

The Flinders Ranges Council

GENERAL PURPOSE FINANCIAL STATEMENTS for the year ended 30 June 2025

Our community shares a deep respect for the Flinders Ranges region, history and people, and a commitment to its social, economic and environmental sustainability for both current and future generations.



General Purpose Financial Statements

for the year ended 30 June 2025

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General Purpose Financial Statements

for the year ended 30 June 2025

Certification of Financial Statements

We have been Authorised by Council to Certify the Financial Statements in their final form.

In our opinion:

- the accompanying Financial Statements comply with the *Local Government Act 1999*, the *Local Government (Financial Management) Regulations 2011* and Australian Accounting Standards,
- the Financial Statements present a true and fair view of the Council's financial position at 30 June 2025 and the results of its operations and cash flows for the financial year,
- internal controls implemented by the Council provide a reasonable assurance that the Council's financial records are complete, accurate and reliable and were effective throughout the financial year,
- the Financial Statements accurately reflect the Council's accounting and other records.



Sean Holden
Chief Executive Officer

20 November 2025



Ken Anderson
Mayor

20 November 2025

General Purpose Financial Statements

for the year ended 30 June 2025

Understanding Council's Financial Statements

Introduction

Each year, individual Local Governments across South Australia are required to present a set of audited Financial Statements to their Council and Community.

About the Certification of Financial Statements

The Financial Statements must be certified by the Chief Executive Officer and Mayor as "presenting a true & fair view" of the Council's financial results for the year and ensuring both responsibility for, and ownership of, the Financial Statements across Council.

What you will find in the Statements

The Financial Statements set out the financial performance, financial position and cash flows of Council for the financial year ended 30 June 2024.

The format of the Financial Statements is standard across all South Australian Councils and complies with both the accounting and reporting requirements of Australian Accounting Standards and the requirements as set down in the South Australia Model Financial Statements.

The Financial Statements incorporate 4 "primary" financial statements:

1. **A Statement of Comprehensive Income**
A summary of Council's financial performance for the year, listing all income & expenses.
2. **A Balance Sheet**
A 30 June snapshot of Council's financial position including its assets & liabilities.
3. **A Statement of Changes in Equity**
The overall change for the year (in dollars) of Council's "net wealth".
4. **A Statement of Cash Flows**
Indicates where Council's cash came from and where it was spent.

About the Notes to the Financial Statements

The Notes to the Financial Statements provide greater detail and additional information on the 4 Primary Financial Statements.

About the Auditor's Reports

Council's Financial Statements are required to be audited by external Auditors (that generally specialise in Local Government).

In South Australia, the Auditor provides an Audit Report, with an opinion on whether the Financial Statements present fairly the Council's financial performance and position.

About the Independence Certificates

Council's Financial Statements are also required to include signed Certificates by both the Council and the Auditor that the Council's Auditor has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011*.

Who uses the Financial Statements?

The Financial Statements are publicly available documents and are used by (but not limited to) Councillors, Residents & Ratepayers, Employees, Suppliers, Contractors, Customers, the Local Government Association of South Australia, the SA Local Government Grants Commission, Financiers including the Local Government Finance Authority, Banks & other Financial Institutions.

Under the *Local Government Act 1999* the Financial Statements must be made available at the Principal Office of the Council and on Council's website.

Statement of Comprehensive Income

for the year ended 30 June 2025

\$	Notes	2025	2024
Income			
Rates	2a	2,919,276	2,772,252
Statutory charges	2b	50,376	48,454
User charges	2c	204,766	174,113
Grants, subsidies & contributions - Capital	2g	183,739	576,521
Grants, subsidies & contributions - Operating	2g	2,139,699	2,660,588
Investment income	2d	41,852	57,177
Reimbursements	2e	195,404	25,719
Other income	2f	491,984	410,566
Total income		6,227,096	6,725,390
Expenses			
Employee costs	3a	1,989,417	1,972,668
Materials, contracts & other expenses	3b	3,325,635	3,106,697
Depreciation, amortisation & impairment	3c	1,562,046	1,614,303
Finance costs	3d	2,016	3,509
Total expenses		6,879,114	6,697,177
Operating surplus / (deficit)		(652,018)	28,213
Asset disposal and fair value adjustments	4	10,246	(102)
Amounts received specifically for new or upgraded assets	2g	81,420	338,726
Net surplus / (deficit)		(560,352)	366,837
Total comprehensive income		(560,352)	366,837
AASB1004 Recognition			
FA grants & supp. road funding received in advance	8a,2g	878,266	(1,802,408)
Total comprehensive income after AASB1004		317,914	(1,435,571)

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Statement of Financial Position

as at 30 June 2025

\$	Notes	2025	2024
ASSETS			
Current assets			
Cash and cash equivalent assets	5a	1,026,413	573,154
Trade and other receivables	5b	1,164,727	960,529
Inventories	5c	202,472	236,423
Total current assets		2,393,612	1,770,106
Non-current assets			
Trade and other receivables	6a	—	3,057
Other non-current assets	6b	156,934	868,802
Infrastructure, property, plant and equipment	7	57,150,355	57,203,955
Total non-current assets		57,307,289	58,075,814
TOTAL ASSETS		59,700,901	59,845,920
LIABILITIES			
Current liabilities			
Trade and other payables	8a	1,342,237	803,686
Borrowings	8b	15,853	418,276
Provisions	8c	971,656	704,396
Total current liabilities		2,329,746	1,926,358
Non-current liabilities			
Borrowings	8b	33,997	49,850
Provisions	8c	68,391	40,593
Total non-current liabilities		102,388	90,443
TOTAL LIABILITIES		2,432,134	2,016,801
Net assets		57,268,767	57,829,119
EQUITY			
Accumulated surplus		19,554,943	20,362,406
Asset revaluation reserves	9a	35,764,708	35,764,708
Other reserves	9b	1,949,116	1,702,005
Total equity		57,268,767	57,829,119

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

Statement of Changes in Equity

for the year ended 30 June 2025

\$	Accumulated surplus	Asset revaluation reserve	Other reserves	Total equity
2025				
Balance at end of previous reporting period	20,362,406	35,764,708	1,702,005	57,829,119
Net surplus / (deficit) for year	(560,352)	—	—	(560,352)
Total comprehensive income	(560,352)	—	—	(560,352)
Transfers between reserves	(247,111)	—	247,111	—
Balance at end of reporting period	19,554,943	35,764,708	1,949,116	57,268,767
2024				
Balance at end of previous reporting period	19,990,059	35,764,708	1,707,515	57,462,282
Restated opening balance	19,990,059	35,764,708	1,707,515	57,462,282
Net surplus / (deficit) for year	366,837	—	—	366,837
Total comprehensive income	366,837	—	—	366,837
Transfers between reserves	5,510	—	(5,510)	—
Balance at end of reporting period	20,362,406	35,764,708	1,702,005	57,829,119

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Statement of Cash Flows

for the year ended 30 June 2025

\$	Notes	2025	2024
Cash flows from operating activities			
<u>Receipts</u>			
Operating receipts		7,103,686	4,692,662
Investment receipts		41,852	57,176
<u>Payments</u>			
Operating payments to suppliers and employees		(5,644,684)	(5,787,448)
Finance payments		(2,765)	(5,168)
Net cash provided by (or used in) operating activities	11b	1,498,089	(1,042,778)
Cash flows from investing activities			
<u>Receipts</u>			
Amounts received specifically for new or upgraded assets		81,420	338,726
Grants utilised for capital purposes		183,739	576,521
Sale of replaced assets		14,818	3,636
Repayments of loans by community groups		5,915	5,661
<u>Payments</u>			
Expenditure on renewal/replacement of assets		(663,515)	(943,862)
Expenditure on new/upgraded assets		(240,417)	(583,134)
Net cash provided (or used in) investing activities		(618,040)	(602,452)
Cash flows from financing activities			
<u>Receipts</u>			
Proceeds from bonds and deposits		–	8,514
<u>Payments</u>			
Repayments of loans		(18,276)	(17,601)
Repayment of lease liabilities		–	(30,714)
Repayment of bonds and deposits		(8,514)	–
Net cash provided by (or used in) financing activities		(26,790)	(39,801)
Net increase (decrease) in cash held		853,259	(1,685,031)
plus: cash and cash equivalents at beginning of reporting period		173,154	1,858,185
Cash and cash equivalents at end of reporting period	11a	1,026,413	173,154

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

Notes to and forming part of the Financial Statements for the year ended 30 June 2025

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Notes to and forming part of the Financial Statements for the year ended 30 June 2025

Note 1. Summary of Material Accounting Policies

The principal accounting policies adopted by Council in the preparation of these consolidated Financial Statements are set out below.

These policies have been consistently applied to all the years presented, unless otherwise stated.

(1) Basis of preparation

1.1 Compliance with Australian Accounting Standards

This General Purpose Financial Report has been prepared on a going concern basis using the historical cost convention in accordance with Australian Accounting Standards as they apply to not-for-profit entities, other authoritative pronouncements of the Australian Accounting Standards Board, Interpretations and relevant South Australian legislation.

The Financial Report was authorised for issue by Certificate under Regulation 14 of the *Local Government (Financial Management) Regulations 2011* dated 20 November 2025

1.2 Critical accounting estimates

The preparation of Financial Statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates and requires management to exercise its judgement in applying Council's accounting policies.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the Financial Statements are specifically referred to in the relevant sections of these Notes.

1.3 Rounding

All amounts in the Financial Statements have been rounded to the nearest dollar.

(2) The local government reporting entity

The Flinders Ranges Council is incorporated under the South Australian Local Government Act 1999 and has its principal place of business at 1 Seventh Street, Quorn SA 5433. These consolidated Financial Statements include the Council's direct operations and all entities through which Council controls resources to carry on its functions. In the process of reporting on the Council as a single unit, all transactions and balances between activity areas and controlled entities have been eliminated.

Trust monies and property held by Council but subject to the control of other persons have been excluded from these reports.

(3) Income recognition

The Council recognises revenue under *AASB 1058 Income of Not-for-Profit Entities* (AASB 1058) or *AASB 15 Revenue from Contracts with Customers* (AASB 15) when appropriate.

In cases where there is an 'enforceable' contract with a customer with 'sufficiently specific' performance obligations, the transaction is accounted for under AASB 15 where income is recognised when (or as) the performance obligations are satisfied (i.e. when it transfers control of a product or service to a customer). Revenue is measured based on the consideration to which the Council expects to be entitled in a contract with a customer.

In other cases, AASB 1058 applies when a not-for-profit (NFP) entity enters into transactions where the consideration to acquire an asset is significantly less than the fair value of the asset principally to enable the entity to further its objectives. The excess of the asset recognised (at fair value) over any 'related amounts' is recognised as income immediately, except in the case where a financial asset has been received to enable the council to acquire or construct a recognisable non-financial asset that is to be controlled by the council. In this case, the council recognises the excess as a liability that is recognised over time in profit and loss when (or as) the entity satisfies its obligations under the transfer.

In recent years, the payment of the Commonwealth untied financial assistance grants via the South Australian Local Government Grants Commission (General Purpose grant, Roads Formula Funding grant and Supplementary Local Road Funding grant) has varied from the annual allocation. The payments received and the annual allocations are shown in the table below.

Notes to and forming part of the Financial Statements for the year ended 30 June 2025

Note 1. Summary of Material Accounting Policies (continued)

	Cash Payment Received	Annual Allocation	Difference
2022/2023	2,242,163	1,675,036	567,127
2023/2024	20,673	1,823,081	- 1,802,408
2024/2025	2,628,584	1,750,318	878,266

As these grants are untied, the Australian Accounting Standards require that these payments be recognised upon receipt, which would result in the operating results of these periods being distorted compared to those that would have been reported had the grants been paid in the year to which they were allocated.

Because of this distortion, Grants Commission funds received in the current reporting period for the next financial year have been consistently shown as income received in advance in the Financial Reports. Therefore, neither the Financial Reports nor the Budget variances are distorted.

Due to this alternate treatment to the Model Financial Statements and Accounting Standards, Council also provides on the face of the Statement of Comprehensive Income, Note 2(g) and Note 8 disclosures clearly showing the impact had the required treatments been utilised. This has the additional benefit of highlighting the distortion that would have otherwise appeared in the financial statements and notes.

Roads to Recovery funding is recognised as income in the period to which it was received to the extent that the funding has been expended. Amounts unspent at the end of a reporting period are transferred from revenue and shown as a provision for unspent grant funds as a liability in the Statement of Financial Position and in Note 8.

Income is measured at the fair value of the consideration received or receivable. Income is recognised when the Council obtains control over the assets comprising the income, or when the amount due constitutes an enforceable debt, whichever first occurs.

(4) Cash, Cash Equivalents & Other Financial Instruments

Cash Assets include all amounts readily convertible to cash on hand at Council's option with an insignificant risk of changes in value with a maturity of three months or less from the date of acquisition.

Receivables for rates and annual charges are secured over the subject land, and bear interest at rates determined in accordance with the *Local Government Act 1999*. Other receivables are generally unsecured and do not bear interest.

All receivables are reviewed as at the reporting date and adequate allowance made for amounts the receipt of which is considered doubtful.

All financial instruments are recognised at fair value at the date of recognition, except for trade receivables from a contract with a customer, which are measured at the transaction price. A detailed statement of the accounting policies applied to financial instruments forms part of Note 13.

(5) Inventories

Inventories held in respect of stores have been valued by using the weighted average cost on a continual basis, after adjustment for loss of service potential. Inventories held in respect of business undertakings have been valued at the lower of cost and net realisable value.

(6) Infrastructure, property, plant and equipment

6.1 Initial recognition

All assets are initially recognised at cost. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition.

All non-current assets purchased or constructed are capitalised as the expenditure is incurred and depreciated as soon as the asset is held "ready for use". Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition, including architects' fees and engineering design fees and all other costs incurred. The cost of non-current assets constructed by the Council includes the cost of all materials used in construction, direct labour on the project and other

Notes to and forming part of the Financial Statements for the year ended 30 June 2025

Note 1. Summary of Material Accounting Policies (continued)

overhead cost directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner by management.

6.2 Materiality

Assets with an economic life in excess of one year are only capitalised where the cost of acquisition exceeds materiality thresholds established by Council for each type of asset. In determining (and in annually reviewing) such thresholds, regard is had to the nature of the asset and its estimated service life.

Examples of capitalisation thresholds applied during the year are given below. No capitalisation threshold is applied to the acquisition of land or interests in land.

Office Furniture & Equipment	\$5,000
Other Plant & Equipment	\$5,000
Buildings - New Construction / Extensions	\$10,000
Park & Playground Furniture & Equipment	\$5,000
Road Construction & Reconstruction	\$10,000
Paving & Footpaths, Kerb & Gutter	\$5,000
Drains & Culverts	\$5,000
Reticulation Extensions	\$5,000
Sidelines & Household Connections	\$5,000
Artworks	\$5,000

These thresholds were last reviewed in June 2023 and are contained with the Council Policy 'Accounting for Assets'.

6.3 Subsequent recognition

All material asset classes are revalued on a regular basis such that the carrying values are not materially different from fair value. Significant uncertainties exist in the estimation of fair value of a number of asset classes including land, buildings and associated structures and infrastructure. Further detail of these uncertainties, and of existing valuations, methods and valuers are provided at Note 7.

6.4 Depreciation of non-current assets

Other than land, all infrastructure (excluding unsealed roads), property, plant and equipment assets recognised are systematically depreciated over their useful lives on a straight-line basis which, in the opinion of Council, best reflects the consumption of the service potential embodied in those assets.

Depreciation methods, useful lives and residual values of classes of assets are reviewed annually as part of the Accounting for Assets Policy.

Major depreciation periods for each class of asset are listed below. Depreciation periods for infrastructure assets have been estimated based on the best information available to Council, but appropriate records covering the entire life cycle of these assets are not available, and extreme care should be used in interpreting financial information based on these estimates.

Plant, Furniture & Equipment

Office Equipment	3 to 15 years
Office Furniture	4 to 15 years
Vehicles & Road-Making Equipment	2 to 15 years
Other Plant & Equipment	3 to 25 years

Building & Other Structures

Buildings – Masonry	50 to 100 years
Buildings – Other Construction	20 to 75 years
Buildings – Historical Superstructure	to 175 years
Park Structures – Masonry	50 to 100 years
Park Structures – Other Construction	7 to 25 years
Playground Equipment	5 to 15 years
Benches, Seats, etc	10 to 25 years

Infrastructure

Sealed Roads – Surface	20 - 25 years
Sealed Roads – Structure	up to 120 years

continued on next page ...

Notes to and forming part of the Financial Statements for the year ended 30 June 2025

Note 1. Summary of Material Accounting Policies (continued)

Unsealed Roads	Not Depreciated (Interpretation 1055)
Bridges – Concrete	up to 100 years
Paving & Footpaths, Kerb & Gutter	30 to 80 years
Drains	up to 100 years
Culverts	up to 100 years
Bores	20 to 40 years
Reticulation Pipes – PVC	up to 70 years
Effluent Lagoons	80 years
<i>Other Assets</i>	
Artworks	indefinite

6.5 Impairment

Assets whose future economic benefits are not dependent on the ability to generate cash flows, and where the future economic benefits would be replaced if Council were deprived thereof, are not subject to impairment testing.

Other assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount (which is the higher of the present value of future cash inflows or value in use).

Where an asset that has been revalued is subsequently impaired, the impairment is first offset against such amount as stands to the credit of that class of assets in Asset Revaluation Reserve, any excess being recognised as an expense.

6.6 Borrowing costs

Borrowing costs in relation to qualifying assets (net of offsetting investment revenue) have been capitalised in accordance with *AASB 123 Borrowing Costs*. The amounts of borrowing costs recognised as an expense or as part of the carrying amount of qualifying assets are disclosed in Note 3, and the amount (if any) of interest revenue offset against borrowing costs in Note 2.

(7) Payables

7.1 Goods & Services

Creditors are amounts due to external parties for the supply of goods and services and are recognised as liabilities when the goods and services are received. Creditors are normally paid 30 days after the month of invoice. No interest is payable on these amounts.

7.2 Payments Received in Advance & Deposits

Amounts other than grants received from external parties in advance of service delivery (excluding the Commonwealth Financial Assistance Grants), and security deposits held against possible damage to Council assets, are recognised as liabilities until the service is delivered or damage reinstated, or the amount is refunded as the case may be.

(8) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred and are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the income statement over the period of the borrowings using the effective interest method.

Borrowings are carried at their principal amounts which represent the present value of future cash flows associated with servicing the debt. Interest is accrued over the period to which it relates, and is recorded as part of "Payables".

(9) Employee benefits

9.1 Salaries, Wages & Compensated Absences

Liabilities for employees' entitlements to salaries, wages and compensated absences expected to be paid or settled within 12 months of reporting date are accrued at nominal amounts (including payroll based oncosts) measured in accordance with AASB 119.

Notes to and forming part of the Financial Statements for the year ended 30 June 2025

Note 1. Summary of Material Accounting Policies (continued)

Liabilities for employee benefits not expected to be paid or settled within 12 months are measured at the present value of the estimated future cash outflows (including payroll based oncosts) to be made in respect of services provided by employees up to the reporting date. Present values are calculated using government guaranteed securities rates with similar maturity terms.

Council does not make payment for untaken sick leave.

9.2 Superannuation

The Council makes employer superannuation contributions in respect of its employees to the Hostplus Superannuation Fund (formerly Statewide Super and previously Local Government Super Scheme). The Fund / Scheme has two types of membership, each of which is funded differently. Details of the accounting policies applied and Council's involvement with the schemes are reported in Note 18.

Council also makes contributions to other superannuation schemes selected by employees under the 'choice of funds' legislation and relevant Enterprise Bargaining Agreement provisions.

(10) Provisions for Reinstatement, Restoration & Rehabilitation

Close down and restoration costs include the dismantling and demolition of infrastructure and the removal of residual materials and remediation and rehabilitation of disturbed areas. Estimated close down and restoration costs are provided for in the accounting period when the obligation arising from the related disturbance occurs and are carried at the net present value of estimated future costs.

Although estimated future costs are based on a closure plan, such plans are based on current environmental requirements which may change. Council's policy to maximise recycling is extending the operational life of these facilities, and significant uncertainty exists in the estimation of the future closure date.

(11) Leases

The Council assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

11.1 Council as a Lessee

The Council recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-Use-Assets

The Council recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received and the estimate of costs to be incurred to restore the leased asset. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Buildings	10 years
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The right-of-use assets are also subject to impairment. Refer to the Accounting Policies above - Impairment of non-financial assets.

ii) Lease Liabilities

At the commencement date of the lease, the Council recognises lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Council uses its incremental borrowing rate or the interest rate implicit in the lease.

Notes to and forming part of the Financial Statements for the year ended 30 June 2025

Note 1. Summary of Material Accounting Policies (continued)

(12) GST implications

In accordance with UIG Abstract 1031 “*Accounting for the Goods & Services Tax*”

- Receivables and Creditors include GST receivable and payable.
- Except in relation to input taxed activities, revenues and operating expenditures exclude GST receivable and payable.
- Non-current assets and capital expenditures include GST net of any recoupment.
- Amounts included in the Statement of Cash Flows are disclosed on a gross basis.

(13) New Accounting Standards & UIG Interpretations

Council has assessed all currently issued standards which became mandatorily effective for annual reporting periods beginning on 1 July 2024, none of the standards had an impact on the reported position, performance and cash flows.

The relevant standards for Council were:

- AASB 101 Presentation of Financial Statements (amended by AASB 2020-1, AASB 2020-6, AASB 2022-6, AASB 2023-3) relating to current / non-current classification of liabilities
- AASB 13 Fair Value Measurement (amended by AASB 2022-10)

The AASB has issued Australian Accounting Standards and Interpretations which are not mandatorily effective at 30 June 2025, these standards have not been adopted by Council and will be included in the financial statements on their effective date. Where the standard is expected to have a significant impact for Council then further information has been provided in this note.

The following list identifies all the new and amended Australian Accounting Standards, and Interpretation, that were issued but not yet effective at the time of compiling these statements that could be applicable to Councils.

Effective for NFP annual reporting periods beginning on or after 1 January 2025

- AASB 2023-5 Amendments to Australian Accounting Standards - Lack of Exchangeability

Effective for NFP annual reporting periods beginning on or after 1 January 2026

- AASB 2024-2 Amendments to Australian Accounting Standards - Classification and Measurement of Financial Instruments

Effective for NFP annual reporting periods beginning on or after 1 January 2026 for public sector

- AASB 17 Insurance Contracts (amended by AASB 2020-5, AASB 2023-1, AASB 2023-8 and AASB 2023-9 Insurance Contracts in the Public Sector)

Effective for NFP annual reporting periods beginning on or after 1 January 2028

- AASB 2014-10 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (amended by AASB 2015-10, AASB 2017-5, AASB 2023-7 and AASB 2024-4)

AASB 18 Presentation and Disclosure in Financial Statements

(14) Comparative figures

To ensure comparability with the current reporting period's figures, some comparative period line items and amounts may have been reclassified or individually reported for the first time within these Financial Statements and / or the Notes.

(15) Disclaimer

Nothing contained within these statements may be taken to be an admission of any liability to any person under any circumstance.

Notes to and forming part of the Financial Statements

for the year ended 30 June 2025

Note 2. Income

\$	2025	2024
(a) Rates		
General rates		
General rates	2,316,230	2,200,740
Less: mandatory rebates	(41,367)	(39,538)
Less: discretionary rebates, remissions and write-offs	(78,053)	(72,748)
Total general rates	2,196,810	2,088,454
Other rates (including service charges)		
Landscape levy	94,730	93,062
Waste collection	333,420	314,800
Community wastewater management systems	250,858	238,930
Total other rates (including service charges)	679,008	646,792
Other charges		
Penalties for late payment	43,458	37,006
Total other charges	43,458	37,006
Total rates	2,919,276	2,772,252
(b) Statutory charges		
Planning, Development and Infrastructure Act fees	23,214	23,715
Health and septic tank inspection fees	2,633	119
Animal registration fees and fines	18,790	20,103
Other licences, fees and fines	5,739	4,517
Total statutory charges	50,376	48,454
(c) User charges		
Cemetery/crematoria fees	23,920	20,741
Hall and equipment hire	13,811	16,074
Sundry	20,947	31,126
Swimming Pools	54,016	42,648
Community Bus Hire	5,612	6,358
Waste Management	64,813	38,300
Airport Fees	3,564	3,157
Marathon Entry Fees	18,083	15,709
Total user charges	204,766	174,113

Notes to and forming part of the Financial Statements

for the year ended 30 June 2025

Note 2. Income (continued)

\$	2025	2024
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(d) Investment income

Interest on investments		
- Local Government Finance Authority	40,395	55,739
- Banks and other	1,200	923
- Loans to community groups	257	515
<u>Total investment income</u>	<u>41,852</u>	<u>57,177</u>

(e) Reimbursements

Private works	105,704	6,822
Insurance Recoveries	788	2,286
NPTN Distribution	47,036	1,784
Recreation & Sport - Oval	6,708	7,037
Workers Comp. & Inc. Protection	18,256	258
Other	16,912	7,532
<u>Total reimbursements</u>	<u>195,404</u>	<u>25,719</u>

(f) Other income

Rebates & Incentives Received	6,795	5,221
Sundry	22,035	20,361
Commercial Income	28,699	30,880
Donations	303	2,291
Outback Community Authority	30,055	36,070
FRVIC	368,759	286,717
Warren's Gorge	24,468	18,753
Sponsorship (PRM)	10,870	10,273
<u>Total other income</u>	<u>491,984</u>	<u>410,566</u>

Notes to and forming part of the Financial Statements for the year ended 30 June 2025

Note 2. Income (continued)

\$	2025	2024
(g) Grants, subsidies and contributions		
Capital grants, subsidies and contributions		
Amounts received specifically for new or upgraded assets	81,420	338,726
Total amounts received for new or upgraded assets	81,420	338,726
Other grants, subsidies and contributions - Capital		
Roads to Recovery	183,739	576,521
Total other grants, subsidies and contributions - Capital	183,739	576,521
Operating grants, subsidies and contributions - Operating		
Other grants, subsidies and contributions	240,720	688,294
Untied - Financial Assistance Grant	1,750,318	1,823,081
Individually significant item - additional Grants Commission payment (refer below)	148,661	149,213
Total other grants, subsidies and contributions - Operating	2,139,699	2,660,588
Total grants, subsidies and contributions	2,404,858	3,575,835
(ga). AASB1004 Recognition - Grants, Subsidies, Contribution		
Other Grants, Subsidies and Contributions - AASB1004 adjustment	878,266	(1,802,408)
Total Grants, Subsidies, Contributions - AASB1004 adjustments	878,266	(1,802,408)
AASB1004 adjusted Total Grants, Subsidies, Contributions	3,283,124	1,773,427
(i) Sources of grants		
Commonwealth Government	416,851	1,491,892
State Government	1,988,007	2,081,513
Other	—	2,430
Total	2,404,858	3,575,835
AASB1004 adjusted sources of grants		
Commonwealth Government	416,851	1,491,892
State Government	2,866,273	279,105
Other	—	2,430
Total	3,283,124	1,773,427

Notes to and forming part of the Financial Statements

for the year ended 30 June 2025

Note 2. Income (continued)

\$	2025	2024
(h) Conditions over grants and contributions		
Grants and contributions which were obtained on the condition that they be expended for specified purposes or in a future period, but which are not yet expended in accordance with those conditions, and are required to be repaid to the funding body if not expended, are as follows:		
Unexpended at the close of the previous reporting period	—	411,262
Less:		
<i>Expended during the current period from revenues recognised in previous reporting periods</i>		
Roads infrastructure	—	(274,358)
Other Infrastructure	—	(116,292)
Other	—	(20,612)
Subtotal	—	(411,262)
Plus:		
<i>Amounts recognised as revenues in this reporting period but not yet expended in accordance with the conditions</i>		
Unexpended at the close of this reporting period	—	—
Net increase (decrease) in assets subject to conditions in the current reporting period	—	(411,262)

Notes to and forming part of the Financial Statements

for the year ended 30 June 2025

Note 3. Expenses

\$	Notes	2025	2024
(a) Employee costs			
Salaries and wages		1,562,908	1,612,535
Employee leave expense		294,245	263,532
Superannuation - defined contribution plan contributions	17	167,852	163,237
Superannuation - defined benefit plan contributions	17	12,480	16,094
Workers' Compensation Payments		–	7,524
Income Protection Payments		18,001	–
Less: capitalised and distributed costs		(66,069)	(90,254)
Total operating employee costs		1,989,417	1,972,668
Total number of employees (full time equivalent at end of reporting period)		23	24
(b) Materials, contracts & other expenses			
(i) Prescribed expenses			
Auditor's remuneration			
- Auditing the financial reports		13,000	13,000
Elected members' expenses		109,902	107,254
Election expenses		579	9,634
Subtotal - prescribed expenses		123,481	129,888
(ii) Other materials, contracts and expenses			
Contractors		587,206	591,616
Energy - Fuel & Power		259,761	289,489
Legal expenses		28,079	16,495
Levies paid to Government - Landscape levy		92,535	90,091
Levies - other		3,597	3,604
Parts, accessories and consumables		39,417	37,416
Professional services		62,646	47,150
Sundry		224,057	120,418
Waste Management		361,710	362,089
Insurance		301,531	286,686
Vehicle Maintenance		173,210	126,724
FBT		28,558	21,292
FRVIC		335,050	258,179
Workers Compensation Insurance		91,830	87,110
Magiq Contract		36,868	38,418
Infrastructure Construction & Maintenance		1,458,801	1,576,748
CWMS		42,174	106,698
Land & Building Purchase, Construction & Upgrades		261,109	149,170
Water		122,038	106,689
Less: capitalised and distributed Costs		(1,308,023)	(1,339,273)
Subtotal - Other material, contracts and expenses		3,202,154	2,976,809
Total materials, contracts and other expenses		3,325,635	3,106,697

Notes to and forming part of the Financial Statements

for the year ended 30 June 2025

Note 3. Expenses (continued)

\$	2025	2024
(c) Depreciation, amortisation & impairment		
(i) Depreciation and amortisation		
Buildings	784,741	803,908
Infrastructure	535,009	522,494
CWMS	63,703	72,353
Right-of-Use Assets - Buildings	–	27,432
Plant and equipment	131,679	132,778
Furniture and fittings	46,914	55,338
<u>Total depreciation, amortisation and impairment</u>	<u>1,562,046</u>	<u>1,614,303</u>
(d) Finance costs		
Interest on loans	2,016	2,703
Interest on leases	–	806
<u>Total finance costs</u>	<u>2,016</u>	<u>3,509</u>

Note 4. Asset disposal and fair value adjustments

\$	2025	2024
Infrastructure, property, plant and equipment		
(i) Assets renewed or directly replaced		
Proceeds from disposal	14,818	3,636
Less: carrying amount of assets sold	(4,572)	(3,738)
<u>Net gain (loss) on disposal or revaluation of assets</u>	<u>10,246</u>	<u>(102)</u>

Notes to and forming part of the Financial Statements

for the year ended 30 June 2025

Note 5. Current assets

\$	2025	2024
(a) Cash and cash equivalent assets		
Cash on hand and at bank	25,932	11,589
Deposits at call	1,000,481	61,565
Short term deposits and bills, etc.	–	500,000
<u>Total cash and cash equivalent assets</u>	<u>1,026,413</u>	<u>573,154</u>

(b) Trade and other receivables

Rates - general and other	413,879	336,291
Council rates postponement scheme	4,761	3,720
Accrued interest	1,682	6,247
Debtors - general	60,713	10,032
Prepayments	41,761	40,985
Loans to community organisations	3,057	5,915
Accrued income - ATO	5,082	4,748
Accrued income - Grants	623,262	527,565
Accrued income - Other	10,530	25,026
<u>Total trade and other receivables</u>	<u>1,164,727</u>	<u>960,529</u>

(c) Inventories

Stores and materials	127,625	178,065
Trading stock	74,847	58,358
<u>Total inventories</u>	<u>202,472</u>	<u>236,423</u>

Note 6. Non-current assets

\$	2025	2024
(a) Trade and other receivables		
Receivables		
Loans to community organisations	–	3,057
<u>Total financial assets</u>	<u>–</u>	<u>3,057</u>

(b) Other non-current assets

Other		
Capital work in progress	156,934	868,802
<u>Total other non-current assets</u>	<u>156,934</u>	<u>868,802</u>

Notes to and forming part of the Financial Statements

for the year ended 30 June 2025

Note 7. Infrastructure, property, plant & equipment and investment property

Infrastructure, property, plant and equipment

\$	Fair Value Level	as at 30/06/24				Asset movements during the reporting period				as at 30/06/25			
		At Fair Value	At Cost	Accumulated Depreciation	Carrying amount	Asset Additions New / Upgrade	Asset Additions Renewals	WDV of Asset Disposals	Depreciation Expense (Note 3c)	At Fair Value	At Cost	Accumulated Depreciation	Carrying amount
Land	2	1,641,465	74,136	–	1,715,601	–	–	–	–	1,641,465	74,136	–	1,715,601
Land	3	1,207,899	–	–	1,207,899	–	–	–	–	1,207,899	–	–	1,207,899
Buildings	3	28,568,188	6,957,731	(20,640,045)	14,885,874	174,256	69,647	–	(784,741)	28,568,188	7,201,635	(21,424,786)	14,345,037
Infrastructure	3	39,187,037	6,691,133	(10,164,119)	35,714,051	608,758	553,661	–	(535,009)	39,187,037	7,853,551	(10,699,127)	36,341,461
CWMS	3	4,124,928	–	(1,882,264)	2,242,664	–	–	–	(63,703)	4,124,928	–	(1,945,968)	2,178,960
Right-of-use assets		140,874	–	(140,874)	–	–	–	–	–	–	–	–	–
Plant and equipment	3	2,167,774	999,983	(2,025,989)	1,141,768	21,980	84,715	(4,572)	(131,679)	2,122,055	1,106,678	(2,116,521)	1,112,212
Furniture and fittings	3	242,500	453,863	(400,265)	296,098	–	–	–	(46,914)	242,500	453,863	(447,178)	249,185
Total infrastructure, property, plant and equipment		77,280,665	15,176,846	(35,253,556)	57,203,955	804,994	708,023	(4,572)	(1,562,046)	77,094,072	16,689,863	(36,633,580)	57,150,355
Comparatives		77,318,046	11,545,009	(33,672,896)	55,190,159	1,772,560	1,859,278	(3,738)	(1,614,303)	77,280,665	15,176,846	(35,253,556)	57,203,955

Notes to and forming part of the Financial Statements for the year ended 30 June 2025

Note 7. Infrastructure, property, plant & equipment and investment property (continued)

Valuation of infrastructure, property, plant & equipment and investment property

Valuation of assets

The fair value of assets and liabilities must be estimated in accordance with various Accounting Standards for either recognition and measurement requirements or for disclosure purposes.

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: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Refer to Note 7(a) for the disclosure of the Fair Value Levels of Infrastructure, Property, Plant and Equipment Assets.

Information on valuations

Upon revaluation, the current new replacement cost and accumulated depreciation are restated such that the difference represents the fair value of the asset determined in accordance with *AASB 13 Fair Value*.

Measurement: accumulated depreciation is taken to be the difference between current new replacement cost and fair value. In the case of land, current replacement cost is taken to be the fair value.

Certain land, and the buildings and structures thereon, are shown above as being based on fair value hierarchy level 2 valuation inputs. They are based on prices for similar assets in an active market, with directly or indirectly observable adjustments for specific advantages or disadvantages attaching to the particular asset.

Valuations of Crown land, community land and land subject to other restrictions on use or disposal, shown above as being based on fair value hierarchy level 3 valuation inputs, are based on prices for similar assets in an active market, but include adjustments for specific advantages or disadvantages attaching to the particular asset that are not directly or indirectly observable in that market, or the number and / or amount of observable adjustments of which are so great that the valuation is more fairly described as being based on level 3 valuation inputs.

There is no known market for buildings, infrastructure and other assets. These assets are valued at depreciated current replacement cost. This method involves:

- The determination of the cost to construct the asset (or its modern engineering equivalent) using current prices for materials and labour, the quantities of each being estimated based on recent experience of this or similar Councils, or on industry construction guides where these are more appropriate.
- The calculation of the depreciation that would have accumulated since original construction using current estimates of residual value and useful life under the prime cost depreciation method adopted by Council.

This method has significant inherent uncertainties, relying on estimates of quantities of materials and labour, residual values and useful lives, and the possibility of changes in prices for materials and labour, and the potential for development of more efficient construction techniques

Other information

At 1 July 2004 upon the transition to AIFRS, Council elected pursuant to *AASB 1.D5* to retain a previously established deemed cost under GAAP as its deemed cost. With subsequent addition at cost, this remains as the basis of recognition of non-material asset classes.

Upon revaluation, the current new replacement cost and accumulated depreciation are re-stated such that the difference represents the fair value of the asset determined in accordance with *AASB 13 Fair Value Measurement*: accumulated depreciation is taken to be the difference between current new replacement cost and fair value. In the case of land, current replacement cost is taken to be the fair value.

Notes to and forming part of the Financial Statements for the year ended 30 June 2025

Note 7. Infrastructure, property, plant & equipment and investment property (continued)

Highest & Best Use

The following non financial assets of Council are being utilised at other than their highest and best use:

For land which Council has an unfettered right to sell, the "highest and best use" recognises the possibility of the demolition or substantial modification of some or all of the existing buildings and structures affixed to the land.

Much of the land under Council's care and control is Crown land or has been declared as community land under the provisions of the Local Government Act 1999. Other types of restrictions also exist.

For land subject to these restrictions, the highest and best use is taken to be the "highest and best use" available to Council, with a rebuttable presumption that the current use is the "highest and best use". The reason for the current use of a large proportion of Council's assets being other than the "highest and best use" relates to Council's principal role as the provider of services to the community, rather than the use of those assets for the generation of revenue.

For buildings and other structures on and in the land, including infrastructure, "highest and best use" is determined in accordance with the land on and in which they are situated.

Transition to AASB 13 - Fair Value Measurement

The requirements of AASB 13 Fair Value Measurement have been applied to all valuations undertaken since 1 July 2013 as shown by the valuation dates by individual asset classes below.

Certain land, and the buildings and structures thereon, are shown above as being based on fair value hierarchy level 2 valuation inputs. They are based on prices for similar assets in an active market, with directly or indirectly observable adjustments for specific advantages or disadvantages attaching to the particular asset.

Infrastructure

- Basis of Valuation: Depreciated (Written Down) Current Replacement Cost
- Date of Valuation: 30 June 2017
- Valuer: Mr Graham L Martin, B.Bus (Prop), Certified Practicing Valuer, Senior Valuer, Maloney Field Services

Transportation assets were valued by Maloney's at written down current replacement cost during the reporting period ended 30 June 2017. All acquisitions made after the respective dates of valuation are recorded at cost.

Stormwater drainage infrastructure was valued by Maloney's as at 30 June 2017 at written down current replacement cost. All acquisitions made after the respective dates of valuation are recorded at cost.

The next scheduled revaluation of this class of assets will be during the 2025 / 2026 financial year.

Community Wastewater Management Systems

- Basis of Valuation: Depreciated (Written Down) Current Replacement Cost
- Date of Valuation: 30 June 2017
- Valuer: Mr Graham L Martin, B.Bus (Prop), Certified Practicing Valuer, Senior Valuer, Maloney Field Services

Community wastewater management system infrastructure was valued by Maloney's at written down current replacement cost during the reporting period ended 30 June 2017. All acquisitions made after the respective dates of valuation are recorded at cost.

The next scheduled revaluation of this class of assets will be during the 2025 / 2026 financial year.

Plant & Equipment

- Basis of Valuation: Depreciated (Written Down) Current Replacement Cost
- Date of Valuation: 30 June 2017
- Valuer: Mr Graham L Martin, B.Bus (Prop), Certified Practicing Valuer, Senior Valuer, Maloney Field Services

Plant & equipment assets were valued by Maloney's at written down current replacement cost during the reporting period ended 30 June 2017. All acquisitions made after the respective dates of valuation are recorded at cost.

The next scheduled revaluation of this class of assets will be during the 2025 / 2026 financial year.

Notes to and forming part of the Financial Statements for the year ended 30 June 2025

Note 7. Infrastructure, property, plant & equipment and investment property (continued)

Furniture & Fittings

- Basis of Valuation: Depreciated (Written Down) Current Replacement Cost
- Date of Valuation: 30 June 2017
- Valuer: Mr Graham L Martin, B.Bus (Prop), Certified Practicing Valuer, Senior Valuer, Maloney Field Services

Furniture & fittings were valued by Maloney's at written down current replacement cost during the reporting period ended 30 June 2017. All acquisitions made after the respective dates of valuation are recorded at cost.

The next scheduled revaluation of this class of assets will be during the 2025 / 2026 financial year.

Land, Land Improvements, Buildings & Other Structures

- Basis of Valuation: Depreciated (Written Down) Current Replacement Cost
- Date of Valuation: 30 June 2017
- Valuer: Mr Graham L Martin, B.Bus (Prop), Certified Practicing Valuer, Senior Valuer, Maloney Field Services

Council being of the opinion that it is not possible to attribute a value sufficiently reliably to qualify for recognition, land under roads has not been recognised in these reports. Land acquired for road purposes during the year is initially recognised at cost, but transferred to fair value at reporting date, effectively writing off the expenditure.

Pursuant to Council's election, freehold land and land over which Council has control, but does not have title, is recognised at written down current replacement cost, deriving from a valuation at 30 June 2017 by Maloney's.

Additions are recognised at cost. No capitalisation threshold is applied to the acquisition of land or interests in land.

Land improvements, including bulk earthworks with an assessed unlimited useful life, are recognised on the written down current replacement cost basis, deriving from a valuation at 30 June 2017 by Maloney's. Additions are recognised at cost.

Estimated future costs of reinstatement of land, capitalised in accordance with AASB 116.16(c), are reviewed annually (see Note 1) and depreciated over the estimated remaining life of the relevant asset.

Pursuant to Council's election, buildings and other structures are recognised on the written down current replacement cost basis, deriving from the valuation at 30 June 2017 by Maloney's. Additions are recognised at cost.

The next scheduled revaluation of this class of assets will be during the 2025 / 2026 financial year.

Minor Plant

- Basis of Valuation: Depreciated (Written Down) Current Replacement Cost
- Date of Valuation: 30 June 2017
- Valuer: Mr Graham L Martin, B.Bus (Prop), Certified Practicing Valuer, Senior Valuer, Maloney Field Services

Minor plant assets were valued by Maloney's at written down current replacement cost during the reporting period ended 30 June 2017. All acquisitions made after the respective dates of valuation are recorded at cost.

The next scheduled revaluation of this class of assets will be during the 2025 / 2026 financial year.

Notes to and forming part of the Financial Statements

for the year ended 30 June 2025

Note 8. Liabilities

	2025 Current	2025 Non-Current	2024 Current	2024 Non-Current
\$				
(a) Trade & Other Payables				
Goods and services	277,562	—	626,484	—
Payments received in advance	878,266	—	—	—
Accrued expenses - emp. entitlements	112,819	—	92,138	—
Accrued expenses - finance costs	5,758	—	6,507	—
Accrued expenses - other	19,183	—	23,541	—
Deposits, retentions and bonds	—	—	8,514	—
Sec 184 proceeds held in trust	48,649	—	46,502	—
Total Trade & Other Payables	1,342,237	—	803,686	—

(aa). AASB 1004 Recognition - Trade & Other Payables

FA grants received in advance	(878,266)	—	—	—
Total AASB1004 Adjustments	(878,266)	—	—	—
AASB 1004 Adjusted Trade & Other	463,971		803,686	

The above restatement of Trade & Other Payables has been prepared to demonstrate the effect on the financials had AASB 1004 been applied.

Total amounts included in trade and other payables	(878,266)	—	—	—
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(b) Borrowings

Short term draw down facility	—	—	400,000	—
Loans	15,853	33,997	18,276	49,850
Total Borrowings	15,853	33,997	418,276	49,850

(c) Provisions

Employee entitlements (including oncosts)	359,852	68,391	304,396	40,593
Future reinstatement / restoration, etc	400,000	—	400,000	—
Unspent grants	211,804	—	—	—
Total provisions	971,656	68,391	704,396	40,593

Notes to and forming part of the Financial Statements

for the year ended 30 June 2025

Note 9. Reserves

	as at 30/06/24				as at 30/06/25
\$	Opening Balance	Increments (Decrements)	Transfers	Impairments	Closing Balance
(a) Asset revaluation reserve					
Buildings and other structures	10,593,820	—	—	—	10,593,820
Infrastructure	15,739,843	—	—	—	15,739,843
CWMS	816,063	—	—	—	816,063
Plant and equipment	(106,236)	—	—	—	(106,236)
Furniture and fittings	36,278	—	—	—	36,278
Minor Plant	15,926	—	—	—	15,926
Other assets	8,669,014	—	—	—	8,669,014
Total other assets	8,669,014	—	—	—	8,669,014
Total asset revaluation reserve	35,764,708	—	—	—	35,764,708
Comparatives	35,764,708	—	—	—	35,764,708

	as at 30/06/24				as at 30/06/25
\$	Opening Balance	Tfrs to Reserve	Tfrs from Reserve	Other Movements	Closing Balance
(b) Other reserves					
Landscape Levy (Separate Rate)	2,689	2,195	—	—	4,884
Land & Buildings	66,795	4,127	—	—	70,922
Plant Replacement	107,689	6,653	—	—	114,342
Waste Collection (Service Charge)	765	20,198	—	—	20,963
Stormwater Dams	2,266	140	—	—	2,406
Community Trust Funds	20,242	1,443	(77)	—	21,608
Hawker CWMS (Service Charge)	334,101	49,848	—	—	383,949
Quorn CWMS (Service Charge)	620,990	120,096	—	—	741,086
Community Buses	56,654	51,064	(47,036)	—	60,682
Other Reserves	443,486	41,333	(5,028)	—	479,791
Sec 184 Proceeds	46,328	2,155	—	—	48,483
Total other reserves	1,702,005	299,252	(52,141)	—	1,949,116
Comparatives	1,707,515	153,991	(159,501)	—	1,702,005

Purposes of reserves

Asset revaluation reserves

The Asset Revaluation Reserve is used to record increments and decrements arising from changes in fair value of Non-Current Assets (less any subsequent impairment losses, where applicable).

Notes to and forming part of the Financial Statements

for the year ended 30 June 2025

Note 10. Assets subject to restrictions

\$	Notes	2025	2024
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The uses of the following assets are restricted, wholly or partially, by legislation or other externally imposed requirements. The assets are required to be utilised for the purposes for which control was transferred to Council, or for which the revenues were originally obtained.

Cash and financial assets

CWMS annual service charge		1,125,035	955,091
Waste collection annual service charge		20,963	765
Landscape levy		4,884	2,689
Employee entitlements		541,062	437,127
Total assets subject to externally imposed restrictions		1,691,944	1,395,672

The following liabilities, included in Note 8, may be discharged from restricted assets in the first instance:

Payables	8	112,819	92,138
Provisions	8	428,243	344,989
Total		541,062	437,127

Notes to and forming part of the Financial Statements for the year ended 30 June 2025

Note 11. Reconciliation to Statement of Cash Flows

\$	Notes	2025	2024
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(a) Reconciliation of cash

Cash assets comprise highly liquid investments with short periods to maturity subject to insignificant risk of changes of value. Cash at the end of the reporting period as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

Total cash and equivalent assets	5	1,026,413	573,154
Less: short-term borrowings	8	—	(400,000)
Balances per Statement of Cash Flows		1,026,413	173,154

(b) Reconciliation of Operating Result

Net surplus/(deficit)		(560,352)	366,837
Non-cash items in income statements			
Depreciation, amortisation and impairment		1,562,046	1,614,303
Grants for capital acquisitions treated as investing activity		(265,159)	(915,247)
Net (gain)/loss on disposals		(10,246)	102
		726,289	1,065,995
Add (less): changes in net current assets			
Net (increase)/decrease in receivables		(207,056)	(99,529)
Net (increase)/decrease in inventories		33,951	11,390
Net increase/(decrease) in trade and other payables		639,517	(1,595,039)
Net increase/(decrease) in unpaid employee benefits		93,584	(14,333)
Net increase/(decrease) in other provisions		211,804	(411,262)
Net cash provided by (or used in) operations		1,498,089	(1,042,778)

(c) Financing arrangements

Unrestricted access was available at balance date to the following lines of credit:

Bank overdrafts	100,000	100,000
Corporate credit cards	11,000	11,000
LGFA cash advance debenture facility	1,000,000	1,000,000

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice. Council also has immediate access to a short-term draw down facility, and variable rate borrowings under a cash advance facility, both from the Local Government Finance Authority of South Australia.

Notes to and forming part of the Financial Statements for the year ended 30 June 2025

Note 12. Financial instruments

Recognised financial instruments

Bank, deposits at call, short term deposits

Accounting Policy:

Carried at lower of cost and net realisable value; interest is recognised when earned.

Terms & Conditions:

Deposits are returning fixed interest rates between 0.95% and 4.15% (2024: 1.45% and 4.95%). Short term deposits have an average maturity of 1 days and an average interest rate of 4.15% (2024: 2 days and 4.68%).

Carrying Amount:

Approximates fair value due to the short term to maturity.

Receivables - rates and associated charges (including legals and penalties for late payment)

Accounting Policy:

Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable.

Terms & Conditions:

Secured over the subject land, arrears attract monthly interest of 0.7625% (2024: 0.7542%). Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries in the State.

Carrying Amount:

Approximates fair value (after deduction of any allowance).

Receivables - fees and other charges

Accounting Policy:

Carried at nominal values less any allowance for doubtful debts. An allowance for doubtful debts is recognised (and re-assessed annually) when collection in full is no longer probable.

Terms & Conditions:

Unsecured, and do not bear interest. Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries.

Carrying Amount:

Approximates fair value (after deduction of any allowance).

Receivables - other levels of government

Accounting Policy:

Carried at nominal value.

Terms & Conditions:

Amounts due have been calculated in accordance with the terms and conditions of the respective programs following advice of approvals, and do not bear interest. All amounts are due by Departments and Agencies of State and Commonwealth Governments.

Carrying Amount:

Approximates fair value.

Liabilities - creditors & accruals

Accounting policy:

Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Council.

Notes to and forming part of the Financial Statements for the year ended 30 June 2025

Note 12. Financial instruments (continued)

Terms and conditions:

Liabilities are normally settled on 30 day terms.

Carrying amount:

Approximates fair value.

Liabilities - interest bearing borrowings

Accounting Policy:

Initially recognised at fair value and subsequently at amortised cost using the effective interest rate.

Terms & Conditions:

Secured over future revenues, borrowings are repayable; interest is charged at fixed rates between 3.95% and 4.45% (2024: 3.49% and 4.45%).

Carrying Amount:

Approximates fair value.

Liabilities - leases

Accounting Policy:

Accounted for in accordance with AASB 117.

Notes to and forming part of the Financial Statements for the year ended 30 June 2025

Note 12. Financial instruments (continued)

\$	Due < 1 year	Due > 1 year and ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
Financial Assets & Liabilities					
2025					
Financial assets					
Cash and cash equivalents	1,026,413	—	—	1,026,413	1,026,413
Receivables	704,326	—	—	704,326	704,326
Total financial assets	1,730,739	—	—	1,730,739	1,730,739
Financial liabilities					
Payables	463,971	—	—	463,971	463,971
Current borrowings	17,443	—	—	17,443	15,853
Non-current borrowings	—	35,797	—	35,797	33,997
Lease liabilities	—	—	—	—	—
Total financial liabilities	481,414	35,797	—	517,211	513,821
Total financial assets and liabilities	2,212,153	35,797	—	2,247,950	2,244,560
2024					
Financial assets					
Cash and cash equivalents	573,154	—	—	573,154	573,154
Receivables	579,867	3,125	—	582,992	582,590
Total financial assets	1,153,021	3,125	—	1,156,146	1,155,744
Financial liabilities					
Payables	803,686	—	—	803,686	803,686
Current borrowings	420,568	—	—	420,568	418,276
Non-current borrowings	—	53,241	—	53,241	49,850
Lease liabilities	—	—	—	—	—
Total financial liabilities	1,224,254	53,241	—	1,277,495	1,271,812
Total financial assets and liabilities	2,377,275	56,366	—	2,433,641	2,427,556

The following interest rates were applicable to Council's borrowings at balance date:

\$	2025		2024	
	Weighted Avg Interest Rate	Carrying Value	Weighted Avg Interest Rate	Carrying Value
Fixed interest rates	3.55%	49,850	5.78%	468,126
		49,850		468,126

Net fair value

All carrying values approximate fair value for all recognised financial instruments. There is no recognised market for the financial assets of the Council.

Notes to and forming part of the Financial Statements

for the year ended 30 June 2025

Note 12. Financial instruments (continued)

Risk exposures

Credit Risk represents the loss that would be recognised if counterparties fail to perform as contracted. The maximum credit risk on financial assets of the Council is the carrying amount, net of any impairment. All Council investments are made with the SA Local Government Finance Authority and are guaranteed by the SA Government. Except as detailed in Notes 5 and 6 in relation to individual classes of receivables, exposure is concentrated within the Council's boundaries, and there is no material exposure to any individual debtor.

Market Risk is the risk that fair values of financial assets will fluctuate as a result of changes in market prices. All of Council's financial assets are denominated in Australian dollars and are not traded on any market, and hence neither market risk nor **currency risk** apply.

Liquidity Risk is the risk that Council will encounter difficulty in meeting obligations with financial liabilities. In accordance with the model Treasury Management Policy (LGA Information Paper 15), liabilities have a range of maturity dates. Council also has available a range of bank overdraft and standby borrowing facilities that it can access.

Interest Rate Risk is the risk that future cash flows will fluctuate because of changes in market interest rates. Council has a balance of both fixed and variable interest rate borrowings and investments. Cash flow fluctuations are managed holistically in seeking to minimise interest costs over the longer term in a risk averse manner.

Note 13. Capital expenditure and investment property commitments

Council does not have any capital expenditure committed at the reporting date that is not recognised in the financial statements as liabilities.

Council does not have any non-capital expenditure committed in relation to investment properties at the reporting date.

Notes to and forming part of the Financial Statements

for the year ended 30 June 2025

Note 14. Financial indicators

	Amounts	Indicator		Indicators	
\$	2025	2025	2024	2023	2022

Financial Indicators overview

These Financial Indicators have been calculated in accordance with Information paper 9 - Local Government Financial Indicators prepared as part of the LGA Financial Sustainability Program for the Local Government Association of South Australia.

1. Operating Surplus Ratio

Operating surplus	(652,018)	(10.5)%	0.4%	3.6%	1.7%
Total operating income	6,227,096				

This ratio expresses the operating surplus as a percentage of total operating revenue.

2. Net Financial Liabilities Ratio

Net financial liabilities	240,994	4%	7%	14%	9%
Total operating income	6,227,096				

Net Financial Liabilities are defined as total liabilities less financial assets (excluding equity accounted investments in Council businesses). These are expressed as a percentage of total operating revenue.

3. Asset Renewal Funding Ratio

Asset renewals	612,697				
Infrastructure and asset management plan required expenditure	1,128,300	54%	86%	277%	127%

Net asset renewals expenditure is defined as net capital expenditure on the renewal and replacement of existing assets, and excludes new capital expenditure on the acquisition of additional new and upgraded assets.

Adjustments to Ratios

In recent years the Federal Government has made advance payments prior to 30th June from future year allocations of financial assistance grants, as explained in Note 1. The Adjusted Ratios below show the correct treatment as per the Model Financial Statements, and the resulting distortion in key ratios for each year.

Adjusted Operating Surplus Ratio

Operating surplus	226,248	3.2%	(36.0)%	11.2%	8.1%
Total operating income	7,105,362				

Adjusted Net Financial Liabilities Ratio

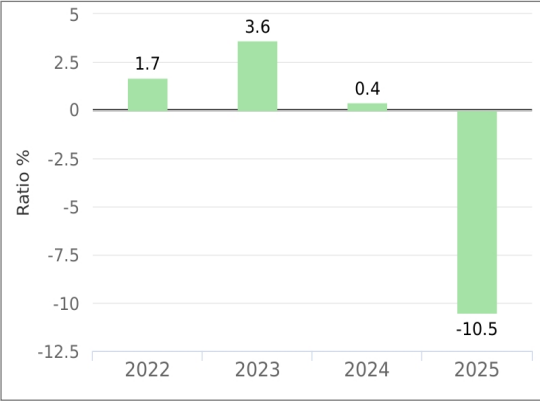
Net financial liabilities	(637,272)	(9)%	10%	(12)%	(10)%
Total operating income	7,105,362				

Notes to and forming part of the Financial Statements
for the year ended 30 June 2025

Note 14. Financial indicators (continued)

Financial indicators - graphs

1. Operating Surplus Ratio

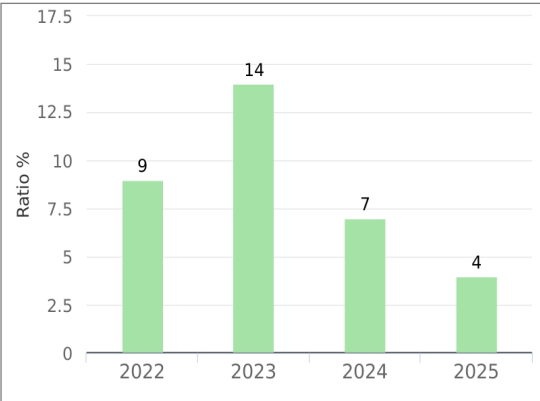


Purpose of operating surplus ratio

This indicator is to determine the percentage the operating revenue varies from operating expenditure

Commentary on 2024/25 result	
2024/25 ratio	(10.5)%

2. Net Financial Liabilities Ratio

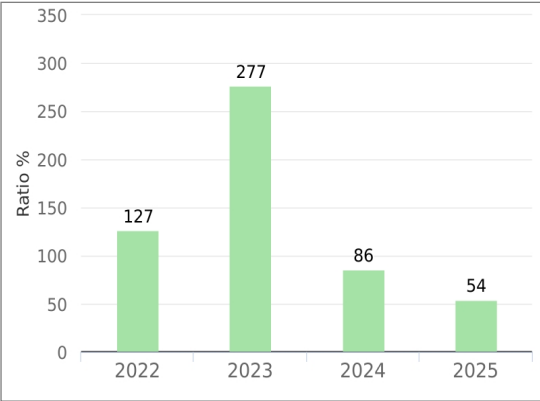


Purpose of net financial liabilities ratio

This indicator shows the significance of the net amount owed to others, compared to operating revenue

Commentary on 2024/25 result	
2024/25 ratio	4%

3. Asset Renewal Funding Ratio



Purpose of asset renewal funding ratio

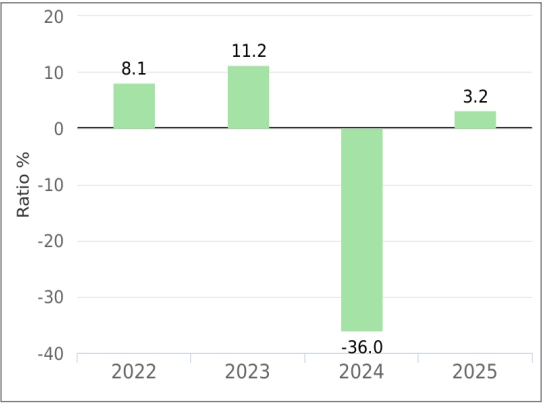
This indicator aims to determine if assets are being renewed and replaced in an optimal way

Commentary on 2024/25 result	
2024/25 ratio	54%

Notes to and forming part of the Financial Statements
for the year ended 30 June 2025

Note 14. Financial indicators (continued)

Adjusted Operating Surplus Ratio

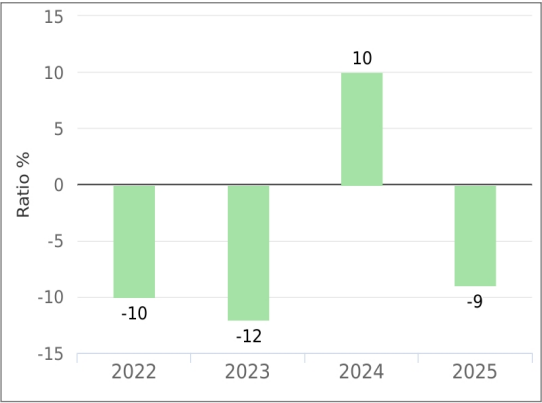


Purpose of adjusted operating surplus ratio

This indicator is to determine the percentage the operating revenue (adjusted for timing differences in the Financial Assistance Grant) varies from operating expenditure

Commentary on 2024/25 result	
2024/25 ratio	3.2%

Adjusted Net Financial Liabilities Ratio



Purpose of adjusted net financial liabilities ratio

This indicator is to determine the percentage the operating revenue (adjusted for timing differences in the Financial Assistance Grant) varies from operating expenditure

Commentary on 2024/25 result	
2024/25 ratio	(9)%

Notes to and forming part of the Financial Statements

for the year ended 30 June 2025

Note 15. Uniform presentation of finances

\$	2025	2024
The following is a high level summary of both operating and capital investment activities of the Council prepared on a simplified Uniform Presentation Framework basis. All Councils in South Australia have agreed to summarise annual budgets and long-term financial plans on the same basis. The arrangements ensure that all Councils provide a common 'core' of financial information, which enables meaningful comparisons of each Council's finances.		
<u>Income</u>		
Rates	2,919,276	2,772,252
Statutory charges	50,376	48,454
User charges	204,766	174,113
Grants, subsidies and contributions - Capital	183,739	576,521
Grants, subsidies and contributions - Operating	2,139,699	2,660,588
Investment income	41,852	57,177
Reimbursements	195,404	25,719
Other income	491,984	410,566
Total Income	6,227,096	6,725,390
<u>Expenses</u>		
Employee costs	(1,989,417)	(1,972,668)
Materials, contracts and other expenses	(3,325,635)	(3,106,697)
Depreciation, amortisation and impairment	(1,562,046)	(1,614,303)
Finance costs	(2,016)	(3,509)
Total Expenses	(6,879,114)	(6,697,177)
Operating surplus / (deficit)	(652,018)	28,213
Less: grants, subsidies and contributions - Capital	(183,739)	(576,521)
Adjusted operating surplus / (deficit)	(835,757)	(548,308)
Net outlays on existing assets		
Capital expenditure on renewal & replacement of existing assets	(663,515)	(943,862)
Add back depreciation, amortisation & impairment	1,562,046	1,614,303
Add back proceeds from sale of replaced assets	14,818	3,636
	913,349	674,077
Net outlays on new & upgraded assets		
Capital expenditure on new & upgraded assets	(240,417)	(583,134)
Add back grants, subsidies and contributions - Capital New/Upgraded	183,739	576,521
Add back amounts received specifically for new & upgraded assets	81,420	338,726
	24,742	332,113
Annual net impact to financing activities (surplus/(deficit))	102,334	457,882

Notes to and forming part of the Financial Statements

for the year ended 30 June 2025

Note 16. Leases

(i) Council as a lessee

Terms and conditions of leases

Right of Use Assets

Council has a Shared Use Agreement (Lease) for part of the Quorn Railway Station for the purpose of operating a Visitor information Centre in conjunction with the Souvenir Shop to support the local tourism industry. The lease commenced in July 2014 for a period of 10 years with a right to renew for a further 10 years. At the time of entering into the lease it was determined to be unlikely that the lease extension of 10 years would be taken up by Council.

Set out below are the carrying amounts of right-of-use assets recognised within Infrastructure, Property, Plant and Equipment and the movements during the period:

(a) Right of use assets

\$	Buildings	Total
2025		
Opening balance		—
Opening balance	—	
Depreciation charge		—
Depreciation charge	—	
Balance at 30 June	—	—
2024		
Opening balance		—
Opening balance	27,432	
Depreciation charge		—
Depreciation charge	(27,432)	
Balance at 30 June	—	—

(b) Lease liabilities

Set out below are the carrying amounts of lease liabilities (included under interest-bearing loans and borrowings) and the movements during the period:

\$	2025	2024
Opening Balance	—	30,714
Accretion of interest	—	806
Payments	—	(31,520)
Balance at 30 June	—	—

The following are the amounts recognised in profit or loss:

Depreciation expense of right-of-use assets	—	27,432
Interest expense on lease liabilities	—	806
Total amount recognised in profit or loss	—	28,238

Notes to and forming part of the Financial Statements for the year ended 30 June 2025

Note 17. Superannuation

The Council makes employer superannuation contributions in respect of its employees to Hostplus Superannuation Fund (formerly Statewide Super and originally Local Government Superannuation Scheme). There are two types of membership, each of which is funded differently. Permanent and contract employees of the South Australian Local Government sector with Salarylink benefits prior to 24 November 2009 have the option to contribute to the Accumulation section and/or Salarylink. All other employees (including casuals) have all contributions allocated to the Accumulation section.

Accumulation only members

Accumulation only members receive both employer and employee contributions on a progressive basis. Employer contributions are based on a fixed percentage of ordinary time earnings in accordance with superannuation guarantee legislation (11.50% in 2024/25; 11.00% in 2023/24). No further liability accrues to the Council as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

Salarylink (Defined Benefit Fund) members

Salarylink is a defined benefit scheme where the benefit payable is based on a formula determined by the member's contribution rate, number of years and level of contribution and final average salary. Council makes employer contributions to Salarylink as determined by the Fund's Trustee based on advice from the appointed Actuary. The rate is currently 6.3% (6.3% in 2023/24) of "superannuation" salary.

In addition, Council makes a separate contribution of 3% of ordinary time earnings for Salarylink members to their Accumulation account. Employees also make member contributions to the Salarylink section of the Fund. As such, assets accumulate in the Salarylink section of the Fund to meet the member's benefits, as defined in the Trust Deed, as they accrue.

The Salarylink section is a multi-employer sponsored plan. As the Salarylink section's assets and liabilities are pooled and are not allocated by each employer, and employees may transfer to another employer within the local government sector and retain membership of the Fund, the Actuary is unable to allocate benefit liabilities, assets and costs between employers. As provided by AASB 119.34(a), Council does not use defined benefit accounting for these contributions.

The most recent actuarial investigation was conducted by the Fund's actuary, Louise Campbell, FIAA, of Willis Towers Watson as at 30 June 2023. The Trustee has determined that the current funding arrangements are adequate for the expected Salarylink liabilities. However, future financial and economic circumstances may require changes to Council's contribution rates at some future time.

Contributions to other superannuation schemes

Council also makes contributions to other superannuation schemes selected by employees under the "choice of fund" legislation. All such schemes are of the accumulation type, where the superannuation benefits accruing to the employee are represented by their share of the net assets of the scheme, and no further liability attaches to the Council.

Note 18. Interests in other entities

Council has no interest in any Equity Accounted Businesses such as Joint Ventures, Associates & Joint Operations.

Note 19. Non-current assets held for sale and discontinued operations

Council does not have any Non-Current Assets Held for Sale or any Discontinued Operations.

Notes to and forming part of the Financial Statements for the year ended 30 June 2025

Note 20. Contingencies and assets/liabilities not recognised in the balance sheet

The following assets and liabilities do not qualify for recognition in the Statement of Financial Position, but knowledge is considered relevant to the users of the financial report in making and evaluating decisions about the allocation of scarce resources.

1. Land under roads

As reported in the Financial Statements, Council is of the opinion that it is not possible to attribute a value sufficiently reliably for these assets to qualify for recognition, and accordingly land under roads has not been recognised in the reports. Land acquired for road purposes during the year is initially recognised at cost, but transferred to fair value at reporting date, effectively writing off the expenditure.

At reporting date, Council controlled 1,262 km of road reserves of average width 8 metres.

2. Potential insurance losses

Council is a multi-purpose organisation providing a large range of building, parks infrastructure, playgrounds and other facilities accessible to the public. At any time, it is likely that claims will have been made against Council that remain unsettled.

Council insures against all known insurable risks using a range of insurance policies, each of which is subject to deductible "insurance excesses", the amount of which varies according to the class of insurance.

Council has recognised the potential losses arising from claims known at reporting date based on average historical net cost (including insurance excess) of similar types of claims. Other potential claims not reported to Council may have existed at reporting date.

3. Bank guarantees

Council has guaranteed certain loans and other banking facilities advanced to community organisations and sporting bodies, amounting to \$3,057 (2024: \$8,972) at reporting date.

Council does not expect to incur any loss arising from these guarantees.

Note 21. Events after the balance sheet date

Events that occur after the reporting date of 30 June 2025, up to and including the date when the financial statements are "authorised for issue" have been taken into account in preparing these statements.

Council has adopted the date of receipt of the Auditors' Report as the appropriate "authorised for issue" date relating to these General Purpose Financial Statements.

Notes to and forming part of the Financial Statements

for the year ended 30 June 2025

Note 22. Related party transactions

Key management personnel

Transactions with key management personnel

Paragraph 17 of AASB 124 requires Council to disclose all forms of Key Management Personnel compensation that is paid, payable or provided by the council (or on its behalf) in exchange for services rendered.

The Key Management Personnel of the Council include the Mayor, Councillors, CEO and certain prescribed Officers under Section 112 of the Local Government Act 1999. In all, 14 persons were paid the following total compensation:

\$	2025	2024
The compensation paid to key management personnel comprises:		
Short-term employee benefits	723,641	685,735
Post-employment benefits	58,693	51,661
Long-term benefits	64,517	31,095
Total	846,851	768,491

Amounts paid as direct reimbursement of expenses incurred on behalf of Council have not been included above. Of these amounts, \$703,533 has been paid, \$78,801 is payable by Council and \$64,517 has been provided for as at the reporting date. The amounts detailed as "payable" and "provided for" relate entirely to accrued Employee Leave Entitlements as at the reporting date, and are total amounts and not the net movement for the reporting period.

Key Management Personnel - Receipts From

Other than amounts paid as ratepayers or residents (e.g. rates, swimming pool entry fees, etc.), Council received the following amounts from Key Management Personnel:

Council rents a residential property in the Quorn township on behalf of one (1) Key Management Personnel. During the reporting period, Council paid the landlord a total of \$13,147 for rental and utilities. This amount was paid to Council by the Key Management Personnel in the form of fortnightly payroll deductions. As at 30 June 2025, an amount of \$191 remained payable to Council by the Key Management Personnel.

Parties Related to Key Management Personnel

Paragraph 18 of AASB 124 requires that if Council has had related party transactions during the reporting period, that Council shall disclose the nature of the related party relationship, together with information about those transactions including outstanding balances, commitments, provisions, expenses etc during the reporting period relating to bad/doubtful debts.

One (1) Key Management Personnel Chaired the Quorn Men's Shed Association. During the reporting period, Council provided support (materials and catering provisions) to the value of \$2,566 and a Community Assistance Grant and other donations totalling \$2,687. The organisation has a lease agreement with Council to use Council land and buildings thereon. No fees or rentals are charged for this.

One (1) Key Management Personnel is on the Board of the Hawker Community Sports Centre Inc. Council provided the organisation with discretionary rate rebates of \$8,835 during the reporting period. No amounts are outstanding at 30 June 2025. The organisation has a lease agreement with Council to use Council land and buildings. No fees or rentals are charged for this. During the reporting period, Council received no contributions or reimbursements from the organisation. As at 30 June 2025, an amount of \$1,452 remained payable to the organisation by Council for water reimbursements, with a further \$8,407 paid to the organisation for water during the reporting period. Council provided the organisation with a Community Assistance Grant of 4,640 during the reporting period.

One (1) Key Management Personnel is on the Board of the Hawker Community Development Board Inc. The organisation has lease agreement(s) with Council to use Council land and buildings. No fees or rentals are charged for this. During the reporting period, Council received \$1,200 from the organisation for cleaning, electricity and freight reimbursements and a further \$1,863 for subsidising swimming pool user charges. As at 30 June 2025, \$300 remained payable to Council by the organisation. Council provided in-kind works to the organisation during the reporting period. Council provided the organisation with contributions of \$249 for catering services and a donation of \$1,000 towards one of its community events.

One (1) Key Management Personnel was a member of the Board of Regional Development Australia Far North. During the reporting period, Council made payments of \$17,443 to the organisation. As at 30 June 2025, no amounts were outstanding.

Notes to and forming part of the Financial Statements for the year ended 30 June 2025

Note 22. Related party transactions (continued)

One (1) Key Management Personnel is on the Board of Wirreanda Cottage. During the reporting period, Council provided the organisation with \$4,631 of discretionary rate rebates over three properties. As at 30 June 2025, no amounts were outstanding.

No Key Management Personnel or parties related to them had any transactions during the reporting period on terms more favourable than those available to the general public.

Notes to and forming part of the Financial Statements

for the year ended 30 June 2025

Note 23. Financial commentary and review

Key financial figures of Council over the past 5 years

\$	2025	2024	2023	2022	2021
Financial performance figures					
Inflows:					
Rates	2,919,276	2,772,252	2,591,464	2,463,143	2,361,646
Statutory charges	50,376	48,454	51,806	46,412	66,529
User charges	204,766	174,113	141,593	105,681	82,175
Grants, subsidies and contributions	2,323,438	3,237,109	3,261,417	3,238,707	3,177,971
Investment income	41,852	57,177	48,749	18,271	19,698
Total income from continuing operations	6,227,096	6,725,390	6,622,787	6,374,129	6,221,103
Sale proceeds from I,PP&E	14,818	3,636	3,782	8,773	45,456
Outflows:					
Employee costs	1,989,417	1,972,668	1,900,054	1,850,510	1,773,907
Materials, contracts and other expenses	3,325,635	3,106,697	2,972,680	2,891,370	2,783,349
Finance costs	2,016	3,509	5,041	4,435	5,504
Total expenses from continuing operations	6,879,114	6,697,177	6,387,158	6,263,660	6,075,729
Total cash purchases of I,PP&E	(867,932)	(1,526,996)	(3,207,929)	(3,158,185)	(2,931,603)
Total loan repayments (incl. finance leases)	(18,276)	(48,315)	(42,941)	(43,599)	(45,351)
Operating surplus/(deficit) (excl. capital income)	(652,018)	28,213	235,629	110,469	145,374
Financial position figures					
Current assets	2,393,612	1,770,106	2,961,083	3,720,910	3,941,135
Current liabilities	2,329,746	1,926,358	3,534,062	3,966,317	3,635,274
Net current assets	63,866	(156,252)	(572,979)	(245,407)	305,861
Cash and investments	1,026,413	573,154	1,858,185	3,076,108	3,270,184
Total borrowings outstanding (loans, advances and finance leases)	49,850	468,126	116,442	157,702	201,301
Total value of I,PP&E (excl. land and land improvements)	93,783,935	92,457,511	88,863,055	86,024,760	84,489,057
Total accumulated depreciation	36,633,580	35,253,556	33,672,896	32,189,908	30,706,814
Indicative remaining useful life (as a % of GBV)	61%	62%	62%	63%	64%

Source: Published audited financial statements of Council (current year & prior years)

Notes to and forming part of the Financial Statements for the year ended 30 June 2025

Note 24. Council information and contact details

Principal Place of Business:

1 Seventh Street
QUORN SA 5433

Contact details**Mailing Address:**

PO Box 43
QUORN SA 5433

Telephone: 08 8620 0500

Opening Hours:

Monday to Friday - 9:00am to 5:00pm
Saturday & Sunday - Closed
Public Holidays - Closed

Internet: www.frc.sa.gov.au

Email: council@frc.sa.gov.au

Officers**Chief Executive Officer**

Sean Holden

Auditor

Ian G McDonald FCA
PO Box 75
HENLEY BEACH SA 5022

Elected Members (as at 30 June 2024)**Mayor**

Ken Anderson

Councillors

Cr Patsy Reynolds (Deputy Mayor)
Cr Ian Carpenter
Cr Greg Flint
Cr Julian Hipwell
Cr David Hunter
Cr Ashley Parkinson
Cr Angus Searcy
Cr Steve Taylor

Other information

ABN: 43 952 255 151

The Flinders Ranges Council Independent Auditor's Report

To the members of the Flinders Ranges Council

Qualified Opinion

We have audited the accompanying financial report of the Flinders Ranges (the Council), which comprises the statement of financial position as at 30 June 2025, the statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the Council Certificate of the Flinders Ranges Council.

In our opinion, except for the effects of the matters described in the Basis for Opinion section, the accompanying financial report presents fairly, in all material aspects, the financial position of the Council as at 30 June 2025, and its financial performance and its cash flows for the year then ended in accordance with the Australian Accounting Standards, Local Government Act 1999 and Local Government (Financial Management) Regulations 2011.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the 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 our audit of the financial report in Australia. We have also fulfilled our ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Infrastructure and property has not been revalued since the 30 June 2017. A revaluation needs to be undertaken to confirm the written down replacement cost and the depreciation expense.

Council's responsibility for the financial report

Council is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations), the Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011 and for such internal control as Council determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, Council is responsible for assessing the 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 either intends to liquidate the Council or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Council's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our 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 of the financial report 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 the Council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of Council'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 the Council's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Council to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Ian G McDonald FCA
Registered Company Auditor 16458

Signed at Grange, 1 December 2025

Independent Assurance Report on the Internal Controls of The Flinders Ranges Council

We have audited the compliance of The Flinders Ranges Council (Council) with the requirements of Section 125 of the *Local Government Act 1999* in relation only to the Internal Controls established by the Council to ensure that financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities for the period 1 July 2024 to 30 June 2025 have been conducted properly and in accordance with law.

Opinion

In our opinion, the Council has complied, in all material respects, with *Section 125* of the *Local Government Act 1999* in relation to Internal Controls established by the Council in relation to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities so as to provide reasonable assurance that the financial transactions of the Council have been conducted properly and in accordance with law for the period 1 July 2024 to 30 June 2025.

Basis for Opinion

For the audit of the Council we have maintained our independence in accordance with the relevant ethical requirements of APES 110 Section 290. We believe that the audit evidence that we have obtained is sufficient and appropriate to provide a basis for our opinion.

Limitation on Use

This report has been prepared for the members of the Council in accordance with *Section 129* of the *Local Government Act 1999* in relation to the Internal Controls specified above. We disclaim any assumption of responsibility for any reliance on this report to any persons or users other than the members of the Council, or for any purpose other than that for which it was prepared.

Inherent Limitations

Due to the inherent limitations of any compliance procedure, it is possible that fraud, error or non-compliance may occur and not be detected. A reasonable assurance engagement is not designed to detect all instances of non-compliance with *Section 125* of the *Local Government Act 1999* in relation to the Internal Controls specified above, as the engagement is not performed continuously throughout the period and the procedures performed in respect of compliance with *Section 125* of the *Local Government Act 1999* in relation to the Internal Controls specified above are undertaken on a test basis.

The Council's Responsibility for the Internal Controls

The Council is responsible for implementing and maintaining an adequate system of internal controls, in accordance with *Section 125* of the *Local Government Act 1999* in relation to Internal Controls to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property, and incurring of liabilities have been conducted properly and in accordance with law.

Our Responsibility

Our responsibility is to express an opinion on the Council's compliance with *Section 125* of the *Local Government Act 1999* in relation only to the Internal Controls established by the Council to ensure that financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities, based on our procedures. Our engagement has been conducted in accordance with applicable *Australian Standards on Assurance Engagements ASAE 3100 Compliance Engagements*, issued by the *Australian Auditing and Assurance Standards Board*, in order to state whether, in all material respects, the Council has complied with *Section 125* of the *Local Government Act 1999* in relation only to the Internal Controls specified above for the period 1 July 2023 to 30 June 2024. *ASAE 3100* also requires us to comply with the relevant ethical requirements of the Australian professional accounting bodies.

Our procedures included obtaining an understanding of controls in relation to the receipt, expenditure and investment of money, the acquisition and disposal of property and the incurring of liabilities, evaluating management's assessment of these controls, assessing the risk that a material weakness exists, and testing and evaluating the design and implementation of controls on a sample basis based on the assessed risks.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Ian G McDonald FCA

Chartered Accountant

Registered Company Auditor 16458

Signed at Grange this 1 December 2025

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General Purpose Financial Statements

for the year ended 30 June 2025

Certification of Auditor Independence

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of The Flinders Ranges Council for the year ended 30 June 2025, the Council's Auditor, Ian G McDonald FCA, has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

This statement is prepared in accordance with the requirements of Regulation 22(3) of the *Local Government (Financial Management) Regulations 2011*.



Sean Holden
Chief Executive Officer



Ian Swan
Presiding Member, Audit Committee

Date: 20 November 2025

Ian G McDonald FCA

The Flinders Ranges Council

General Purpose Financial Statement

For the year ended 30 June 2025

Audit Certificate of Audit Independence

We confirm that, for the audit of the financial statements of The Flinders Ranges Council for the year ended 30 June 2025, we have maintained our independence in accordance with the requirements of APES 110 – Code of Ethics for Professional Accountants, Section 290, published by the Accounting Professional and Ethical Standards Board, in accordance with the *Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011* made under that Act.

This statement is prepared in accordance with the requirements of Regulation 22(5) of the *Local Government (Financial Management) Regulations 2011*.



Ian G McDonald FCA

Date: 17 October 2025