with Southern Midlands Council, Glenorchy City Council's Immunisation Team has been working with schools within the Southern Midlands Council area, including Oatlands District High School and Campania District School to deliver the School-Based Immunisation Program for 2024/2025. We have developed strong relationships with these schools and continue to collaborate closely to ensure the program's success for students, staff, parents, and the broader community.

Due to the limited number of staff expressing interest (x6) in receiving the influenza vaccine in 2025, it was advised that while Council could run the influenza program, the cost would be disproportionately high. As a more cost-effective alternative, it was recommended that Council reimburse staff who choose to receive their vaccination through a pharmacy or GP.

## **Environmental Protection Notices**

Environmental Protection Notices are a formal legal document under the *Environmental Management and Pollution Control Act 1993*. They are designed to address potential or actual pollution issues or environmental harm issues.

Environmental Health Officers issued several Environmental Protection Notices in 2024/2025 to Spectran Pty Ltd to allow liquid land spreading activities within the municipalities along with Notices to prohibit land spreading activities.

The issuing of these Notices is not taken lightly. They are taken after a thorough assessment of environmental management plans, seeking additional information, taking into the topography of the land etc.

**Woodsdale Cemetery** – the transfer of ownership of the Woodsdale Cemetery from the Crown to Council was finalised on 4<sup>th</sup> November 2024. This followed a lengthy process that required a number of conditions precedent to be satisfied. These included:

- a) Confirmation that the responsible Minister had complied with the requirements of the *Burial and Cremation Act 2019* in regards to the sale of a cemetery;
- b) The Southern Midlands Council being appointed as the Cemetery Manager in accordance with section 32(6) of the *Burial and Cremation Act 2019*; and
- c) The Crown providing Council with the 'Exclusive Right to Burial register'; the Interment Register; and all relevant mapping files (digital and printed).



## **Regulatory – Animal Control & Compliance**

The Compliance Unit undertakes a regulatory role in relation to the control of dogs, nuisances, and other general matters of non-compliance with legislation. Key responsibilities include animal control, dog management, fire abatement and the investigation of nuisance complaints.

During the 2024/2025 financial year, the section was staffed by the Animal Management/Compliance Officer. Key outcomes achieved during the year included:

- 1,777 Dogs registered
- 68 License's
- 4 Fire Abatements
- 27 Caution Notices (fire hazard related)

Council continues to deliver an effective dog and animal control service to the community, maintaining a proactive and hands-on approach to animal management that is both respectful and professional. Through resource sharing initiatives, Council also provides animal management services to the Central Highlands Council. Operations continue under the *Dog Management Policy (2022)*.

### **Dog Control Act 2000 – Legislative Review**

As reported in the previous year, Council has continued to experience challenges with certain provisions of the *Dog Control Act 2000*. This matter was referred to the Local Government Association of Tasmania (LGAT) for further consideration. Since that time, the Department of Natural Resources and Environment (Biosecurity Tasmania) has advised that it remains open to considering amendments to the Act - including clearer definitions around terms such as "limited" and "temporary" in relation to licencing. This is a positive outcome and represents progress toward ensuring the Act remains practical and effective for both councils and the community.

### **Dog's Home of Tasmania**

Council continues to work closely with the Dogs' Home of Tasmania, which provides essential services in caring for and rehoming stray and surrendered dogs from within the municipality. The Dogs' Home plays a key role in supporting Council's animal management responsibilities and promoting responsible dog ownership.

During the 2024–25 financial year, the Dogs' Home implemented a revised fee structure that resulted in a significant increase in costs associated with impounding and holding dogs. This change has had a noticeable financial impact on Council's animal management operations. Council will continue to monitor the ongoing cost implications and work collaboratively with the Dogs' Home to maintain high standards of care and service to the community.

### **Department of Natural Resources and Environment Tasmania – Discussion paper (Improving Dog Welfare Outcome in Tasmania)**

Council considered this Discussion Paper and provided feedback via the Local Government Association of Tasmania. The feedback provided highlighted issues of concern, mainly in relation to determining responsibility for inspection, monitoring and enforcement.

# Environmental Sustainability

IMPLEMENT STRATEGIES TO ADDRESS THE ISSUES OF ENVIRONMENTAL SUSTAINABILITY IN RELATION TO ITS IMPACT ON COUNCILS CORPORATE FUNCTIONS AND ON THE COMMUNITY.

## Updated Flood Mapping in the Mangalore / Bagdad Valley

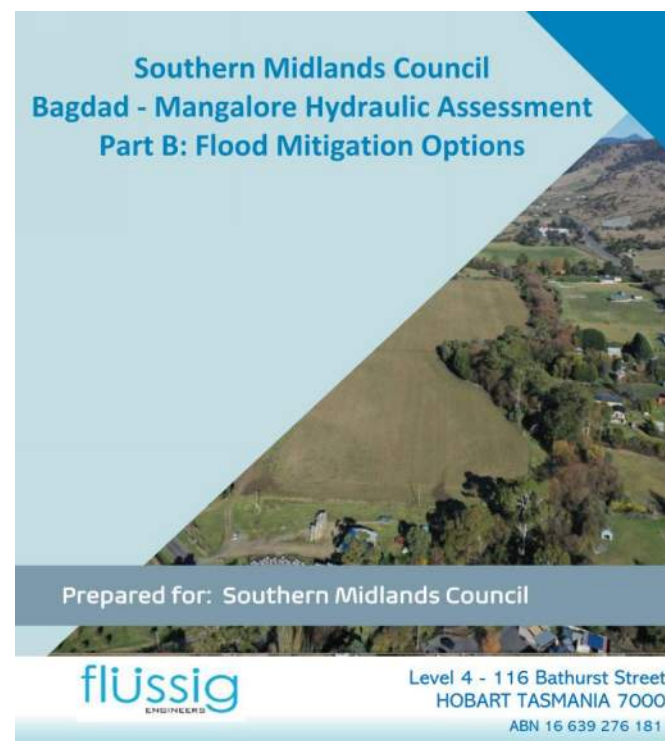
The Objective: "To comprehensively assess the flood risks faced by the towns of Bagdad and Mangalore within the Southern Midlands Council of Tasmania."

Key objectives:

1. Identify flood-prone areas that are most susceptible to inundation during flood events by mapping flood extents and depths.
2. Assess flood hazards including flood frequencies, velocities, and potential impacts on infrastructure, communities, and the environment.
3. Evaluate vulnerability of critical infrastructure, residential areas, and natural resources to develop adaptation strategies.
4. Propose mitigation measures to reduce flood risk and enhance community resilience.
5. Foster community awareness and preparedness to empower residents to take proactive measures to protect themselves and their properties.

One of the proposed mitigation projects has been completed with other to follow during the 2025/26 financial year.

**The EV Charging Station** at the Oatlands Aquatic Centre is continuing to provide exceptional service according to many customers.



## The Oatlands Aquatic Centre Waste Water Management System – Innovative Drought/Bushfire Resilience Resourcing

Building resilience through community infrastructure: Strengthening resilience to drought and climate variability in Oatlands, Southern Midlands LGA.

This heading featured in the *Southern Tasmania Regional Drought Resilience Plan*, highlights Council's innovative approach to waste water management at the Aquatic Centre. This system is operating effectively, capturing wastewater from the Aquatic Centre pools and transferring it to processing and holding tanks in William Street Oatlands. The treated wastewater is then available for firefighting purposes and road reconstruction applications, providing a valuable non-potable water source and contributing to regional drought resilience.

Functional description of the Oatlands Aquatic Centre Waste Water Management System is as follows;

- the Aquatic Centre has a total pool water capacity of 0.5 million litres
- routine backwashing occurs every 7 to 10 days, using 10-13 kL, with a flow rate from the pool of approximately 4 litres per second
- A water meter activates a chlorine dosing pump at the tank farm to maintain a low residual chlorine level, preventing bacterial growth
- The water is stored in six 90,000 litre holding tanks (total storage of 540,000 litres) which are gently recirculated to ensure adequate mixing
- Stored water is accessed as required for firefighting or road reconstruction watering.
- Tanks level are monitored via a radar level sensor. Chlorine levels, pH, tank volumes, inflow rates, and filter inlet pressures are continually monitored, with remote alarms configured for any readings outside project specifications.
- Water quality testing is undertaken on a monthly basis.

**Does it work?** According to the *COVA–Southern Midlands Council Aquatic Centre Fire Water Supply Holding Tank Farm Scoping Report*, the project has proven highly effective in providing a reliable and accessible firefighting water supply.

Once water is stored in the tank farm, the system does not rely on electricity, providing a built-in contingency in case of power loss. The system eliminates the need to draw from the town water supply during emergencies, preserving potable water for critical needs.



# COMMUNITY

*The need to increase the opportunities for improved health and well-being, including retaining then building on the strong sense of Community and resilience that exists in the Southern Midlands*





# Community Health & Wellbeing

SUPPORT AND IMPROVE THE INDEPENDENCE, HEALTH AND WELLBEING OF THE COMMUNITY

## 2024-25 Achievements

Community events certainly raise the Community spirit and enhance the connectedness of the Community.

### Kempton Festival 2024

The annual Kempton Festival is organised each year by the Kempton Festival Committee, a committee under the Green Ponds Progress Association. Over the last few years, the Festival has grown to be an extremely popular event in the area. The Sheep Racing is a unique event and a lot of fun - you can even place a bet on your sheep! The day offers a lot of fun entertainment, activities and displays for the whole family. The Kempton Festival is proudly sponsored by the Council.

### Council's Recreation Facilities

along with Playgrounds / Equipment, Parks and Natural Spaces, such as Lake Dulverton and Chauncy Vale wildlife sanctuaries facilitate a significant degree of health & wellbeing environments in which the Community can support their endeavours towards healthy living.

### Heritage & Bullock Festival

The annual Heritage & Bullock Festival has been in existence since 2018 and it continues to draw large crowds, in the order of 5,000 to 6,000 people, over the two day weekend in August. The heritage offerings are wide and varied, from boat building, rope making, leather work, weaving, theatrical performances as well as having all of the Council buildings opened for Community access. Of course the street parade on each day led by Scottish pipe band and also including Brian Fish and his wonderful Bullocks, is a heart thumping piece of theatre and fun for all, both participants



Southern Midlands Model for Community Sustainability



# Recreation

PROVIDE A RANGE OF RECREATIONAL ACTIVITIES AND SERVICES THAT MEET THE REASONABLE NEEDS OF THE COMMUNITY

## 2024-25 Achievements

**Oatlands Aquatic Centre (OAC)** – The Centre has now completed another year of operations with the Centre providing a service to the following:

- Casual Entry: 14,000+ visitors
- Learn to Swim Programs: 600+ students across School Term & Holiday Programs
- School Kinder to Grade 6 Learn to Swim Programs:
  - Bothwell District School
  - Oatlands District School
  - Kempton Primary
  - Bagdad Primary
  - Campania District School
- Group Bookings: 50+ organisation group bookings
- Memberships & Visit Cards: 150+ purchased
- Tasmanian Swimming State Team: 80 swimmers
- Masters Swimming Tasmania: 40 swimmers
- Midlands Swimming Club: 20 new swimmers
- Visiting Schools:
  - Swansea Primary
  - Orford Primary
  - Geneva Christian College
  - Glenora District School
  - Campbell Town District School
  - St Paul's Catholic School
  - St John's Catholic School



### Oatlands Aquatic Centre Facility Improvements

Council & Centre staff have continued to explore ways to enhance the Centre and its services for the wider community. Ongoing upgrades and additions have been made across all areas of the facility, with two major improvements this year: the installation of a new BBQ area in the outdoor space and the addition of a new weight rack and gym mirrors to expand the range of available exercises. Other equipment upgrades included:

- A new treadmill
- An upright exercise bike

In addition to these physical upgrades, new programs have been introduced to further support community health and wellbeing. Through partnerships with Corumbene Care and Annabel Butler Physiotherapy, the Centre now offers a variety of programs ranging from balance and strength classes to aqua aerobics sessions.





### Growing Aquatic Safety Awareness

The Oatlands Aquatic Centre has been actively involved in supporting a new program called *Float to Survive* - an **Australian water safety initiative** focused on teaching essential floating techniques to help individuals remain calm and safe in emergency water situations.

The program was designed by Bruce "Hoppo" Hopkins and Dr Shane Gould, with contributions from many leaders within the aquatic industry. Its core mission is:

*"To empower individuals with the life-saving knowledge of how to stay calm and float in emergency water situations. We believe that by teaching this simple yet vital skill, we can significantly reduce drowning incidents and help save lives in Australia's waterways."*

Building on the success of the *Float to Survive* initiative, the Centre has also partnered with the Southcentral Workforce Network (SWN Jobs Hub) to deliver free **Lifeguard Training Courses** across the wider Midlands area and for surrounding local pools. These courses aim to ensure that facilities are equipped with qualified, compliant staff – strengthening safety standards and helping to promote the ongoing water safety message throughout the region.



### **Kempton – 160 Main Street - Property Purchase**

Council purchased a property at 160 Main Street, Kempton which adjoins the Recreation Ground. This will ensure the protection of a large heritage oak tree and facilitate an expansion of the playground.

### **Bagdad Community Precinct (1661 Midlands Highway, Bagdad)**

A final decision to take ownership of the Bagdad Community Club Precinct was made in July 2024. This decision followed an extensive community consultation process, and working with the Club Management Committee to wind-up the Incorporated Association. Council's decision included a commitment to establish a Council Management Committee (under section 24 of the Local Government Act 1993) which provides for ongoing community input into the management and operation of the precinct.

Council ownership provides a more sustainable management structure.

In April 2025, Council granted development approval for the following elements of the Precinct Master Plan. This approval being a prerequisite to applying for grant funding. Works include:

- Construction of a new multipurpose indoor sports centre along the southern boundary of the site (Hall Lane boundary);
- Demolition of the existing cricket club shed and demolition of the existing public toilets building;
- Construction of new clubrooms with kitchen and bar, change rooms, toilets and other facilities
- Reposition the existing sports oval approximately 30m to the north; and
- new onsite car parking, access arrangements and dedicated bus parking area



### **Woodsdale Recreation Ground Property (2578 Woodsdale Road, Woodsdale)**

In accordance with section 178 of the Local Government Act 1993, Council resolved (by absolute majority) to sell the Woodsdale Recreation Ground property. Public notification of this decision was then given and no objections were received during the statutory feedback timeframe. Having complied with the process to dispose of 'public land', Council is now in a position to transfer ownership of the property to the Woodsdale Recreation & Community Hub Inc.

### **Purchase of Public Open Space (1315 Woodsdale Road, Levendale) – Adjacent to the Levendale Community Hall**

Council finalised the purchase of public open space from the Department of Natural Resources and Environment. This area incorporates the tennis court and the playground equipment that formed part of the former Levendale Primary School.

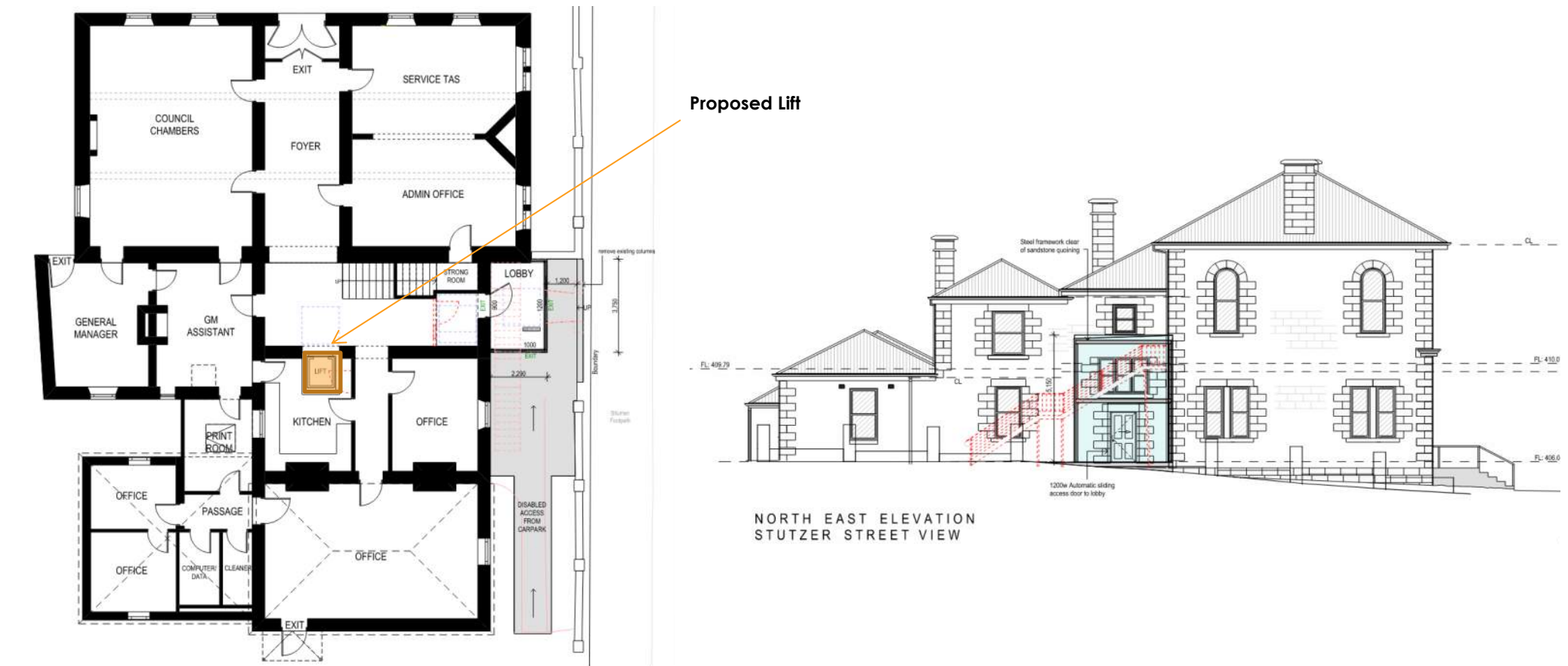


# Access

CONTINUE TO EXPLORE TRANSPORT OPTIONS FOR THE SOUTHERN MIDLANDS COMMUNITY; CONTINUE TO MEET THE REQUIREMENTS OF THE DISABILITY DISCRIMINATION ACT (DDA).

## 2024-25 Achievements

The Council Chambers at Oatlands project to provide all abilities access to the entrance of the building via Stutzer Street and also to the first floor, is progressing from the concept design stage to the construction drawing stage, with a preliminary budget which has been prepared.



# Volunteers

ENCOURAGE COMMUNITY MEMBERS TO VOLUNTEER

## 2024-25 Achievements

### Community Small Grants Program

Once again, Council conducted its annual Community Small Grants program in September 2024. This program commenced in 2007 and each year applications for funding have been much sought after and very competitive. These grants are predominantly aimed at volunteer (not for profit) organisations who are looking to improve facilities, services or increase participation in their relevant field – all within the Southern Midlands area.

The Facilities & Recreation Committee received sixteen applications identifying \$105,709.00 worth of projects to be undertaken in the Southern Midlands for the benefit of the Community, requesting a total of \$43,643.00, but acknowledging the acceptance of a lower figure (will accept) of \$36,237.00 of support from Council through the SMC Community Small Grants Program 2024. Council had allocated \$25,000.00 in its 2024/2025 budget for the Program. A rigorous and transparent assessment was undertaken as detailed above with the available funds being allocated in priority order as detailed in the Assessment Results on the preceding page.

From an historical perspective it is interesting to note that since the inception of the Southern Midlands Community Small Grants Program in 2007, Council have paid out to Community Groups through this Program \$397,697.00, supporting \$1,338,986.00 worth of Community Projects.

It must be acknowledged that this Program and this Council has made a significant contribution to this Southern Midlands Community through the Program, a contribution that current and past Councillors should be rightly proud of.



Successful Applicants in the 2024/25 Southern Midlands Community Small Grants are as follows:

| Southern Midlands Community Small Grants Program 2024 |             |                                                |              |              |             |                      |       |
|-------------------------------------------------------|-------------|------------------------------------------------|--------------|--------------|-------------|----------------------|-------|
| Applications                                          |             |                                                |              |              |             | Recommendation       |       |
| Group/Club                                            | Auspiced by | Project                                        | Project Cost | Grant Sought | Will Accept | Recommend to Council | Score |
| Bagdad Field & Game                                   | nil         | Poly water tank and fittings                   | \$ 3,066.00  | \$ 3,000.00  | \$ 2,290.00 | \$ -                 | 13    |
| Bagdad VFB                                            | TFC         | 655ltr refrigerator                            | \$ 1,899.00  | \$ 1,899.00  | \$ 1,799.00 | \$ -                 | 15    |
| Broadmarsh Elderslie Progress                         | nil         | Supply & install new blinds to windows         | \$ 3,925.00  | \$ 3,000.00  | \$ 1,500.00 | \$ 1,500.00          | 7     |
| Colebrook Recreation Centre                           | nil         | Internal wall linings to club room shed        | \$ 4,605.00  | \$ 3,000.00  | \$ 2,500.00 | \$ 2,500.00          | 3     |
| Kempton Festival/GPPA                                 | nil         | Funding of Fitness Classes                     | \$ 2,890.00  | \$ 2,695.00  | \$ 2,500.00 | \$ 2,500.00          | 6     |
| Levendale Cricket Club                                | nil         | Water tank plus Gazebo                         | \$ 2,883.00  | \$ 2,883.00  | \$ 2,000.00 | \$ 2,000.00          | 9     |
| Mount Pleasant FC                                     | nil         | Two door fridge                                | \$ 3,881.00  | \$ 3,000.00  | \$ 2,000.00 | \$ 2,000.00          | 8     |
| Navigate Family Services                              | nil         | Allow participation in professional dev.       | \$ 4,344.00  | \$ 3,000.00  | \$ 2,500.00 | \$ 2,727.00          | 4     |
| Oatlands Community Assn                               | nil         | New smaller tables                             | \$ 2,963.00  | \$ 2,963.00  | \$ 2,963.00 | \$ -                 | 14    |
| Oatlands Community Hub                                | OCA         | Support with funding transport trips           | \$ 3,978.00  | \$ 2,228.00  | \$ 1,935.00 | \$ -                 | 13    |
| Oatlands District High School A                       | nil         | AstroTurf to cricket nets                      | \$ 12,000.00 | \$ 3,000.00  | \$ 3,000.00 | \$ 3,000.00          | 1     |
| Oatlands Football Club                                | nil         | Score Board and signage                        | \$ 34,665.00 | \$ 3,000.00  | \$ 2,500.00 | \$ 2,990.00          | 5     |
| Oatlands Golf Club                                    | nil         | Gravel and top soil for golf course            | \$ 4,970.00  | \$ 2,215.00  | \$ 2,000.00 | \$ 2,215.00          | 2     |
| Runnymede Cricket Club                                | nil         | Concrete slab for shaded area                  | \$ 12,480.00 | \$ 3,000.00  | \$ 3,000.00 | \$ -                 | 12    |
| St Marys Community Cemetery                           | nil         | Internal painting to windows                   | \$ 3,520.00  | \$ 1,760.00  | \$ 1,750.00 | \$ 1,750.00          | 11    |
| Tunnack Community Club                                | nil         | Upgrade external bar area & kitch. Door        | \$ 3,640.00  | \$ 3,000.00  | \$ 2,000.00 | \$ 1,818.00          | 10    |
|                                                       |             |                                                | \$105,709.00 | \$ 43,643.00 | \$36,237.00 | \$ 25,000.00         |       |
|                                                       |             | Budgeted Funding for 2024                      |              |              |             | \$ 25,000.00         |       |
|                                                       |             | Underspend to go into next years pool of funds |              |              |             | \$ -                 |       |

# Families

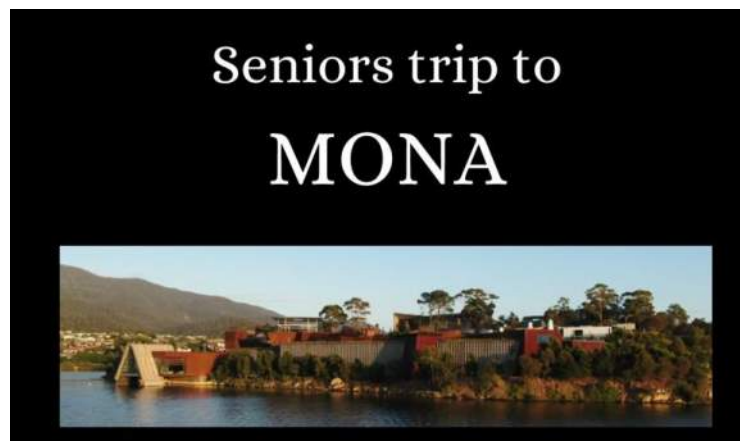
ENSURE THAT APPROPRIATE CHILDCARE SERVICES, AS WELL AS OTHER FAMILY RELATED SERVICES, ARE FACILITATED WITHIN THE COMMUNITY, INCREASE THE RETENTION OF YOUNG PEOPLE IN THE MUNICIPALITY, IMPROVE THE ABILITY OF SENIORS TO STAY IN THEIR COMMUNITIES

## 2024-25 Achievements

### The Seniors Program

Our Senior Program continues to play a vital role in supporting the health, wellbeing, and social connection of older members of our community. Throughout the year, we delivered a range of activities, excursions, and events designed to encourage participation, reduce isolation, and promote active ageing.

Our program included a trip to Mona, Woolmer Rose Festival and to Grote Reber Museum and Richmond Village. These outings provided opportunities for friendships to grow and for participants to remain engaged and independent.





---

### **Chauncy Vale Wildlife Sanctuary Activity Day**

The Chauncy Vale Activity Day was held to encourage community members to explore and appreciate the natural, cultural, and historical significance of Chauncy Vale Wildlife Sanctuary. The event brought together participants of all ages for a day of outdoor discovery, connection, and learning.

The program included guided walks highlighting the area's unique biodiversity and European heritage, along with a focus on the site's deep Aboriginal cultural significance. Participants were invited to reflect on the long-standing connection of the Tasmanian Aboriginal people to the land, with stories shared about traditional uses of the area, as well as learning about bush tucker, its spiritual importance, and the enduring relationship between people and Country.

Activities also included storytelling about Nan Chauncy and the property's history, as well as interactive nature-based experiences designed to foster environmental awareness and respect for the diverse cultural values of the sanctuary. A shared picnic lunch in the reserve's peaceful setting provided a relaxed opportunity for conversation and connection among participants.



### **The School Holiday Program**

Council's School Holiday Program continues to provide fun, engaging, and inclusive activities for local children and young people. Designed to support families and promote community connection, the program offers age-appropriate experiences for two groups — Prep to Grade 5 and Grade 6 to Grade 11 — ensuring activities cater to a wide range of interests and abilities.

Both programs were well attended and received positive feedback from parents and participants alike. The success of the initiative reflects the value of providing accessible, community-based programs that support local families and foster positive experiences for children and young people during the school holidays. Activities included going to the movies, rock climbing, maritime museum, Lexfun, aquatic centre, transport museum, laser skirmish, theatre royal, Grote Reber Museum and mini golf, with a total 156 participants over the 8 programs.





# Education

INCREASE THE EDUCATIONAL AND EMPLOYMENT OPPORTUNITIES AVAILABLE WITHIN THE SOUTHERN MIDLANDS

## 2024-25 Achievements

Council team members actively collaborate with schools across the Southern Midlands, providing support wherever possible and maintaining excellent working relationships with principals, teachers and students. The Oatlands Aquatic Centre has also created new employment opportunities for students.

Now in its fifth year of operation and funded by the State Government, the SWN Jobs Hub continues to provide valuable support for the school-to-work transition. With offices in Pontville, the Jobs Hub is strongly supported by Southern Midlands Council, with Andrew Benson, Deputy General Manager, serving as Chairman of the Jobs Hub Advisory Board. The Jobs Hub serves the Southern Midlands, Brighton, Derwent Valley and Central Highlands local government areas. Its Board and staff have contributed significantly to the State Government’s Youth Jobs Strategy and submitted comprehensive feedback as part of the Education Taskforce review,

|                                                                                                                                                                                                          |                                                                                   |                                                                                     |                                                                                     |                                                                                     |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|
|                                                                                                                         |  |  |  |  |
| <p>SUPPORTED BY</p> <div></div> |                                                                                   |                                                                                     |                                                                                     |                                                                                     |

With proven success our seven Regional Jobs Hubs across Tasmania, one of which is the SWN Jobs Hub, provide an important place to start in our communities. Our successful Hubs provide a strong foundation in our regions to support local young people, employers, and education and training providers to connect to, and create, mutually beneficial job opportunities and workforce solutions. **Tasmanian Youth Jobs Strategy 2024 – 2025**

Independent evaluation confirms the distinct value the Jobs Hub Network which engages people outside traditional service cohorts, amplifying their regional voice and integrating programs and investment across the State to the benefit of Communities. This value is reflected in outcomes, with more than **9,537 participants supported, 4,663 job outcomes achieved and 3,726 connections to training** since inception.

# Capacity, Sustainability and Resilience

BUILD, MAINTAIN AND STRENGTHEN THE CAPACITY OF THE COMMUNITY TO HELP ITSELF WHILST EMBRACING SOCIAL INCLUSION TO ACHIEVE SUSTAINABILITY

## 2024-25 Achievements

### Australia Day Awards

Congratulations to our very worthy Australia Day Award recipients who make such a positive contribution to the Southern Midlands. The Awards were presented by Mayor Edwin Batt at Oatlands Aquatic Centre on 26<sup>th</sup> January 2025.

- Citizen of the Year: Rick Birch
- Young Citizen of the Year: Mia Barwick
- Community Event of the Year: Working Bullock Festival Committee



### Citizenship Ceremonies

Council conducted 1 (one) Citizenship Ceremony in 2024/25, welcoming nine new Australian citizens.

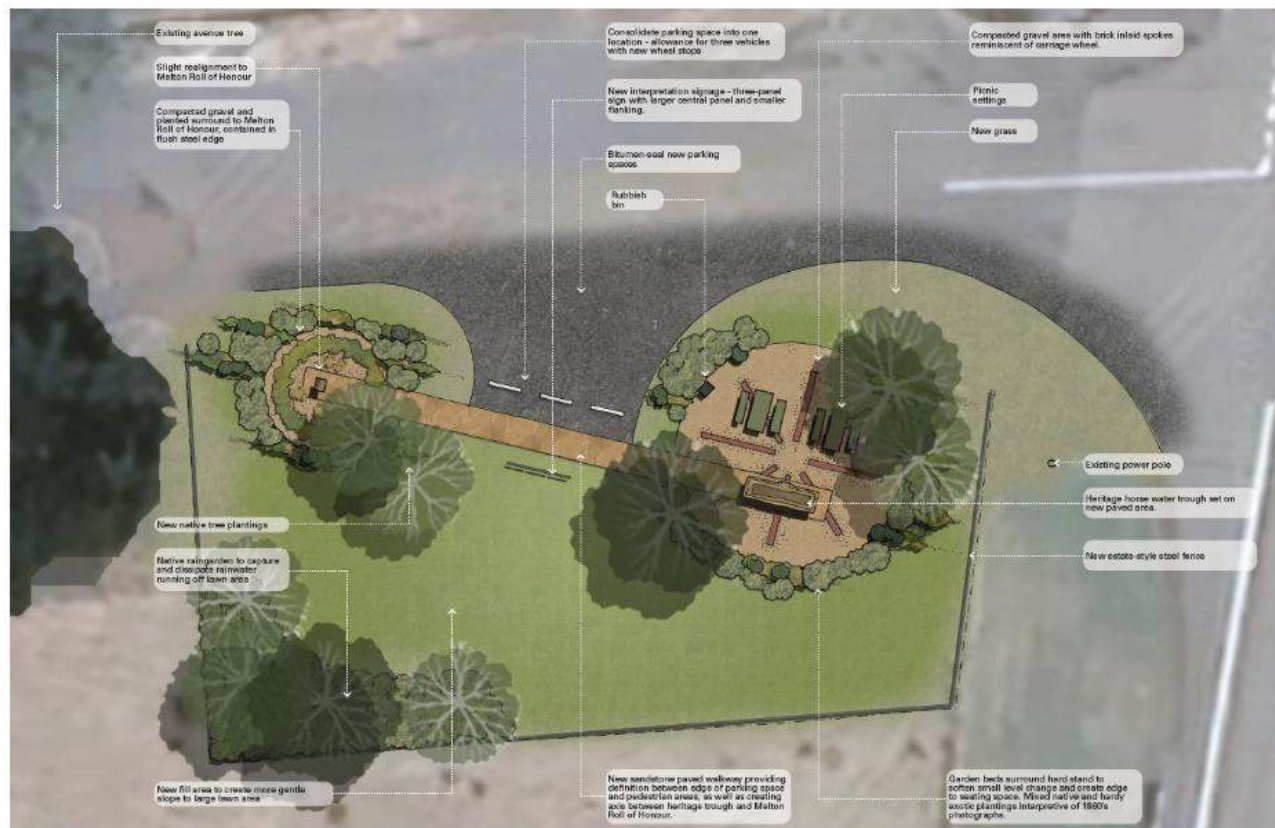




### Melton Mowbray Park (to be named CL Batt OAM Park)

Mr Charles Leo Batt OAM's long-term link to the Melton Mowbray area and his public / community service to Tasmanian and the local district is to be recognised by the Southern Midlands Council. The *Melton Mowbray Park* being developed at the corner of Blackwell Road and Highland Lakes Road (opposite the Melton Mowbray Hotel) will be completed in the latter part of 2025 and will be named the **CL Batt OAM Park**.

The Park will be completed following the return of the historic sandstone trough. This is to be undertaken once adequate statutory heritage protection is achieved via a consolidated entry on the Tasmanian Heritage Register. The park area being developed in Blackwell Road, Melton Mowbray (opposite the Hotel) has been made possible through the donation of land by the Batt family.



# Safety

INCREASE THE LEVEL OF SAFETY OF THE COMMUNITY AND THOSE VISITING OR PASSING THROUGH THE MUNICIPALITY

## 2024-25 Achievements

### National Road Safety Event

Council partnered with Tasmania Police; the Road Safety Advisory Council; Transport Safety Inspectors; and State Emergency Service (SES) local volunteer members to deliver a community-focused **Road Safety Awareness Event** aimed at promoting safer driving behaviours and building awareness around emergency response practices. The initiative was well received and reinforced Council's commitment to community safety, education, and collaboration with emergency services. Council extends its appreciation to our emergency services for their ongoing dedication to protecting and supporting our community.



### Southern Midlands Road Rescue Unit

The Southern Midlands Road Rescue Unit had 52 call-outs in 2024/25 (46 in 2023/24) involving 468 operational hours (414 hours in 2023/24). In addition to this, approximately 210 hours were spent on training and events.

The Unit, which has three rescue vehicles, continues to operate from both Oatlands and Kempton.

# Consultation & Communication

IMPROVE THE EFFECTIVENESS OF CONSULTATION AND COMMUNICATION WITH THE COMMUNITY

## 2024-25 Achievements

Five (5) Ordinary Meetings of Council were held in the following areas within the municipality during 2024/25.

- January 2025 – Tunnack Hall
- February 2025 – Tunbridge Hall
- March 2025 – Campania Hall
- April 2025 – Levendale Community Hall
- May 2025 – Broadmarsh Community Hall

The Southern Midlands Council's website [www.southernmidlands.tas.gov.au](http://www.southernmidlands.tas.gov.au) and the Southern Midlands Council Facebook page are regularly updated with current news items, events, Council meetings and the like.

Council continues to issue Newsletters on a quarterly basis and other forms of consultation are undertaken as the need arises.



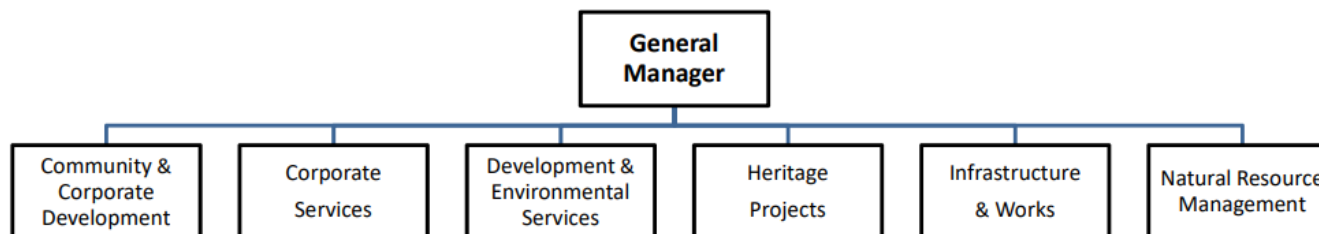
For the latest Council news visit:  
[www.southernmidlands.tas.gov.au](http://www.southernmidlands.tas.gov.au) or like us on Facebook

# ORGANISATION

*The need to monitor and continuously improve the efficiency and effectiveness of the way the council provides services to the community*

*Southern Midlands Community*

**Southern Midlands Council**





# Improvement

IMPROVE THE LEVEL OF RESPONSIVENESS TO COMMUNITY NEEDS; IMPROVE COMMUNICATION WITHIN COUNCIL; IMPROVE THE ACCURACY, COMPREHENSIVENESS AND USER FRIENDLINESS OF THE ASSET MANAGEMENT SYSTEM; INCREASE THE EFFECTIVENESS, EFFICIENCY AND USE-ABILITY OF COUNCIL ICT SYSTEMS; MAINTAIN THE BUSINESS PROCESS IMPROVEMENT FOCUS AND CONTINUOUS IMPROVEMENT FRAMEWORK

## 2024-25 Achievements

### Local Government – Code of Conduct

The *Local Government Amendment (Code of Conduct) Act 2023* commenced on 10<sup>th</sup> September 2024, along with the supporting Amendment Regulation provisions and a new Code of Conduct Order.

This Amendment Act delivered a number of targeted improvements to the Local Government Code of Conduct framework, including:

- Providing for a single statewide Code, which will automatically apply to all councillors.
- Requiring councils to adopt a dispute resolution policy within 12 months of its commencement.
- Introducing a 'public interest' test for investigating complaints.
- Having a more rigorous initial assessment process undertaken by a Panel member who is a lawyer (who will not be on any subsequent investigating Panel).
- Having the Code of Conduct Panel Executive Officer undertake monitoring of compliance with sanctions.

**Local Government Priority Reform Program** – following conclusion of the Local Government Board review process and the release of the 'Future of Local Government Review' final report, the Tasmanian Government has issued its 'Local Government Priority Reform Program 2024-2026'. This brings together key recommendations from the Local Government Review and the earlier Local Government Legislation Review, alongside several additional reforms which have been included in response to strong feedback from the sector and aspects of council governance.

The Discussion Paper outlines targeted amendments to the *Local Government Act 1993* supporting 11 key reforms:

1. Legislating the Good Governance Principles
2. Introducing serious misconduct provisions for Councillors
3. Broadening Performance Improvement Direction provisions
4. Introducing Temporary Advisors for Councils
5. Clarifying Work Health and Safety obligations

6. Mandating council learning and development obligations
7. Introducing a contemporary role statement and a Charter for local government
8. Improving the strategic planning and reporting frameworks
9. Improving consistency in data collection and reporting methodologies
10. Enhancing transparency of information in council rates notices
11. Mandating internal audit for councils.

The Government has committed to this Program being implemented before the 2026 local government elections.

**Policy** - A range of policies were either reviewed or developed during the reporting period.

- Reporting & Investigating Reportable Conduct Policy & Procedure
- Risk Management Framework, Strategy & Policy
- Code of Conduct for Elected Members
- Public Open Space Policy
- Mobile Food Vendors Policy
- Body Worn Camera (BWC) Policy
- Private Works Policy
- Rates and Charges Policy
- Heritage Collections Policy
- Dispute Resolution Policy
- Unreasonable Complainant Conduct Policy
- Payment of Councillors Expenses and Provision of Facilities Policy

The Southern Midlands Council's Audit Panel held four meetings during the 2024/25 financial year.

# Sustainability

RETAIN CORPORATE AND OPERATIONAL KNOWLEDGE WITHIN COUNCIL; PROVIDE A SAFE AND HEALTHY WORKING ENVIRONMENT; ENSURE THAT STAFF AND ELECTED MEMBERS HAVE THE TRAINING AND SKILLS THEY NEED TO UNDERTAKE THEIR ROLES; INCREASE THE COST EFFECTIVENESS OF COUNCIL OPERATIONS THROUGH RESOURCE SHARING WITH OTHER ORGANISATIONS; CONTINUE TO MAINTAIN AND IMPROVE THE LEVEL OF STATUTORY COMPLIANCE OF COUNCIL OPERATIONS; ENSURE THAT SUITABLY QUALIFIED AND SUFFICIENT STAFF ARE AVAILABLE TO MEET THE COMMUNITIES NEED; WORK CO-OPERATIVELY WITH STATE AND REGIONAL ORGANISATIONS; MINIMISE COUNCILS EXPOSURE TO RISK, ENSURE THAT EXCEPTIONAL CUSTOMER SERVICE CONTINUES TO BE A HALLMARK OF SOUTHERN MIDLANDS COUNCIL

## 2024-25 Achievements

### Southern Tasmanian Councils Authority – Future Structure

Council has recognised that the Southern Tasmanian Councils Authority (STCA) has struggled to be effective in representing all 12 southern councils and facilitate regional collaboration. This is due to a range of factors, including the cost of running a standalone organisation and meeting the requirements of a legislated authority with the corresponding administrative overhead. The STCA has recently experienced the withdrawal of five (5) of the southern councils and accordingly is representing less than half of the southern population.

In response, Council supported the formation and funding of a Southern Tasmanian Council Network (STCN). This Network will be resourced through a Service Agreement with Regional Development Australia (RDA) Tasmania who will provide the secretariat function. This arrangement has also been supported by all 12 southern councils on a two-year trial basis.

The focus of the network is proposed to be:

- **Facilitate Collaboration:** Provide a structured platform for councils to exchange knowledge, align priorities, and foster partnerships
- **Leverage Data and Insights:** Enable evidence-based decision-making by sharing regional data, analytics, and trends
- **Drive Strategic Projects:** Support collaborative projects that address regional challenges and opportunities
- **Enhance Governance:** Provide administrative, financial and logistical support
- **Regional Communication:** Provide a point of contact for stakeholders to engage at a southern scale.

### General Manager – Reappointment

Council reappointed Timothy Kirkwood as its General Manager for a five-year term commencing May 2025.

### **Local Government Association of Tasmania – ‘Lift the Tone’ Campaign**

The Local Government Association of Tasmania formally launched its ‘Lift the Tone’ Campaign. The community awareness campaign aims to:

- Promote a culture of respectful communication and interaction with council members and staff.
- Reduce harassment and abuse by encouraging constructive and solution-oriented public discourse.
- Emphasise shared responsibility in improving the tone of community engagement, fostering stronger community connections and better local governance.

Council pledged its support to this campaign, and in doing so, commits to:

- Promoting civility in public debate.
- Refraining from abusive language and behaviour online or in person.
- Encouraging others to engage respectfully.

### **Enterprise Bargaining**

Enterprise Agreement Number 11 of 2021 had a nominal expiry date of 30 June 2024. The internal Enterprise Bargaining Committee met on a number of occasions to negotiate the development of a new Agreement. The Fair Work Commission formally approved the Southern Midlands Council Enterprise Agreement Number 12 of 2024 on 19<sup>th</sup> December 2024. This Agreement extends for a three year period with a nominal expiry date of 30 June 2027.

### **Significant Achievement – Jason Robins SMC Employee**

On Sunday, 8<sup>th</sup> December, Jason Robins was awarded Life Membership with the Tasmanian State Emergency Service (SES). Jason began his volunteer service in 1994, joining the Southern Midlands SES Unit. He became Unit Manager in 2008, and over his career, he has gained extensive experience across a wide range of SES operations, including road crash rescue, general rescue, storm response, roping and land search.

An experienced unit trainer, Jason has contributed significantly to regional training activities, Volunteering his time to assist SES Regional Staff in training other units in road crash rescue and chainsaw operations.

In 2021, Jason was awarded the Emergency Services Medal (ESM) in 2021, recognising His distinguished service as a member of an Australian emergency service.

With over 30 years of dedicated service, Jason has continually demonstrated exceptional Commitment to both the Tasmanian State Emergency Service and the wider community.





# Finances

COMMUNITY'S FINANCES WILL BE MANAGED RESPONSIBLY TO ENHANCE THE WELLBEING OF RESIDENTS; COUNCIL WILL MAINTAIN COMMUNITY WEALTH TO ENSURE THAT THE WEALTH ENJOYED BY TODAY'S GENERATION MAY ALSO BE ENJOYED BY TOMORROW'S GENERATION; COUNCIL'S FINANCIAL POSITION WILL BE ROBUST ENOUGH TO RECOVER FROM UNANTICIPATED EVENTS, AND ABSORB THE VOLATILITY INHERENT IN REVENUES AND EXPENSES

## 2024-25 Achievements

The 2024-25 Financial Statements form part of this Annual Report. An unqualified Audit Report has been issued by the Tasmanian Auditor General on 31<sup>st</sup> October 2025.

Total equity increased by \$20.192 million. This is due to the following:

- a net asset revaluation increment of \$14.172 million;
- an increase of \$247K in the value of Council's investment in TasWater;
- an overall 'Net result from continuing operations for the year' surplus of \$4.929 million; and
- movements in other assets and liabilities which are shown in the Balance Sheet and detailed in the Notes to the Financial Report.

Whilst Council's 'Cash and cash equivalent assets' decreased by \$2.652 million, this was largely due to a reduction in the amount of the Australian Government Financial Assistant Grant received in advance of \$1.468 million. The total Loan debt as at 30 June 2025 is \$110K, being a reduction of \$17K from the previous year.

The Southern Midlands Council secured the following commitments as part of the 2024 State Government Election process. These were funded in the 2024/25 State Budget:

1. Bagdad Walkway (Primary School north) - \$150,000 (Council contribution \$90K – total project cost \$240K)
2. Callington Park – Unisex Toilet adjacent to playground - \$45,000 (council contribution \$158K – total project cost of \$203K)
3. Campania Recreation Ground – Electronic Scoreboard - \$35,000 (council contribution \$12,875 – total project cost of \$47,875)
4. Campania Recreation Ground – Car Park Improvements - \$18,000 (council contribution \$8,750 – total project cost of \$26,750)
5. Campania Recreation Ground – Ground Improvements – Landscaping & Tiered Seating - \$200,000 (council contribution \$70,000 – total project cost of \$270,000)
6. Chauncy Vale Wildlife Sanctuary – New Toilets & Interps - \$80,000 (council contribution – Nil)
7. Kempton Recreation ground – Half-court basketball Court and practice Cricket nets - \$80,000 (council contribution – Nil)

### **Financial Management Strategy & Long-Term Financial Management Plan 2023/24 to 2033/34**

In accordance with sections 70 and 70A of the *Local Government Act 1993*, Council formally adopted revised versions of the Financial Management Strategy and Long-Term Financial Management Plan which relate to the period 2023/24 to 2033/34. The following are some of the key outcomes:

- Declining budget deficits over the next four years (achieving surplus in 2030/31) – deficit of (\$427K) in 2026/27; deficit of (\$299K) in 2027/28; deficit of (\$160K) in 2028/29; and deficit of (\$23K) in 2029/30. These deficits exclude the Roads to Recovery Grant of \$1.331 million per year.
- Cash and Cash Equivalents are maintained and increase to \$11.9 million at the end of the ten year period.
- Total Equity increases from \$173.3 million to \$184.6 million (excluding any allowance for asset revaluations).
- Factored into the Long-Term Plan are allowance for capital expenditure on new assets of \$800K per annum for Roads; \$400K per annum for Buildings; and \$50K per annum for other new assets (not allocated to any specific projects).
- The Plan includes an average of approximately \$4.5 million per annum on the renewal / replacement of existing assets

# **REPORTING ON LEGISLATIVE REQUIREMENTS**

Following are the reports that Council is required to provide under various legislation for the 2024/2025 financial year:

**Allowances and Expenses Statement**  
(Under the *Local Government Act 1993*)

In 2024/25 Council provided allowances and reimbursements for reasonable expenses to the Mayor, Deputy Mayor and Councillors. This included telephone rental, telephone calls and travelling.

|            |            |
|------------|------------|
| Allowances | \$ 132,458 |
| Expenses   | \$ 26,456  |

**Code of Conduct Complaints Statement**  
(Under the *Local Government Act 1993*)

Section 72 (ba) requires a council to report in its annual report the number of code of conduct complaints that were received and the number that were upheld either wholly or in part during the preceding financial year.

Two code of conduct complaints were received during 2024/25. One compliant was dismissed and one complaint was yet to be determined at the end of the reporting period.

Section 72 (bb) requires council to report the total costs met by the council during the preceding financial year in respect of all code of conduct complaints.

Council is yet to be advised (or invoiced) for any costs incurred in relation to the above complaints.

**Public Interest Disclosure**  
(Under the *Public Interest Disclosure Act 2002*)

There were no public interest disclosures made during the year.

Guidelines and Standards published by the Ombudsman under s 38(1)(c) of the Act are available on the Ombudsman's website at [www.ombudsman.tas.gov.au](http://www.ombudsman.tas.gov.au)



## Attendance at Council and Council Committee Meetings Statement

(Under the *Local Government Act 1993*)

- Twelve (12) ordinary Council meetings were held during the year.
- One (1) Annual General Meeting was held on the 11<sup>th</sup> December 2024.
- One (1) Southern Midlands Facilities & Recreation Committee meeting was held on the 12<sup>th</sup> September 2024.

| COUNCILLOR ATTENDANCE  | Ordinary Council Meetings | Annual General Meeting | Southern Midlands Recreation Committee |
|------------------------|---------------------------|------------------------|----------------------------------------|
|                        | x 12 meetings             | x 1 meeting            | x 1 meeting                            |
| Mayor E Batt           | 12/12                     | 1/1                    | 1/1                                    |
| Deputy Mayor K Dudgeon | 12/12                     | 1/1                    | 1/1                                    |
| Clr A Bisdee OAM       | 10/12                     | 0/1                    | N/A                                    |
| Clr D Blackwell        | 12/12                     | 1/1                    | 1/1                                    |
| Clr B Campbell         | 12/12                     | 1/1                    | N/A                                    |
| Clr D Fish             | 11/12                     | 1/1                    | 1/1                                    |
| Clr F Miller           | 10/12                     | 0/1                    | N/A                                    |

**Donation of Land Statement**

(Under the *Local Government Act 1993*)

Section 72 (1) (da) requires Council to report on details of any land donated by Council during the year. Council made no such donations of land.

**Remuneration Statement**

(Under the *Local Government Act 1993*)

The following table provides the remuneration for those positions designated by Council as senior positions, as required under the *Local Government Act 1993*. The positions of General Manager, Deputy General Manager, Manager, Development and Environmental Services, Manager, Infrastructure & Works and Manager, Corporate Services have been defined as senior positions by the Southern Midlands Council.

| Remuneration Band      | No. of Positions |
|------------------------|------------------|
| \$140,001 -- \$160,000 | 1                |
| \$160,001 - \$180,000  | 1                |
| \$180,001 - \$200,000  | 2                |
| \$260,001 - \$280,000  | 1                |

**Advertising of Annual Report**

(Under the *Local Government Act 1993*)

Section 72 (2) requires the General Manager to advertise in a daily newspaper circulating in the municipal area the availability of the report, together with an invitation to electors to lodge submissions on the report with the council for discussion at its annual general meeting. The Annual General Meeting was advertised in 'The Mercury' newspaper on the 23<sup>rd</sup> November 2024; this included an invitation for electors to lodge submissions in relation to the Annual Report.

### Public Health Statement

(Under the *Local Government Act 1993*)

Section 72 (ab) requires the council to include a statement of its goals and objectives in relation to public health for the preceding year in its annual report. The statement is to detail the extent to which Council has carried out its functions under the *Public Health Act 1997* and *Food Act 2003*, the resources allocated to public health, the extent to which its goals and objectives, policies and programs for public health met the needs of people within its municipal area, and the completion of any strategies.

Key actions identified under Council's Public Health Program are: Continue to provide school immunisation programs; Continue to register and monitor food premises; Continue to ensure that on-site waste water disposal is effective; Encourage health professionals, including doctors and nurses, to move to southern midlands; Provide continuing support to the Midlands Multi-Purpose Health Centre (MMPHC); Continually raise the awareness of Notifiable Diseases in the community; Maintain an Emergency Management Plan for the Southern Midlands local government area that will provide safeguards for the health and safety of the community; support Council owned cemetery services so they continue to be provided; Maintain the Kempton Community Health Centre and encourage health professionals along with other community service providers to use the premises as a base for the provision of services; and Work with the State Government and our neighbouring Councils in the implementation of responses to epidemics and/or pandemics to keep our Community safe.

Achievements for the 2024/25 period are detailed under the 'Public Health' section.

### Contracts

(*Local Government (General) Regulations 2015*)

In accordance with Section 23(5) of the *Local Government (General) Regulations 2015*, Council is required to report on contracts for the supply or provision of goods and services in excess of \$250,000 (excl. GST) entered into during the year to 30<sup>th</sup> June 2025.

| Contactor Name & Address          | Description                              | Value of Contract<br>(excl. GST) | Period of Contract<br>(plus extension options if applicable) |
|-----------------------------------|------------------------------------------|----------------------------------|--------------------------------------------------------------|
| Stabilised Pavements of Australia | Annual Road Stabilisation & Seal Program | \$483,120.00                     |                                                              |

|                                 |                                              |                |                     |
|---------------------------------|----------------------------------------------|----------------|---------------------|
| Webster Trucks                  | Supply of UP Quon CW26460 Rigid Tipper       | \$287,277.00   |                     |
| Fulton Hogan Industries Pty Ltd | Annual road spray sealing program            | \$266,524.00   |                     |
| Andrew Walter Construction      | Construct and Seal Interlaken Road, Oatlands | \$4,949,977.80 | Jan 24 to<br>Dec 24 |

### Enterprise Power Statement

(Under the *Local Government Act 1993*)

Section 72 (1) (ca) requires Council to provide a statement of activities and performance of the Council in relation to any activity undertaken pursuant to section 21 of the *Local Government Act 1993* 'Enterprise Powers'.

In 2010/11, the Southern Midlands Council established two separate entities associated with the creation of the Centre for Colonial Heritage Conservation and Restoration:

- a) a proprietary company which will operate under the 'Services Arm' – Heritage Building Solutions Pty Ltd – commenced operation 19/7/10; and
- b) a company limited by guarantee to operate under the 'Education Arm' – Heritage Education and Skills Centre Ltd – commenced operation 28/7/2010.

The purpose of the respective Companies is as follows:

#### *Heritage Building Solutions Pty Ltd*

To commercially provide building services, primarily to the heritage property sector and to conserve and renovate heritage property for re-use.

This includes:

- Conservation & Restoration Building Works;
- Professional Services Brokering;
- Heritage Building Redevelopment;
- Building services to Southern Midlands Council;



- Commercial building services;
- Production of architectural fittings; and
- Joinery workshop production items.

Heritage Building Solutions Pty Ltd was formally wound-up effective from October 2024. There were no financial transactions during the reporting period as all remaining assets and cash balances were transferred to Council as at 30<sup>th</sup> June 2024.

#### *Heritage Education and Skills Centre Ltd*

To promote and facilitate the conservation and restoration of heritage properties and the development and the application of associated knowledge and skills.

This includes:

- Education and training - Apprentice and post trade training; Field work and structured experience; Property owner training; Professional training; and Visitor education.
- Research into - Conservation & Restoration Techniques; Building re-use technologies and best practice; Heritage/Archaeology; and Interpretation.
- Funding Heritage conservation and restoration activities – sourcing external funds and gifts"

The financial performance of this entity is reported in the set of Financial Statements.

## Grants & Donations

| Name                                        | Description                                               | Amount \$    |
|---------------------------------------------|-----------------------------------------------------------|--------------|
| Heritage Highway Tourism Region Association | Annual Grant                                              | \$ 12,000.00 |
| Green Ponds Progress Association            | Contribution to Kempton Festival                          | \$ 1,500.00  |
| Bagdad Primary School                       | Donation End of Year Awards                               | \$ 60.00     |
| Campania District School                    | Donation End of Year Awards (Primary & High)              | \$ 160.00    |
| Kempton Primary School                      | Donation End of Year Awards                               | \$ 60.00     |
| Oatlands District High School               | Donation End of Year Awards (Primary & High)              | \$ 160.00    |
| M Calvert                                   | Donation to attend Roller Derby World Cup                 | \$ 200.00    |
| Z Thow                                      | Donation to attend Rugby Union Championships              | \$200.00     |
| O Baker                                     | Donation to attend Royal Adelaide Show Representation     | \$200.00     |
| E Burrill                                   | Donation to attend Gymnastics Competition                 | \$200.00     |
| M, J & I Hayes (3 individuals)              | Donation to attend Australian National Judo Championships | \$600.00     |
| M McMahon                                   | Donation to attend Australian Football Championships      | \$200.00     |
| Oatlands Christmas Pageant                  | Annual Donation                                           | \$ 100.00    |
| Oatlands District Football Association      | Sponsorship of ODFA Best & Fairest (Mayors Trophy)        | \$ 150.00    |
| Levendale Community Hall                    | Contribution Public Liability Insurance (22/23 & 23/24)   | \$767.00     |
| Bagdad Community Club                       | Operational Grant MOU                                     | \$ 10,000.00 |
| Levendale Cricket Club                      | Annual Donation (2 years)                                 | \$2,000.00   |
| Reptile Rescue                              | Donation                                                  | \$500.00     |
| Broadmarsh/Elderslie Progress Assoc.        | Community Small Grant                                     | \$1, 500.00  |

|                                            |                                          |                    |
|--------------------------------------------|------------------------------------------|--------------------|
| Levendale Cricket Club                     | Community Small Grant                    | \$2,000.00         |
| Mount Pleasant Football Club               | Community Small Grant                    | \$2,000.00         |
| Navigate Family Services                   | Community Small Grant                    | \$2,727.00         |
| Oatlands Golf Club                         | Community Small Grant                    | \$2,215.00         |
| Runnymede Cricket Club                     | Annual Donation                          | \$2,000.00         |
| St. Mary's Community Cemetery Kempton Inc. | Community Small Grant                    | \$1,590.91         |
| Tunnack Community Club                     | Community Small Grant                    | \$1,818.00         |
| Murray Jones & Sons Pty Ltd                | Remission of Development Application Fee | \$900.00           |
| Oatlands District Historical Society       | Rate Remission 2024/25                   | \$1,127.12         |
| <b>GRANTS &amp; DONATIONS TOTAL</b>        |                                          | <b>\$46,935.03</b> |

## **Elected Member Learning and Development Activities**

Under the Local Government (General) Regulations 2025 Section 37(D)

In accordance with Regulation 37(D) of the Local Government (General) Regulations 2025, Council is required to provide a statement of the core learning and development activities that each Councillor has completed during the 2024/25 financial year.

### **Councillor Online Learning Modules**

The Office of Local Government and LGAT have worked together to develop the Local Government Learning and Development Framework, which aims to increase the knowledge and skills of elected representatives.

The following table shows completion of the online learning packages:

Learning Package 1 includes:

- Module 1 – What it means to be a councillor and encouraging nomination.
- Module 2 – Getting elected – information about the electoral process.

Learning Package 2 includes:

- Module 1 – Role and responsibilities of councillors;
- Module 2 - Essential knowledge and skills for councillors;
- Module 3 - Foundations of good governance; and

Learning Package 3:

- Will consist of several modules which will provide detailed information about good governance principles and elements as set out in the Good Governance Guide and other important topics.

The published modules include:

- Module 1 – Good governance – understanding your role
- Module 2 – Good governance – building positive relationships
- Module 3 – Cyber Safety Essentials
- Module 4 – Good governance – good decision-making
- Module 5 – Good governance – land-use planning
  - Part A – Key players in Land-use planning
  - Part B – Tasmanian Planning System
  - Part C – Statutory planning

The table below outlines the completion rate of individual councillors with respect of each of the three available Learning Packages.

Participation Rates (as at 30 June 2025)

| Councillor                 | LP1 - M1 | LP1 - M2 | LP2 - M1 | LP2 - M2 | LP2 - M3 | LP3 – M1 | LP3 – M2 | LP3 – M3 | LP3 – M4 | LP3 – M5 |
|----------------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| Mayor Edwin Batt           |          |          |          |          |          |          |          |          |          |          |
| Deputy Mayor Karen Dudgeon |          |          |          |          |          |          |          |          |          |          |
| Councillor Tony Bisdee OAM |          |          |          |          |          |          |          |          |          |          |
| Councillor Donna Blackwell |          |          |          |          |          |          |          |          |          |          |
| Councillor Bob Campbell    |          |          |          |          |          |          |          |          |          |          |
| Councillor Don Fish        |          |          |          |          |          |          |          |          |          |          |
| Councillor Fraser Miller   |          |          |          |          |          |          |          |          |          |          |
|                            |          |          |          |          |          |          |          |          |          |          |
| Complete                   |          |          |          |          |          |          |          |          |          |          |
| Incomplete                 |          |          |          |          |          |          |          |          |          |          |

Tasmania.

Clr F Miller completed the Company Directors Course provided by the Australian Institute of Company Directors.

.



# **2024/2025 FINANCIAL STATEMENTS**

# SOUTHERN MIDLANDS COUNCIL



## **COMPLETE SET OF FINANCIAL STATEMENTS**

**2024|25 FINANCIAL YEAR**

---

Prepared in pursuance of the provisions of the Local Government Act 1993 (as amended), the Statements of Accounting Concepts and applicable Accounting Standards, including the accrual basis of accounting.

## Contents

|                                                | Page |
|------------------------------------------------|------|
| General Manager's Declaration                  | 2    |
| Financial Statements                           |      |
| Consolidated Statement of Comprehensive Income | 3    |
| Consolidated Statement of Financial Position   | 4    |
| Consolidated Statement of Changes in Equity    | 5    |
| Consolidated Statement of Cash Flows           | 6    |
| Notes to the Financial Report                  |      |
| 1 About the Financial Statements               | 7    |
| 2 Financial Performance                        | 9    |
| 3 Asset Base                                   | 23   |
| 4 People                                       | 37   |
| 5 Debt and Risk Management                     | 44   |
| 6 Other Information                            | 51   |
| Independent Audit Report                       | 54   |

## General Manager's Declaration

The financial report presents fairly the financial position of the Southern Midlands 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.



T F Kirkwood  
**General Manager**

Dated: 31 October 2025

# Consolidated Statement of Comprehensive Income

for the year ended 30 June 2025

| (Amounts shown in \$'000)                                                    | Note | Budget<br>2025  | Actual<br>2025  | Actual<br>2024  |
|------------------------------------------------------------------------------|------|-----------------|-----------------|-----------------|
| <b>Income from continuing operations</b>                                     |      |                 |                 |                 |
| <b>Recurrent Income</b>                                                      |      |                 |                 |                 |
| Rates and charges                                                            | 2.2a | 7,375           | 7,512           | 6,970           |
| User fees                                                                    | 2.2b | 1,304           | 1,551           | 1,643           |
| Grants - Recurrent                                                           | 2.2c | 4,562           | 3,189           | 4,329           |
| Interest                                                                     | 2.2d | 486             | 518             | 783             |
| Other income                                                                 | 2.2e | 62              | 408             | 396             |
| Investment revenue from water corporation                                    | 2.2f | 182             | 182             | 182             |
|                                                                              |      | <b>13,971</b>   | <b>13,360</b>   | <b>14,303</b>   |
| <b>Net Capital Income</b>                                                    |      |                 |                 |                 |
| Grants - capital                                                             | 2.2g | 5,006           | 4,542           | 5,669           |
| Contributions                                                                | 2.2h | 15              | 2,610           | -               |
| Net gain/(loss) on disposal of property, plant, equipment and infrastructure | 2.2i | 290             | 94              | (565)           |
|                                                                              |      | <b>5,311</b>    | <b>7,246</b>    | <b>5,104</b>    |
| <b>Total income from continuing operations</b>                               |      | <b>19,282</b>   | <b>20,606</b>   | <b>19,407</b>   |
| <b>Expenses from continuing operations</b>                                   |      |                 |                 |                 |
| Employee benefits                                                            | 2.3a | (5,770)         | (5,303)         | (4,755)         |
| Materials and contracts                                                      | 2.3b | (3,997)         | (4,048)         | (3,787)         |
| Depreciation and amortisation                                                | 2.3c | (4,120)         | (4,687)         | (4,325)         |
| Contributions                                                                | 2.3d | (287)           | (287)           | (272)           |
| Finance costs                                                                | 2.3e | (5)             | (4)             | (51)            |
| Other expenses                                                               | 2.3f | (174)           | (504)           | (611)           |
| <b>Total expenses from continuing operations</b>                             |      | <b>(14,353)</b> | <b>(14,833)</b> | <b>(13,801)</b> |
| <b>Net result from continuing operations for the year</b>                    |      | <b>4,929</b>    | <b>5,773</b>    | <b>5,606</b>    |
| <b>Other comprehensive income</b>                                            |      |                 |                 |                 |
| <b>Items that will not be reclassified to net result</b>                     |      |                 |                 |                 |
| Fair value adjustments on equity investment asset                            | 3.5  | -               | 247             | 759             |
| Net asset revaluation increment/(decrement)                                  | 3.6  | -               | 14,172          | 5,968           |
| <b>Total other comprehensive income</b>                                      |      | <b>-</b>        | <b>14,419</b>   | <b>6,727</b>    |
| <b>Total Comprehensive Result</b>                                            |      | <b>4,929</b>    | <b>20,192</b>   | <b>12,333</b>   |

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



## Consolidated Statement of Financial Position

as at 30 June 2025

| (Amounts shown in \$'000)                                  | Note | Actual<br>2025 | Actual<br>2024 |
|------------------------------------------------------------|------|----------------|----------------|
| <b>Assets</b>                                              |      |                |                |
| <b>Current assets</b>                                      |      |                |                |
| Cash and cash equivalents                                  | 3.1  | 11,901         | 14,553         |
| Trade and other receivables                                | 3.2  | 2,299          | 993            |
| Assets held for sale                                       | 3.3  | -              | 155            |
| Other assets                                               | 3.4  | 183            | 358            |
| <b>Total current assets</b>                                |      | <b>14,383</b>  | <b>16,059</b>  |
| <b>Non-current assets</b>                                  |      |                |                |
| Investment in water corporation                            | 3.5  | 12,920         | 12,673         |
| Property, plant, equipment, infrastructure and intangibles | 3.6  | 166,298        | 145,055        |
| <b>Total non-current assets</b>                            |      | <b>179,218</b> | <b>157,728</b> |
| <b>Total assets</b>                                        |      | <b>193,601</b> | <b>173,787</b> |
| <b>Liabilities</b>                                         |      |                |                |
| <b>Current liabilities</b>                                 |      |                |                |
| Trade and other payables                                   | 3.8  | 940            | 1,573          |
| Trust funds and deposits                                   | 3.9  | 119            | 264            |
| Contract liabilities                                       | 3.10 | 924            | 593            |
| Employee provisions                                        | 4.1  | 1,694          | 1,715          |
| Interest-bearing loans and borrowings                      | 5.1  | 110            | 17             |
| <b>Total current liabilities</b>                           |      | <b>3,787</b>   | <b>4,162</b>   |
| <b>Non-current liabilities</b>                             |      |                |                |
| Employee provisions                                        | 4.1  | 240            | 133            |
| Interest-bearing loans and borrowings                      | 5.1  | -              | 110            |
| <b>Total non-current liabilities</b>                       |      | <b>240</b>     | <b>243</b>     |
| <b>Total liabilities</b>                                   |      | <b>4,027</b>   | <b>4,405</b>   |
| <b>Net Assets</b>                                          |      | <b>189,574</b> | <b>169,382</b> |
| <b>Equity</b>                                              |      |                |                |
| Accumulated surplus                                        |      | 77,679         | 71,774         |
| Reserves                                                   | 6.1  | 111,895        | 97,608         |
| <b>Total Equity</b>                                        |      | <b>189,574</b> | <b>169,382</b> |

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

## Consolidated Statement of Changes in Equity

for the year ended 30 June 2025

| (Amounts shown in \$'000)                          | Note | Total          | Accumulated<br>Surplus | Asset<br>Revaluation<br>Reserve | Fair Value<br>Reserve | Other<br>Reserves |
|----------------------------------------------------|------|----------------|------------------------|---------------------------------|-----------------------|-------------------|
| <b>Balance as at 1 July 2023</b>                   |      | 157,049        | 65,795                 | 89,427                          | (1,824)               | 3,651             |
| Net result from continuing operations for the year |      | 5,606          | 5,606                  | -                               | -                     | -                 |
| Fair value adjustment on equity investment asset   | 3.5  | 759            | -                      | -                               | 759                   | -                 |
| Net revaluation reserve increment/(decrement)      | 3.6  | 5,968          | -                      | 5,968                           | -                     | -                 |
| Transfers between reserves                         | 6.1  | -              | 373                    | (373)                           | -                     | -                 |
| <b>Balance as at 30 June 2024</b>                  |      | <b>169,382</b> | <b>71,774</b>          | <b>95,022</b>                   | <b>(1,065)</b>        | <b>3,651</b>      |
| Net result from continuing operations for the year |      | 5,773          | 5,773                  | -                               | -                     | -                 |
| Fair value adjustment on equity investment asset   | 3.5  | 247            | -                      | -                               | 247                   | -                 |
| Net revaluation reserve increment/(decrement)      | 3.6  | 14,172         | -                      | 14,172                          | -                     | -                 |
| Transfers between reserves                         | 6.1  | -              | 132                    | (132)                           | -                     | -                 |
| <b>Balance as at 30 June 2025</b>                  |      | <b>189,574</b> | <b>77,679</b>          | <b>109,062</b>                  | <b>(818)</b>          | <b>3,651</b>      |

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

## Consolidated Statement of Cash Flows

for the year ended 30 June 2025

| (Amounts shown in \$000)                                                         | Note | Actual<br>2025 | Actual<br>2024 |
|----------------------------------------------------------------------------------|------|----------------|----------------|
| <b>Cash flows from operating activities</b>                                      |      |                |                |
| Rates and charges                                                                |      | 7,486          | 7,039          |
| User fees                                                                        |      | 1,483          | 1,750          |
| Grants - Recurrent                                                               |      | 3,189          | 4,329          |
| Interest                                                                         |      | 518            | 783            |
| Investment revenue from water corporation                                        |      | 182            | 182            |
| Other receipts                                                                   |      | 403            | 406            |
| Net GST refund/(payment)                                                         |      | 807            | 638            |
| Payments to suppliers                                                            |      | (6,575)        | (5,704)        |
| Payments to employees                                                            |      | (5,216)        | (4,632)        |
| Finance costs paid                                                               |      | (4)            | (51)           |
| <b>Net cash provided by (used in) operating activities</b>                       | 2.4  | <b>2,273</b>   | <b>4,740</b>   |
| <b>Cash flows from investing activities</b>                                      |      |                |                |
| Payments for property, plant, equipment, infrastructure and intangibles          |      | (9,310)        | (10,230)       |
| Proceeds from sale of property, plant, equipment, infrastructure and intangibles |      | 411            | 443            |
| Capital grants                                                                   |      | 4,136          | 6,176          |
| <b>Net cash provided by (used in) investing activities</b>                       |      | <b>(4,763)</b> | <b>(3,611)</b> |
| <b>Cash flows from financing activities</b>                                      |      |                |                |
| Trust funds and deposits                                                         |      | (145)          | (4)            |
| Repayment of interest bearing loans and borrowings                               |      | (17)           | (4,023)        |
| <b>Net cash provided by (used in) financing activities</b>                       | 2.5  | <b>(162)</b>   | <b>(4,027)</b> |
| Net increase (decrease) in cash and cash equivalents                             |      | (2,652)        | (2,898)        |
| Cash and cash equivalents at the beginning of the financial year                 |      | 14,553         | 17,451         |
| <b>Cash and cash equivalents at the end of the financial year</b>                | 3.1  | <b>11,901</b>  | <b>14,553</b>  |

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) Southern Midlands Council is a body corporate with perpetual succession and a common seal. Council's main office is located at 71 High Street, Oatlands.
- (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 Consolidated Statement of Comprehensive Income, Consolidated Financial Position, Consolidated Statement of Changes in Equity, Consolidated 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 thousand 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.

Special Committees of Council have been included in this financial report. Transactions between these committees and Council have been eliminated in full.

The financial report has been prepared as a consolidated report to include all the external transactions for the subsidiary entities disclosed at note 3.12. Council has elected not to present separate financial statements (Parent) in accordance with AASB 127 Separate Financial Statements as the amounts involved are not considered material.

## 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.

#### ***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 note 3.6.

#### ***Investment in water corporation***

Assumptions utilised in the determination of Council's valuation of its investment in TasWater are discussed in note 3.5.

### 1.4 Events occurring after balance date

Council entered into a contract after balance date for household garbage and recycling collection services for five years, with a commencement date of 1 September 2025. This contractual commitment has been disclosed at note 6.2.

No other significant events occurred after balance date that require reporting.



## 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 \$000)      | Income from continuing operations |               | Expenses from continuing operations |               | Result from continuing operations |              | Assets         |                |
|-------------------------------|-----------------------------------|---------------|-------------------------------------|---------------|-----------------------------------|--------------|----------------|----------------|
|                               | 2025                              | 2024          | 2025                                | 2024          | 2025                              | 2024         | 2025           | 2024           |
| Roads and bridges             | 4,099                             | 3,727         | 6,136                               | 5,361         | (2,037)                           | (1,634)      | 112,924        | 96,192         |
| Stormwater                    | -                                 | 41            | 152                                 | 132           | (152)                             | (91)         | 5,616          | 4,384          |
| Waste management              | 1,529                             | 1,405         | 1,687                               | 1,477         | (158)                             | (72)         | 494            | 511            |
| Economic development          | 172                               | 196           | 1,079                               | 1,284         | (907)                             | (1,088)      | 9,895          | 9,400          |
| Environmental management      | 41                                | 40            | 511                                 | 459           | (470)                             | (419)        | 397            | 1,682          |
| Development services          | 494                               | 446           | 1,226                               | 1,152         | (732)                             | (706)        | 1,639          | 1,574          |
| Community services            | 98                                | 383           | 596                                 | 560           | (498)                             | (177)        | 2,998          | 1,480          |
| Recreational facilities       | 773                               | 1,708         | 2,172                               | 2,169         | (1,399)                           | (461)        | 27,098         | 25,571         |
| Governance and administration | 265                               | 314           | 987                                 | 935           | (722)                             | (621)        | 3,505          | 4,217          |
| Other - non attributable      | 13,135                            | 11,147        | 287                                 | 272           | 12,848                            | 10,875       | 29,035         | 28,776         |
|                               | <b>20,606</b>                     | <b>19,407</b> | <b>14,833</b>                       | <b>13,801</b> | <b>5,773</b>                      | <b>5,606</b> | <b>193,601</b> | <b>173,787</b> |

Grants included in Income from continuing operations:

|                               | 2025         | 2024         |
|-------------------------------|--------------|--------------|
| Roads and bridges             | 4,064        | 3,697        |
| Stormwater                    | -            | 41           |
| Waste management              | -            | -            |
| Economic development          | 6            | 30           |
| Environmental management      | 27           | 5            |
| Development services          | -            | -            |
| Community services            | 84           | 183          |
| Recreational facilities       | 238          | 1,368        |
| Governance and administration | -            | -            |
| Other - non attributable      | 3,312        | 4,674        |
|                               | <b>7,731</b> | <b>9,998</b> |

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

|                     | 2025           | 2024           |
|---------------------|----------------|----------------|
| Current assets      | 14,383         | 16,059         |
| Non- current assets | 179,218        | 157,728        |
|                     | <b>193,601</b> | <b>173,787</b> |

## 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 roads, footpaths, bridges, kerb and gutter and street lighting.

###### *Stormwater*

Maintenance and provision of stormwater reticulation systems.

###### *Waste management*

Collection, handling, processing and disposal of waste materials, operation of refuse disposal sites, waste transfer stations and recycling facilities.

###### *Environmental management*

Protection and enhancement of the environment, maintenance of amenity through control of statutory nuisances, environmental health and control of animal nuisances.

###### *Economic development*

Facilitation and development of local employment and economic initiatives, including streetscape improvements. Development and promotion of tourism and economic services within the municipal area.

###### *Development services*

Planning and development control, building control and related regulatory and statutory matters.

###### *Community services*

Provision of facilities and services focussed on improving the lifestyle of those that live in the Southern Midlands; assistance provided to volunteers and community based organisations; operation of youth employment and development programs and emergency services.

###### *Recreation facilities*

Provision and maintenance of recreation and sport facilities, including public halls and swimming pool. Included in this activity are parks and reserves, town beautification and associated facilities.

###### *Governance and administration*

Support for the Council and operational branches, including secretarial, computer, financial, personnel and general administrative services.

###### *Other - not attributable*

All revenues, expense and assets that cannot be attributed directly to one of the other listed functions. Includes carrying amount of non-current assets sold, State Government levies and contributions and Councillors emoluments.

## Notes to the Financial Report

### for the year ended 30 June 2025

#### 2.2 Income from continuing operations

| (Amounts shown in \$000) |                                                                | 2025         | 2024         |
|--------------------------|----------------------------------------------------------------|--------------|--------------|
| Recurrent income         |                                                                |              |              |
| 2.2a                     | <b>Rates and charges</b>                                       |              |              |
|                          | General                                                        | 5,620        | 5,279        |
|                          | Fire levy                                                      | 292          | 277          |
|                          | Waste & garbage management                                     | 1,491        | 1,355        |
|                          | Interest and penalties                                         | 109          | 59           |
|                          | <b>Total rates and charges</b>                                 | <b>7,512</b> | <b>6,970</b> |
| 2.2b                     | <b>User fees</b>                                               |              |              |
|                          | Growth tourism                                                 | 5            | 6            |
|                          | Growth business                                                | 360          | 467          |
|                          | Landscapes regulatory                                          | 368          | 309          |
|                          | Landscapes natural                                             | 11           | 8            |
|                          | Landscapes heritage                                            | 1            | -            |
|                          | Lifestyle recreation                                           | 267          | 250          |
|                          | Lifestyle animals                                              | 78           | 77           |
|                          | Organisation sustainability                                    | 216          | 295          |
|                          | Organisation finances                                          | 16           | 18           |
|                          | Volunteers program                                             | 159          | 132          |
|                          | Other fees and charges                                         | 70           | 81           |
|                          | <b>Total user fees</b>                                         | <b>1,551</b> | <b>1,643</b> |
| 2.2c                     | <b>Grants - Recurrent</b>                                      |              |              |
|                          | Australian Government Financial Assistance Grants              | 778          | 412          |
|                          | Australian Government Financial Assistance Grants (in advance) | 2,400        | 3,868        |
|                          | Australian Government - Communities for Children               | 3            | 9            |
|                          | Tasmanian Government - Lifeguard Accreditation Program         | -            | 30           |
|                          | Tasmanian Government - Other                                   | 8            | 10           |
|                          | <b>Total recurrent grants</b>                                  | <b>3,189</b> | <b>4,329</b> |
| 2.2d                     | <b>Interest</b>                                                |              |              |
|                          | Interest on cash and cash equivalents                          | 518          | 783          |
|                          | <b>Total interest</b>                                          | <b>518</b>   | <b>783</b>   |
| 2.2e                     | <b>Other income</b>                                            |              |              |
|                          | Government subsidies                                           | 12           | 57           |
|                          | Developer contributions                                        | 50           | 115          |
|                          | Donations                                                      | 100          | 100          |
|                          | Special Committee contributions                                | 239          | 77           |
|                          | Insurance recoveries                                           | 2            | 14           |
|                          | Sundry                                                         | 5            | 33           |
|                          | <b>Total other income</b>                                      | <b>408</b>   | <b>396</b>   |

## Notes to the Financial Report

### for the year ended 30 June 2025

#### 2.2 Income from continuing operations (continued)

| (Amounts shown in \$'000)                                                                | 2025          | 2024          |
|------------------------------------------------------------------------------------------|---------------|---------------|
| <b>2.2f Investment revenue from water corporation</b>                                    |               |               |
| Dividends, tax equivalent and guarantee fees received                                    | 182           | 182           |
| <i>Total investment revenue from water corporation</i>                                   | <b>182</b>    | <b>182</b>    |
| <b>Total recurrent income</b>                                                            | <b>13,360</b> | <b>14,303</b> |
| <b>2.2g Net capital income</b>                                                           |               |               |
| <b>Grants - capital</b>                                                                  |               |               |
| Australian Government - Black Summer Bushfire Grant                                      | 155           | 1,302         |
| Australian Government - Local Roads and Community Infrastructure                         | 133           | 459           |
| Australian Government - Roads                                                            | 865           | 666           |
| Australian Government - Remote Roads Upgrade Pilot Program                               | 2,673         | 2,673         |
| Australian Government - Saluting their Service                                           | 6             | -             |
| Tasmanian Government - Active Living in Public Spaces                                    | -             | 20            |
| Tasmanian Government - Better Active Transport                                           | 361           | 8             |
| Tasmanian Government - Black Spot                                                        | 55            | 150           |
| Tasmanian Government - Bus Stops Program                                                 | 37            | -             |
| Tasmanian Government - Callington Park Toilet                                            | 45            | -             |
| Tasmanian Government - Campania Recreation Ground                                        | 35            | -             |
| Tasmanian Government - Chauncy Vale                                                      | 23            | -             |
| Tasmanian Government - Kempton Recreation Ground                                         | 5             | -             |
| Tasmanian Government - Mood Food Pathway                                                 | 5             | -             |
| Tasmanian Government - Natural Disaster Risk Reduction                                   | 29            | 41            |
| Tasmanian Government - Oatlands Medical Accommodation                                    | 50            | 150           |
| Tasmanian Government - Vulnerable Road User Program                                      | 65            | 200           |
| <i>Total grants - capital</i>                                                            | <b>4,542</b>  | <b>5,669</b>  |
| <b>2.2h Contributions</b>                                                                |               |               |
| Bagdad Community Centre land and buildings                                               | 1,800         | -             |
| Stormwater assets from subdivisions                                                      | 760           | -             |
| Other                                                                                    | 50            | -             |
| <i>Total contributions</i>                                                               | <b>2,610</b>  | <b>-</b>      |
| <b>2.2i Net gain/(loss) on disposal of property, plant, equipment and infrastructure</b> |               |               |
| Proceeds of sale of land held for resale                                                 | 300           | -             |
| Fair value of land held for resale                                                       | (155)         | -             |
| <i>Total gain/(loss) on land held for resale</i>                                         | <b>145</b>    | <b>-</b>      |
| Proceeds of sale of non-current assets                                                   | 111           | 443           |
| Written down value of non-current assets disposed                                        | (162)         | (1,008)       |
| <i>Total gain/(loss) on non-current assets disposed</i>                                  | <b>(51)</b>   | <b>(565)</b>  |
| <i>Total gain/(loss)</i>                                                                 | <b>94</b>     | <b>(565)</b>  |
| <b>Total net capital income</b>                                                          | <b>7,246</b>  | <b>5,104</b>  |
| <b>Total income from continuing operations</b>                                           | <b>20,606</b> | <b>19,407</b> |

## Notes to the Financial Report

### for the year ended 30 June 2025

#### 2.2 Income from continuing operations (continued)

(Amounts shown in \$000)

##### 2.2j Grants received by funding source and conditions attached

###### *Funding source*

|                       |              |              |
|-----------------------|--------------|--------------|
| Australian Government | 7,013        | 9,389        |
| Other                 | 718          | 609          |
| <b>Total</b>          | <b>7,731</b> | <b>9,998</b> |

###### *Timing of revenue recognition*

|                                      |              |              |
|--------------------------------------|--------------|--------------|
| Grants recognised at a point in time | 3,189        | 4,329        |
| Grants recognised over time          | 4,542        | 5,669        |
| <b>Total</b>                         | <b>7,731</b> | <b>9,998</b> |

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 quarterly 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 \$2,400,000 (2023-24 by \$3,868,000). This has impacted the Statement of Comprehensive Income resulting in the result from continuing operations 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                                                    | 593        | 1,044      |
| Add: Funds received and not recognised as revenue in the year                         | 782        | 446        |
| Less: Funds received in prior year but revenue recognised and funds spent in the year | (451)      | (897)      |
| <b>Balance of unspent funds held as a contract liability at 30 June</b>               | <b>924</b> | <b>593</b> |

##### 2.2k Recognition and measurement

###### *Rates and charges*

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.

###### *User fees*

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 / services being provided.



## Notes to the Financial Report

for the year ended 30 June 2025

### 2.2 Income from continuing operations (continued)

#### *Grants - recurrent and capital*

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 approval to proceed and staged completion milestones during the construction phase 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.

#### *Interest*

Interest is recognised progressively as it is earned.

#### *Other income*

##### *Rental income*

Rents are recognised as revenue when the payment is due or the payment is received, whichever first occurs. Rental payments received in advance are recognised as a prepayment until they are due.

##### *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.

##### *Operating leases as lessor*

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

## Notes to the Financial Report

for the year ended 30 June 2025

### 2.2 Income from continuing operations (continued)

#### *Investment revenue from water corporation*

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

#### *Contributions*

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.

#### *Net gain/(loss) on disposal of property, plant, equipment and infrastructure*

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

## Notes to the Financial Report

### for the year ended 30 June 2025

#### 2.3 Expenses from continuing operations

| (Amounts shown in \$'000)                           | 2025         | 2024         |
|-----------------------------------------------------|--------------|--------------|
| <b>2.3a Employee benefits</b>                       |              |              |
| Wages and salaries                                  | 3,777        | 3,519        |
| Other employee costs                                | 2,189        | 1,854        |
|                                                     | <b>5,966</b> | <b>5,373</b> |
| Less amounts capitalised                            | (663)        | (618)        |
| <i>Total employee benefits</i>                      | <b>5,303</b> | <b>4,755</b> |
| <b>2.3b Materials and contracts</b>                 |              |              |
| Advertising                                         | 33           | 54           |
| Bank charges and commissions                        | 21           | 19           |
| Catering and functions                              | 11           | 11           |
| Computer system operation                           | 197          | 201          |
| Consultancies                                       | 153          | 110          |
| Contractor labour and services                      | 605          | 405          |
| Council plant & machinery                           | 298          | 276          |
| Donations and grants                                | 35           | 56           |
| Gravel purchases                                    | (29)         | 75           |
| Household garbage and recycling collection contract | 335          | 319          |
| Insurance premiums                                  | 214          | 209          |
| Legal expenses                                      | 18           | 18           |
| Office expenses                                     | 110          | 132          |
| Plant and machinery hire (external)                 | 142          | 203          |
| Power costs (including street lighting)             | 243          | 269          |
| Repairs and maintenance                             | 263          | 224          |
| Subscriptions and publications                      | 53           | 60           |
| Telecommunications                                  | 26           | 24           |
| Waste transfer, transport and disposal contracts    | 738          | 593          |
| Water purchases                                     | 52           | 47           |
| Valuation fees (supplementary valuations)           | 27           | 16           |
| Volunteer services                                  | 159          | 132          |
| Other materials and contracts                       | 344          | 334          |
| <i>Total materials and contracts</i>                | <b>4,048</b> | <b>3,787</b> |
| <b>2.3c Depreciation and amortisation</b>           |              |              |
| Property                                            |              |              |
| Buildings                                           | 745          | 889          |
| Plant and equipment                                 |              |              |
| Plant and machinery                                 | 416          | 386          |
| Furniture and fixtures                              | 43           | 43           |
| Minor plant                                         | 23           | 17           |
| Infrastructure                                      |              |              |
| Roads                                               | 2,728        | 2,340        |
| Bridges                                             | 554          | 471          |
| Stormwater                                          | 78           | 64           |
| Waste management                                    | 25           | 25           |
| <i>Total depreciation</i>                           | <b>4,612</b> | <b>4,235</b> |
| Amortisation of intangibles                         | 75           | 90           |
| <i>Total depreciation and amortisation</i>          | <b>4,687</b> | <b>4,325</b> |

## Notes to the Financial Report

### for the year ended 30 June 2025

#### 2.3 Expenses from continuing operations (continued)

| (Amounts shown in \$'000)                        | 2025          | 2024          |
|--------------------------------------------------|---------------|---------------|
| <b>2.3d Contributions</b>                        |               |               |
| Fire service levy                                | 287           | 272           |
| <b>Total contributions</b>                       | <b>287</b>    | <b>272</b>    |
| <b>2.3e Finance costs</b>                        |               |               |
| Interest - Borrowings                            | 4             | 51            |
| <b>Total finance costs</b>                       | <b>4</b>      | <b>51</b>     |
| <b>2.3f Other expenses</b>                       |               |               |
| Councillors allowances                           | 132           | 124           |
| Election costs                                   | 5             | 4             |
| External auditors' remuneration                  | 58            | 42            |
| Bad & doubtful debts                             | -             | -             |
| Private works                                    | 239           | 354           |
| Other                                            | 70            | 87            |
| <b>Total other expenses</b>                      | <b>504</b>    | <b>611</b>    |
| <b>Total expenses from continuing operations</b> | <b>14,833</b> | <b>13,801</b> |

#### 2.3g Recognition and measurement

Expenses are recognised in the Consolidated Statement of Comprehensive Income when a decrease in future economic benefits related to a decrease in asset or an increase of a liability has arisen that can be measured reliably. Further details of the nature and method of recognition and measurement of each expense item are set out below.

##### **Employee benefits**

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.

##### **Materials and contracts**

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.

##### **Depreciation and amortisation**

Buildings, land improvements, 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. 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 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 is reviewed at the end of each reporting period, to ensure that the accounting policy applied to particular earthwork assets reflects the most recent assessment of the useful lives of the assets, having regard to factors such as asset usage, physical deterioration and technical and commercial obsolescence.

Major depreciation and amortisation periods used are listed below and are consistent with the prior year unless otherwise stated. Roads and buildings were extended to a maximum life to 250 years to recognise that, the formation component of roads and the sandstone structure in heritage buildings held by Council, have very long useful lives. Minor plant and intangibles were reviewed and adjusted by Council to reflect the service potential to Council of these assets. These changes did not materially impact on depreciation in the current year and are not expected to materially impact on depreciation in future years.

|                        | Period          |                         |
|------------------------|-----------------|-------------------------|
| Buildings              | 10 - 250 years  | (2024: 10 to 50 years)  |
| Plant and equipment    |                 |                         |
| Plant and machinery    | 2 to 15 years   |                         |
| Furniture and fixtures | 5 to 100 years  |                         |
| Minor plant            | 5 years         | (2024: 0 to 2 years)    |
| Infrastructure assets  | 10 to 250 years | (2024: 10 to 150 years) |
| Intangibles            | 4 to 10 years   | (2024: 5 years)         |

#### **Finance costs**

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

#### **Contributions**

Contributions represents the remittance of amounts to the Tasmanian Fire Service for fire service levies collected through rates.

#### **Other expenses**

Other expenses represent items which individually are not material for separate disclosure on the Consolidated Statement of Comprehensive Income.

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

| (Amounts shown in \$000)                                                     | 2025          | 2024          |
|------------------------------------------------------------------------------|---------------|---------------|
| Net result from continuing operations for the year                           | 5,773         | 5,606         |
| Depreciation and amortisation                                                | 4,687         | 4,325         |
| Net (gain)/loss on disposal of property, plant, equipment and infrastructure | (94)          | 565           |
| Grants - capital                                                             | (4,136)       | (6,176)       |
| Contributions of non-monetary assets                                         | (2,610)       | -             |
| Change in assets and liabilities:                                            |               |               |
| Decrease/(increase) in trade and other receivables                           | (1,306)       | 40            |
| Decrease/(increase) in contract assets                                       | -             | 500           |
| Decrease/(increase) in other assets                                          | 175           | (157)         |
| Increase/(decrease) in contract liabilities                                  | 331           | (451)         |
| Increase/(decrease) in trade and other payables                              | (633)         | 547           |
| Increase/(decrease) in employee provisions                                   | 86            | (59)          |
| <b>Net cash provided by/(used in) operating activities</b>                   | <b>2,273</b>  | <b>4,740</b>  |
| <b>Reconciliation of cash and cash equivalents</b>                           |               |               |
| Cash and cash equivalents                                                    | 11,901        | 14,553        |
| <b>Total reconciliation of cash and cash equivalents</b>                     | <b>11,901</b> | <b>14,553</b> |



## Notes to the Financial Report

### for the year ended 30 June 2025

#### 2.5 Reconciliation of liabilities arising from financing activities

| (Amounts shown in \$'000)                      | 2025       | 2024       |
|------------------------------------------------|------------|------------|
| Trust funds and deposits                       |            |            |
| Balance at the beginning of the financial year | 264        | 268        |
| Net movements                                  | (145)      | (4)        |
| Balance at the end of the financial year       | <b>119</b> | <b>264</b> |
| Interest-bearing loans and borrowings          |            |            |
| Balance at the beginning of the financial year | 127        | 4,150      |
| New borrowings                                 | -          | -          |
| Cash repayments                                | (17)       | (4,023)    |
| Balance at the end of the financial year       | <b>110</b> | <b>127</b> |

#### 2.6 Management indicators

| (Amounts shown in \$'000)          | Benchmark | 2025      | 2024       | 2023         | 2022        |
|------------------------------------|-----------|-----------|------------|--------------|-------------|
| 2.6a Underlying surplus or deficit |           |           |            |              |             |
| Recurrent income* less             |           | 14,922    | 14,076     | 13,397       | 11,968      |
| recurrent expenditure              |           | 14,833    | 13,801     | 13,498       | 12,058      |
| Underlying surplus/deficit         | > \$0     | <b>89</b> | <b>275</b> | <b>(101)</b> | <b>(90)</b> |

\* Recurrent income excludes income received specifically for new or upgraded assets, physical resources received free of charge or other income of a capital nature as set out below:

|                                                      |               |               |
|------------------------------------------------------|---------------|---------------|
| Income from continuing operations                    | 20,606        | 19,407        |
| Less non-operating income                            |               |               |
| Financial Assistance Grant in advance - prior year   | 3,868         | 4,206         |
| Financial Assistance Grant in advance - current year | (2,400)       | (3,868)       |
| Grants - Capital                                     | (4,542)       | (5,669)       |
| Contributions of non-monetary assets                 | (2,610)       | -             |
| Recurrent income                                     | <b>14,922</b> | <b>14,076</b> |
| Expenses from continuing operations                  | 14,833        | 13,801        |
| Recurrent expenditure                                | <b>14,833</b> | <b>13,801</b> |

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/deficit assesses overall financial operating effectiveness and Council has returned a small surplus in the current year, which is slightly higher than the benchmark of breakeven.

#### 2.6b Underlying surplus or deficit ratio

|                                       |      |             |             |              |              |
|---------------------------------------|------|-------------|-------------|--------------|--------------|
| Underlying surplus or deficit         |      | 89          | 275         | (101)        | (90)         |
| Recurrent income*                     |      | 14,922      | 14,076      | 13,397       | 11,968       |
| Underlying surplus or deficit ratio % | > 0% | <b>0.6%</b> | <b>2.0%</b> | <b>-0.8%</b> | <b>-0.8%</b> |

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

## Notes to the Financial Report

### for the year ended 30 June 2025

#### 2.6 Management indicators (continued)

| (Amounts shown in \$000)              | Benchmark | 2025          | 2024          | 2023          | 2022         |
|---------------------------------------|-----------|---------------|---------------|---------------|--------------|
| <b>2.6c Net financial liabilities</b> |           |               |               |               |              |
| Liquid assets less                    |           | 14,200        | 15,546        | 18,484        | 15,798       |
| total liabilities                     |           | 4,027         | 4,405         | 8,395         | 7,709        |
| Net financial liabilities             | > \$0     | <b>10,173</b> | <b>11,141</b> | <b>10,089</b> | <b>8,089</b> |

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. As noted liquid assets are substantially higher than total liabilities.

#### 2.6d Net financial liabilities ratio

|                                   |            |              |              |              |              |
|-----------------------------------|------------|--------------|--------------|--------------|--------------|
| Net financial liabilities         |            | 10,173       | 11,141       | 10,089       | 8,089        |
| Recurrent income*                 |            | 14,922       | 14,076       | 13,397       | 11,968       |
| Net financial liabilities ratio % | 0% - (50%) | <b>68.2%</b> | <b>79.1%</b> | <b>75.3%</b> | <b>67.6%</b> |

This ratio indicates the net financial obligations of Council compared to its recurrent income. This ratio is well in excess of benchmark and indicates a strong liquidity position.

#### 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)     |       | 102,838      | 82,892       | 79,291       | 78,330       |
| Current replacement cost (Gross) |       | 182,772      | 167,363      | 159,867      | 156,212      |
| Asset consumption ratio %        | > 60% | <b>56.3%</b> | <b>49.5%</b> | <b>49.6%</b> | <b>50.1%</b> |

##### **Buildings**

|                                  |       |              |              |              |              |
|----------------------------------|-------|--------------|--------------|--------------|--------------|
| Fair value (Carrying amount)     |       | 36,004       | 32,460       | 32,292       | 22,685       |
| Current replacement cost (Gross) |       | 61,445       | 57,562       | 57,908       | 47,810       |
| Asset consumption ratio %        | > 60% | <b>58.6%</b> | <b>56.4%</b> | <b>55.8%</b> | <b>47.4%</b> |

##### **Drainage**

|                                  |       |              |              |              |              |
|----------------------------------|-------|--------------|--------------|--------------|--------------|
| Fair value (Carrying amount)     |       | 5,615        | 4,256        | 4,143        | 4,148        |
| Current replacement cost (Gross) |       | 7,701        | 6,009        | 5,833        | 5,776        |
| Asset consumption ratio %        | > 60% | <b>72.9%</b> | <b>70.8%</b> | <b>71.0%</b> | <b>71.8%</b> |

An asset consumption ratio has been calculated in relation to each asset class required to be included in council's long term strategic asset management plan.

The ratios assess the level of service potential in council's existing assets. The higher the percentage, the greater future service potential is available to provide service to ratepayers. The percentage results indicate that council must increase its investment in the renewal and replacement of existing assets. This is recognised in council's long term financial management strategy and plan.

## Notes to the Financial Report

### for the year ended 30 June 2025

#### 2.6 Management indicators (continued)

(Amounts shown in \$000)

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**      |         | 26,532       | 26,959       | 25,044       | 23,866       |
| Projected capital expenditure funding*** |         | 31,637       | 27,934       | 26,240       | 24,205       |
| Asset renewal funding ratio %            | 90-100% | <b>83.9%</b> | <b>96.5%</b> | <b>95.4%</b> | <b>98.6%</b> |

##### **Buildings**

|                                          |         |               |              |               |               |
|------------------------------------------|---------|---------------|--------------|---------------|---------------|
| Projected capital funding outlays**      |         | 9,653         | 7,549        | 6,743         | 6,861         |
| Projected capital expenditure funding*** |         | 9,355         | 7,900        | 6,550         | 6,270         |
| Asset renewal funding ratio %            | 90-100% | <b>103.2%</b> | <b>95.6%</b> | <b>102.9%</b> | <b>109.4%</b> |

##### **Stormwater**

|                                          |         |              |              |              |               |
|------------------------------------------|---------|--------------|--------------|--------------|---------------|
| Projected capital funding outlays**      |         | 499          | 500          | 486          | 526           |
| Projected capital expenditure funding*** |         | 580          | 578          | 558          | 468           |
| Asset renewal funding ratio %            | 90-100% | <b>86.0%</b> | <b>86.5%</b> | <b>87.1%</b> | <b>112.4%</b> |

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

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

The asset renewal funding ratio is issued to assess council's capacity to fund future asset replacement requirements. This is in line with Council's long term financial management strategy and associated financial plan.

##### 2.6g Asset sustainability ratio

|                                                 |        |              |               |               |               |
|-------------------------------------------------|--------|--------------|---------------|---------------|---------------|
| Capex on replacement/renewal of existing assets |        | 3,947        | 5,851         | 4,324         | 4,034         |
| Annual depreciation and amortisation expense    |        | 4,687        | 4,325         | 4,068         | 3,697         |
| Asset sustainability ratio %                    | 100.0% | <b>84.2%</b> | <b>135.3%</b> | <b>106.3%</b> | <b>109.1%</b> |

The asset sustainability ratio assesses the extent to which council is maintaining operating capacity through renewal of its existing asset base. Whilst results may be below the nominated benchmark, it needs to be recognised that the actual need to expend funds on the renewal or replacement of assets can fluctuate substantially from year to year, whilst annual depreciation is fairly constant.

## Notes to the Financial Report

### for the year ended 30 June 2025

#### 2.6 Management indicators (continued)

(Amounts shown in \$'000)

|                                             | Capital<br>renewal<br>expenditure | Capital new<br>/upgrade<br>expenditure | Total Capital<br>Expenditure |
|---------------------------------------------|-----------------------------------|----------------------------------------|------------------------------|
| <b>2025</b>                                 |                                   |                                        |                              |
| By asset class (including work in progress) |                                   |                                        |                              |
| Land                                        | 3                                 | 211                                    | 214                          |
| Buildings                                   | 511                               | 1,502                                  | 2,013                        |
| Plant and machinery                         | 472                               | -                                      | 472                          |
| Furniture and fixtures                      | 24                                | -                                      | 24                           |
| Minor plant                                 | 15                                | -                                      | 15                           |
| Roads                                       | 2,911                             | 3,611                                  | 6,522                        |
| Bridges                                     | -                                 | -                                      | -                            |
| Stormwater                                  | 11                                | 21                                     | 32                           |
| Waste management                            | -                                 | 15                                     | 15                           |
| Intangibles                                 | -                                 | 3                                      | 3                            |
| <b>Total</b>                                | <b>3,947</b>                      | <b>5,363</b>                           | <b>9,310</b>                 |
| <b>2024</b>                                 |                                   |                                        |                              |
| By asset class (including work in progress) |                                   |                                        |                              |
| Land                                        | -                                 | -                                      | -                            |
| Buildings                                   | 1,634                             | 997                                    | 2,631                        |
| Plant and machinery                         | 1,141                             | -                                      | 1,141                        |
| Furniture and fixtures                      | 20                                | -                                      | 20                           |
| Minor plant                                 | 104                               | -                                      | 104                          |
| Roads                                       | 2,795                             | 3,330                                  | 6,125                        |
| Bridges                                     | -                                 | -                                      | -                            |
| Stormwater                                  | 127                               | 50                                     | 177                          |
| Waste management                            | 14                                | 2                                      | 16                           |
| Intangibles                                 | 16                                | -                                      | 16                           |
| <b>Total</b>                                | <b>5,851</b>                      | <b>4,379</b>                           | <b>10,230</b>                |

#### 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, based upon materiality that it does not have any significant business activities.

## Notes to the Financial Report

for the year ended 30 June 2025

### 3 Asset base

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 \$000)                                                                                                                                                                                                                       | 2025          | 2024          |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|---------------|
| Cash at bank and on hand                                                                                                                                                                                                                       | 3,861         | 8,557         |
| Term deposits (3 months or less)                                                                                                                                                                                                               | 8,040         | 5,996         |
| <i>Total cash and cash equivalents</i>                                                                                                                                                                                                         | <b>11,901</b> | <b>14,553</b> |
| Council's cash and cash equivalents are subject to a number of external restrictions and internal commitments that limit amounts available for discretionary or future use. These following amounts represent the balance of restricted funds: |               |               |
| <b>Restricted funds</b>                                                                                                                                                                                                                        |               |               |
| - Trust funds and deposits (note 3.9)                                                                                                                                                                                                          | 119           | 264           |
| - Unspent grant funds with conditions (notes 2.2j)                                                                                                                                                                                             | 924           | 593           |
|                                                                                                                                                                                                                                                | <b>1,043</b>  | <b>857</b>    |
| <b>Internally committed funds</b>                                                                                                                                                                                                              |               |               |
| - Special committees of Council                                                                                                                                                                                                                | 114           | 106           |
| - Heritage Building Solutions Pty Ltd (note 3.12)                                                                                                                                                                                              | -             | -             |
| - Heritage Education and Skills Centre Ltd (note 3.12)                                                                                                                                                                                         | 5             | 6             |
|                                                                                                                                                                                                                                                | <b>119</b>    | <b>112</b>    |
| Restricted and internally committed funds                                                                                                                                                                                                      | <b>1,162</b>  | <b>969</b>    |
| Total unrestricted and uncommitted cash and cash equivalents                                                                                                                                                                                   | <b>10,739</b> | <b>13,584</b> |

Restricted and internally committed funds represent:

- i) Trust funds and deposits, including refundable building, contract and other refundable amounts held in trust by Council for completion of specific purposes.
- ii) Unspent grant funds with conditions until specific performance obligations required under funding arrangements are completed.
- iii) Funds held by special committees and subsidiary companies.

#### 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. See note 5 for significant terms and conditions.

#### 3.2 Trade and other receivables

| (Amounts shown in \$000)                              | 2025         | 2024       |
|-------------------------------------------------------|--------------|------------|
| Rates debtors                                         | 794          | 737        |
| Other debtors                                         | 329          | 256        |
| Grant receivable - Remote Roads Upgrade Pilot Program | 1,176        | -          |
| <i>Total trade and other receivables</i>              | <b>2,299</b> | <b>993</b> |



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

3.2 Trade and other receivables (continued)

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.

3.3 Assets held for sale

| (Amounts shown in \$000)   | 2025 | 2024 |
|----------------------------|------|------|
| Land held for resale       | -    | 155  |
| Total assets held for sale | -    | 155  |

Recognition and measurement

A non-current asset held for sale (including disposal groups) is measured at the lower of its carrying amount and fair value less costs to sell, and is not subject to depreciation. Non-current assets, disposal groups and related liabilities are treated as current and classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset's sale (or disposal group sale) is expected to be completed within 12 months from the date of classification.

## Notes to the Financial Report

for the year ended 30 June 2025

### 3.4 Other assets

| (Amounts shown in \$'000) | 2025       | 2024       |
|---------------------------|------------|------------|
| Stores and materials      | 183        | 358        |
| <i>Total other assets</i> | <b>183</b> | <b>358</b> |

#### Recognition and measurement

Stores and materials are held for use by Council and are measured at cost.

### 3.5 Investment in water corporation

| (Amounts shown in \$'000)                          | 2025          | 2024          |
|----------------------------------------------------|---------------|---------------|
| Opening Balance                                    | 12,673        | 11,914        |
| Fair Value adjustments on equity investment assets | 247           | 759           |
| <i>Total investment in water corporation</i>       | <b>12,920</b> | <b>12,673</b> |

#### 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. At 30 June 2025, Council held a 0.67% ownership interest in TasWater (2024: 0.67%) 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

### 3.6 Property, plant, equipment, infrastructure and intangibles

| (Amounts shown in \$000)                                                | Gross book value |                | Accumulated depreciation |                  | Total          |                |
|-------------------------------------------------------------------------|------------------|----------------|--------------------------|------------------|----------------|----------------|
|                                                                         | 2025             | 2024           | 2025                     | 2024             | 2025           | 2024           |
| <b>Property</b>                                                         |                  |                |                          |                  |                |                |
| <b>At fair value</b>                                                    |                  |                |                          |                  |                |                |
| Land                                                                    | 9,418            | 8,893          | -                        | -                | 9,418          | 8,893          |
| Land under roads                                                        | 6,682            | 6,682          | -                        | -                | 6,682          | 6,682          |
| Buildings                                                               | 61,445           | 57,562         | (25,441)                 | (25,102)         | 36,004         | 32,460         |
| <b>Total property</b>                                                   | <b>77,545</b>    | <b>73,137</b>  | <b>(25,441)</b>          | <b>(25,102)</b>  | <b>52,104</b>  | <b>48,035</b>  |
| <b>Plant and equipment</b>                                              |                  |                |                          |                  |                |                |
| <b>At cost</b>                                                          |                  |                |                          |                  |                |                |
| Plant and machinery                                                     | 5,205            | 4,933          | (1,885)                  | (1,566)          | 3,320          | 3,367          |
| Furniture and fixtures                                                  | 798              | 774            | (585)                    | (542)            | 213            | 232            |
| Minor plant                                                             | 485              | 470            | (347)                    | (324)            | 138            | 146            |
| <b>Total plant and equipment</b>                                        | <b>6,488</b>     | <b>6,177</b>   | <b>(2,817)</b>           | <b>(2,432)</b>   | <b>3,671</b>   | <b>3,745</b>   |
| <b>Infrastructure</b>                                                   |                  |                |                          |                  |                |                |
| <b>At fair value</b>                                                    |                  |                |                          |                  |                |                |
| Roads                                                                   | 140,340          | 131,270        | (63,811)                 | (71,208)         | 76,529         | 60,062         |
| Bridges                                                                 | 42,432           | 36,093         | (16,123)                 | (13,263)         | 26,309         | 22,830         |
| Stormwater                                                              | 7,701            | 6,009          | (2,086)                  | (1,753)          | 5,615          | 4,256          |
| Waste management                                                        | 399              | 384            | (219)                    | (194)            | 180            | 190            |
| <b>Total infrastructure</b>                                             | <b>190,872</b>   | <b>173,756</b> | <b>(82,239)</b>          | <b>(86,418)</b>  | <b>108,633</b> | <b>87,338</b>  |
| <b>Work in progress</b>                                                 | <b>1,743</b>     | <b>5,718</b>   | <b>-</b>                 | <b>-</b>         | <b>1,743</b>   | <b>5,718</b>   |
| <b>Intangibles - at cost</b>                                            | <b>783</b>       | <b>780</b>     | <b>(636)</b>             | <b>(561)</b>     | <b>147</b>     | <b>219</b>     |
| <b>Total property, plant, equipment, infrastructure and intangibles</b> | <b>277,431</b>   | <b>259,568</b> | <b>(111,133)</b>         | <b>(114,513)</b> | <b>166,298</b> | <b>145,055</b> |

## Notes to the Financial Report

for the year ended 30 June 2025

### 3.6 Property, plant, equipment, infrastructure and intangibles (continued)

| (Amounts shown in \$000)                                                        | Balance at<br>beginning of<br>financial<br>year | Acquisition<br>of assets | Revaluation<br>increase<br>(decrease) | Depreciation<br>and<br>amortisation | Written<br>down value<br>of<br>disposals | Gifted assets | Transfers      | Balance at<br>end of<br>financial<br>year |
|---------------------------------------------------------------------------------|-------------------------------------------------|--------------------------|---------------------------------------|-------------------------------------|------------------------------------------|---------------|----------------|-------------------------------------------|
| <b>2025</b>                                                                     |                                                 |                          |                                       |                                     |                                          |               |                |                                           |
| <b>Property</b>                                                                 |                                                 |                          |                                       |                                     |                                          |               |                |                                           |
| Land                                                                            | 8,893                                           | 213                      | -                                     | -                                   | (43)                                     | 350           | 5              | 9,418                                     |
| Land under roads                                                                | 6,682                                           | -                        | -                                     | -                                   | -                                        | -             | -              | 6,682                                     |
| Buildings                                                                       | 32,460                                          | 796                      | -                                     | (745)                               | (16)                                     | 1,500         | 2,009          | 36,004                                    |
| <b>Total property</b>                                                           | <b>48,035</b>                                   | <b>1,009</b>             | <b>-</b>                              | <b>(745)</b>                        | <b>(59)</b>                              | <b>1,850</b>  | <b>2,014</b>   | <b>52,104</b>                             |
| <b>Plant and equipment</b>                                                      |                                                 |                          |                                       |                                     |                                          |               |                |                                           |
| Plant and machinery                                                             | 3,367                                           | 472                      | -                                     | (416)                               | (103)                                    | -             | -              | 3,320                                     |
| Furniture and fixtures                                                          | 232                                             | 24                       | -                                     | (43)                                | -                                        | -             | -              | 213                                       |
| Minor plant                                                                     | 146                                             | 15                       | -                                     | (23)                                | -                                        | -             | -              | 138                                       |
| <b>Total plant and equipment</b>                                                | <b>3,745</b>                                    | <b>511</b>               | <b>-</b>                              | <b>(482)</b>                        | <b>(103)</b>                             | <b>-</b>      | <b>-</b>       | <b>3,671</b>                              |
| <b>Infrastructure</b>                                                           |                                                 |                          |                                       |                                     |                                          |               |                |                                           |
| Roads                                                                           | 60,062                                          | 6,368                    | 9,621                                 | (2,728)                             | -                                        | -             | 3,206          | 76,529                                    |
| Bridges                                                                         | 22,830                                          | -                        | 4,033                                 | (554)                               | -                                        | -             | -              | 26,309                                    |
| Stormwater                                                                      | 4,256                                           | 32                       | 518                                   | (78)                                | -                                        | 760           | 127            | 5,615                                     |
| Waste management                                                                | 190                                             | 15                       | -                                     | (25)                                | -                                        | -             | -              | 180                                       |
| <b>Total infrastructure</b>                                                     | <b>87,338</b>                                   | <b>6,415</b>             | <b>14,172</b>                         | <b>(3,385)</b>                      | <b>-</b>                                 | <b>760</b>    | <b>3,333</b>   | <b>108,633</b>                            |
| <b>Work in progress</b>                                                         |                                                 |                          |                                       |                                     |                                          |               |                |                                           |
| Land                                                                            | 15                                              | -                        | -                                     | -                                   | -                                        | -             | (5)            | 10                                        |
| Buildings                                                                       | 2,300                                           | 1,217                    | -                                     | -                                   | -                                        | -             | (2,009)        | 1,508                                     |
| Roads                                                                           | 3,271                                           | 155                      | -                                     | -                                   | -                                        | -             | (3,206)        | 220                                       |
| Bridges                                                                         | 5                                               | -                        | -                                     | -                                   | -                                        | -             | -              | 5                                         |
| Stormwater                                                                      | 127                                             | -                        | -                                     | -                                   | -                                        | -             | (127)          | -                                         |
| Waste management                                                                | -                                               | -                        | -                                     | -                                   | -                                        | -             | -              | -                                         |
| <b>Total work in progress</b>                                                   | <b>5,718</b>                                    | <b>1,372</b>             | <b>-</b>                              | <b>-</b>                            | <b>-</b>                                 | <b>-</b>      | <b>(5,347)</b> | <b>1,743</b>                              |
| <b>Intangibles</b>                                                              | <b>219</b>                                      | <b>3</b>                 | <b>-</b>                              | <b>(75)</b>                         | <b>-</b>                                 | <b>-</b>      | <b>-</b>       | <b>147</b>                                |
| <b>Total property, plant,<br/>equipment, infrastructure<br/>and intangibles</b> | <b>145,055</b>                                  | <b>9,310</b>             | <b>14,172</b>                         | <b>(4,687)</b>                      | <b>(162)</b>                             | <b>2,610</b>  | <b>-</b>       | <b>166,298</b>                            |

## Notes to the Financial Report

### for the year ended 30 June 2025

#### 3.6 Property, plant, equipment, infrastructure and intangibles (continued)

| (Amounts shown in \$000)                                                | Balance at beginning of financial year | Acquisition of assets | Revaluation increase (decrease) | Depreciation and amortisation | Written down value of disposals | Gifted assets | Transfers      | Balance at end of financial year |
|-------------------------------------------------------------------------|----------------------------------------|-----------------------|---------------------------------|-------------------------------|---------------------------------|---------------|----------------|----------------------------------|
| <b>2024</b>                                                             |                                        |                       |                                 |                               |                                 |               |                |                                  |
| <b>Property</b>                                                         |                                        |                       |                                 |                               |                                 |               |                |                                  |
| Land                                                                    | 8,978                                  | -                     | -                               | -                             | (85)                            | -             | -              | 8,893                            |
| Land under roads                                                        | 3,474                                  | -                     | 3,208                           | -                             | -                               | -             | -              | 6,682                            |
| Buildings                                                               | 32,292                                 | 570                   | -                               | (889)                         | (491)                           | -             | 978            | 32,460                           |
| <b>Total property</b>                                                   | <b>44,744</b>                          | <b>570</b>            | <b>3,208</b>                    | <b>(889)</b>                  | <b>(576)</b>                    | <b>-</b>      | <b>978</b>     | <b>48,035</b>                    |
| <b>Plant and equipment</b>                                              |                                        |                       |                                 |                               |                                 |               |                |                                  |
| Plant and machinery                                                     | 3,044                                  | 1,141                 | -                               | (386)                         | (432)                           | -             | -              | 3,367                            |
| Furniture and fixtures                                                  | 255                                    | 20                    | -                               | (43)                          | -                               | -             | -              | 232                              |
| Minor plant                                                             | 59                                     | 104                   | -                               | (17)                          | -                               | -             | -              | 146                              |
| <b>Total plant and equipment</b>                                        | <b>3,358</b>                           | <b>1,265</b>          | <b>-</b>                        | <b>(446)</b>                  | <b>(432)</b>                    | <b>-</b>      | <b>-</b>       | <b>3,745</b>                     |
| <b>Infrastructure</b>                                                   |                                        |                       |                                 |                               |                                 |               |                |                                  |
| Roads                                                                   | 58,750                                 | 3,087                 | -                               | (2,340)                       | -                               | -             | 565            | 60,062                           |
| Bridges                                                                 | 20,541                                 | -                     | 2,760                           | (471)                         | -                               | -             | -              | 22,830                           |
| Stormwater                                                              | 4,143                                  | 177                   | -                               | (64)                          | -                               | -             | -              | 4,256                            |
| Waste management                                                        | 200                                    | 15                    | -                               | (25)                          | -                               | -             | -              | 190                              |
| <b>Total infrastructure</b>                                             | <b>83,634</b>                          | <b>3,279</b>          | <b>2,760</b>                    | <b>(2,900)</b>                | <b>-</b>                        | <b>-</b>      | <b>565</b>     | <b>87,338</b>                    |
| <b>Work in progress</b>                                                 |                                        |                       |                                 |                               |                                 |               |                |                                  |
| Land                                                                    | 15                                     | -                     | -                               | -                             | -                               | -             | -              | 15                               |
| Buildings                                                               | 1,216                                  | 2,062                 | -                               | -                             | -                               | -             | (978)          | 2,300                            |
| Roads                                                                   | 798                                    | 3,038                 | -                               | -                             | -                               | -             | (565)          | 3,271                            |
| Bridges                                                                 | 5                                      | -                     | -                               | -                             | -                               | -             | -              | 5                                |
| Stormwater                                                              | 127                                    | -                     | -                               | -                             | -                               | -             | -              | 127                              |
| Waste management                                                        | -                                      | -                     | -                               | -                             | -                               | -             | -              | -                                |
| <b>Total work in progress</b>                                           | <b>2,161</b>                           | <b>5,100</b>          | <b>-</b>                        | <b>-</b>                      | <b>-</b>                        | <b>-</b>      | <b>(1,543)</b> | <b>5,718</b>                     |
| <b>Intangibles</b>                                                      | <b>293</b>                             | <b>16</b>             | <b>-</b>                        | <b>(90)</b>                   | <b>-</b>                        | <b>-</b>      | <b>-</b>       | <b>219</b>                       |
| <b>Total property, plant, equipment, infrastructure and intangibles</b> | <b>134,190</b>                         | <b>10,230</b>         | <b>5,968</b>                    | <b>(4,325)</b>                | <b>(1,008)</b>                  | <b>-</b>      | <b>-</b>       | <b>145,055</b>                   |

#### 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 equipment 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.

## Notes to the Financial Report

for the year ended 30 June 2025

### 3.6 Property, plant, equipment, infrastructure and intangibles (continued)

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<br>Bases |
|----------------------------|-----------|--------------------|
|                            | \$        |                    |
| <b>Property</b>            |           |                    |
| Land                       | 1         | Fair value         |
| Land under roads           | 1         | Fair value         |
| Buildings                  | 1         | Fair value         |
| <b>Plant and equipment</b> |           |                    |
| Plant and machinery        | 1,000     | Cost               |
| Furniture and fixtures     | 1,000     | Cost               |
| Minor plant                | 1,000     | Cost               |
| <b>Infrastructure</b>      |           |                    |
| Roads                      | 1         | Fair value         |
| Bridges                    | 5,000     | Fair value         |
| Stormwater                 | 3,000     | Fair value         |
| Waste management           | 3,000     | Cost               |
| <b>Intangibles</b>         | 1,000     | 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 a formal revaluation of land, buildings, and infrastructure assets on a regular basis to ensure valuations represent fair value. The valuation is performed either by experienced Council officers or independent experts.

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 Consolidated Statement of Comprehensive Income under other expenses.



## Notes to the Financial Report

for the year ended 30 June 2025

### 3.7 Right of use assets

Council had no non-concessionary leases during the year and has not recognised any associated right of use assets or lease liabilities at a balance date.

#### *Concessionary leases*

Council has 3 concessionary leases with the Crown in Right of Tasmania for land and buildings within the municipality. Council uses these leased assets 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 of \$1 per annum if demanded, over lease terms of between 10 and 40 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.

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.

Where right of use assets are recognised they are measured as described in the accounting policy for property, infrastructure, plant and equipment in note 3.6. Also, Council will apply AASB 136 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the aforesaid note.

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

#### *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.

## Notes to the Financial Report

### for the year ended 30 June 2025

#### 3.8 Trade and other payables

| (Amounts shown in \$000)                 | 2025       | 2024         |
|------------------------------------------|------------|--------------|
| Payables and accruals                    | 552        | 1,217        |
| Rates and charges in advance             | 287        | 256          |
| Payroll oncosts on employee entitlements | 101        | 100          |
| <b>Total trade and other payables</b>    | <b>940</b> | <b>1,573</b> |

##### 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 \$000)                | 2025       | 2024       |
|-----------------------------------------|------------|------------|
| Tender deposits and funds held on trust | 119        | 264        |
| <b>Total trust funds and deposits</b>   | <b>119</b> | <b>264</b> |

##### 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.

#### 3.10 Contract liabilities

| (Amounts shown in \$000)                                           | 2025       | 2024       |
|--------------------------------------------------------------------|------------|------------|
| Grants received but unspent to construct Council controlled assets | 924        | 593        |
| <b>Total contract liabilities</b>                                  | <b>924</b> | <b>593</b> |

##### 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 perform specific obligations 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 | 451 | 897 |
|-----------------------------------------------|-----|-----|

Notes to the Financial Report  
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 3.5
- Property and infrastructure as disclosed at note 3.6

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

Council also has assets measured at fair value on a non-recurring basis as a result of being reclassified as assets held for sale. These comprise land as disclosed in note 3.3. A description of the valuation techniques and the inputs used to determine the fair value of this land is included below under the heading 'Assets held for sale'.

(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 \$'000)      |      | Level 1    |               | Level 2       |                | Level 3        |                | Total          |
|--------------------------------|------|------------|---------------|---------------|----------------|----------------|----------------|----------------|
|                                | 2025 | 2024       | 2025          | 2024          | 2025           | 2024           | 2025           | 2024           |
| <b>Fair value measurements</b> |      |            |               |               |                |                |                |                |
| <b>Recurring</b>               |      |            |               |               |                |                |                |                |
| Property                       |      |            |               |               |                |                |                |                |
| Land                           | -    | -          | 9,418         | 8,893         | -              | -              | 9,418          | 8,893          |
| Land under roads               | -    | -          | 6,682         | 6,682         | -              | -              | 6,682          | 6,682          |
| Buildings                      | -    | -          | -             | -             | 36,004         | 32,460         | 36,004         | 32,460         |
| Infrastructure                 |      |            |               |               |                |                |                |                |
| Roads                          | -    | -          | -             | -             | 76,529         | 60,062         | 76,529         | 60,062         |
| Bridges                        | -    | -          | -             | -             | 26,309         | 22,830         | 26,309         | 22,830         |
| Stormwater                     | -    | -          | -             | -             | 5,615          | 4,256          | 5,615          | 4,256          |
| Waste management               | -    | -          | -             | -             | 180            | 190            | 180            | 190            |
| <b>Total recurring</b>         | -    | -          | <b>16,100</b> | <b>15,575</b> | <b>144,637</b> | <b>119,798</b> | <b>160,737</b> | <b>135,373</b> |
| <b>Non-recurring</b>           |      |            |               |               |                |                |                |                |
| Assets held for sale           | -    | 155        | -             | -             | -              | -              | -              | 155            |
| <b>Total non-recurring</b>     | -    | <b>155</b> | -             | -             | -              | -              | -              | <b>155</b>     |

#### 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 3.5 for details of valuation techniques used to derive fair values.

##### Land

Land fair values were determined by the Valuer General as at 1 July 2022. Level 2 valuation inputs were used to value land in freehold title as well as land used for special purposes, which is restricted in use under current planning provisions. Sales prices of comparable land sites in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square metre.

## Notes to the Financial Report

for the year ended 30 June 2025

### 3.11 Fair value measurements (continued)

#### *Land held for sale*

Land classified as held for sale during the reporting period was measured at the lower of its carrying amount and fair value less cost to sell at the time of reclassification. The fair value of the land was determined using the approach described in the preceding paragraph.

#### *Land under roads*

The value of the Land Under Road network at 30 June 2024 is based on valuation data determined by the Valuer-General. The valuation approach uses adjusted land values and areas for all properties within the municipality depending upon its classification and then applying a discount appropriate to the respective classification. This adjustment is an unobservable input in the valuation. The market value of land varies significantly depending on the location of the land and the current market conditions. Currently land values range between \$0.28 and \$2.92 per square metre.

#### *Buildings*

Council considers that all its buildings are of a specialist nature (eg heritage buildings) 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. The gross current values have been determined by Council officers with reference to market data for recent projects and costing guides as at 1 July 2020.

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

While the unit rates based on square metres can be supported by market evidence (level 2), the estimates of residual value and useful life that are used to calculate accumulated depreciation comprise unobservable inputs (level 3).

#### *Infrastructure assets*

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

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

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

The level of accumulated depreciation for infrastructure assets was determined based on the age of the asset and the useful life adopted by Council for the asset type. Estimated useful lives and residual values are disclosed in Note 2.3.

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.

## Notes to the Financial Report

### for the year ended 30 June 2025

#### 3.11 Fair value measurements (continued)

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

##### **Roads**

Council categorises its road infrastructure into sealed and unsealed roads and then further sub-categorises these based on an assessment of vehicle movements and social and economic importance. Roads are managed in segments. All road segments are then componentised into formation, pavement, sub-pavement and seal (where applicable). Council assumes that environmental factors such as soil type, climate and topography are consistent across each segment. Council also assumes a segment is designed and constructed to the same standard and uses a consistent amount of labour and materials.

CRC is based on the road area multiplied by a unit price; the unit price being an estimate of labour and material inputs, services costs, and overhead allocations. For internal construction estimates, material and services prices are based on contract rates, supplier price lists and Council's labour wage rates. When construction is outsourced, CRC is based on the average of similar completed projects over the last few years. Council engaged Moloney Asset Management, an independent valuer, to undertake a valuation of roads as at 1 July 2024.

##### **Bridges**

Council engaged Auspan, an independent valuer, to undertake valuation of bridges as at 1 July 2024. 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.

##### **Stormwater**

Council carried out the valuation of stormwater as at 1 July 2024. Similar to roads, stormwater 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.

##### **Other Infrastructure**

Other infrastructure is not deemed to be significant in terms of the Consolidated Statement of Financial Position.

#### **(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 3.6 (Property, plant, equipment and infrastructure). Investment in water corporation, which is classified as level 3 has been separately disclosed in note 3.5.

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

#### **(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.



## Notes to the Financial Report

### for the year ended 30 June 2025

#### 3.11 Fair value measurements (continued)

*(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 5.3 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).

#### 3.12 Investments in subsidiaries

Heritage Building Solutions Pty Ltd and Heritage Education & Skills Centre Pty Ltd (HESC) are small proprietary companies controlled by Council and are not reporting entities. Both companies have ceased trading and Heritage Building Solutions Pty Ltd was formally wound up on 23 October 2024. The following transactions were recorded for the current and prior financial years. The balances disclosed have been consolidated into Council's balances. All inter-entity transactions and balances between Council and these subsidiary companies have been eliminated.

| (Amounts shown in \$000)                              | 2025 | 2024 |
|-------------------------------------------------------|------|------|
| <b>Heritage Building Solutions Pty Ltd</b>            |      |      |
| Statement of Comprehensive Income                     |      |      |
| Revenue                                               | -    | 3    |
| Expenses                                              | -    | (18) |
| <b>Total Comprehensive Income for the year</b>        | -    | (15) |
| Statement of Financial Position                       |      |      |
| Assets                                                | -    | -    |
| Liabilities                                           | -    | -    |
| <b>Total Equity</b>                                   | -    | -    |
| <b>Heritage Education &amp; Skills Centre Pty Ltd</b> |      |      |
| Statement of Comprehensive Income                     |      |      |
| Revenue                                               | -    | -    |
| Expenses                                              | 1    | (4)  |
| <b>Total Comprehensive Income for the year</b>        | 1    | (4)  |
| Statement of Financial Position                       |      |      |
| Assets                                                | 5    | 6    |
| Liabilities                                           | -    | -    |
| <b>Total Equity</b>                                   | 5    | 6    |

## 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 \$000)         | 2025         | 2024         |
|----------------------------------|--------------|--------------|
| <b>Current</b>                   |              |              |
| Annual leave                     | 612          | 656          |
| Long service leave               | 718          | 732          |
| Personal                         | 364          | 327          |
| <b>Total current</b>             | <b>1,694</b> | <b>1,715</b> |
| <b>Non-current</b>               |              |              |
| Long service leave               | 240          | 133          |
| <b>Total non-current</b>         | <b>240</b>   | <b>133</b>   |
| <b>Total employee provisions</b> | <b>1,934</b> | <b>1,848</b> |

#### Movements in employee provisions during the financial year

| (Amounts shown in \$000)         | Annual leave |            | Long service leave |            | Personal   |            | Total        |              |
|----------------------------------|--------------|------------|--------------------|------------|------------|------------|--------------|--------------|
|                                  | 2025         | 2024       | 2025               | 2024       | 2025       | 2024       | 2025         | 2024         |
| Balance at beginning of the year | 656          | 832        | 865                | 760        | 327        | 315        | 1,848        | 1,907        |
| Additional provisions            | 285          | 113        | 320                | 309        | 225        | 180        | 830          | 602          |
| Amounts used                     | (329)        | (289)      | (227)              | (204)      | (188)      | (168)      | (744)        | (661)        |
| Balance at end of the year       | <b>612</b>   | <b>656</b> | <b>958</b>         | <b>865</b> | <b>364</b> | <b>327</b> | <b>1,934</b> | <b>1,848</b> |

#### Recognition and measurement

##### Short term obligations

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

##### Other long term employee benefit obligations

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

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

## Notes to the Financial Report

### for the year ended 30 June 2025

#### 4.1 Employee Provisions (continued)

##### *Personal leave*

Council's Enterprise Bargaining Agreement provides for employees who resign from their position with Council to be paid a percentage of their sick leave balance based on completed years of service, plus a gratuity amount.

#### 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:

|                                                         |                           |                             |
|---------------------------------------------------------|---------------------------|-----------------------------|
| <b>Councillors</b>                                      | Mayor E C Batt            | 1 July 2024 to 30 June 2025 |
|                                                         | Deputy Mayor K Dudgeon    | 1 July 2024 to 30 June 2025 |
|                                                         | Councillor A E Bisdee OAM | 1 July 2024 to 30 June 2025 |
|                                                         | Councillor D Blackwell    | 1 July 2024 to 30 June 2025 |
|                                                         | Councillor R Campbell     | 1 July 2024 to 30 June 2025 |
|                                                         | Councillor D F Fish       | 1 July 2024 to 30 June 2025 |
|                                                         | Councillor F Miller       | 1 July 2024 to 30 June 2025 |
| <b>General Manager</b>                                  | Mr T F Kirkwood           | 1 July 2024 to 30 June 2025 |
| <b>Deputy General Manager</b>                           | Mr A Benson               | 1 July 2024 to 30 June 2025 |
| <b>Manager Infrastructure &amp; Works</b>               | Mr D Richardson           | 1 July 2024 to 30 June 2025 |
| <b>Manager Development &amp; Environmental Services</b> | Mr G Finn                 | 1 July 2024 to 30 June 2025 |
| <b>Manager Corporate Services (Acting)</b>              | Mr N Wilson               | 1 July 2024 to 30 June 2025 |

##### *Councillor remuneration*

(Amounts shown in \$)

|                | Allowances     | Compensation<br>AASB 124 | Kilometre<br>reimbursements | Communications | Other      | Total Allowances<br>and Expenses<br>section 72 |
|----------------|----------------|--------------------------|-----------------------------|----------------|------------|------------------------------------------------|
| <b>2025</b>    |                |                          |                             |                |            |                                                |
| E C Batt       | 44,178         | 44,178                   | 3,248                       | 1,100          | 37         | 48,563                                         |
| K Dudgeon      | 25,175         | 25,175                   | 3,385                       | 354            | -          | 28,914                                         |
| A E Bisdee OAM | 12,621         | 12,621                   | 5,853                       | 780            | -          | 19,254                                         |
| D Blackwell    | 12,621         | 12,621                   | 3,860                       | 1,441          | -          | 17,922                                         |
| R Campbell     | 12,621         | 12,621                   | 1,485                       | 780            | -          | 14,886                                         |
| D F Fish       | 12,621         | 12,621                   | -                           | 780            | -          | 13,401                                         |
| F Miller       | 12,621         | 12,621                   | 979                         | 2,259          | 115        | 15,974                                         |
| <b>Total</b>   | <b>132,458</b> | <b>132,458</b>           | <b>18,810</b>               | <b>7,494</b>   | <b>152</b> | <b>158,914</b>                                 |

## Notes to the Financial Report

for the year ended 30 June 2025

### 4.2 Related party transactions (continued)

(Amounts shown in \$)

|                | Allowances     | Compensation<br>AASB 124 | Kilometre<br>reimbursements | Communications | Other    | Total Allowances<br>and Expenses<br>section 72 |
|----------------|----------------|--------------------------|-----------------------------|----------------|----------|------------------------------------------------|
| <b>2024</b>    |                |                          |                             |                |          |                                                |
| E C Batt       | 41,640         | 41,640                   | 3,969                       | 1,100          | -        | 46,709                                         |
| K Dudgeon      | 23,730         | 23,730                   | 4,477                       | 354            | -        | 28,561                                         |
| A E Bisdee OAM | 11,897         | 11,897                   | 7,903                       | 780            | -        | 20,580                                         |
| D Blackwell    | 11,897         | 11,897                   | 6,263                       | 1,356          | -        | 19,516                                         |
| R Campbell     | 7,041          | 7,041                    | 595                         | 325            | -        | 7,961                                          |
| D F Fish       | 11,897         | 11,897                   | -                           | 780            | -        | 12,677                                         |
| R McDougall    | 3,917          | 3,917                    | 3,483                       | 120            | -        | 7,520                                          |
| F Miller       | 11,897         | 11,897                   | 983                         | 2,188          | -        | 15,068                                         |
| <b>Total</b>   | <b>123,916</b> | <b>123,916</b>           | <b>27,673</b>               | <b>7,003</b>   | <b>-</b> | <b>158,592</b>                                 |

**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.

**Communications** - allowances paid to Councillors to reimburse telephone and internet usage costs.

**Other** - cost of electronic funds transfer.

#### Key Management Personnel remuneration

|                          |                  | Short term benefits |               |                | Post employment benefits |                      |                             |                |
|--------------------------|------------------|---------------------|---------------|----------------|--------------------------|----------------------|-----------------------------|----------------|
|                          |                  | Salary              | Vehicles      | Other benefits | Superannuation           | Termination benefits | Other non-monetary benefits | Total          |
| <b>2025</b>              |                  |                     |               |                |                          |                      |                             |                |
| <b>Remuneration band</b> | <b>Employees</b> |                     |               |                |                          |                      |                             |                |
| \$140 001 - \$160 000    | 1                | 112,406             | 14,918        | 350            | 16,495                   | -                    | 6,018                       | 150,187        |
| \$160 001 - \$180 000    | 1                | 135,214             | 1,576         | 350            | 16,144                   | -                    | 16,749                      | 170,033        |
| \$180 001 - \$200 000    | 2                | 313,362             | 7,912         | 700            | 41,561                   | -                    | 16,042                      | 379,577        |
| \$260 001 - \$280 000    | 1                | 249,902             | 12,612        | 350            | 37,160                   | -                    | (25,602)                    | 274,422        |
|                          |                  | <b>810,884</b>      | <b>37,018</b> | <b>1,750</b>   | <b>111,360</b>           | <b>-</b>             | <b>13,207</b>               | <b>974,219</b> |

## Notes to the Financial Report

for the year ended 30 June 2025

### 4.2 Related party transactions (continued)

|                          |                  | Short term benefits |               |                | Post employment benefits |                      |                             |                |
|--------------------------|------------------|---------------------|---------------|----------------|--------------------------|----------------------|-----------------------------|----------------|
| (Amounts shown in \$)    |                  | Salary              | Vehicles      | Other benefits | Superannuation           | Termination benefits | Other non-monetary benefits | Total          |
| <b>2024</b>              |                  |                     |               |                |                          |                      |                             |                |
| <b>Remuneration band</b> | <b>Employees</b> |                     |               |                |                          |                      |                             |                |
| \$ 60 001 - \$80 000     | 1                | 104,450             | -             | -              | 15,122                   | 19,499               | (77,895)                    | 61,176         |
| \$ 80 001 - \$100 000    | 1 (part year)    | 89,792              | 3,370         | 300            | 9,687                    | 18,351               | (32,473)                    | 89,027         |
| \$160 001 - \$180 000    | 1                | 143,037             | 4,966         | 300            | 20,742                   | -                    | 9,083                       | 178,128        |
| \$180 001 - \$200 000    | 1                | 163,746             | 2,211         | 300            | 23,327                   | -                    | 327                         | 189,911        |
| \$260 001 - \$280 000    | 1                | 215,903             | 8,760         | 300            | 31,299                   | -                    | 18,172                      | 274,434        |
|                          |                  | <b>716,928</b>      | <b>19,307</b> | <b>1,200</b>   | <b>100,177</b>           | <b>37,850</b>        | <b>(82,786)</b>             | <b>792,676</b> |

**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.

#### Directors of subsidiary companies remuneration

Heritage Building Solutions Pty Ltd and Heritage Education & Skills Centre Pty Ltd paid no director and management fees in the current year (2024: \$nil).

#### 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, 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.

## Notes to the Financial Report

for the year ended 30 June 2025

### 4.2 Related party transactions (continued)

#### *Directors of subsidiary companies*

Directors of Heritage Building Solutions Pty Ltd and Heritage Education & Skills Centre Pty Ltd are remunerated in accordance with the terms and conditions of their appointment and may be varied in accordance with the constitution of each company and the Corporations Act 2001.

#### *Transactions with related parties*

During the period Council did not enter into transactions with entities that are controlled by members of key management personnel.

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. 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.

##### *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 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, 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 4.50% 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.

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 the 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, the Councils' contribution rate may need to be adjusted accordingly to ensure the Fund remains on course towards financing members' benefits.

## Notes to the Financial Report

for the year ended 30 June 2025

### 4.3 Post employment benefits (continued)

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

The Trust Deed does not contemplate the Fund withdrawing from Spirit Super.
- The Fund is a defined benefit Fund.
- The Fund has been classified as a multi-employer sponsored plan. As the Fund's assets and liabilities are pooled and are not allocated by employer, the Actuary is unable to allocate benefit liabilities, assets and costs between employers. Thus the Fund is not able to prepare standard AASB119 defined benefit reporting.
- 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.
- 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 \$637,863 (2023-24, \$613,017).
- 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 \$723,558.

## 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 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 \$000) | 2025       | 2024       |
|--------------------------|------------|------------|
| <b>Current</b>           |            |            |
| Borrowings - secured     | 110        | 17         |
| <b>Non-current</b>       |            |            |
| Borrowings - secured     | -          | 110        |
| <b>Total borrowings</b>  | <b>110</b> | <b>127</b> |

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                           | 110        | 17         |
| Later than one year and not later than five years | -          | 110        |
| Later than five years                             | -          | -          |
| <b>Total</b>                                      | <b>110</b> | <b>127</b> |

#### 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 Consolidated Statement of Comprehensive Income over the period of the liability using the effective interest method.

#### 5.2 Financing arrangements

| (Amounts shown in \$000) | 2025       | 2024       |
|--------------------------|------------|------------|
| Bank overdraft limit     | 200        | 200        |
| Direct debit facility    | 100        | 100        |
| Business credit cards    | 50         | 50         |
| Used facilities          | (2)        | (2)        |
| <b>Unused facilities</b> | <b>348</b> | <b>348</b> |

## Notes to the Financial Report

for the year ended 30 June 2025

### 5.3 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 and cash returned a floating interest rate of 4.5% (5.4% in 2024). The interest rate at balance date was 4.0% (4.5% in 2024).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Trade and other receivables                                         | See Note 3.2      | <p>General debtors are unsecured and arrears attract an interest rate of 0% (0% in 2024). Credit terms are based on 30 days.</p> <p>Rate debtors are paid either by four instalments or alternatively within 30 days (which provides a discount of 2.0%). The discount is shown as an expense of the Council. A penalty of 5% applies to any rate or charge that is not paid on or before the date it falls due and in addition to the penalty, interest under section 128 of the Local Government Act 1993 will be charged at the rate of 6.8% per annum.</p> <p>Should amounts remain unpaid outside the adopted payment options, Council will instigate collection proceedings in accordance with the provisions of the Local Government Act 1993 (as amended).</p>                                                  |
| Available for sale financial assets Investment in Water Corporation | See Note 3.5      | 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      | 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      | <p>The loans of Council are secured by trust deed. In accordance with section 80 of the Local Government Act 1993, the borrowing capacity of Council is limited to:</p> <ul style="list-style-type: none"> <li>- Except with the approval of the Minister, a council may not borrow additional money for any purpose if the annual payments required to service the total borrowings would exceed 30% of its revenue of the preceding financial year.</li> <li>- Grants made to a council for a specific purpose are to be excluded in calculating 30% of the revenue of the council.</li> </ul> <p>The payment of loans (principal and interest) by Council for the current year, based on the debenture loan schedules, equated to less than 2.5% of total revenue for the preceding year (2024: less than 2.5%).</p> |

## Notes to the Financial Report

### for the year ended 30 June 2025

#### 5.3 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

The exposure to interest rate risk and the effective interest rates of financial assets and financial liabilities, both recognised and unrecognised, at balance date are as follows:

| (Amounts shown in \$'000)                 | Floating<br>interest rate | Fixed interest maturing in:<br>1 year or<br>less | Over 1 year<br>to 5 years | More than 5<br>years | Non-interest<br>bearing | Total         |
|-------------------------------------------|---------------------------|--------------------------------------------------|---------------------------|----------------------|-------------------------|---------------|
| <b>2025</b>                               |                           |                                                  |                           |                      |                         |               |
| <i>Financial assets</i>                   |                           |                                                  |                           |                      |                         |               |
| Cash and cash equivalents                 | 3,861                     | 8,040                                            | -                         | -                    | -                       | 11,901        |
| Trade and other receivables               | -                         | -                                                | -                         | -                    | 2,299                   | 2,299         |
| Investment in water corporation           | -                         | -                                                | -                         | -                    | 12,920                  | 12,920        |
| <b>Total financial assets</b>             | <b>3,861</b>              | <b>8,040</b>                                     | <b>-</b>                  | <b>-</b>             | <b>15,219</b>           | <b>27,120</b> |
| <i>Financial liabilities</i>              |                           |                                                  |                           |                      |                         |               |
| Trade and other payables                  | -                         | -                                                | -                         | -                    | 940                     | 940           |
| Trust funds and deposits                  | -                         | -                                                | -                         | -                    | 119                     | 119           |
| Interest-bearing loans and borrowings     | -                         | 110                                              | -                         | -                    | -                       | 110           |
| <b>Total financial liabilities</b>        | <b>-</b>                  | <b>110</b>                                       | <b>-</b>                  | <b>-</b>             | <b>1,059</b>            | <b>1,169</b>  |
| <b>Net financial assets (liabilities)</b> | <b>3,861</b>              | <b>7,930</b>                                     | <b>-</b>                  | <b>-</b>             | <b>14,160</b>           | <b>25,951</b> |
| <b>2024</b>                               |                           |                                                  |                           |                      |                         |               |
| <i>Financial assets</i>                   |                           |                                                  |                           |                      |                         |               |
| Cash and cash equivalents                 | 8,557                     | 5,996                                            | -                         | -                    | -                       | 14,553        |
| Trade and other receivables               | -                         | -                                                | -                         | -                    | 993                     | 993           |
| Investment in water corporation           | -                         | -                                                | -                         | -                    | 12,673                  | 12,673        |
| <b>Total financial assets</b>             | <b>8,557</b>              | <b>5,996</b>                                     | <b>-</b>                  | <b>-</b>             | <b>13,666</b>           | <b>28,219</b> |
| <i>Financial liabilities</i>              |                           |                                                  |                           |                      |                         |               |
| Trade and other payables                  | -                         | -                                                | -                         | -                    | 1,573                   | 1,573         |
| Trust funds and deposits                  | -                         | -                                                | -                         | -                    | 264                     | 264           |
| Interest-bearing loans and borrowings     | -                         | 17                                               | 110                       | -                    | -                       | 127           |
| <b>Total financial liabilities</b>        | <b>-</b>                  | <b>17</b>                                        | <b>110</b>                | <b>-</b>             | <b>1,837</b>            | <b>1,964</b>  |
| <b>Net financial assets (liabilities)</b> | <b>8,557</b>              | <b>5,979</b>                                     | <b>(110)</b>              | <b>-</b>             | <b>11,829</b>           | <b>26,255</b> |

## Notes to the Financial Report

for the year ended 30 June 2025

### 5.3 Financial Instruments (continued)

#### *Fair value*

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

| (Amounts shown in \$000)              | Total carrying amount |               | Net fair value |               |
|---------------------------------------|-----------------------|---------------|----------------|---------------|
|                                       | 2025                  | 2024          | 2025           | 2024          |
| <i>Financial assets:</i>              |                       |               |                |               |
| Cash and cash equivalents             | 11,901                | 14,553        | 11,901         | 14,553        |
| Trade and other receivables           | 2,299                 | 993           | 2,299          | 993           |
| Investment in water corporation       | 12,920                | 12,673        | 12,920         | 12,673        |
| <i>Total financial assets</i>         | <b>27,120</b>         | <b>28,219</b> | <b>27,120</b>  | <b>28,219</b> |
| <i>Financial liabilities:</i>         |                       |               |                |               |
| Trade and other payables              | 940                   | 1,573         | 940            | 1,573         |
| Trust funds and deposits              | 119                   | 264           | 119            | 264           |
| Interest-bearing loans and borrowings | 110                   | 127           | 110            | 127           |
| <i>Total financial liabilities</i>    | <b>1,169</b>          | <b>1,964</b>  | <b>1,169</b>   | <b>1,964</b>  |

#### *(b) Credit risk*

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 Consolidated Statement of Financial Position.

#### *Risks and mitigation*

The risks associated with our main financial instruments and our policies for minimising these risks are detailed below.

#### *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 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.



## Notes to the Financial Report

for the year ended 30 June 2025

### 5.3 Financial Instruments (continued)

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.

#### *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 Consolidated 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.

#### *Ageing of Trade and Other Receivables*

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

| (Amounts shown in \$000)          | 2025         | 2024       |
|-----------------------------------|--------------|------------|
| Current (not yet due)             | 124          | 210        |
| Past due by up to 30 days         | 11           | 11         |
| Past due between 31 and 60 days   | 17           | 1          |
| Past due between 61 and 90 days   | 1,353        | 34         |
| Past due by more than 90 days     | -            | -          |
| Total other receivables           | <b>1,505</b> | <b>256</b> |
| Rates receivable                  | <b>794</b>   | <b>737</b> |
| Total Trade and Other Receivables | <b>2,299</b> | <b>993</b> |

A grant receivable of \$1,176,000 was included in Trade and Other Receivables in the current year related to the completion of works for the Remote Roads Upgrade Pilot Program. Payment was received in full in July 2025.

## Notes to the Financial Report

for the year ended 30 June 2025

### 5.3 Financial Instruments (continued)

#### (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;
- 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).

| 2025<br>(Amounts shown in \$000)      | Less than<br>1 year | 1 to 5<br>years | More than<br>5 years | Contracted<br>cash flow | Carrying<br>amount |
|---------------------------------------|---------------------|-----------------|----------------------|-------------------------|--------------------|
| Trade and other payables              | 940                 | -               | -                    | 940                     | 940                |
| Trust funds and deposits              | 119                 | -               | -                    | 119                     | 119                |
| Interest-bearing loans and borrowings | 110                 | -               | -                    | 110                     | 110                |
| Total financial liabilities           | <b>1,169</b>        | -               | -                    | <b>1,169</b>            | <b>1,169</b>       |
| 2024<br>(Amounts shown in \$000)      | Less than<br>1 year | 1 to 5<br>years | More than<br>5 years | Contracted<br>cash flow | Carrying<br>amount |
| Trade and other payables              | 1,573               | -               | -                    | 1,573                   | 1,573              |
| Trust funds and deposits              | 264                 | -               | -                    | 264                     | 264                |
| Interest-bearing loans and borrowings | 17                  | 110             | -                    | 127                     | 127                |
| Total financial liabilities           | <b>1,854</b>        | <b>110</b>      | -                    | <b>1,964</b>            | <b>1,964</b>       |

#### (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.

## Notes to the Financial Report

for the year ended 30 June 2025

### 5.3 Financial Instruments (continued)

#### *Sensitivity disclosure analysis*

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

- A parallel shift of -1% and +1% in market interest rates (AUD) from year-end rates. (2024: -1% and +1%)

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                                  |        | Interest rate risk |        |                   |        |
|---------------------------------------|--------|--------------------|--------|-------------------|--------|
|                                       |        | -1%                |        | +1%               |        |
|                                       |        | -100 basis points  |        | +100 basis points |        |
| (Amounts shown in \$000)              |        | Profit             | Equity | Profit            | Equity |
| <i>Financial assets:</i>              |        |                    |        |                   |        |
| Cash and cash equivalents             | 11,901 | (119)              | (119)  | 119               | 119    |
| <i>Financial liabilities:</i>         |        |                    |        |                   |        |
| Interest-bearing loans and borrowings | 110    | 1                  | 1      | (1)               | (1)    |
|                                       |        |                    |        |                   |        |
| 2024                                  |        | Interest rate risk |        |                   |        |
|                                       |        | -1%                |        | +1%               |        |
|                                       |        | -100 basis points  |        | +100 basis points |        |
| (Amounts shown in \$000)              |        | Profit             | Equity | Profit            | Equity |
| <i>Financial assets:</i>              |        |                    |        |                   |        |
| Cash and cash equivalents             | 14,553 | (146)              | (146)  | 146               | 146    |
| <i>Financial liabilities:</i>         |        |                    |        |                   |        |
| Interest-bearing loans and borrowings | 127    | 1                  | 1      | (1)               | (1)    |

## 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 \$000)         | Balance as at<br>30 June 2023 | Revaluation<br>increment<br>(decrement) | Transfers  | Balance as at<br>30 June 2024 | Revaluation<br>increment<br>(decrement) | Transfers  | Balance as at<br>30 June 2025 |
|----------------------------------|-------------------------------|-----------------------------------------|------------|-------------------------------|-----------------------------------------|------------|-------------------------------|
| <b>Asset revaluation reserve</b> | 89,427                        | 5,968                                   | (373)      | 95,022                        | 14,172                                  | (132)      | 109,062                       |
| <b>Fair value reserve</b>        |                               |                                         |            |                               |                                         |            |                               |
| <i>Equity investment asset</i>   |                               |                                         |            |                               |                                         |            |                               |
| Investment in water corporation  | (1,824)                       | -                                       | 759        | (1,065)                       | -                                       | 247        | (818)                         |
| <b>Total fair value reserve</b>  | <b>(1,824)</b>                | <b>-</b>                                | <b>759</b> | <b>(1,065)</b>                | <b>-</b>                                | <b>247</b> | <b>(818)</b>                  |
| <b>Other reserves</b>            |                               |                                         |            |                               |                                         |            |                               |
| Bridge maintenance reserve       | 1,666                         | -                                       | -          | 1,666                         | -                                       | -          | 1,666                         |
| Plant replacement reserve        | 686                           | -                                       | -          | 686                           | -                                       | -          | 686                           |
| Capital works reserve            | 1,239                         | -                                       | -          | 1,239                         | -                                       | -          | 1,239                         |
| Quarry reinstatement reserve     | 31                            | -                                       | -          | 31                            | -                                       | -          | 31                            |
| Public open space reserve        | 29                            | -                                       | -          | 29                            | -                                       | -          | 29                            |
| <b>Total other reserves</b>      | <b>3,651</b>                  | <b>-</b>                                | <b>-</b>   | <b>3,651</b>                  | <b>-</b>                                | <b>-</b>   | <b>3,651</b>                  |
| <b>Total reserves</b>            | <b>91,254</b>                 | <b>5,968</b>                            | <b>386</b> | <b>97,608</b>                 | <b>14,172</b>                           | <b>115</b> | <b>111,895</b>                |

#### 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.

The available-for-sale financial asset reserve was established to capture the fair value movements in Council's Water Corporation investment.

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

## Notes to the Financial Report

for the year ended 30 June 2025

### 6.2 Commitments

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

(Amounts shown in \$000)

|                                                                    | 1 year or<br>less | Over 1 year<br>to 5 years | Over 5 years | Total        |
|--------------------------------------------------------------------|-------------------|---------------------------|--------------|--------------|
| <b>2025</b>                                                        |                   |                           |              |              |
| <b>Capital expenditure commitments</b>                             |                   |                           |              |              |
| Buildings                                                          | 463               | -                         | -            | 463          |
| Plant and machinery                                                | 323               | -                         | -            | 323          |
| Waste management                                                   | 11                | -                         | -            | 11           |
| <b>Total capital expenditure commitments</b>                       | <b>797</b>        | <b>-</b>                  | <b>-</b>     | <b>797</b>   |
| <b>Other contractual commitments</b>                               |                   |                           |              |              |
| Household garbage and recycling collection                         | 257               | 1,031                     | 43           | 1,331        |
| Waste transfer, transport and disposal                             | 480               | -                         | -            | 480          |
| Cleaning services                                                  | 74                | -                         | -            | 74           |
| <b>Total other contractual commitments</b>                         | <b>811</b>        | <b>1,031</b>              | <b>43</b>    | <b>1,885</b> |
| <b>Total capital expenditure and other contractual commitments</b> | <b>1,608</b>      | <b>1,031</b>              | <b>43</b>    | <b>2,682</b> |
| <b>2024</b>                                                        |                   |                           |              |              |
| <b>Capital expenditure commitments</b>                             |                   |                           |              |              |
| Roads                                                              | 2,800             | -                         | -            | 2,800        |
| Buildings                                                          | 463               | -                         | -            | 463          |
| <b>Total capital expenditure commitments</b>                       | <b>3,263</b>      | <b>-</b>                  | <b>-</b>     | <b>3,263</b> |
| <b>Other contractual commitments</b>                               |                   |                           |              |              |
| Household garbage and recycling collection                         | 251               | -                         | -            | 251          |
| Waste transfer, transport and disposal                             | 640               | 422                       | -            | 1,062        |
| Cleaning services                                                  | 72                | -                         | -            | 72           |
| <b>Total other contractual commitments</b>                         | <b>963</b>        | <b>422</b>                | <b>-</b>     | <b>1,385</b> |
| <b>Total capital expenditure and other contractual commitments</b> | <b>4,226</b>      | <b>422</b>                | <b>-</b>     | <b>4,648</b> |

### 6.3 Contingent liabilities and contingent assets

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

#### Recognition and measurement

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

## Notes to the Financial Report

for the year ended 30 June 2025

### 6.4 Other significant accounting policies and new accounting standards

#### (a) *Taxation*

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

##### *Goods and services tax (GST)*

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

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

#### (b) *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.

#### (c) *Budget*

The estimated revenue and expense amounts in the Consolidated 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 Southern Midlands Council**

### **Report on the Audit of the Consolidated financial report**

#### **Opinion**

I have audited the Consolidated financial report of Southern Midlands Council (Council), which comprises the consolidated statement of financial position as at 30 June 2025 and consolidated 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 Consolidated 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 Consolidated 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 Consolidated financial report, the asset renewal funding ratio disclosed in note 2.6f to the Consolidated 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 consolidated 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 Consolidated financial report of the current period. These matters were addressed in the context of my audit of the Consolidated 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                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Valuation of property and infrastructure assets</b><br><i>Refer to note 3.6</i>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <p>At 30 June 2025, Council's property and infrastructure assets were valued at fair value totalling \$160.55 million. The assets comprise land, land under roads, buildings, infrastructure assets including roads, bridges, stormwater assets. Fair values were determined using either market value or current replacement cost, depending on the asset type.</p> <p>Council undertakes formal revaluations on a regular basis to ensure valuations represent fair value. During 2024–25, Council completed formal revaluations of roads, stormwater, and bridges as at 1 July 2024. The valuations were undertaken by independent experts and were highly dependent on a range of assumptions, estimated unit rates, and other key inputs.</p> | <ul style="list-style-type: none"> <li>Assessed the scope, expertise and independence of the experts engaged to assist in the valuations.</li> <li>Assessed management's oversight of the valuation process and their review of the valuation results.</li> <li>Evaluated the appropriateness of the valuation methodology applied to determine fair values.</li> <li>Critically assessed the assumptions and other key inputs used in the valuation model.</li> <li>Tested, on a sample basis, the mathematical accuracy of the revaluation calculations and the recording of valuations in the asset register and general ledger.</li> <li>Evaluated the adequacy of relevant disclosures in the Consolidated financial report, including those regarding key assumptions used.</li> </ul> |

## Responsibilities of the General Manager for the Consolidated financial report

The General Manager is responsible for the preparation and fair presentation of the Consolidated 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 Consolidated financial report that is free from material misstatement, whether due to fraud or error.

In preparing the Consolidated 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 Consolidated financial report**

My objectives are to obtain reasonable assurance about whether the Consolidated 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 Consolidated financial report.

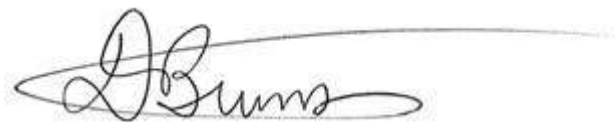
As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the Consolidated 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 Consolidated 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 Consolidated financial report, including the disclosures, and whether the Consolidated 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 Consolidated financial report of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

A handwritten signature in black ink, appearing to read 'D Burns', with a long horizontal flourish extending to the right.

Derek Burns  
**Assistant Auditor-General**  
**Delegate of the Auditor-General**

31 October 2025  
Hobart

SOUTHERN  
MIDLANDS  
COUNCIL



### **Southern Midlands Council**

71 High Street, Oatlands Tas 7120 | 85 Main Street, Kempton Tas 7030

Phone: 03 6254 5000 | Phone: 03 6254 5050

[mail@southernmidlands.tas.gov.au](mailto:mail@southernmidlands.tas.gov.au)

[www.southernmidlands.tas.gov.au](http://www.southernmidlands.tas.gov.au)