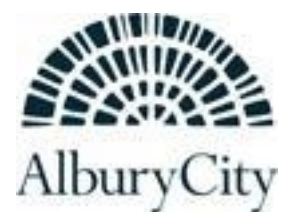


Albury City Council

GENERAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2025



General Purpose Financial Statements

for the year ended 30 June 2025

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Overview

AlburyCity is constituted under the *Local Government Act 1993* (NSW) and has its principal place of business at:

553 Kiewa Street
Albury NSW 2640

Through the use of the internet, we have ensured that our reporting is timely, complete and available at minimum cost. All press releases, financial statements and other information are publicly available on our website: www.alburycity.nsw.gov.au

Albury City Council

General Purpose Financial Statements

for the year ended 30 June 2025

Statement by Councillors and Management made pursuant to Section 413(2)(c) of the *Local Government Act 1993* (NSW)

The attached General Purpose Financial Statements have been prepared in accordance with:

- the *Local Government Act 1993* and the regulations made thereunder
- the Australian Accounting Standards issued by the Australian Accounting Standards Board
- the *Local Government Code of Accounting Practice and Financial Reporting*.

To the best of our knowledge and belief, these statements:

- present fairly the Albury City Council's operating result and financial position for the year
- accord with Albury City Council's accounting and other records.

We are not aware of any matter that would render these statements false or misleading in any way.

Signed in accordance with a resolution of Council made on 22 September 2025.



Kevin Mack

Mayor

29 October 2025



Jessica Kellahan

Deputy Mayor

29 October 2025



Frank Zaknich

Chief Executive Officer

29 October 2025



Ryan Hastie

Responsible Accounting Officer

29 October 2025

Albury City Council

Income Statement

for the year ended 30 June 2025

Original unaudited budget 2025 \$ '000		Notes	Actual 2025 \$ '000	Actual 2024 \$ '000
Income from continuing operations				
91,346	Rates and annual charges	B2-1	85,060	80,379
50,434	User charges and fees	B2-2	56,862	51,802
2,871	Other revenues	B2-3	4,790	5,128
10,792	Grants and contributions provided for operating purposes	B2-4	8,172	11,120
13,732	Grants and contributions provided for capital purposes	B2-4	30,939	22,708
11,130	Interest and investment income	B2-5	10,868	10,594
5,246	Other income	B2-6	884	917
1,590	Net gain from the disposal of assets	B4-1	–	–
187,141	Total income from continuing operations		197,575	182,648
Expenses from continuing operations				
61,967	Employee benefits and on-costs	B3-1	65,853	56,139
61,889	Materials and services	B3-2	63,832	66,500
2,833	Borrowing costs	B3-3	3,674	3,225
4,959	Other expenses	B3-5	2,576	2,711
–	Net loss from the disposal of assets	B4-1	3,587	567
131,648	Total expenses from continuing operations excluding depreciation, amortisation and impairment of non-financial assets		139,522	129,142
55,493	Operating result from continuing operations excluding depreciation, amortisation and impairment of non-financial assets		58,053	53,506
40,710	Depreciation, amortisation and impairment of non-financial assets	B3-4	39,891	42,294
14,783	Net operating result for the year attributable to Council		18,162	11,212
1,051	Net operating result for the year before grants and contributions provided for capital purposes		(12,777)	(11,496)

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

Albury City Council

Statement of Comprehensive Income

for the year ended 30 June 2025

	Notes	2025 \$ '000	2024 \$ '000
Net operating result for the year (from Income Statement)		18,162	11,212
Other comprehensive income:			
Amounts that will not be reclassified subsequently to the operating result			
Gain (loss) on revaluation of infrastructure, property, plant and equipment	C1-6	(13,627)	68,289
Total items that will not be reclassified subsequently to the operating result		(13,627)	68,289
Amounts that will be reclassified subsequently to the operating result when specific conditions are met			
Water licence market adjustment		(375)	375
Total items that will be reclassified subsequently to the operating result when specific conditions are met		(375)	375
Total other comprehensive income for the year		(14,002)	68,664
Total comprehensive income for the year attributable to Council		4,160	79,876

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

Albury City Council

Statement of Financial Position

as at 30 June 2025

	Notes	2025 \$ '000	2024 \$ '000
ASSETS			
Current assets			
Cash and cash equivalents	C1-1	58,391	27,540
Investments	C1-2	101,555	133,109
Receivables	C1-4	29,611	30,558
Inventories	C1-5	1,012	8,458
Other	C1-8	1,402	1,390
Total current assets		191,971	201,055
Non-current assets			
Investments	C1-2	70,798	55,254
Inventories	C1-5	6,904	—
Infrastructure, property, plant and equipment (IPPE)	C1-6	2,015,963	1,987,654
Intangible assets	C1-7	5,250	5,625
Right of use assets	C2-1	2,085	1,885
Total non-current assets		2,101,000	2,050,418
Total assets		2,292,971	2,251,473
LIABILITIES			
Current liabilities			
Payables	C3-1	26,107	18,906
Contract liabilities	C3-2	20,479	19,663
Lease liabilities	C2-1	381	316
Borrowings	C3-3	6,561	5,708
Employee benefit provisions	C3-4	10,380	9,293
Total current liabilities		63,908	53,886
Non-current liabilities			
Lease liabilities	C2-1	1,935	1,735
Borrowings	C3-3	86,718	58,280
Employee benefit provisions	C3-4	946	774
Provisions	C3-5	21,143	22,637
Total non-current liabilities		110,742	83,426
Total liabilities		174,650	137,312
Net assets		2,118,321	2,114,161
EQUITY			
Accumulated surplus	C4-1	955,360	937,198
IPPE revaluation surplus	C4-1	1,162,961	1,176,963
Total equity		2,118,321	2,114,161

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

Albury City Council

Statement of Changes in Equity

for the year ended 30 June 2025

	Notes	2025			2024		
		Accumulated surplus \$ '000	IPPE revaluation surplus \$ '000	Total equity \$ '000	Accumulated surplus \$ '000	IPPE revaluation surplus \$ '000	Total equity \$ '000
Opening balance at 1 July		937,198	1,176,963	2,114,161	925,986	1,108,299	2,034,285
Net operating result for the year		18,162	–	18,162	11,212	–	11,212
Net operating result for the year		18,162	–	18,162	11,212	–	11,212
Other comprehensive income							
Gain (loss) on revaluation of infrastructure, property, plant & equipment	C1-6	–	(13,627)	(13,627)	–	68,289	68,289
Gain (loss) on revaluation of Water Licence		–	(375)	(375)	–	375	375
Total comprehensive income		18,162	(14,002)	4,160	11,212	68,664	79,876
Closing balance as at 30 June		955,360	1,162,961	2,118,321	937,198	1,176,963	2,114,161

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

Albury City Council

Statement of Cash Flows

for the year ended 30 June 2025

Original unaudited budget 2025 \$ '000		Notes	Actual 2025 \$ '000	Actual 2024 \$ '000
Cash flows from operating activities				
Receipts:				
89,743	Rates and annual charges		84,490	80,635
50,060	User charges and fees		57,285	49,840
10,918	Interest received		10,708	8,902
23,945	Grants and contributions		28,721	29,638
—	Bonds, deposits and retentions received		—	518
8,315	Other		7,188	14,355
Payments:				
(61,316)	Payments to employees		(64,594)	(56,506)
(61,746)	Payments for materials and services		(58,099)	(66,966)
(2,833)	Borrowing costs		(3,014)	(9,998)
—	Bonds, deposits and retentions refunded		(1,073)	—
(4,180)	Other		(2,430)	(652)
52,906	Net cash from operating activities	G1-1	59,182	49,766
Cash flows from investing activities				
Receipts:				
4,000	Sale of investments		16,010	20,490
2,770	Sale of real estate assets		1,402	—
—	Proceeds from sale of IPPE		492	431
Payments:				
(63,026)	Payments for IPPE		(74,422)	(60,430)
—	Purchase of real estate inventory		(773)	(149)
(56,256)	Net cash from investing activities		(57,291)	(39,658)
Cash flows from financing activities				
Receipts:				
35,000	Proceeds from borrowings		35,000	10,000
Payments:				
(6,058)	Repayment of borrowings		(5,709)	(5,098)
(219)	Principal component of lease payments		(331)	(345)
28,723	Net cash flow from financing activities		28,960	4,557
25,373	Net change in cash and cash equivalents		30,851	14,665
14,746	Cash and cash equivalents at the beginning of reporting year		27,540	12,875
40,119	Cash and cash equivalents at the end of reporting year	C1-1	58,391	27,540
197,758	plus: Investments on hand at end of year	C1-2	172,353	188,363
237,877	Total cash, cash equivalents and investments		230,744	215,903

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

Albury City Council

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Albury City Council

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A About Council and these financial statements

A1-1 Basis of preparation

These financial statements were authorised for issue by Albury City Council ('the Council') on 27 October 2025.

Council has the power to amend and reissue these financial statements in cases where critical information is received from public submissions or where the OLG directs Council to amend the financial statements.

The material accounting policy information related to these financial statements are set out below. Accounting policies have been consistently applied to all the years presented, unless otherwise stated.

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Australian Accounting Interpretations, *the Local Government Act 1993 (Act)* and *Local Government (General) Regulation 2021 (Regulation)*, and the Local Government Code of Accounting Practice and Financial Reporting.

The Council is a not-for-profit entity.

The financial statements are presented in Australian dollars and are rounded to the nearest thousand dollars.

Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain financial assets and liabilities and certain classes of infrastructure, property, plant and equipment and real estate assets held for sale which are accounted for at fair value.

Significant accounting estimates and judgements

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Council's accounting policies.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Council and that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

Council makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include:

- (i) estimated fair values of real estate assets held for sale – refer Note C1-5,
- (ii) estimated fair values of infrastructure, property, plant and equipment – refer Note C1-6,
- (iii) estimated fair value of intangible assets (water licence) – refer Note C1-7,
- (iv) estimated landfill remediation provisions – refer Note C3-5,
- (v) employee benefit provisions – refer Note C3-4,

Significant judgements in applying the Council's accounting policies

- i. Impairment of receivables – refer Note C1-4.
- ii. Determination of whether performance obligations are sufficiently specific and whether the contract is within the scope of AASB 15 *Revenue from Contracts with Customers* and / or AASB 1058 *Income of Not-for-Profit Entities* – refer to Notes B2-2 – B2-4.
- iii. Determination of the lease term, discount rate (when not implicit in the lease) and whether an arrangement contains a lease – refer to Note C2-1.

Monies and other assets received by Council

The Consolidated Fund

In accordance with the provisions of Section 409(1) of the *Local Government Act 1993 (NSW)*, all money and other assets received by Council is held in the Council's Consolidated Fund unless it is required to be held in the Council's Trust Fund.

The Consolidated Fund has been included in the financial statements.

A1-1 Basis of preparation (continued)

Cash and other assets of the following activities have been included as part of the Consolidated Fund:

- General purpose operations
- Water supply
- Sewerage service

The Trust Fund

In accordance with the provisions of Section 411 of the *Local Government Act 1993* (NSW) (as amended), a separate and distinct Trust Fund is maintained to account for all money and other assets received by the Council in trust which must be applied only for the purposes of, or in accordance with the trusts relating to those monies. Trust monies and other assets subject to Council's control have been included in these reports.

A separate statement of monies held in the Trust Fund is available for inspection at the council office by any person free of charge.

New accounting standards and interpretations issued but not yet effective

Certain new accounting standards and interpretations (ie. pronouncements) have been published by the Australian Accounting Standards Board that are not mandatory for the 30 June 2025 reporting period.

Council has elected not to apply any of these pronouncements in these financial statements before their operative dates.

As at the date of authorisation of these financial statements Council does not consider that any of these new (and still to be applied) standards and interpretations are likely to have a material impact on the Council's future financial statements, financial position, financial performance or cash flows.

New accounting standards adopted during the year

During the year, Council adopted all standards which were mandatorily effective for the first time at 30 June 2025.

None of these standards had a significant impact on reported position or performance.

The following new standard is effective for the first time at 30 June 2025:

- **AASB 2022-10 Amendments to Australian Accounting Standards – Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities.**

Based on analysis of existing fair value methodology, the new standard will not have significant impact on the council's reported financial position.

B Financial Performance

B1 Functions or activities

B1-1 Functions or activities – income, expenses and assets

Income, expenses and assets have been directly attributed to the following functions or activities. Details of those functions or activities are provided in Note B1-2.

	Income		Expenses		Operating result		Grants and contributions		Carrying amount of assets	
	2025 \$ '000	2024 \$ '000	2025 \$ '000	2024 \$ '000	2025 \$ '000	2024 \$ '000	2025 \$ '000	2024 \$ '000	2025 \$ '000	2024 \$ '000
Functions or activities										
A Growing Sustainable Economy	140,733	134,822	108,300	111,728	32,433	23,094	19,212	21,891	1,720,124	1,794,547
An Enhanced Natural Environment	30,156	28,229	28,583	22,726	1,573	5,503	2,159	2,334	43,660	43,266
A Caring Community	21,170	10,960	20,929	18,811	241	(7,851)	14,477	4,053	348,456	269,008
A Leading Community	5,516	8,637	21,601	18,171	(16,085)	(9,534)	3,263	5,550	180,731	144,652
Total functions and activities	197,575	182,648	179,413	171,436	18,162	11,212	39,111	33,828	2,292,971	2,251,473

B1-2 Components of functions or activities

Details relating to the Council's functions or activities as reported in B1-1 are as follows:

A Growing Sustainable Economy

- Increase visitors to Albury and the surrounding region
- Improve visitor and residents' experiences
- Plan and cater for increased population growth
- Albury has a secure and well managed water supply
- Promote Albury for industry and business
- Integrated transport network for Albury
- Increase usage of bicycle and pedestrian networks
- Albury's infrastructure and assets are well managed and maintained

An Enhanced Natural Environment

- Albury has improved environmental outcomes
- Albury is prepared for changing environmental conditions
- An increased awareness in sustainability and environmental issues

A Caring Community

- Albury offers access to a diverse range of educational opportunities
- Albury's key community safety indicators continuously improve
- The health and wellbeing of the Albury community improves
- Albury offers a diverse and accessible range of facilities and activities for all ages
- Improved health, employment and education for the Aboriginal community in Albury
- The improved settlement of people from diverse cultures
- Increased participation in a diverse range of art and cultural activities in Albury

A Leading Community

- The community is consulted on all major changes that will affect them
- Regional issues are addressed through an integrated approach
- The Albury community provides resources and opportunities to develop future leaders
- Albury plans and leads with good governance

B2 Sources of income

B2-1 Rates and annual charges

	2025 \$ '000	2024 \$ '000
Ordinary rates		
Residential	38,447	36,522
Farmland	640	597
Business	13,320	12,506
Less: Pensioner rebates (statutory)	(717)	(714)
Less: Early payment discount (Council policy)	(310)	(296)
Rates levied to ratepayers	51,380	48,615
Pensioner rate subsidies received	498	499
Total ordinary rates	51,878	49,114
Special rates		
Parking	–	145
CBD Promotional levy	182	174
Rates levied to ratepayers	182	319
Total special rates	182	319
Annual charges (pursuant to s496, 496A, 496B, 501 & 611)		
Domestic waste management services	9,489	8,405
Water supply services	4,960	4,696
Sewerage services	19,349	18,594
Less: Pensioner rebates (statutory)	(815)	(795)
Less: Early payment discount (Council policy)	(56)	(50)
Less: Pensioner rebates domestic waste (Council policy)	(272)	(242)
Annual charges levied	32,655	30,608
Pensioner annual charges subsidies received:		
– Water	171	170
– Sewerage	174	168
Total annual charges	33,000	30,946
Total rates and annual charges	85,060	80,379

Council has used 2023 year valuations provided by the NSW Valuer General in calculating its rates.

Material accounting policy information

Rates and annual charges are recognised as revenue which is the beginning of the rating period to which they relate. Prepaid rates are recognised as a financial liability until the beginning of the rating period.

Pensioner rebates relate to reductions in rates and certain annual charges for eligible pensioners' place of residence in the local government council area.

Pensioner rate subsidies are received from the NSW Government to provide a contribution towards the pensioner rebates and are recognised within the underlying revenue item based on their substance.

B2-2 User charges and fees

	2025 \$ '000	2024 \$ '000
User charges		
Water supply services	17,067	14,799
Sewerage services	4,334	4,015
Waste management services (non-domestic)	16,829	15,820
Total user charges	38,230	34,634
Fees		
Planning and building regulation	2,311	2,196
Section 603 certificates	204	165
Airport	7,525	7,146
Cemeteries	1,396	1,118
Child care	3,811	3,257
Community centres	416	664
Sporting ground fees	306	145
Water sales and charges	450	322
Other	2,213	2,155
Total fees	18,632	17,168
Total user charges and fees	56,862	51,802
Timing of revenue recognition for user charges and fees		
User charges and fees recognised over time	38,214	34,634
User charges and fees recognised at a point in time	18,648	17,168
Total user charges and fees	56,862	51,802

Material accounting policy information

Revenue arising from user charges and fees is recognised when or as the performance obligation is completed and the customer receives the benefit of the goods / services being provided.

The performance obligation relates to the specific services which are provided to the customers and generally the payment terms are within 30 days of the provision of the service or in some cases such as caravan parks, the customer is required to pay on arrival or a deposit in advance. There is no material obligation for Council in relation to refunds or returns.

Where an upfront fee is charged such as joining fees for the leisure centre the fee is recognised on a straight-line basis over the expected life of the membership.

Licences granted by Council are all either short-term or low value and all revenue from licences is recognised at the time that the licence is granted rather than over the term of the licence.

B2-3 Other revenues

	2025 \$ '000	2024 \$ '000
Fines – parking	241	434
Real estate inventory sale	1,428	–
Albury Entertainment Centre	2,142	3,661
Workers compensation	143	130
Retro cafe	331	305
MAMA	234	167
Other	271	431
Total other revenue	4,790	5,128

Timing of revenue recognition for other revenue

Other revenue recognised over time	–	–
Other revenue recognised at a point in time	4,790	5,128
Total other revenue	4,790	5,128

Material accounting policy information for other revenue

Other income is recorded when the payment is due, the value of the payment is notified, or the payment is received, whichever occurs first.

B2-4 Grants and contributions

	Operating 2025 \$ '000	Operating 2024 \$ '000	Capital 2025 \$ '000	Capital 2024 \$ '000
General purpose grants and non-developer contributions (untied)				
General purpose (untied)				
Current year allocation				
Financial assistance – general component	932	235	–	–
Financial assistance – local roads component	302	93	–	–
Payment in advance - future year allocation				
Financial assistance – general component	3,178	5,149	–	–
Financial assistance – local roads component	1,029	1,657	–	–
Amount recognised as income during current year	5,441	7,134	–	–
Special purpose grants and non-developer contributions (tied)				
Cash contributions				
Child care	112	128	–	–
Community centres	84	86	–	604
Environmental programs	34	35	–	–
Heritage and cultural	1,156	462	20	–
NEXUS Industrial Precinct	–	3	962	–
Recreation and culture	327	125	6,542	1,314
Airport Grants	–	128	1,200	–
Roads	672	1,997	1,712	1,844
Other specific grants	346	1,022	3,287	2,058
Waste management	–	–	622	–
Total special purpose grants and non-developer contributions – cash	2,731	3,986	14,345	5,820
Non-cash contributions				
Bridges	–	–	–	1,272
Child care	–	–	2,251	848
Community facilities	–	–	3,973	–
Crown land	–	–	–	406
Donated artwork	–	–	407	188
Subdivision dedications (other than by s7.11) (General Fund)	–	–	3,304	7,502
Subdivision dedications (other than by s7.11) (Water Fund)	–	–	306	739
Subdivision dedications (other than by s7.11) (Sewer Fund)	–	–	847	1,184
Total other contributions – non-cash	–	–	11,088	12,139
Total special purpose grants and non-developer contributions (tied)	2,731	3,986	25,433	17,959
Total grants and non-developer contributions	8,172	11,120	25,433	17,959
Comprising:				
– Commonwealth funding	6,623	7,711	1,904	1,442
– State funding	1,281	2,690	1,225	4,395
– Other funding	268	719	22,304	12,122
	8,172	11,120	25,433	17,959

B2-4 Grants and contributions (continued)

	Operating 2025 \$ '000	Operating 2024 \$ '000	Capital 2025 \$ '000	Capital 2024 \$ '000
Notes				
Developer contributions:				
(s7.4 & s7.11 - EP&A Act, s64 of the LGA):				
Cash contributions				
S 7.4 – contributions using planning agreements	–	–	375	–
S 7.11 – contributions towards amenities/services	–	–	2,068	2,229
S 64 – water supply contributions	–	–	1,223	978
S 64 – sewerage service contributions	–	–	1,840	1,542
Total developer contributions – cash	–	–	5,506	4,749
Total developer contributions	–	–	5,506	4,749
Total grants and contributions	8,172	11,120	30,939	22,708
Timing of revenue recognition				
Grants and contributions recognised over time	–	–	–	12,813
Grants and contributions recognised at a point in time	8,172	11,120	30,939	9,895
Total grants and contributions	8,172	11,120	30,939	22,708

B2-4 Grants and contributions (continued)

Unspent grants and contributions

Certain grants and contributions are obtained by Council on the condition they be spent in a specified manner or in a future period but which are not yet spent in accordance with those conditions are as follows:

	Operating 2025 \$ '000	Operating 2024 \$ '000	Capital 2025 \$ '000	Capital 2024 \$ '000
Unspent grants and contributions				
Unspent funds at 1 July	–	–	16,486	8,958
Add: grants recognised as income in the current period that were received for the provision of goods and services in a future period	516	–	4,478	9,327
Less: grants recognised in previous reporting periods that have been spent in the current reporting period	–	–	(4,668)	(1,799)
Unspent funds at 30 June	516	–	16,296	16,486
Contributions				
Unspent funds at 1 July	–	–	7,760	6,464
Add: contributions recognised as revenue in the reporting year but not yet spent in accordance with the conditions	–	–	4,713	3,486
Less: contributions recognised as revenue in previous years that have been spent during the reporting year	–	–	(1,541)	(2,190)
Unspent contributions at 30 June	–	–	10,932	7,760

Material accounting policy information

Grants and contributions – enforceable agreement with sufficiently specific performance obligations

Grant and contribution revenue from an agreement which is enforceable and contains sufficiently specific performance obligations is recognised as or when control of each performance obligations is transferred.

The performance obligations vary according to the agreement. Payment terms vary depending on the terms of the grant, cash is received upfront for some grants and on the achievement of certain payment milestones for others.

Performance obligations may be satisfied either at a point in time or over time and this is reflected in the revenue recognition pattern. Point in time recognition occurs when the beneficiary obtains control of the goods / services at a single time (e.g., completion of the project when a report / outcome is provided), whereas over time recognition is where the control of the services is ongoing throughout the project.

Where control is transferred over time, generally the input methods of costs or time incurred are deemed to be the most appropriate methods to reflect the transfer of benefit.

Capital grants

Capital grants received by Council under an enforceable contract for the acquisition or construction of infrastructure, property, plant and equipment to identified specifications which will be under Council's control on completion are recognised as revenue as and when the obligation to construct or purchase is completed.

For construction projects, this is generally as the construction progresses in accordance with costs incurred since this is deemed to be the most appropriate measure of the completeness of the construction project.

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

Developer Contributions

Council has obligations to provide facilities from contribution revenues levied on developers under the provisions of s 7.4, 7.11 and 7.12 of the Environmental Planning and Assessment Act 1979 (EP&A Act).

B2-4 Grants and contributions (continued)

While Council generally incorporates these amounts as part of a Development Consents Order, such developer contributions are only recognised as income upon receipt by Council, due to the possibility that individual development consents may not be acted upon by the applicant and, accordingly, would not be payable to Council.

Developer contributions may only be expended for the purposes for which the contributions were required, but Council may apply contributions according to the priorities established in work schedules for the contribution plan.

Other grants and contributions

Assets, including cash, received from other grants and contributions are recognised at fair value when the asset is received. Council considers whether there are any related liability or equity items associated with the asset which are recognised in accordance with the relevant accounting standard.

Once the assets and liabilities have been recognised then income is recognised for any remaining asset value at the time that the asset is received.

B2-5 Interest and investment income

	2025 \$ '000	2024 \$ '000
Interest on financial assets measured at amortised cost		
– Overdue rates and annual charges	378	303
– Cash and investments	10,490	10,291
Total interest and investment income	10,868	10,594

Material accounting policy information

Interest income is recognised using the effective interest rate at the date that interest is earned.

B2-6 Other income

	Notes	2025 \$ '000	2024 \$ '000
Rental income			
Other lease income			
Commercial leases		358	360
Room/Facility Hire		133	103
Leaseback fees - council vehicles		393	403
Other		–	51
Total other lease income		884	917
Total rental income	C2-2	884	917
Total other income		884	917

B3 Costs of providing services

B3-1 Employee benefits and on-costs

	2025 \$ '000	2024 \$ '000
Salaries and wages	53,502	46,998
Employee leave entitlements	7,311	4,560
Superannuation	6,628	5,744
Workers' compensation insurance	1,273	929
Fringe benefit tax	180	200
Payroll tax	415	388
Less: capitalised costs	(3,456)	(2,680)
Total employee costs expensed	65,853	56,139

Material accounting policy information

Superannuation plans

Contributions to defined contribution plans are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Council participates in a Defined Benefit Plan under the Local Government Superannuation Scheme, however, sufficient information to account for the plan as a defined benefit is not available and therefore Council accounts for its obligations to defined benefit plans on the same basis as its obligations to defined contribution plans, i.e. as an expense when it becomes payable – refer to Note E3-1 for more information.

B3-2 Materials and services

		2025	2024
	Notes	\$ '000	\$ '000
Raw materials and consumables		17,031	18,604
Consultancy costs		1,712	1,870
Street Lighting LED upgrade		237	258
Contractor costs		29,888	30,110
Councillor and Mayoral fees and associated expenses	F1-2	389	382
Advertising		302	378
Election expenses		162	201
Electricity and Gas		4,995	5,236
Electricity – street lighting		632	614
Insurance		1,558	1,432
Conferences and seminars		101	94
Equipment purchases		326	322
Marketing		637	744
Rent and hire charges		270	571
Training Costs		716	680
Telephone and communications		434	624
Legal expense		362	262
Other expenses		4,080	4,118
Total materials and services		63,832	66,500

B3-3 Borrowing costs

Interest on leases		150	126
Interest on loans		2,864	2,484
Amortisation of rehabilitation provision discount	C3-5	660	615
Total borrowing costs expensed		3,674	3,225

B3-4 Depreciation, amortisation and impairment of non-financial assets

	Notes	2025 \$ '000	2024 \$ '000
Depreciation and amortisation			
Plant and equipment		1,564	1,728
Office equipment		72	133
Furniture and fittings		43	43
Land improvements		2,524	2,248
Infrastructure:			
	C1-6		
– Buildings		7,771	11,011
– Other structures		616	669
– Roads, bridges and footpaths		10,579	10,296
– Stormwater drainage		1,858	2,873
– Water supply network		6,934	6,652
– Sewerage network		6,330	5,547
Right of use assets	C2-1	396	370
Other assets:			
– Library books		175	192
– Other		17	21
Landfill rehabilitation and cell assets		1,012	511
Total depreciation and amortisation costs		39,891	42,294
TOTAL DEPRECIATION AND AMORTISATION		39,891	42,294

Material accounting policy information

Depreciation and amortisation

Depreciation and amortisation are calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives.

Impairment of non-financial assets

Council assets held at fair value that are not held primarily for their ability to generate net cash flow, and that are deemed to be specialised, are not tested for impairment since these assets are assessed on an annual basis to ensure that the carrying amount is not materially different from fair value and therefore an impairment loss would be captured during this assessment.

Intangible assets not yet available for use, are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired.

Other non-financial assets that do not meet the criteria above are tested 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. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

Impairment losses for revalued assets are firstly offset against the amount in the revaluation surplus for the class of asset, with only the excess to be recognised in the Income Statement.

B3-5 Other expenses

	Notes	2025 \$ '000	2024 \$ '000
Impairment of receivables			
Other		189	360
Total impairment of receivables	C1-4	189	360
Other			
Contributions/levies to other levels of government			
– NSW fire brigade levy		682	618
– NSW rural fire service levy		318	291
- SES levy		203	235
Donations, contributions and assistance to other organisations (Section 356)		1,184	1,207
Total other expenses		2,576	2,711

B4 Gains or losses

B4-1 Gain or loss from disposal, replacement and de-recognition of assets

	Notes	2025 \$ '000	2024 \$ '000
Infrastructure, property, plant and equipment			
Proceeds from disposal	C1-6	492	431
Less: carrying amount of assets sold		(2,548)	(998)
Less: carrying amount of assets written off		(1,531)	–
Net gain (or loss) from disposal of assets		(3,587)	(567)

B5 Performance against budget

B5-1 Material budget variations

Council's original budget was adopted by the Council on 24 June 2024 and is not required to be audited. The original projections on which the budget was based have been affected by a number of factors. These include state and federal government decisions, including new grant programs, changing economic activity, environmental factors, and by decisions made by Council.

While these General Purpose Financial Statements include the original budget adopted by Council, the Act requires Council to review its financial budget on a quarterly basis, so it is able to manage the variation between actuals and budget that invariably occur during the year.

Material variations of more than 10% between original budget and actual results or where the variance is considered material by nature are explained below.

Variation Key: **F** = Favourable budget variation, **U** = Unfavourable budget variation.

\$ '000	2025 Budget	2025 Actual	2025 ----- Variance -----	
Revenues				
Rates and annual charges	91,346	85,060	(6,286)	(7)% U
User charges and fees	50,434	56,862	6,428	13% F
This variance relates mainly to the difference between the budget and financial statements categorising some types of Water revenue as user charges and annual charges.				
Other revenues	2,871	4,790	1,919	67% F
This variance is mainly due to gains from the sale of land inventory being budgeted for as net gains from the disposal of assets.				
Operating grants and contributions	10,792	8,172	(2,620)	(24)% U
This variance mainly relates to a decrease in the amount of Financial Assistance Grants received in advance from the Federal Government compared to budget.				
Capital grants and contributions	13,732	30,939	17,207	125% F
This variance mainly relates to the recognition of non-cash infrastructure contributions from development which is not budgeted for.				
Interest and investment revenue	11,130	10,868	(262)	(2)% U
Net gains from disposal of assets	1,590	–	(1,590)	(100)% U
This variance is due to the gains from the sale of land inventory being categorised as other revenue in the financial statements.				
Other income	5,246	884	(4,362)	(83)% U
This variance is mainly due to the categorisation of fleet lease income as other income within the budget.				

B5-1 Material budget variations (continued)

\$ '000	2025 Budget	2025 Actual	2025 ----- Variance -----	
Expenses				
Employee benefits and on-costs	61,967	65,853	(3,886)	(6)% U
This variance mainly relates to \$1.4 million MAMA costs which were budgeted for as financial assistance, \$1.3 million leave liability increase and a \$1.1 million prior period wages accrual correction.				
Materials and services	61,889	63,832	(1,943)	(3)% U
Materials and services variance is below 10%.				
Borrowing costs	2,833	3,674	(841)	(30)% U
This variance is mainly due to recognition of the \$660,000 landfill rehabilitation provision liability calculation discount expense.				
Depreciation, amortisation and impairment of non-financial assets	40,710	39,891	819	2% F
This variance is the result of reduced asset values due to comprehensive revaluations performed throughout the year.				
Other expenses	4,959	2,576	2,383	48% F
This variance is due to budgeted financial assistance for MAMA Ltd.				
Net losses from disposal of assets	—	3,587	(3,587)	∞ U
This variance is due to the book value of asset disposals including the renewal of infrastructure.				
Statement of cash flows				
Cash flows from operating activities	52,906	59,182	6,276	12% F
The variance compared to budget is mainly due to additional capital grants received during the year compared to budget.				
Cash flows from investing activities	(56,256)	(57,291)	(1,035)	2% U
Cash flows from financing activities	28,723	28,960	237	1% F

C Financial position

C1 Assets we manage

C1-1 Cash and cash equivalents

	2025 \$ '000	2024 \$ '000
Cash assets		
Cash at Bank and on hand	15	16
Deposits at call	58,376	27,524
Total cash and cash equivalents	58,391	27,540

C1-2 Financial investments

	2025 Current \$ '000	2025 Non-current \$ '000	2024 Current \$ '000	2024 Non-current \$ '000
Term deposits	101,555	70,798	133,109	55,254
Total financial investments	101,555	70,798	133,109	55,254
TOTAL CASH ASSETS AND INVESTMENTS	159,946	70,798	160,649	55,254

C1-3 Restricted and allocated cash, cash equivalents and investments

	2025 \$ '000	2024 \$ '000
(a) Externally restricted cash, cash equivalents and investments		
Total cash, cash equivalents and investments	230,744	215,903
Less: Externally restricted cash, cash equivalents and investments	(189,003)	(185,354)
Cash, cash equivalents and investments not subject to external restrictions	41,741	30,549
External restrictions		
External restrictions – included in liabilities		
External restrictions included in cash, cash equivalents and investments above comprise:		
Specific purpose unexpended grants – general fund	16,812	16,486
External restrictions – included in liabilities	16,812	16,486
Other external restrictions		
External restrictions included in cash, cash equivalents and investments above comprise:		
Developer contributions – general	6,559	4,543
Water supply	75,506	66,155
Sewer fund	89,049	96,938
Domestic waste management	1,077	1,232
Total external restrictions	189,003	185,354

Cash, cash equivalents and investments subject to external restrictions are those which are only available for specific use by Council due to a restriction placed by legislation or third-party contractual agreement.

	2025 \$ '000	2024 \$ '000
(b) Internal allocations		
Internal allocations		
At 30 June, Council has internally allocated funds to the following:		
Employees leave entitlement	2,785	2,482
Deposits, retentions and bonds	3,834	4,945
Financial assistance grant received in advance	4,207	6,806
Prepaid burial contributions	3,232	2,921
Elections	66	374
Landfill rehabilitation	7,549	6,321
Tabletop community centre	4	4
Environmental Lands	3,256	3,352
Total internal allocations	24,933	27,205

Cash, cash equivalents and investments not subject to external restrictions may be internally allocated by resolution or policy of the elected Council.

	2025 \$ '000	2024 \$ '000
(c) Unrestricted and unallocated		
Unrestricted and unallocated cash, cash equivalents and investments	16,808	3,344

C1-4 Receivables

	2025 Current \$ '000	2025 Non-current \$ '000	2024 Current \$ '000	2024 Non-current \$ '000
Rates and annual charges	11,567	–	10,873	–
User charges and fees	6,754	–	6,522	–
Interest on investments	4,746	–	4,586	–
Government grants and subsidies	339	–	711	–
Net GST receivable	1,652	–	901	–
Other income accruals	697	–	679	–
Other debtors	5,118	–	7,383	–
Total	30,873	–	31,655	–
Less: provision for impairment				
User charges and fees	(1,262)	–	(1,097)	–
Total provision for impairment – receivables	(1,262)	–	(1,097)	–
Total net receivables	29,611	–	30,558	–

Material accounting policy information

Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Receivables are generally due for settlement within 30 days.

Impairment

Impairment of financial assets measured at amortised cost is recognised on an expected credit loss basis.

At the end of the financial year, AlburyCity's impairment balance is calculated by assessing all receivable balances based on the duration the debtor has been outstanding, industry type and organisation.

C1-5 Inventories

	2025 Current \$ '000	2025 Non-current \$ '000	2024 Current \$ '000	2024 Non-current \$ '000
(i) Inventories at cost				
Real estate for resale	–	6,904	7,533	–
Stores and materials	1,012	–	925	–
Total inventories	1,012	6,904	8,458	–

(ii) Other disclosures

	2025 Current \$ '000	2025 Non-current \$ '000	2024 Current \$ '000	2024 Non-current \$ '000
(a) Details for real estate development				
Residential	–	6,278	626	–
Industrial/commercial	–	626	6,907	–
Total real estate for resale	–	6,904	7,533	–

Represented by:

Acquisition costs	–	2,530	2,829	–
Development costs	–	4,374	4,704	–
Total costs	–	6,904	7,533	–
Total real estate for resale	–	6,904	7,533	–

Movements:

Real estate assets at beginning of the year	7,533	–	7,384	–
– Purchases and other costs	(7,533)	7,533	–	–
– Transfer In/Out	–	773	149	–
– Sales	–	(1,402)	–	–
Total real estate for resale	–	6,904	7,533	–

(b) Current inventories not anticipated to be settled within the next 12 months

The following inventories and other assets, even though classified as current are not expected to be recovered in the next 12 months;

	2025 \$ '000	2024 \$ '000
Real estate for resale	–	5,377
	–	5,377

Material accounting policy information

Raw materials and stores, work in progress and finished goods

Raw materials and stores, work in progress and finished goods are stated at the lower of cost and net realisable value. Costs are assigned to individual items of inventory on the basis of weighted average costs.

Land held for resale

Land held for resale is stated at the lower of cost and net realisable value. Cost is assigned by specific identification and includes the cost of acquisition, and development and borrowing costs during development.

C1-6 Infrastructure, property, plant and equipment

By aggregated asset class	At 1 July 2024			Asset movements during the reporting period						At 30 June 2025		
	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount	Additions renewals	Additions new assets	Carrying value of disposals	Depreciation expense	Transfers	Revaluation increments/(decrements to equity (ARR))	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
Capital work in progress	46,648	—	46,648	22,944	38,598	(1,497)	—	(24,706)	—	81,987	—	81,987
Plant and equipment	32,294	(14,393)	17,901	—	2,292	(390)	(1,564)	1,162	—	34,331	(14,930)	19,401
Office equipment	7,356	(7,180)	176	—	—	—	(72)	—	—	7,356	(7,251)	105
Furniture and fittings	4,330	(3,942)	388	—	—	—	(43)	—	—	4,330	(3,985)	345
Land:												
Land	232,434	—	232,434	—	382	—	—	—	13,679	246,496	—	246,496
Land improvements – non-depreciable	6,462	—	6,462	—	—	—	—	156	—	6,618	—	6,618
Land improvements – depreciable	81,000	(30,744)	50,256	623	51	—	(2,524)	10,667	2,687	96,458	(34,695)	61,763
Infrastructure:												
– Buildings	396,572	(234,414)	162,158	421	7,505	(526)	(7,771)	4,241	37,088	389,176	(186,060)	203,116
– Other structures	25,814	(10,547)	15,267	267	303	(43)	(616)	2,735	1,137	28,683	(9,634)	19,049
– Roads, bridges and footpaths	936,436	(275,234)	661,202	4,153	4,617	(431)	(10,579)	2,072	17,384	971,461	(293,043)	678,418
– Stormwater drainage	349,866	(97,225)	252,641	195	1,590	(11)	(1,858)	686	(99,064)	215,860	(61,681)	154,179
– Water supply network	576,879	(300,399)	276,480	1,593	335	(618)	(6,934)	1,741	10,070	502,922	(220,255)	282,667
– Sewerage network	460,362	(226,371)	233,991	519	854	(563)	(6,330)	942	2,366	430,771	(198,992)	231,779
Other assets:												
– Library books	4,132	(3,206)	926	—	—	—	(175)	—	—	4,132	(3,381)	751
– Other	14,764	(280)	14,484	8	407	—	(17)	304	—	15,480	(296)	15,184
Landfill rehabilitation and cell assets	22,761	(6,521)	16,240	—	(2,153)	—	(1,012)	—	1,026	21,637	(7,532)	14,105
Total infrastructure, property, plant and equipment	3,198,110	(1,210,456)	1,987,654	30,723	54,781	(4,079)	(39,495)	—	(13,627)	3,057,698	(1,041,735)	2,015,963

C1-6 Infrastructure, property, plant and equipment (continued)

By aggregated asset class	At 1 July 2023			Asset movements during the reporting period						At 30 June 2024		
	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount	Additions renewals	Additions new assets	Carrying value of disposals	Depreciation expense	Transfers	Revaluation increments/(decrements to equity (ARR))	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
Capital work in progress	45,354	—	45,354	15,526	10,071	—	—	(24,303)	—	46,648	—	46,648
Plant and equipment	30,032	(13,860)	16,172	—	3,654	(197)	(1,728)	—	—	32,294	(14,393)	17,901
Office equipment	7,356	(7,047)	309	—	—	—	(133)	—	—	7,356	(7,180)	176
Furniture and fittings	4,330	(3,899)	431	—	—	—	(43)	—	—	4,330	(3,942)	388
Land:												
Land	205,633	—	205,633	—	8,923	—	—	1	17,877	232,434	—	232,434
Land improvements – non-depreciable	6,462	—	6,462	—	—	—	—	—	—	6,462	—	6,462
Land improvements – depreciable	75,919	(26,951)	48,968	—	12	—	(2,248)	326	3,198	81,000	(30,744)	50,256
Infrastructure:												
– Buildings	328,502	(196,124)	132,378	911	7,384	(127)	(11,011)	25,643	6,980	396,572	(234,414)	162,158
– Other structures	20,955	(9,554)	11,401	—	547	—	(669)	3,490	498	25,814	(10,547)	15,267
– Roads, bridges and footpaths	1,064,273	(399,295)	664,978	5,352	5,293	(535)	(10,296)	(11,816)	8,226	936,436	(275,234)	661,202
– Stormwater drainage	332,764	(90,918)	241,846	491	4,333	(48)	(2,873)	475	8,417	349,866	(97,225)	252,641
– Water supply network	551,155	(283,702)	267,453	1,052	1,346	(76)	(6,652)	689	12,668	576,879	(300,399)	276,480
– Sewerage network	437,413	(215,241)	222,172	206	1,255	(15)	(5,547)	5,495	10,425	460,362	(226,371)	233,991
Other assets:												
– Library books	4,132	(3,014)	1,118	—	—	—	(192)	—	—	4,132	(3,206)	926
– Other	14,460	(258)	14,202	—	303	—	(21)	—	—	14,764	(280)	14,484
Landfill rehabilitation and cell assets	16,852	(6,011)	10,841	—	5,910	—	(511)	—	—	22,761	(6,521)	16,240
Total infrastructure, property, plant and equipment	3,145,592	(1,255,874)	1,889,718	23,538	49,031	(998)	(41,924)	—	68,289	3,198,110	(1,210,456)	1,987,654

C1-6 Infrastructure, property, plant and equipment (continued)

Material accounting policy information

Useful lives of IPPE

Land is not depreciated. Depreciation on other assets is calculated using the straight line method to allocate their carrying amount, net of their residual values, over their estimated useful lives as follows:

Plant & equipment	Years		Buildings	Years
Plant & equipment	5 to 25		Buildings	15 to 100
Office equipment	3 to 10			
Furniture & fittings	10 to 31			
Water and sewer assets			Stormwater drainage	
Water supply network	15 to 100		Stormwater drainage	20 to 120
Sewerage network	5 to 100			
Transportation assets			Other infrastructure assets	
Roads, bridges & footpaths	17 to 240		Land improvements	30 to 100
			Library books	10
			Other assets	5 to 20
			Other structures	3 to 100

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

Revaluation model

Infrastructure, property, plant and equipment are held at fair value. Comprehensive valuations are performed at least every 5 years, however the carrying amount of assets is assessed by Council at each reporting date to confirm that it is not materially different from current fair value.

Water and sewerage network assets are indexed at each reporting period in accordance with the Rates Reference Manual issued by Department of Planning, Industry and Environment – Water.

Land under roads

Council has elected not to recognise land under roads acquired before 1 July 2008. Land under roads acquired after 1 July 2008 is recognised in accordance with the IPPE accounting policy.

Crown reserves

Crown Reserves under Council's care and control are recognised as assets of the Council. While ownership of the reserves remains with the Crown, Council retains operational control of the reserves and is responsible for their maintenance and use in accordance with the specific purposes to which the reserves are dedicated. Where the Crown reserves are under a lease arrangement, they are accounted for under AASB 16 Leases.

Improvements on Crown Reserves are also recorded as assets, while maintenance costs incurred by Council and revenues relating to the reserves are recognised within Council's Income Statement.

C1-7 Intangible assets

Intangible assets are as follows:

	2025 \$ '000	2024 \$ '000
Water Licences		
Opening gross book value at 1 July	5,625	5,250
Movements for the year		
– Market adjustment	(375)	375
Closing values at 30 June		
Gross book value	5,250	5,625
Total intangible assets – net book value	5,250	5,625

Material accounting policy information

No amortisation costs are applicable, as this asset has an indefinite life.

C1-8 Other

Other assets

	2025 Current \$ '000	2025 Non-current \$ '000	2024 Current \$ '000	2024 Non-current \$ '000
Prepayments	1,384	–	1,385	–
Other	18	–	5	–
Total other assets	1,402	–	1,390	–

C2 Leasing activities

C2-1 Council as a lessee

Council has leases over a range of assets including land, buildings, office and IT equipment. Information relating to the leases in place and associated balances and transactions is provided below.

Terms and conditions of leases

Buildings

Council leases land and buildings which are used for various of Council functions; the leases are generally between 5 and 25 years and some of them include a renewal option to allow Council to renew for up to twice the noncancellable lease term at their discretion.

The building leases contain an annual pricing mechanism based on either fixed increases or CPI movements at each anniversary of the lease inception.

Plant & Equipment

Leases for office and IT equipment are generally for low value assets, except for significant items such as photocopiers. The leases are for between 2 and 5 years with no renewal option, the payments are fixed, however some of the leases include variable payments based on usage.

Extension options

Council includes options in the building leases to provide flexibility and certainty to Council operations and reduce costs of moving premises; and the extension options are at Council's discretion.

At commencement date and each subsequent reporting date, Council assesses where it is reasonably certain that the extension options will be exercised.

All potential future lease payments are included in lease liabilities as Council has assessed that the exercise of the options are reasonably certain.

(a) Right of use assets

	Plant & Equipment \$ '000	Land & Buildings \$ '000	Total \$ '000
2025			
Opening balance at 1 July	333	1,552	1,885
Additions	25	–	25
Adjustments	13	559	572
Depreciation charge	(109)	(287)	(396)
Balance at 30 June	261	1,824	2,085
2024			
Opening balance at 1 July	393	1,802	2,195
Additions	44	–	44
Adjustments	3	10	13
Depreciation charge	(108)	(259)	(367)
Other movement	1	(1)	–
Balance at 30 June	333	1,552	1,885

(b) Lease liabilities

	2025 Current \$ '000	2025 Non-current \$ '000	2024 Current \$ '000	2024 Non-current \$ '000
Lease liabilities	381	1,935	316	1,735

continued on next page ...

C2-1 Council as a lessee (continued)

Total lease liabilities	381	1,935	316	1,735
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(c) The maturity analysis

The maturity analysis of lease liabilities based on contractual undiscounted cash flows is shown in the table below:

	< 1 year \$ '000	1 – 5 years \$ '000	> 5 years \$ '000	Total \$ '000	Total per Statement of Financial Position \$ '000
2025					
Cash flows	454	1,018	2,370	3,842	2,316
2024					
Cash flows	387	1,102	1,770	3,259	2,051

(d) Income Statement

The amounts recognised in the Income Statement relating to leases where Council is a lessee are shown below:

	2025 \$ '000	2024 \$ '000
Interest on lease liabilities	150	126
Income from sub-leasing right of use assets	(78)	(61)
Depreciation of right of use assets	396	370
Expenses relating to short-term leases	72	–
Expenses relating to leases of low-value leases	347	355
	887	790

(e) Statement of Cash Flows

Total cash outflow for leases	823	762
	823	762

(f) Leases at significantly below market value – concessionary / peppercorn leases

Council has a number of leases at significantly below market value for land and buildings which are used for:

- tourism
- education
- child care centres
- public amenities

The leases are generally between 10 and 99 years and require payments of a maximum amount of \$1,000 per year. The use of the right-to-use asset is restricted by the lessors to specified community services which Council must provide, these services are detailed in the leases.

Council does not believe that any of the leases in place are individually material from a statement of financial position or performance perspective.

C2-1 Council as a lessee (continued)

Material accounting policy information

Council has elected not to separate non-lease components from lease components for any class of asset and has accounted for payments as a single component.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises: the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration, less any lease incentives received. The right-of-use asset is depreciated over the lease term on a straight-line basis and assessed for impairment in accordance with the impairment of asset accounting policy.

Exceptions to lease accounting

Council has applied the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. Council recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

Leases at significantly below market value / Concessionary leases

Council has elected to measure the right of use asset arising from the concessionary leases at cost which is based on the associated lease liability at initial recognition.

C2-2 Council as a lessor

Operating leases

Council leases out a number of properties to community groups; these leases have been classified as operating leases for financial reporting purposes and the assets are included as IPP&E in the Statement of Financial Position.

The amounts recognised in the Income Statement relating to operating leases where Council is a lessor are shown below:

	2025 \$ '000	2024 \$ '000
Lease income (excluding variable lease payments not dependent on an index or rate)	884	917
Total income relating to operating leases for Council assets	884	917

Maturity analysis of undiscounted lease payments to be received after reporting date for all operating leases:

Maturity analysis of future lease income receivable showing the undiscounted lease payments to be received after reporting date for operating leases:

< 1 year	977	916
1–2 years	843	775
2–3 years	745	652
3–4 years	651	558
4–5 years	567	473
> 5 years	2,672	2,644
Total undiscounted lease payments to be received	6,455	6,018

C3 Liabilities of Council

C3-1 Payables

	2025 Current \$ '000	2025 Non-current \$ '000	2024 Current \$ '000	2024 Non-current \$ '000
Payables				
Goods and services	10,969	—	5,149	—
Accrued expenses	8,874	—	6,544	—
Bonds, deposits and retentions	3,872	—	4,945	—
Prepaid rates	2,392	—	2,268	—
Total payables	26,107	—	18,906	—
Total payables	26,107	—	18,906	—

Payables

These amounts represent liabilities for goods and services provided to the Council prior to the end of financial year that are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

C3-2 Contract Liabilities

	2025 Current \$ '000	2025 Non-current \$ '000	2024 Current \$ '000	2024 Non-current \$ '000
Grants and contributions received in advance:				
Unexpended grants (received prior to performance obligation being satisfied)	16,812	—	16,486	—
Total grants received in advance	16,812	—	16,486	—
Prepaid Burials	3,232	—	2,921	—
Other advance payments	435	—	256	—
Total user fees and charges received in advance	3,667	—	3,177	—
Total contract liabilities	20,479	—	19,663	—

Notes

The contract liability relates to grants received prior to the revenue recognition criteria in AASB 15 being satisfied since the performance obligations are ongoing.

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

	2025 \$ '000	2024 \$ '000
Grants and contributions received in advance:		
Capital grants (to construct Council controlled assets)	4,668	8,958
Total revenue recognised that was included in the contract liability balance at the beginning of the period	4,668	8,958

Significant changes in contract liabilities

The contract liabilities have arisen on adoption of AASB 15 and AASB 1058. Contract liability is primarily due to grants in the scope of AASB 15 and capital grants received by Council to acquire or construct assets which will be under Council's control.

C3-3 Borrowings

	2025 Current \$ '000	2025 Non-current \$ '000	2024 Current \$ '000	2024 Non-current \$ '000
Loans – secured	6,561	86,718	5,708	58,280
Total borrowings	6,561	86,718	5,708	58,280

(a) Changes in liabilities arising from financing activities

	2024		Non-cash movements				2025
	Opening Balance \$ '000	Cash flows \$ '000	Acquisition \$ '000	Fair value changes \$ '000	Acquisition due to change in accounting policy \$ '000	Other non-cash movement \$ '000	Closing balance \$ '000
Loans – secured	63,988	29,291	–	–	–	–	93,279
Lease liability (Note C2-1)	2,051	265	–	–	–	–	2,316
Total liabilities from financing activities	66,039	29,556	–	–	–	–	95,595

	2023		Non-cash movements				2024
	Opening Balance \$ '000	Cash flows \$ '000	Acquisition \$ '000	Fair value changes \$ '000	Acquisition due to change in accounting policy \$ '000	Other non-cash movement \$ '000	Closing balance \$ '000
Loans – secured	59,086	4,902	–	–	–	–	63,988
Lease liability (Note C2-1)	2,336	(285)	–	–	–	–	2,051
Total liabilities from financing activities	61,422	4,617	–	–	–	–	66,039

C3-3 Borrowings (continued)

(b) Financing arrangements

	2025 \$ '000	2024 \$ '000
Total facilities		
Total financing facilities available to Council at the reporting date are:		
Bank overdraft facilities	1,000	1,000
Corporate credit cards	250	250
Total financing arrangements	1,250	1,250
Drawn facilities		
Financing facilities drawn down at the reporting date are:		
– Corporate credit cards	92	62
Total drawn financing arrangements	92	62
Undrawn facilities		
Undrawn financing facilities available to Council at the reporting date are:		
– Bank overdraft facilities	1,000	1,000
– Credit cards/purchase cards	158	188
Total undrawn financing arrangements	1,158	1,188

Additional financing arrangements information

Breaches and defaults

During the current and prior year, there were no defaults or breaches on any of the loans.

Security over loans

Loans are secured over the general income of Council. Lease liabilities are secured by the underlying leased assets.

Bank overdrafts

The bank overdraft of Council is secured over the general income of Council.

Loan covenants

The NSW Treasury Corporation requires Council's consolidated financial statements to adhere to the below loan covenants:

- Debt Service Cover Ratio - the Debt Service Cover Ratio must be at least 1.50:1;
- Interest Cover Ratio - the Interest Cover Ratio must be at least 3.00:1; and
- Unrestricted Cash Expense Ratio - the Unrestricted Cash Expense Ratio must be at least 2 months.

C3-4 Employee benefit provisions

	2025 Current \$ '000	2025 Non-current \$ '000	2024 Current \$ '000	2024 Non-current \$ '000
Annual leave	4,959	–	4,418	–
Long service leave	5,421	946	4,875	774
Total employee benefit provisions	10,380	946	9,293	774

Current employee benefit provisions not anticipated to be settled within the next twelve months

	2025 \$ '000	2024 \$ '000
The following provisions, even though classified as current, are not expected to be settled in the next 12 months.		
Provisions – employees benefits	4,385	4,691
	4,385	4,691

Material accounting policy information

Other long-term employee benefit obligations

The liability for long service leave and annual leave that is not expected to be wholly settled within 12 months after the end of the period is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method.

Consideration is given to expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

The obligations are presented as current liabilities in the Statement of Financial Position if the Council does not have an unconditional right to defer settlement for at least 12 months after the reporting date, regardless of when the actual settlement is expected to occur.

C3-5 Provisions

	2025 Current \$ '000	2025 Non-Current \$ '000	2024 Current \$ '000	2024 Non-Current \$ '000
Other				
Landfill Rehabilitation	–	21,143	–	22,637
Total provisions	–	21,143	–	22,637

C3-5 Provisions (continued)

Movements in provisions

	Other provisions	
	Restated landfill rehabilitation \$ '000	Total \$ '000
2025		
At beginning of year	22,637	22,637
Changes to provision:		
– Revised discount rate	564	564
– Revised costs	385	385
– Revised inflation rate	192	192
Unwinding of discount	660	660
Other	(3,295)	(3,295)
Total other provisions at end of year	21,143	21,143
2024		
At beginning of year	16,112	16,112
Changes to provision:		
– Revised discount rate	(7,388)	(7,388)
– Revised costs	11,055	11,055
– Revised life	282	282
– Revised inflation rate	2,129	2,129
Unwinding of discount	615	615
Other	(168)	(168)
Total other provisions at end of year	22,637	22,637

Material accounting policy information

Provisions are recognised when Council has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated.

Provision for landfill rehabilitation

Estimated landfill rehabilitation costs are provided for in the accounting period when the obligation arising from the related disturbance occurs, based on the net present value of estimated future costs.

Provisions for landfill rehabilitation costs do not include any additional obligations that are expected to arise from future disturbance. At each reporting date rehabilitation costs are reassessed to reflect changes in cost estimates, revisions to the estimated lives of operations and discount rates.

Although the actual cost to be incurred is uncertain, Council estimates the respective costs based on current rehabilitation standards and techniques.

The amortisation or 'unwinding' of the discount applied in establishing the net present value of provisions is charged to the Income Statement in each accounting period. This amortisation of the discount is disclosed as a borrowing cost in Note B3-3. The discount rate used is the risk free borrowing rate applicable to Council.

Other movements in the provision for landfill rehabilitation costs including those resulting from new disturbance, updated cost estimates, changes to the estimated lives of operations and revisions to discount rates are capitalised. These costs are then depreciated over the lives of the assets to which they relate.

C4 Reserves

C4-1 Nature and purpose of reserves

IPPE Revaluation Surplus

The infrastructure, property, plant and equipment revaluation reserve is used to record increments and decrements of infrastructure, property, plant and equipment values due to their revaluation.

Other reserves

The intangible assets revaluation reserve is used to record increments and decrements in the value of licences due to their revaluation.

D Council structure

D1 Results by fund

General fund refers to all Council activities other than water and sewer. All amounts disclosed in this note are gross i.e. inclusive of internal charges and recoveries made between the funds. Assets and liabilities shown in the water and sewer columns are restricted for use for these activities.

D1-1 Income Statement by fund

	General 2025 \$ '000	Water 2025 \$ '000	Sewer 2025 \$ '000
Income from continuing operations			
Rates and annual charges	61,373	4,647	19,040
User charges and fees	34,204	17,860	4,798
Interest and investment revenue	2,399	3,216	5,253
Other revenues	4,660	31	99
Grants and contributions provided for operating purposes	8,172	—	—
Grants and contributions provided for capital purposes	26,723	1,529	2,687
Other income	884	—	—
Total income from continuing operations	138,415	27,283	31,877
Expenses from continuing operations			
Employee benefits and on-costs	58,102	2,970	4,781
Materials and services	45,362	8,972	9,498
Borrowing costs	3,454	—	220
Other expenses	2,576	—	—
Net losses from the disposal of assets	2,166	648	773
Total expenses from continuing operations excluding depreciation, amortisation and impairment of non-financial assets	111,660	12,590	15,272
Operating result from continuing operations excluding depreciation, amortisation and impairment of non-financial assets	26,755	14,693	16,605
Depreciation, amortisation and impairment of non-financial assets	26,431	7,015	6,445
Net operating result for the year	324	7,678	10,160
Net operating result for the year before grants and contributions provided for capital purposes	(26,399)	6,149	7,473

D1-2 Statement of Financial Position by fund

	General 2025 \$ '000	Water 2025 \$ '000	Sewer 2025 \$ '000
ASSETS			
Current assets			
Cash and cash equivalents	58,391	—	—
Investments	7,798	52,533	41,224
Receivables	13,513	7,352	8,746
Inventories	629	359	24
Other	1,402	—	—
Total current assets	81,733	60,244	49,994
Non-current assets			
Investments	—	22,973	47,825
Inventories	6,904	—	—
Infrastructure, property, plant and equipment	1,450,576	297,704	267,683
Intangible assets	490	4,760	—
Right of use assets	2,085	—	—
Total non-current assets	1,460,055	325,437	315,508
Total assets	1,541,788	385,681	365,502
LIABILITIES			
Current liabilities			
Payables	24,865	989	253
Contract liabilities	20,479	—	—
Lease liabilities	381	—	—
Borrowings	5,952	—	609
Employee benefit provision	8,110	1,034	1,236
Total current liabilities	59,787	2,023	2,098
Non-current liabilities			
Lease liabilities	1,935	—	—
Borrowings	84,556	—	2,162
Employee benefit provision	836	40	70
Provisions	21,143	—	—
Total non-current liabilities	108,470	40	2,232
Total liabilities	168,257	2,063	4,330
Net assets	1,373,531	383,618	361,172
EQUITY			
Accumulated surplus	500,676	215,999	238,685
IPPE revaluation surplus	872,855	167,619	122,487
Total equity	1,373,531	383,618	361,172

D2 Interests in other entities

D2-1 Interests in associates

Summarised financial information for individually immaterial associates

Council has an interest in the Wonga Wetlands Conservation Association and MAMA Limited, which is not considered individually material.

The table below summarises the financial information of this immaterial joint venture.

	2025 \$ '000	2024 \$ '000
Carrying amount	(2)	(2)
Council's share in profit/(loss) from continuing operations	(2)	(2)

E Risks and accounting uncertainties

E1-1 Risks relating to financial instruments held

Council's activities expose it to a variety of financial risks including market risk, credit risk and liquidity risk.

The Council's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Council.

Council does not engage in transactions expressed in foreign currencies and is therefore not subject to foreign currency risk.

Financial risk management is carried out in accordance with policies approved by the Council.

The fair value of Council's financial assets and financial liabilities approximates their carrying amount.

Council's principal objective is to preserve capital, while maintaining an adequate level of liquidity, whilst seeking to optimise its return on cash and investments.

Council has an investment policy which complies with s.625 of the *Local Government Act 1993* and Ministerial Investment Order. This policy is regularly reviewed by Council and a monthly Investment Balances Report is provided to Council setting out the make-up and performance of the portfolio.

Council's investments are mainly represented by fixed interest term deposits.

The risks associated with the financial instruments held are:

- Market risk - interest rate risk – the risk that movements in interest rates could affect returns and income.
- Credit risk – the risk that the investment counterparty will not complete their obligations particular to a financial instrument, resulting in a financial loss to Council – be it of a capital or income nature.
- Liquidity risk – the risk that Council will not be able to pay its debts as and when they fall due.

(a) Market risk – interest rate and price risk

	2025 \$ '000	2024 \$ '000
The impact on the result for the year and equity of a reasonably possible movement in the price of investments held and interest rates is shown below. The reasonably possible movements were determined based on historical movements and economic conditions in place at the reporting date.		
Impact of a 1% movement in interest rates		
– Equity / Income Statement	1,723	1,884

E1-1 Risks relating to financial instruments held (continued)

(b) Credit risk

Council's major receivables comprise rates, annual charges, user charges and fees.

Council manages the credit risk associated with these receivables by monitoring outstanding debt and employing stringent debt recovery procedures. Council also encourages ratepayers to pay their rates by the due date through incentives.

The credit risk for liquid funds and other short-term financial assets is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

There are no significant concentrations of credit risk other than Council has significant credit risk exposures in its local area given the nature of Council activities.

The level of outstanding receivables is reported to Council monthly and benchmarks are set and monitored for acceptable collection performance. The balances of receivables that remain within initial trade terms (as detailed in the table) are considered to be of high credit quality.

The maximum exposure to credit risk at the reporting date is the carrying amount of each class of receivable in the financial statements.

There are no material receivables that have been subjected to a re-negotiation of repayment terms.

Receivables – rates and annual charges

Credit risk on rates and annual charges is minimised by the ability of Council to recover these debts as a secured charge over the land; that is, the land can be sold to recover the debt. Council is also able to charge interest on overdue rates and annual charges at higher than market rates which further encourages payment.

	Not yet due \$ '000	Overdue < 5 years \$ '000	overdue rates and annual charges - ≥ 5 years \$ '000	Total \$ '000
2025				
Receivables – rates and annual charges	–	10,985	582	11,567
2024				
Receivables – rates and annual charges	–	10,264	598	10,862

Receivables - non-rates and annual charges and contract assets

Council applies the simplified approach for non-rates and annual charges debtors and contract assets to provide for expected credit losses, which permits the use of the lifetime expected loss provision at inception. To measure the expected credit losses, non-rates and annual charges debtors and contract assets have been grouped based on shared credit risk characteristics and the days past due.

The loss allowance provision is determined as follows. The expected credit losses incorporate forward-looking information.

	Not yet overdue \$ '000	0 - 30 days \$ '000	Overdue debts 31 - 60 days \$ '000	61 - 90 days \$ '000	> 90 days overdue \$ '000	Total \$ '000
2025						
Gross carrying amount	14,708	2,026	716	211	1,645	19,306
Expected loss rate (%)	0.50%	0.62%	1.25%	1.82%	70.64%	6.53%
ECL provision	74	13	9	4	1,162	1,262
2024						
Gross carrying amount	13,964	2,561	2,752	261	1,244	20,782
Expected loss rate (%)	0.50%	0.62%	1.25%	1.82%	78.16%	5.28%
ECL provision	70	16	34	5	972	1,097

E1-1 Risks relating to financial instruments held (continued)

(c) Liquidity risk

Payables, lease liabilities and borrowings are subject to liquidity risk; that is, the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due.

Council manages this risk by monitoring its cash flow requirements and liquidity levels, and by maintaining an adequate cash buffer. Payment terms can be extended, and overdraft facilities drawn upon in extenuating circumstances.

Borrowings are also subject to interest rate risk: the risk that movements in interest rates could adversely affect funding costs. Council manages this risk through diversification of borrowing types, maturities and interest rate structures.

The finance team regularly reviews interest rate movements to determine if it would be advantageous to refinance or renegotiate part or all of the loan portfolio.

The timing of cash flows presented in the table below to settle financial liabilities reflects the earliest contractual settlement dates. The timing of expected outflows is not expected to be materially different from contracted cashflows.

The amounts disclosed in the table are the undiscounted contracted cash flows for non-lease liabilities (refer to Note C2-1(b) for lease liabilities) and therefore the balances in the table may not equal the balances in the Statement of Financial Position due to the effect of discounting.

	Weighted average interest rate %	Subject to no maturity \$ '000	payable in: ≤ 1 Year \$ '000	1 - 5 Years \$ '000	> 5 Years \$ '000	Total cash outflows \$ '000	Actual carrying values \$ '000
2025							
Payables	0.00%	6,264	20,026	–	–	26,290	26,107
Borrowings	3.58%	–	11,083	39,024	86,215	136,322	93,279
Total financial liabilities		6,264	31,109	39,024	86,215	162,612	119,386
2024							
Payables	0.00%	–	19,497	–	–	19,497	18,906
Borrowings	4.06%	–	8,525	29,895	47,271	85,691	63,988
Total financial liabilities		–	28,022	29,895	47,271	105,188	82,894

E2-1 Fair value measurement

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

- Infrastructure, property, plant and equipment
- Intangible assets

The fair value of assets and liabilities must be estimated in accordance with various accounting standards for either recognition or 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).

E2-1 Fair value measurement (continued)

Fair value measurement hierarchy										
Notes	Date of latest valuation		Level 1 Quoted prices in active mkts		Level 2 Significant observable inputs		Level 3 Significant unobservable inputs		Total	
	2025 \$ '000	2024 \$ '000	2025 \$ '000	2024 \$ '000	2025 \$ '000	2024 \$ '000	2025 \$ '000	2024 \$ '000	2025 \$ '000	2024 \$ '000
Recurring fair value measurements										
Infrastructure, property, plant and equipment										
C1-6										
– Plant and equipment	Various	Various	–	–	–	–	19,401	17,901	19,401	17,901
– Office equipment, furniture & fittings	Various	Various	–	–	–	–	450	564	450	564
– Land	30/06/25	30/06/20	–	–	–	–	246,496	232,434	246,496	232,434
– Land improvements – non depreciable	Various	Various	–	–	–	–	6,618	6,462	6,618	6,462
– Land improvements – depreciable	Various	Various	–	–	–	–	61,763	50,256	61,763	50,256
– Buildings	30/06/25	30/06/20	–	–	–	–	203,116	162,158	203,116	162,158
– Other structures	30/06/25	30/06/20	–	–	–	–	19,049	15,267	19,049	15,267
– Roads, bridges and footpaths	30/06/24	30/06/24	–	–	–	–	678,418	661,202	678,418	661,202
– Stormwater drainage	30/06/25	30/06/20	–	–	–	–	154,179	252,641	154,179	252,641
– Water supply networks	30/06/24	30/06/24	–	–	–	–	282,667	276,480	282,667	276,480
– Sewerage network	30/06/24	30/06/24	–	–	–	–	231,779	233,991	231,779	233,991
– Landfill rehabilitation and cell assets			–	–	–	–	14,105	16,240	14,105	16,240
– Library books	Various	Various	–	–	–	–	751	926	751	926
– Other	Various	Various	–	–	–	–	15,184	14,484	15,184	14,484
Total infrastructure, property, plant and equipment			–	–	–	–	1,933,976	1,941,006	1,933,976	1,941,006
Non-recurring fair value measurements										
Intangible Assets										
Water Licence		30/06/2024	5,250	5,625	–	–	–	–	5,250	5,625
Total Intangible Assets			5,250	5,625	–	–	–	–	5,250	5,625

E2-1 Fair value measurement (continued)

Valuation techniques

Where Council is unable to derive fair valuations using quoted market prices of identical assets (ie. level 1 inputs) Council instead utilises a spread of both observable inputs (level 2 inputs) and unobservable inputs (level 3 inputs).

The fair valuation techniques Council has employed while utilising level 2 and level 3 inputs are as follows:

Infrastructure, property, plant and equipment (IPPE)

Plant & Equipment, Office Equipment and Furniture & Fittings

Plant & Equipment, Office Equipment and Furniture & Fittings are valued at depreciated historical cost.

The carrying amount of these assets approximates fair value due to the nature of the items. Council values Plant & Equipment, Office Equipment and Furniture & Fittings using unobservable Level 3 inputs including gross historical cost, estimated useful life of the asset and residual value.

Land

This asset class comprises all of Council's land classified as Operational Land under the NSW Local Government Act 1993.

During 2024/25 Land - Operational assets have been revalued utilising the value derived from the independent qualified valuer JLL Public Sector Valuation's (JLL) report.

Where direct comparable sales evidence is used to value a parcel of land it is classed as a Level 2 input.

Where direct sales are adjusted to reflect differences between the market evidence and the asset being valued, the adjustment constitutes a Level 3 input. Typically this might be where the Valuer is reflecting zoning differences, lot size and land use.

The majority of land assets are assessed on the basis of Level 3 inputs due to the adjustment of market evidence by the Valuer to reflect fair value.

Under the NSW Local Government Act 1993 land classified as Community Land cannot be sold or used for a purpose other than that described by the plan of land management that it is held under.

During 2024/25 Community Land assets have been revalued utilising the value derived from JLL's report.

The valuation of Community Land has been assessed by using Level 3 inputs due to the landholdings being held for civic and public uses which are property types that are rarely traded on the open market.

As direct sales have been adjusted to reflect differences between the market evidence and the asset being valued, the adjustment constitutes a Level 3 input. Typically this might be where the Valuer is reflecting zoning differences, lot size and land use.

During 2024/25 Land under roads assets have been indexed utilising the discounted average value derived from JLL's report.

Land under roads has been valued using Level 3 inputs including the unit rate per square metre.

Land Improvements - Non Depreciable

This asset class comprises land improvements such as bulk earthworks, which are often in parks forming natural amphitheatres and have an undeterminable life.

Land Improvements are valued using historical cost. Land Improvements - Non Depreciable have been valued using unobservable Level 3 inputs including gross historical cost. During 2024/25 Land Improvements – Non Depreciable assets have been indexed utilising the Australian Bureau of Statistics Price Indexes.

Land Improvements - Depreciable

This asset class comprises land improvements such as landscaping, dams and other costs associated with land that will need to be removed or replaced in future periods.

Land Improvements are valued using depreciated historical cost. Council values Land Improvements – Depreciable using unobservable Level 3 inputs including gross historical cost and estimated useful life of the asset. During 2024/25 Land Improvements – Depreciable assets have been indexed utilising the Australian Bureau of Statistics Price Indexes.

Buildings

Buildings were valued at 1 July 2024 by JLL by having regard to the existence of a market, the level of specialisation of the asset and the availability of sales evidence. The cost approach and market approach have been utilised to determine the fair

E2-1 Fair value measurement (continued)

value of the assets subject to this valuation. The selection of the most appropriate technique to measure fair value is dependent on the nature of the asset being measured and the exit market within which the asset would transact.

Where direct comparable sales evidence is available the building is valued using observable Level 2 inputs.

Where buildings are of a type or use that is not normally traded, the Current Replacement Cost valuation method is applied using unobservable Level 3 inputs such as gross replacement cost, asset condition, estimated useful life of the asset and residual value.

Council values the majority of its Buildings by using unobservable Level 3 inputs.

Other Structures

Other Structures include playground equipment, shade structures and bus shelters. This asset class comprises all other structures not included in the category of Buildings that are controlled by the Council.

During 2024/25 Other Structures were revalued by JLL by having regard to existence of a market, the level of specialisation of the asset and the availability of sales evidence.

Remaining Other Structures which have not been revalued have been indexed utilising the Australian Bureau of Statistics Price Indexes as part of the revaluation.

Unobservable Level 3 inputs included gross replacement cost, asset condition and estimated useful life of the asset.

Roads

This asset class comprises road asset components of pavement, seal, footpath and kerb and gutter.

During 2024/2025 Road Infrastructure assets have been indexed utilising the Australian Bureau of Statistics Price Indexes.

A full revaluation of Road Assets was undertaken in 2023/24.

Council values Roads using Level 3 inputs including gross replacement cost, asset condition and estimated useful life.

Drainage Infrastructure

This asset class comprises structures, pipes, flood pumps, levees and open channels.

During 2024/25 Drainage Infrastructure assets have been revalued. Other remaining drainage infrastructure which was not revalued has been indexed utilising the Australian Bureau of Statistics Price Indexes.

Asset dimensions have been derived from a combination of field survey and works as executed plan sets.

Council values Drainage Infrastructure using Level 3 inputs including gross replacement cost, asset condition and estimated useful life of the asset.

Sewerage Infrastructure

This asset class comprises structures, pipes, pump stations and treatment works.

This class of assets was valued by the Council in 2024/25 using the Department of Primary Industries - Office of Water NSW reference rates manual beside the asset which was revalued.

A revaluation of Sewerage Infrastructure was undertaken in 2023/24.

Council values Sewerage Infrastructure using Level 3 inputs including gross replacement cost, asset condition and estimated useful life of the asset.

Water Infrastructure

This asset class comprises meters, pipe network, supply reservoirs, pump stations and filtration plant.

This class of assets was valued by Council in 2024/2025 using the Department of Primary Industries - Office of Water NSW reference rates manual beside the asset which was revalued.

A revaluation of Water Infrastructure was undertaken in 2023/24.

Council values Water Infrastructure using Level 3 inputs including gross replacement cost, asset condition and estimated useful life of the asset.

Landfill Rehabilitation & Cell Construction

E2-1 Fair value measurement (continued)

The landfill remediation asset is accounted for using the fair value model. The fair value of this asset represents the initial estimate to rehabilitate the Albury landfill cells, adjusted to reflect changes to the landfill rehabilitation provision. The carrying amount of these assets approximates fair value due to the nature of the items.

Library Books

Library Books are valued using Depreciated Historical Cost. The carrying amount of these assets approximates fair value due to the nature of the items.

Council values Library Books using Level 3 inputs including gross historical cost and estimated useful life of the asset.

Other

Other assets include specialised sporting and leisure/cultural equipment and community initiatives. The carrying value of these assets is at Depreciated Replacement Cost which approximates fair value.

Council values Other Assets using Level 3 inputs including gross replacement cost, asset condition and estimated useful life of the asset.

E2-1 Fair value measurement (continued)

Fair value measurements using significant unobservable inputs (level 3)

A reconciliation of the movements in recurring fair value measurements allocated to Level 3 of the hierarchy by class of assets is provided below:

	Plant and equipment		Office equipment, furniture and fittings		Land – operational		Land – community	
	2025 \$ '000	2024 \$ '000	2025 \$ '000	2024 \$ '000	2025 \$ '000	2024 \$ '000	2025 \$ '000	2024 \$ '000
Opening balance	17,903	16,172	564	741	89,087	74,500	141,768	129,658
Total gains or losses for the period								
Recognised in other comprehensive income – revaluation surplus	–	–	–	–	4,510	6,519	9,162	11,346
Other movements								
Transfers from/(to) another asset class	1,162	–	–	–	–	–	–	1
Purchases (GBV)	–	3,656	–	–	–	8,068	–	763
Newly Realised Assets	2,292	–	–	–	–	–	382	–
Disposals (WDV)	(390)	(197)	–	–	–	–	–	–
Depreciation and impairment	(1,564)	(1,728)	(114)	(177)	–	–	–	–
Closing balance	19,403	17,903	450	564	93,597	89,087	151,312	141,768

	Land under roads		Land improvements – non depreciable		Land improvements – depreciable		Buildings	
	2025 \$ '000	2024 \$ '000	2025 \$ '000	2024 \$ '000	2025 \$ '000	2024 \$ '000	2025 \$ '000	2024 \$ '000
Opening balance	1,579	1,476	6,462	6,462	50,258	48,967	162,157	132,378
Total gains or losses for the period								
Recognised in other comprehensive income – revaluation surplus	7	13	–	–	2,687	3,199	37,088	6,980
Other movements								
Transfers from/(to) another asset class	–	–	156	–	10,667	326	4,241	25,644
Purchases (GBV)	–	90	–	–	623	12	421	7,384
Newly Realised Assets	–	–	–	–	51	–	7,505	911
Disposals (WDV)	–	–	–	–	–	–	(526)	(127)
Depreciation and impairment	–	–	–	–	(2,521)	(2,246)	(7,771)	(11,013)
Closing balance	1,586	1,579	6,618	6,462	61,765	50,258	203,115	162,157

E2-1 Fair value measurement (continued)

	Other structures		Roads		Drainage		Water	
	2025	2024	2025	2024	2025	2024	2025	2024
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
Opening balance	15,267	11,401	661,203	664,976	252,640	241,846	276,479	267,453
Total gains or losses for the period								
Recognised in other comprehensive income – revaluation surplus	1,137	498	17,384	8,227	(99,064)	8,417	10,070	12,668
Other movements								
Transfers from/(to) another asset class	2,735	3,490	2,072	(11,815)	686	475	1,741	689
Purchases (GBV)	267	547	4,153	5,294	195	4,333	1,593	1,346
Newly Realised Assets	303	–	4,617	5,352	1,590	491	335	1,052
Disposals (WDV)	(43)	–	(431)	(535)	(11)	(49)	(618)	(76)
Depreciation and impairment	(617)	(669)	(10,579)	(10,296)	(1,858)	(2,873)	(6,934)	(6,653)
Closing balance	19,049	15,267	678,419	661,203	154,178	252,640	282,666	276,479

	Sewer		Landfill rehabilitation		Library books		Other	
	2025	2024	2025	2024	2025	2024	2025	2024
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
Opening balance	233,991	222,172	16,241	10,841	926	1,117	14,483	14,201
Total gains or losses for the period								
Recognised in other comprehensive income – revaluation surplus	2,366	10,425	1,029	–	–	–	–	–
Other movements								
Transfers from/(to) another asset class	942	5,495	–	–	–	–	304	–
Purchases (GBV)	519	1,255	–	5,910	–	–	8	304
Newly Realised Assets	854	206	(2,153)	–	–	–	407	–
Disposals (WDV)	(563)	(15)	–	–	–	–	–	–
Depreciation and impairment	(6,330)	(5,547)	(1,011)	(510)	(175)	(191)	(19)	(22)
Closing balance	231,779	233,991	14,106	16,241	751	926	15,183	14,483

E2-1 Fair value measurement (continued)

	Total	
	2025	2024
	\$ '000	\$ '000
Opening balance	1,941,008	1,844,361
Recognised in other comprehensive income – revaluation surplus	(13,624)	68,292
Transfers from/(to) another asset class	24,706	24,305
Purchases (GBV)	7,779	38,962
Newly Realised Assets	16,183	8,012
Disposals (WDV)	(2,582)	(999)
Depreciation and impairment	(39,493)	(41,925)
Closing balance	1,933,977	1,941,008

E2-1 Fair value measurement (continued)

Information relating to the transfers into and out of the level 3 fair valuation hierarchy includes:

Council has no movements in and out of Level 3

Highest and best use

All of Council's non-financial assets are considered as being utilised for their highest and best use.

E3-1 Contingencies

The following assets and liabilities do not qualify for recognition in the Statement of Financial Position, but their knowledge and disclosure is considered relevant to the users of Council's financial report.

LIABILITIES NOT RECOGNISED

1. Guarantees

(i) Defined benefit superannuation contribution plans

Council is party to an Industry Defined Benefit Plan under the Local Government Superannuation Scheme, named The Local Government Superannuation Scheme – Pool B (the Scheme) which is a defined benefit plan that has been deemed to be a 'multi-employer fund' for purposes of AASB119 Employee Benefits for the following reasons:

- Assets are not segregated within the sub-group according to the employees of each sponsoring employer.
- The contribution rates have been the same for all sponsoring employers. That is, contribution rates have not varied for each sponsoring employer according to the experience relating to the employees of that sponsoring employer.
- Benefits for employees of all sponsoring employers are determined according to the same formulae and without regard to the sponsoring employer.
- The same actuarial assumptions are currently used in respect of the employees of each sponsoring employer.

Given the factors set out above, each sponsoring employer is exposed to the actuarial risks associated with current and former employees of other sponsoring employers and hence shares in the associated gains and losses (to the extent that they are not borne by members). As such we do not believe that there is sufficient reliable information to allow each sponsoring employer to account for its proportionate share of the defined benefit obligation, sub-group assets and costs associated with the sub-group in the same way as it would for a single employer sponsored defined benefit plan.

Description of the funding arrangements.

Pooled Employers are required to pay future service employer contributions and past service employer contributions to the Fund.

The future service employer contributions were determined using the new entrant rate method under which a contribution rate sufficient to fund the total benefits over the working life-time of a typical new entrant is calculated. The current future service employer contribution rates are:

Division B	1.9 times employee contributions for non-180 Members; Nil for 180 Point Members*
Division C	2.5% salaries
Division D	1.64 times employee contributions

* for 180 Point Members, Employers are required to contribute 9.5% from 1 July 2025 of salaries to these members' accumulation accounts in line with current level of SG contributions, which are paid in addition to members' defined benefits.

The past service contribution for each Pooled Employer is a share of the total past service contributions of \$20.0 million per annum for 1 January 2022 to 31 December 2024, apportioned according to each employer's share of the accrued liabilities as at 30 June.

Given the funding position of the Fund as at 30 June 2024, it was recommended to cease these past service contributions effective 1 January 2025.

The adequacy of contributions is assessed at each actuarial investigation which will be conducted annually, the next of which is due effective 30 June 2025.

Description of the extent to which the entity can be liable to the plan for other entities' obligations under the terms and conditions of the multi-employer plan

As stated above, each sponsoring employer (Council) is exposed to the actuarial risks associated with current and former employees of other sponsoring employers and hence shares in the associated gains and losses.

However, there is no relief under the Fund's trust deed for employers to walk away from their defined benefit obligations. Under limited circumstances, an employer may withdraw from the plan when there are no active members, on full payment of outstanding past service contributions. There is no provision for allocation of any surplus which may be present at the date of withdrawal of the entity.

There are no specific provisions under the Fund's trust deed dealing with deficits or surplus on wind-up.

E3-1 Contingencies (continued)

The amount of Council employer contributions to the defined benefit section of the Local Government Superannuation Scheme and recognised as an expense for the year ending 30 June 2025 was \$427,620.20. The last valuation of the Scheme was performed by the Actuary, Mr Richard Boyfield, FIAA on 30 June 2024.

Council's expected contribution to the plan for the next annual reporting period is \$130,442.98.

The estimated employer reserves financial position for the Pooled Employers at 30 June 2025 is:

Employer reserves only *	\$millions	Asset Coverage
Assets	2,197.6	
Past Service Liabilities	2,092.0	105.0%
Vested Benefits	2,130.4	103.2%

* excluding member accounts and reserves in both assets and liabilities.

The key economic long term assumptions used to calculate the present value of accrued benefits are:

Investment return	6.0% per annum
Salary inflation	3.5% per annum
Increase in CPI	2.5% per annum

The contribution requirements may vary from the current rates if the overall sub-group experience is not in line with the actuarial assumptions in determining the funding program; however, any adjustment to the funding program would be the same for all sponsoring employers in the Pooled Employers group. Please note that the estimated employer reserves financial position above is a preliminary calculation, and once all the relevant information has been received by the Fund's Actuary, the final end of year review will be completed by December 2025.

(ii) Statewide Limited

Council is a member of Statewide Mutual, a mutual pool scheme providing liability insurance to local government.

Membership includes the potential to share in either the net assets or liabilities of the fund depending on its past performance. Council's share of the net assets or liabilities reflects Council's contributions to the pool and the result of insurance claims within each of the fund years.

The future realisation and finalisation of claims incurred but not reported to 30 June this year may result in future liabilities or benefits as a result of past events that Council will be required to fund or share in respectively.

(iii) StateCover Limited

Council is a member of StateCover Mutual Limited and holds a partly paid share in the entity.

StateCover is a company providing workers compensation insurance cover to the NSW local government industry and specifically Council.

Council has a contingent liability to contribute further equity in the event of the erosion of the company's capital base as a result of the company's past performance and/or claims experience or as a result of any increased prudential requirements from APRA.

These future equity contributions would be required to maintain the company's minimum level of net assets in accordance with its licence requirements.

2. Other liabilities

(i) Third party claims

The Council is involved from time to time in various claims incidental to the ordinary course of business including claims for damages relating to its services.

Council believes that it is appropriately covered for all claims through its insurance coverage and does not expect any material liabilities to eventuate.

S7 plans

Council levies section 7 contributions upon various development across the Council area through the required contributions plans.

As part of these plans, Council has received funds for which it will be required to expend the monies in accordance with those plans.

E3-1 Contingencies (continued)

As well, these plans indicate proposed future expenditure to be undertaken by Council, which will be funded by making levies and receipting funds in future years or where a shortfall exists by the use of Council's general funds.

These future expenses do not yet qualify as liabilities as of the reporting date, but represent Council's intention to spend funds in the manner and timing set out in those plans.

(ii) Potential land acquisitions due to planning restrictions imposed by Council

At reporting date, reliable estimates as to the value of any potential liability (and subsequent land asset) from such potential acquisitions has not been possible.

ASSETS NOT RECOGNISED

(i) Land under roads

As permitted under AASB 1051, Council has elected not to bring to account land under roads that it owned or controlled up to and including 30 June 2008.

F People and relationships

F1 Related party disclosures

F1-1 Key management personnel (KMP)

Key management personnel (KMP) of the Council are those persons having the authority and responsibility for planning, directing and controlling the activities of the Council, directly or indirectly. This includes Councillors, the Chief Executive Officer and Deputy Chief Executive Officers.

The aggregate amount of KMP compensation included in the Income Statement is:

	2025 \$ '000	2024 \$ '000
Compensation:		
Short-term benefits	1,270	1,307
Post-employment benefits	110	108
Other long-term benefits	21	363
Total	1,401	1,778

F1-1 Key management personnel (KMP) (continued)

Other transactions with KMP and their related parties

Council has determined that transactions at arm's length between KMP and Council as part of KMP using Council services (e.g. access to library or Council swimming pool) will not be disclosed.

Nature of the transaction	Ref	Transactions during the year \$ '000	Outstanding balances including commitments \$ '000	Terms and conditions ^{#1}
2025				
Interest income	1	436	–	
Rental expense		144	–	
Vehicle and parts	1	266	–	30 day creditor payment terms
Carpet installation	1	–	–	30 day creditor payment terms
2024				
Rental expense		–	–	
Vehicle and parts	1	224	–	30 day creditor payment terms
Carpet installation	1	26	–	30 day creditor payment terms

1 30 day creditor payment terms

(#1) Transactions with related parties have been undertaken in the ordinary course of business under the same terms and conditions as transactions with non – related parties.

F1-2 Councillor and Mayoral fees and associated expenses

	2025 \$ '000	2024 \$ '000
The aggregate amount of Councillor and Mayoral fees and associated expenses included in materials and services expenses in the Income Statement are:		
Mayoral fee	69	64
Councillors' fees	261	265
Other Councillors' expenses (including Mayor)	59	53
Total	389	382

F1-3 Other related parties

	Transactions during the year \$ '000	Outstanding balances including commitments \$ '000	Terms and conditions ^{#1}
2025			
Expenses			
-Riverina and Murray Joint Organisation membership fees	52	-	-
Income			
-Riverina and Murray Joint Organisation regional waste project	470	-	-
-Rental income from Riverina and Murray Joint Organisation	37	-	-
2024			
Expenses			
-Riverina and Murray Joint Organisation membership fees	49	-	-
Income			
-Riverina and Murray Joint Organisation regional waste project	439	-	-
-Rental income from Riverina and Murray Joint Organisation	24	-	-

(#1) Transactions with related parties have been undertaken in the ordinary course of business under the same terms and conditions as transactions with non – related parties.

F2 Other relationships

F2-1 Audit fees

	2025	2024
	\$ '000	\$ '000

During the year, the following fees were incurred for services provided by the auditor of Council, related practices and non-related audit firms

Audit and other assurance services: Auditors of the Council - NSW Auditor-General:

Audit of financial statements	148	171
Remuneration for audit and other assurance services	148	171
Total fees paid or payable to the Auditor-General	148	171

G Other matters

G1-1 Statement of Cash Flows information

(a) Reconciliation of Operating Result

	2025 \$ '000	2024 \$ '000
Net operating result from Income Statement	18,162	11,212
Depreciation and amortisation	39,891	42,294
Losses/(gains) on disposal of assets	3,587	567
Non-cash capital grants and contributions	(11,088)	(12,139)
Unwinding landfill rehabilitation provision discount rate	660	615
Movement in operating assets and liabilities:		
(Increase) / decrease of receivables	782	(5,514)
Increase / (decrease) in provision for impairment of receivables	165	353
(Increase) / decrease of inventories	(87)	(48)
(Increase) / decrease of other current assets	(12)	(355)
Increase / (decrease) in payables	5,820	(418)
Increase / (decrease) in other accrued expenses payable	2,330	(630)
Increase / (decrease) in other liabilities	(949)	566
Increase / (decrease) in contract liabilities	816	7,720
Increase / (decrease) in employee benefit provision	1,259	(367)
Increase / (decrease) in other provisions	(2,154)	5,910
Net cash flows from operating activities	59,182	49,766

(b) Non-cash investing and financing activities

Bridges	–	1,272
Child care	2,251	848
Community facilities	3,973	–
Crown land	–	406
Donated Artwork	407	188
Developer contributions 'in kind' (General Fund)	3,304	7,502
Developer contributions 'in kind' (Water Fund)	306	739
Developer contributions 'in kind' (Sewer Fund)	847	1,184
Total non-cash investing and financing activities	11,088	12,139

G2-1 Commitments

Capital commitments (exclusive of GST)

	2025 \$ '000	2024 \$ '000
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:		
Property, plant and equipment		
Albury Airport - Taxiway Charlie Extension	1,155	5,500
AWMC Southern Valley Cell Expansion	–	466
Building - Melrose Park Sports Pavilion - Construction	–	650
Lavington Sports Ground – Concourse Upgrade	–	526
LRCI Footpath Construction - South Albury	–	255
Play Space Shade Project	–	1,161
Sarvaas Park Building Upgrade	–	2,365
Thurgoona Drive and Evesham Place Intersection Road Widening	–	409
Lauren Jackson Sports Centre refurbishment	4,011	–
Main Sewer Pump Station & Rising Mains	3,812	–
Water Treatment Plan A Upgrade	425	–
World War II Memorial Bowl Upgrade	1,298	–
Total commitments	10,701	11,332
These expenditures are payable as follows:		
Within the next year	10,701	11,332
Total payable	10,701	11,332

G3-1 Events occurring after the reporting date

Council is aware of the following non-adjusting event that merits disclosure:

- AlburyCity received approval from the Office of Local Government for a \$35 million internal loan from the Water Fund to the General Fund on 5 September 2025 that was used to refinance the external loan drawn down from NSW Treasury Corporation on 19 June 2025 which was used to part fund the 2024/25 capital works program.

G4 Statement of developer contributions

G4-1 Summary of developer contributions

	Opening balance at 1 July 2024 \$ '000	Contributions received during the year			Interest and investment income earned \$ '000	Amounts expended \$ '000	Internal borrowings \$ '000	Held as restricted asset at 30 June 2025 \$ '000
		Cash \$ '000	Non-cash Land \$ '000	Non-cash Other \$ '000				
Drainage	—	12	—	—	—	(5)	—	7
Roads	—	168	—	—	—	(168)	—	—
Parking	449	375	—	—	31	—	—	855
Community facilities	423	88	—	—	10	(521)	—	—
Open space	—	57	—	—	—	(57)	—	—
Thurgoona/Wirlinga	2,889	802	—	—	214	—	—	3,905
Nexus	288	—	—	—	14	—	—	302
S7.11 contributions – under a plan	4,049	1,502	—	—	269	(751)	—	5,069
S7.12 levies not under a plan	496	946	—	—	48	—	—	1,490
Total S7.11 and S7.12 revenue	4,545	2,448	—	—	317	(751)	—	6,559
S.64 Contributions	3,216	3,031	—	—	183	(2,057)	—	4,373
Total contributions	7,761	5,479	—	—	500	(2,808)	—	10,932

Under the *Environmental Planning and Assessment Act 1979*, local infrastructure contributions, also known as developer contributions, are charged by councils when new development occurs. They help fund infrastructure like parks, community facilities, local roads, footpaths, stormwater drainage and traffic management. It is possible that the funds contributed may be less than the cost of this infrastructure, requiring Council to borrow or use general revenue to fund the difference.

End of the audited financial statements

H1 Statement of performance measures

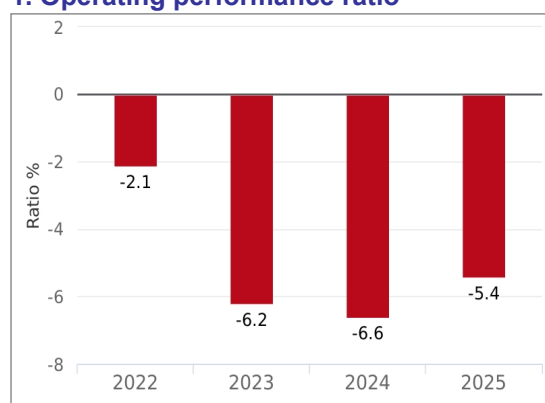
H1-1 Statement of performance measures by fund

\$ '000	General Indicators ¹		Water Indicators		Sewer Indicators		Benchmark
	2025	2024	2025	2024	2025	2024	
1. Operating performance ratio							
Total continuing operating revenue excluding capital grants and contributions less operating expenses	(21.5)%	(17.4)%	26.4%	10.2%	28.2%	22.0%	> 0.0%
Total continuing operating revenue excluding capital grants and contributions							
2. Own source operating revenue ratio							
Total continuing operating revenue excluding all grants and contributions	75%	77%	94%	93%	92%	91%	> 60%
Total continuing operating revenue including all grants and contributions							
3. Unrestricted current ratio							
Current assets less all external restrictions	1.5x	1.6x	29.8x	56.9x	23.8x	52.2x	> 1.5x
Current liabilities less specific purpose liabilities							
4. Debt service cover ratio							
Operating result before capital excluding interest and depreciation/impairment/amortisation	0.7x	1.7x	∞	∞	18.9x	15.7x	> 2.0x
Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)							
5. Rates and annual charges outstanding percentage							
Rates and annual charges outstanding	4.2%	4.6%	25.9%	25.9%	28.3%	25.6%	< 10.0%
Rates and annual charges collectable							
6. Cash expense cover ratio							
Current year's cash and cash equivalents plus all term deposits X12	7 months	6 months	76 months	56 months	74 months	68 months	> 3 months
Payments from cash flow of operating and financing activities							

(1) General fund refers to all of Council's activities except for its water and sewer activities which are listed separately.

H1-2 Statement of performance measures – consolidated results (graphs)

1. Operating performance ratio



Purpose of operating performance ratio

This ratio measures Council's achievement of containing operating expenditure within operating revenue.

Commentary on 2024/25 result

2024/25 ratio (5.4)%

This trend reflects the cost of service delivery including depreciation expense compared to operating income received.

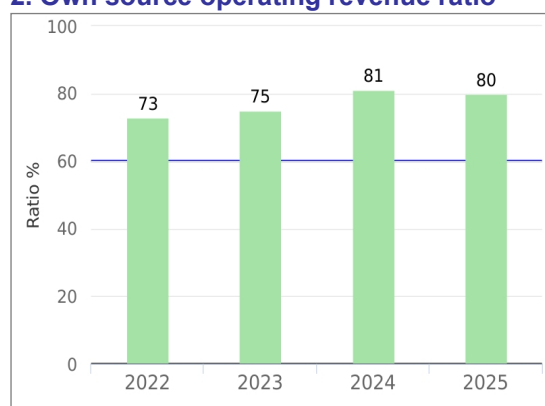
Benchmark: — > 0.0%

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

2. Own source operating revenue ratio



Purpose of own source operating revenue ratio

This ratio measures fiscal flexibility. It is the degree of reliance on external funding sources such as operating grants and contributions.

Commentary on 2024/25 result

2024/25 ratio 80%

AlburyCity's own source revenue (excluding government grants) has been maintained above the minimum benchmark.

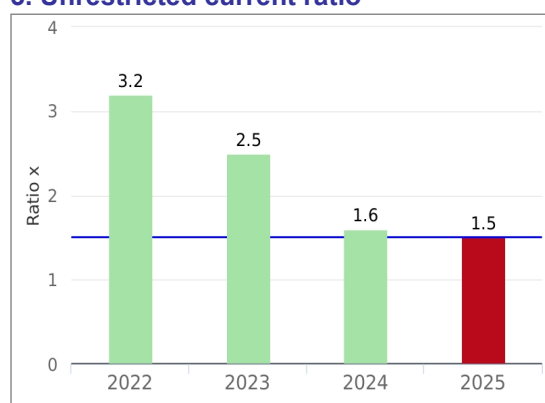
Benchmark: — > 60%

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

3. Unrestricted current ratio



Purpose of unrestricted current ratio

To assess the adequacy of working capital and its ability to satisfy obligations in the short term for the unrestricted activities of Council.

Commentary on 2024/25 result

2024/25 ratio 1.5x

This measure indicates the General Fund is holding slightly less than the benchmark of 1.5 times working capital compared to current liabilities.

Benchmark: — > 1.5x

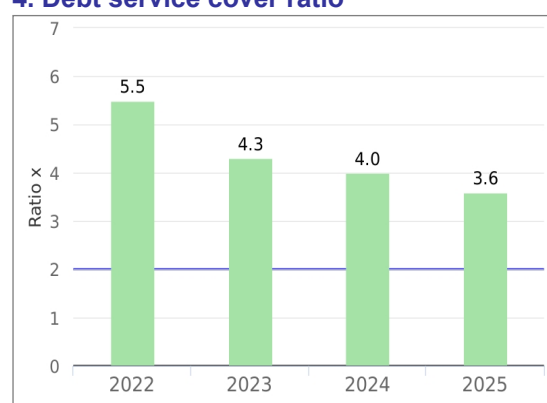
Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

H1-2 Statement of performance measures – consolidated results (graphs) (continued)

4. Debt service cover ratio



Purpose of debt service cover ratio

This ratio measures the availability of operating cash to service debt including interest, principal and lease payments

Commentary on 2024/25 result

2024/25 ratio 3.6x

Overall sufficient cash is being generated by AlburyCity from operations to fund loan repayments.

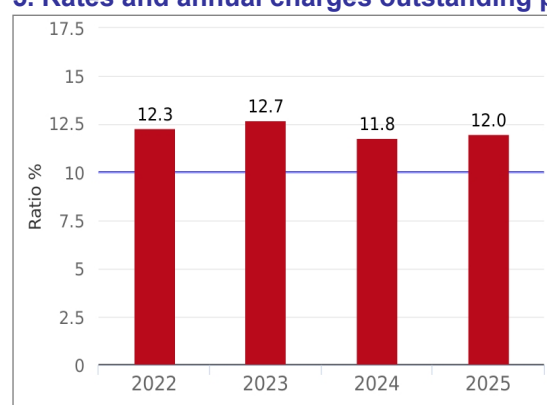
Benchmark: — > 2.0x

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

5. Rates and annual charges outstanding percentage



Purpose of rates and annual charges outstanding percentage

To assess the impact of uncollected rates and annual charges on Council's liquidity and the adequacy of recovery efforts.

Commentary on 2024/25 result

2024/25 ratio 12.0%

The majority of the outstanding balance relates to the third water bill that is not payable until after year end. The General Fund outstanding percentage remains below 5%.

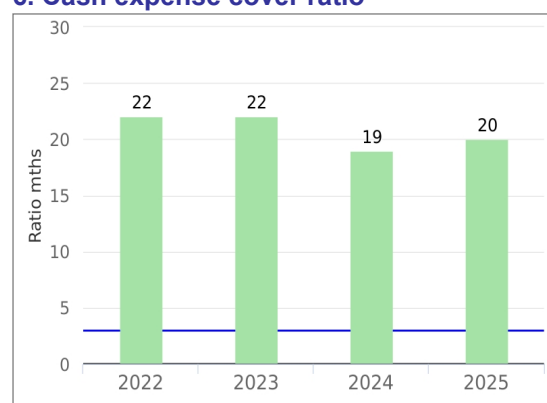
Benchmark: — < 10.0%

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

6. Cash expense cover ratio



Purpose of cash expense cover ratio

This liquidity ratio indicates the number of months a Council can continue paying for its immediate expenses without additional cash inflow.

Commentary on 2024/25 result

2024/25 ratio 20 months

AlburyCity's overall liquidity is well above the minimum benchmark.

Benchmark: — > 3months

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark



INDEPENDENT AUDITOR'S REPORT

Report on the general purpose financial statements

Albury City Council

To the Councillors of Albury City Council

Opinion

I have audited the accompanying financial statements of Albury City Council (the Council), which comprise the Statement by Councillors and Management, the Income Statement and Statement of Comprehensive Income for the year ended 30 June 2025, the Statement of Financial Position as at 30 June 2025, the Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information.

In my opinion:

- the Council's accounting records have been kept in accordance with the requirements of the *Local Government Act 1993*, Chapter 13, Part 3, Division 2 (the Division)
- the financial statements:
 - have been prepared, in all material respects, in accordance with the requirements of the Division
 - are, in all material respects, consistent with the Council's accounting records
 - present fairly, in all material respects, the financial position of the Council as at 30 June 2025, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards
- all information relevant to the conduct of the audit has been obtained
- no material deficiencies in the accounting records or financial statements have come to light during the audit.

My opinion should be read in conjunction with the rest of this report.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of my report.

I am independent of the Council in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants (including Independence Standards)' (APES 110).

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of councils
- precluding the Auditor-General from providing non-audit services.

I have fulfilled my other ethical responsibilities in accordance with APES 110.

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

Other Information

The Council's annual report for the year ended 30 June 2025 includes other information in addition to the financial statements and my Independent Auditor's Report thereon. The Councillors are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the special purpose financial statements and Special Schedules (the Schedules).

My opinion on the financial statements does not cover the other information. Accordingly, I do not express any form of assurance conclusion on the other information. However, as required by the *Local Government Act 1993*, I have separately expressed an opinion on the special purpose financial statements and Special Schedule - Permissible income for general rates.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude there is a material misstatement of the other information, I must report that fact.

I have nothing to report in this regard.

The Councillors' Responsibilities for the Financial Statements

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

In preparing the financial statements, the Councillors are 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.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial statements.

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar4.pdf. The description forms part of my auditor's report.

The scope of my audit does not include, nor provide assurance:

- that the Council carried out its activities effectively, efficiently and economically
- on the Original Budget information included in the Income Statement, Statement of Cash Flows, and Note B5-1 'Material budget variations'
- on the Special Schedules. A separate opinion has been provided on Special Schedule - Permissible income for general rates
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.



Susan Prichard
Delegate of the Auditor-General for New South Wales

29 October 2025
SYDNEY



Cr Kevin Mack
Mayor
Albury City Council
PO Box 323
ALBURY NSW 2640

Contact: Sue Prichard
Phone no: 02 8280 5637
Our ref: [R008-1981756498-881](#)

29 October 2025

Dear Mayor

Report on the Conduct of the Audit
for the year ended 30 June 2025
Albury City Council

I have audited the general purpose financial statements (GPFS) of the Albury City Council (the Council) for the year ended 30 June 2025 as required by section 415 of the *Local Government Act 1993* (the Act).

I expressed an unmodified opinion on the Council's GPFS.

My audit procedures did not identify any instances of material non-compliance with the financial reporting requirements in Chapter 13, Part 3, Division 2 of the LG Act and the associated regulation or a material deficiency in the Council's accounting records or financial statements. The Council's:

- accounting records were maintained in a manner and form to allow the GPFS to be prepared and effectively audited
- staff provided all accounting records and information relevant to the audit.

This Report on the Conduct of the Audit (the Report) for the Council for the year ended 30 June 2025 is issued in accordance with section 417 of the Act. The Report:

- must address the specific matters outlined in the Local Government Code of Accounting Practice and Financial Reporting 2024–25
- may include statements, comments and recommendations that I consider to be appropriate based on the conduct of the audit of the GPFS.

This Report should be read in conjunction with my audit opinion on the GPFS issued under section 417(2) of the Act.

INCOME STATEMENT

Financial performance

	2025	2024	Variance
	\$m	\$m	%
Rates and annual charges revenue	85.1	80.4	5.8
Grants and contributions provided for operating purposes revenue	8.2	11.1	26.1
Grants and contributions provided for capital purposes revenue	30.9	22.7	36.1
Operating result from continuing operations	18.2	11.2	62.5
Net Operating result for the year before grants and contributions provided for capital purposes	(12.8)	(11.5)	11.3

Operating result from continuing operations

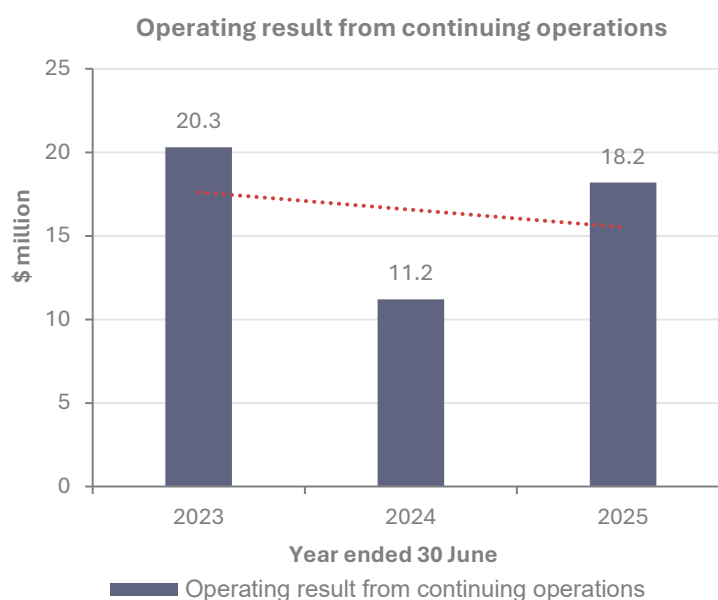
This graph shows the operating result from continuing operations for the current and prior two financial years.

Council's operating result from continuing operations for the year was \$7.0 million higher than the 2023–24 result.

In 2024–25:

- grants and contributions, rates and annual charges, user charges and fees revenue increased collectively by \$15.1 million
- employee benefits and on-costs expense (\$65.9 million) increased by \$9.8 million (17.5 per cent) due to increase in salary rates and headcount.

The net operating result for the year before grants and contributions provided for capital purposes was a loss of \$12.8 million. Refer to 'Grants and contributions revenue' below for details.



Income

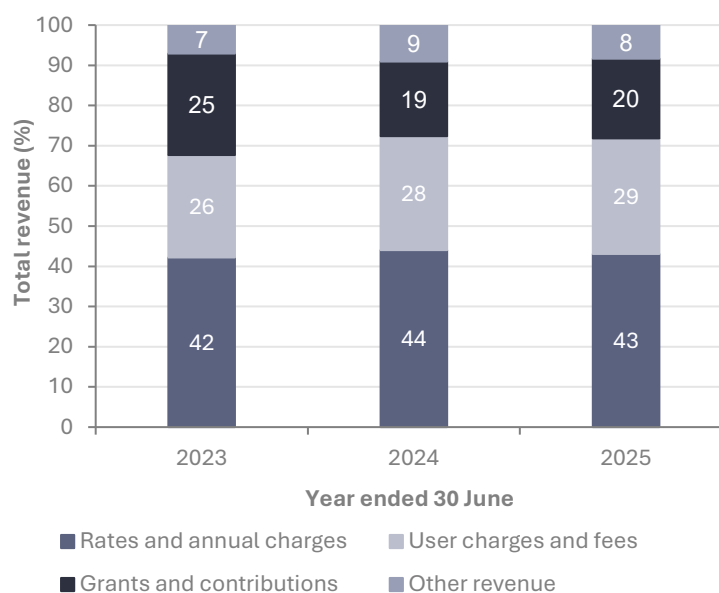
Council revenue

This graph shows the composition of Council's revenue recognised for the current and prior two financial years.

Council revenue (\$197.6 million) increased by \$15.0 million (8.2 per cent) in 2024–25 due to:

- rates and annual charges revenue (\$85.1 million) which increased by \$4.7 million (5.8 per cent) due to rate peg increase of 4.7 per cent, increase in rateable properties and annual charges
- user charges and fees revenue (\$56.9 million) which increased by \$5.1 million (9.8 per cent) mainly due to an increase in water supply services user charges of \$2.3 million and waste management services (non-domestic) of \$1.0 million
- grants and contribution revenue (\$39.1 million) increased by 5.3 million (15.6 per cent) due to special purpose capital grants and non-developer cash contributions.

Composition of Council Revenue



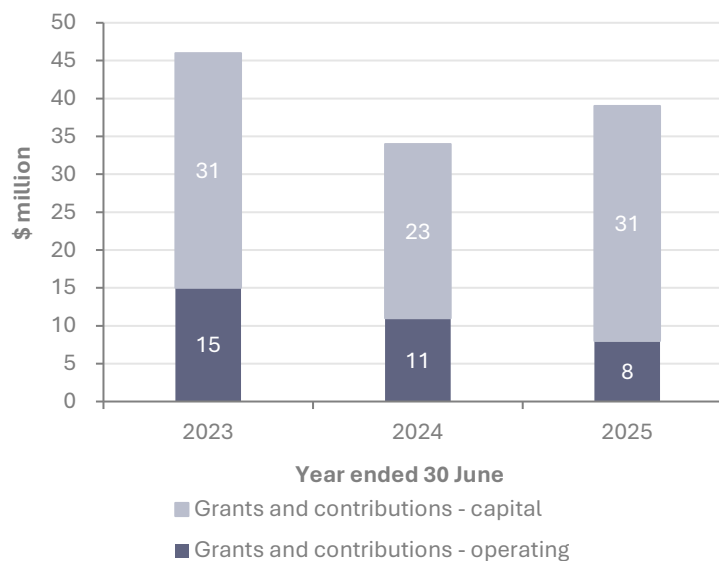
Grants and contributions revenue

This graph shows the amount of grants and contributions revenue recognised for the current and prior two financial years.

Grants and contributions revenue (\$39.1 million) increased by \$5.3 million (15.6 per cent) in 2024–25 due to:

- increase of \$8.2 million of capital grants recognised for recreation and culture (\$5.2 million), airport (\$1.2 million), NEXUS industrial precinct (\$1.0 million), and waste management (\$0.6 million)
- decrease of \$1.3 million of special purpose operating grants and non-developer cash contributions recognised for roads
- decrease of \$1.7 million of financial assistance grants for 2025–26 in advance (85 per cent for 2024–25).

Grants and contributions revenue



CASH FLOWS

Statement of cash flows

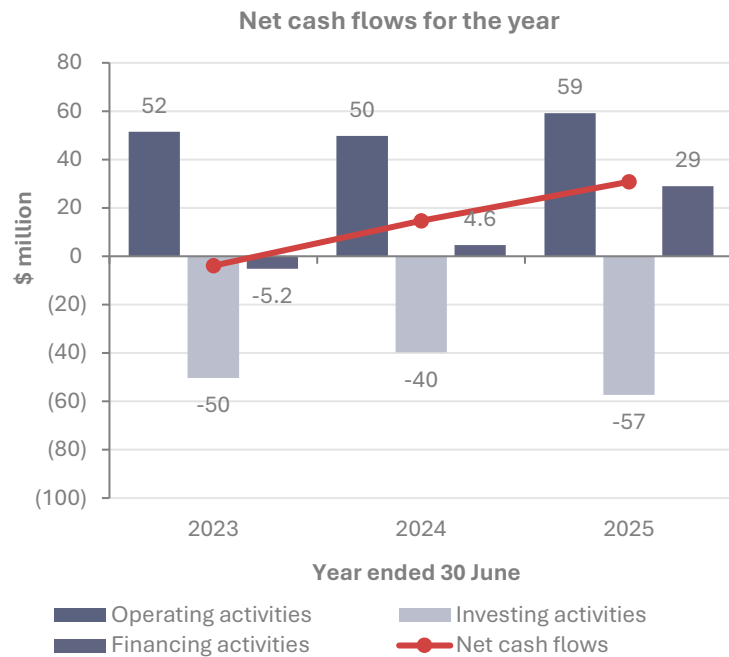
The Statement of Cash Flows details the Council's inflows and outflows of cash over a specific period. It helps in assessing the Council's ability to generate cash to fund its operations, pay off debts, and support future projects. It also aids in identifying any pressures or issues in the Council operating in a financially sustainable manner.

This graph shows the net cash flows for the current and prior two financial years.

The net cash flows for the year were positive \$30.9 million (positive \$14.7 million in 2023–24).

In 2024–25:

- the net cashflows from operating activities increased by \$9.4 million, mainly due to increase in user charges and fees receipts (\$7.4 million)
- the net cashflows used in investing activities decreased by \$17.6 million, mainly due to decrease in payments for IPPE of \$14.0 million
- the net cashflows from financing activities increased by \$24.4 million, mainly due to increase in proceeds from borrowings of \$25.0 million.



FINANCIAL POSITION

Cash, cash equivalents and investments

This section of the Report provides details of the amount of cash, cash equivalents and investments recorded by the Council at 30 June 2025.

Externally restricted funds are the cash, cash equivalents and investments that can only be used for specific purposes due to legal or contractual restrictions.

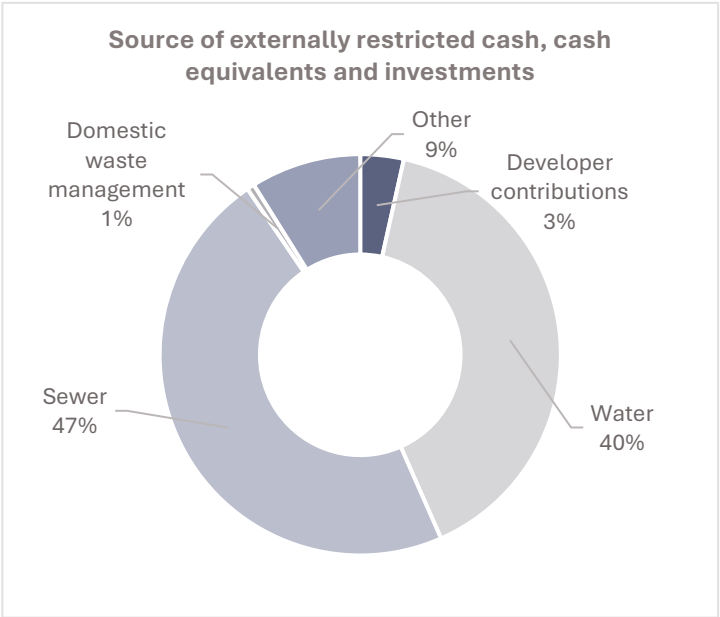
Cash, cash equivalents, and investments without external restrictions can be allocated internally by the elected Council's resolution or policy. These allocations are matters of Council policy and can be changed or removed by a Council resolution.

Cash, cash equivalents and investments	2025		2024		Commentary
	\$m	%	\$m	%	
Total cash, cash equivalents and investments	230.7		215.9		Externally restricted balances are those which are only available for specific use due to a restriction placed by legislation or third-party contract. A breakdown of the sources of externally restricted balances is included in the graph below. Internal allocations are determined by council policies or decisions, which are subject to change. - There was a \$3.7 million increase in the external restrictions, due to \$9.3 million increase in water supply and \$2.1 million increase in developer contributions (general) partially set off by \$7.9 million decrease in sewer fund. - There was a \$2.3 million decrease in the internal allocations, mainly due to \$2.6 million decrease in financial assistance grants received in advance.
Restricted and allocated cash, cash equivalents and investments:					
• External restrictions	189.0	81.9	185.4	85.9	
• Internal allocations	24.9	10.8	27.2	12.6	

This graph shows the sources of externally restricted cash, cash equivalents and investments.

In 2024–25 the Council’s main sources of externally restricted cash, cash equivalents and investments include:

- developer contributions of \$6.6 million which increased by \$2.1 million, mainly due to increase in developer contributions received
- water supply reserve of \$75.5 million which increased by \$9.4 million, mainly due to increase in water supply revenue
- sewer charges reserve of \$89.1 million which decreased by \$7.9 million, mainly due to asset acquisition of \$18.3 million.



Other externally restricted cash, cash equivalents comprise domestic waste management charges (\$1.1 million), which has remained largely consistent with last year.

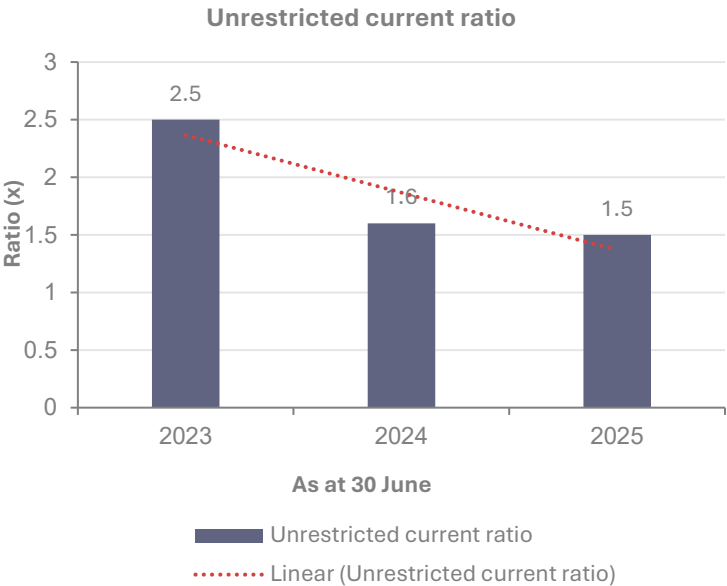
Council liquidity

This graph shows the Council's unrestricted current ratio for the current and prior two financial years.

The unrestricted current ratio is specific to local government and represents council's ability to meet its short-term obligations as they fall due. It measures the ratio of unrestricted current assets to current liabilities less specific purpose liabilities.

In 2023–24, the average unrestricted current ratio was an average of 3.1x for regional councils.

Council's current assets fell by \$9.1 million, mainly as a result of reclassifying real estate inventories from current to non-current assets for 2024–25.

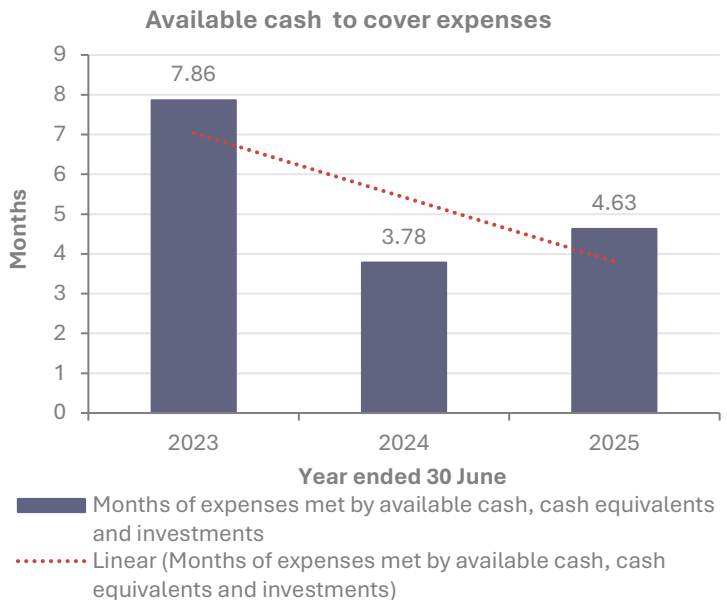


This graph shows the number of months of general fund expenses (excluding depreciation and borrowing costs), Council can fund from its available cash, cash equivalents and investments (not subject to external restrictions).

Further details on cash, cash equivalents and investments including the sources of external restrictions are included in the section above.

In 2023–24, the available cash to cover expenses was an average of 7 months for regional councils.

Council's available cash, cash equivalents and investments (not subject to external restrictions) increased by \$11.2 million in 2024–25.

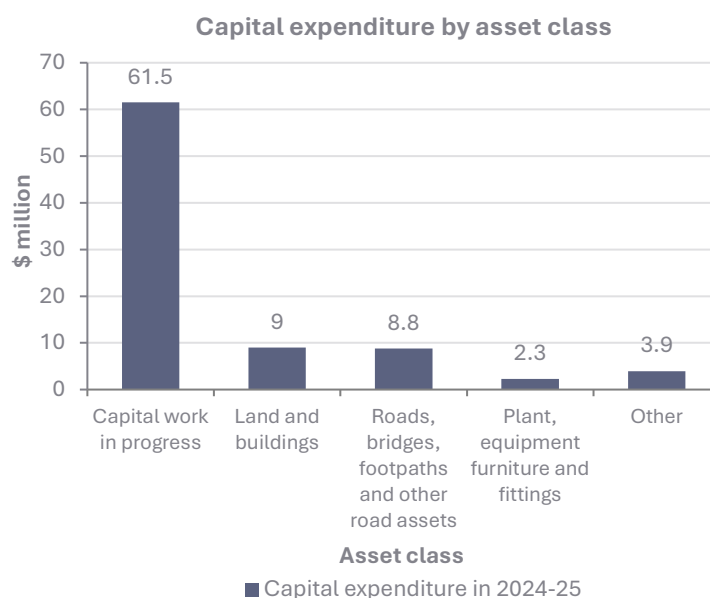


Infrastructure, property, plant and equipment

This graph shows how much the Council spent on renewing and purchasing assets in 2024–25.

Council renewed \$30.7 million of infrastructure, property, plant and equipment during the 2024–25 financial year. This was mainly spent on capital work in progress (\$22.9 million), roads, bridges and footpaths (\$4.2 million), and water supply network (\$1.6 million).

Council purchased \$54.8 million of new infrastructure, property, plant and equipment assets. This was mainly spent on capital works in progress (\$38.6 million), buildings (\$7.5 million), and roads, bridges and footpaths (\$4.6 million).



Debt

The table below provides an overview of the Council’s loans and committed borrowing facilities. Committed borrowing facilities are an element of liquidity management and include bank overdrafts, and credit cards.

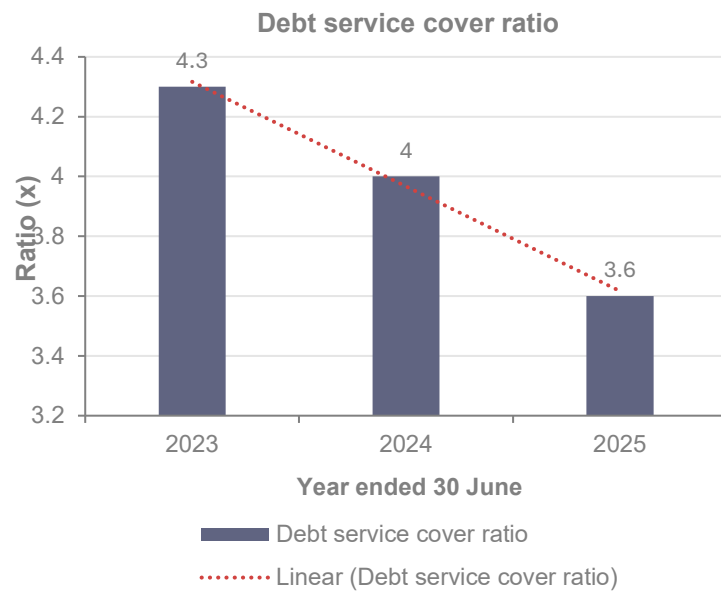
Debt	2025	2024	Commentary
	\$m	\$m	
Loans	93.3	64.0	Loans increased in 2025 due to a new \$35 million loan taken out, partly offset by the continuing scheduled repayments of \$5.7 million on existing loans.
Approved overdraft facility	1.0	1.0	Council did not draw on its overdraft facility in 2024–25.
Credit card facility	0.16	0.19	Council’s credit card facility usage remained relatively steady in 2024–25.
Amount used	0.09	0.06	

Debt service cover ratio

This graph shows the Council's debt service cover ratio for the current and prior two financial years.

The debt service cover ratio measures the operating cash to service debt including interest, principal and lease payments.

Ratio performance deteriorated compared to the prior year due to increase in repayments and interest on loans in 2024–25 compared to 2023–24.



Susan Prichard
Director, Financial Audit

Delegate of the Auditor-General