2024-25

Financial Statements

Randwick City Council
a sense of community

Randwick City Council

GENERAL PURPOSE FINANCIAL STATEMENTS

for the year ended 30 June 2025

Randwick City Council
a sense of community

Randwick City Council

General Purpose Financial Statements

for the year ended 30 June 2025

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Overview

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

30 Frances Street
Randwick NSW 2031

Council's guiding principles are detailed in Chapter 3 of the LGA and includes:

- principles applying to the exercise of functions generally by council,
- principles to be applied when making decisions,
- principles of community participation,
- principles of sound financial management, and
- principles for strategic planning relating to the development of an integrated planning and reporting framework.

A description of the nature of Council's operations and its principal activities are provided in B1-2.

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.randwick.nsw.gov.au .

Randwick City Council

General Purpose Financial Statements
for the year ended 30 June 2025

Understanding Council's Financial Statements

Introduction

Each year NSW local governments are required to present audited financial statements to their council and community.

What you will find in the Statements

The financial statements set out the financial performance, financial position and cash flows of Council for the financial year ended 30 June 2025.

The format of the financial statements is standard across all NSW Councils and complies with both the accounting and reporting requirements of Australian Accounting Standards and requirements as set down by the Office of Local Government.

About the Councillor/Management Statement

The financial statements must be certified by senior staff as ‘presenting fairly’ the Council’s financial results for the year and are required to be adopted by Council – ensuring both responsibility for and ownership of the financial statements.

About the Primary Financial Statements

The financial statements incorporate five "primary" financial statements:

1. The Income Statement
Summarises Council's financial performance for the year, listing all income and expenses. This statement also displays Council's original adopted budget to provide a comparison between what was projected and what actually occurred.

2. The Statement of Comprehensive Income
Primarily records changes in the fair value of Council's Infrastructure, property, plant and equipment.

3. The Statement of Financial Position
A 30 June snapshot of Council's financial position indicating its assets, liabilities and “net wealth”.

4. The Statement of Changes in Equity
The overall change for the year (in dollars) of Council's "net wealth".

5. The Statement of Cash Flows
Indicates where Council's cash came from and where it was spent. This statement also displays Council's original adopted budget to provide a comparison between what was projected and what actually occurred.

About the Notes to the Financial Statements

The Notes to the Financial Statements provide greater detail and additional information on the five primary financial statements.

About the Auditor's Reports

Council’s financial statements are required to be audited by the NSW Audit Office.

In NSW the auditor provides 2 audit reports:

1. an opinion on whether the financial statements present fairly the Council’s financial performance and position, and
2. their observations on the conduct of the audit, including commentary on the Council’s financial performance and financial position.

Who uses the Financial Statements?

The financial statements are publicly available documents and must be presented at a Council meeting between seven days and five weeks after the date of the audit report.

The public can make submissions to Council up to seven days subsequent to the public presentation of the financial statements.

Council is required to forward an audited set of financial statements to the Office of Local Government.

Randwick City Council

General Purpose Financial Statements
for the year ended 30 June 2025

Statement by Councillors and Management

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

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 Council's operating result and financial position for the year
- accord with 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 26 August 2025.

Dylan Parker
Mayor
26 August 2025

Marea Wilson
Councillor
26 August 2025

Ray Brownlee PSM
General Manager
26 August 2025

Stephen Wong
Responsible Accounting Officer
26 August 2025

Randwick City Council

Income Statement

for the year ended 30 June 2025

Original unaudited budget 2025	$ '000	Notes	Actual 2025	Actual 2024
	Revenue from continuing operations			
148,948	Rates and annual charges	B2-1	**148,922**	141,022
23,616	User charges and fees	B2-2	**27,770**	24,676
6,807	Other revenues	B2-3	**9,003**	9,804
7,185	Grants and contributions provided for operating purposes	B2-4	**9,397**	9,772
5,790	Grants and contributions provided for capital purposes	B2-4	**31,920**	27,872
5,175	Interest and investment income	B2-5	**8,898**	7,609
5,704	Other income	B2-6	**6,198**	5,555
203,225	**Total Revenue from continuing operations**		**242,108**	226,310
	Expenses from continuing operations			
88,817	Employee benefits and on-costs	B3-1	**87,671**	78,768
71,085	Materials and services	B3-2	**81,899**	79,159
547	Borrowing costs	B3-3	**545**	615
5,807	Other expenses	B3-5	**4,977**	5,324
–	Net loss from the disposal of assets	B4-1	**4,124**	5,988
166,256	**Total expenses from continuing operations excluding depreciation, amortisation and impairment of non-financial assets**		**179,216**	169,854
36,969	**Operating result from continuing operations excluding depreciation, amortisation and impairment of non-financial assets**		**62,892**	56,456
27,351	Depreciation, amortisation and impairment of non-financial assets	B3-4	**28,379**	27,353
9,618	**Operating result from continuing operations**		**34,513**	29,103
9,618	Net operating result for the year attributable to Council		**34,513**	29,103
3,828	**Net operating result for the year before grants and contributions provided for capital purposes**		**2,593**	1,231

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

Randwick City Council

Statement of Comprehensive Income

for the year ended 30 June 2025

$ '000	Notes	2025	2024
Net operating result for the year – from Income Statement		**34,513**	29,103
Other comprehensive income:			
Amounts which will not be reclassified subsequent to operating result			
Gain (loss) on revaluation of infrastructure, property, plant and equipment	C1-6	**38,164**	38,871
Total items which will not be reclassified subsequent to operating result		**38,164**	38,871
Total other comprehensive income for the year		**38,164**	38,871
Total comprehensive income for the year attributable to Council		**72,677**	67,974

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

Randwick City Council

Statement of Financial Position

as at 30 June 2025

$ '000	Notes	2025	2024
ASSETS			
Current assets			
Cash and cash equivalents	C1-1	**6,099**	10,260
Investments	C1-2	**158,406**	127,731
Receivables	C1-4	**9,787**	11,819
Other	C1-7	**1,592**	1,412
Inventories	C1-5	**543**	596
Total current assets		**176,427**	151,818
Non-current assets			
Investments	C1-2	**24,000**	16,000
Receivables	C1-4	**566**	653
Infrastructure, property, plant and equipment (IPPE)	C1-6	**2,070,369**	2,032,839
Right of use assets		**220**	224
Total non-current assets		**2,095,155**	2,049,716
Total assets		**2,271,582**	2,201,534
LIABILITIES			
Current liabilities			
Payables	C3-1	**20,920**	24,152
Income received in advance	C3-1	**3,733**	3,005
Contract liabilities	C3-2	**6,772**	3,716
Lease liabilities		**3**	3
Borrowings	C3-3	**3,270**	3,199
Employee benefit provisions	C3-4	**24,248**	23,434
Total current liabilities		**58,946**	57,509
Non-current liabilities			
Income received in advance	C3-1	**19,006**	19,835
Lease liabilities		**230**	234
Borrowings	C3-3	**19,336**	22,606
Employee benefit provisions	C3-4	**819**	782
Total non-current liabilities		**39,391**	43,457
Total liabilities		**98,337**	100,966
Net assets		**2,173,245**	2,100,568
EQUITY			
Accumulated surplus		**957,722**	923,209
IPPE revaluation surplus	C4-1	**1,215,523**	1,177,359
Total equity		**2,173,245**	2,100,568

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

Randwick City Council

Statement of Changes in Equity

for the year ended 30 June 2025

$ '000	Notes	2025 Accumulated surplus	2025 IPPE revaluation surplus	2025 Total equity	2024 Accumulated surplus	2024 IPPE revaluation surplus	2024 Total equity
Opening balance at 1 July		**923,209**	**1,177,359**	**2,100,568**	894,106	1,138,488	2,032,594
Restated opening balance		**923,209**	**1,177,359**	**2,100,568**	894,106	1,138,488	2,032,594
Net operating result for the year		**34,513**	**–**	**34,513**	29,103	–	29,103
Other comprehensive income							
Gain (loss) on revaluation of infrastructure, property, plant and equipment	C1-6	**–**	**38,164**	**38,164**	–	38,871	38,871
Other comprehensive income		**–**	**38,164**	**38,164**	–	38,871	38,871
Total comprehensive income		**34,513**	**38,164**	**72,677**	29,103	38,871	67,974
Closing balance at 30 June		**957,722**	**1,215,523**	**2,173,245**	923,209	1,177,359	2,100,568

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

Randwick City Council

Statement of Cash Flows

for the year ended 30 June 2025

Original unaudited budget 2025	$ '000	Notes	Actual 2025	Actual 2024
	Cash flows from operating activities			
	Receipts:			
148,457	Rates and annual charges		**149,171**	141,271
25,431	User charges and fees		**29,809**	27,225
5,206	Interest received		**8,319**	7,289
12,963	Grants and contributions		**44,213**	27,553
316	Bonds, deposits and retentions received		**2,920**	3,269
–	Rental Income		**5,803**	5,171
–	GST gross up		**8,906**	11,081
13,438	Other		**10,854**	8,387
	Payments:			
(87,183)	Payments to employees		**(85,723)**	(76,601)
(68,001)	Payments for materials and services		**(93,053)**	(84,796)
(547)	Borrowing costs		**(545)**	(615)
–	Bonds, deposits and retentions refunded		**(2,604)**	(2,808)
(5,951)	Other		**(9,058)**	(9,500)
44,129	**Net cash flows from operating activities**	F1-1	**69,012**	56,926
	Cash flows from investing activities			
	Receipts:			
70,790	Sale of investments		**111,863**	82,500
1,138	Proceeds from sale of IPPE		**1,437**	972
	Payments:			
(69,250)	Purchase of investments		**(150,143)**	(82,832)
(42,153)	Payments for IPPE		**(33,131)**	(52,184)
(39,475)	**Net cash flows from investing activities**		**(69,974)**	(51,544)
	Cash flows from financing activities			
	Payments:			
(3,803)	Repayment of borrowings		**(3,199)**	(3,129)
(3,803)	**Net cash flows from financing activities**		**(3,199)**	(3,129)
851	**Net change in cash and cash equivalents**		**(4,161)**	2,253
2,540	Cash and cash equivalents at beginning of year		**10,260**	8,007
3,391	Cash and cash equivalents at end of year	C1-1	**6,099**	10,260
–	Investments on hand at end of year	C1-2	**182,406**	143,731
3,391	Total cash, cash equivalents and investments		**188,505**	153,991

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

Randwick 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 Council on 26 August 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. 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 infrastructure, property, plant and equipment and investment property.

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 infrastructure, property, plant and equipment – refer Note C1-6
(ii) employee benefit provisions – refer Note C3-4.

Significant judgements in applying the Council's accounting policies

(i) Impairment of receivables

Council has made a significant judgement about the impairment of a number of its receivables – refer Note C1-4.

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 property received by Council is held in the Council's Consolidated Fund unless it is required to be held in the Council's Trust Fund.

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

- General purpose operations

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 property received by Council in trust which must be applied only for the purposes of, or in accordance with, the trusts relating to those monies.

No trust funds are currently held by the Council.

Volunteer services

Council does not have material dependence on volunteer services. Volunteers are utilised in Library Serivces, Aquatic Services, Cultural Events & Sustainability. These services are not recognised due to their nature as a large percentage of services would not go ahead should there not be volunteers to undertake the roles and their non-material value.

continued on next page ...

A1-1 Basis of preparation (continued)

New accounting standards and interpretations issued but not yet effective

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 accounting standards and interpretations (as issued by the Australian Accounting Standards Board) which were mandatorily effective from the first time at 30 June 2025.

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.***

There is no significant impact on the Councils' reported financial position, financial performance and/or associated financial statement disclosures.

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	
$ '000	**2025**	2024	**2025**	2024	**2025**	2024	**2025**	2024	**2025**	2024
Functions or activities										
Strategic Planning	**27,299**	13,101	**2,147**	1,924	**25,152**	11,177	**26,793**	12,606	**4,359**	4,345
Development Assessment	**2,679**	2,023	**5,713**	5,304	**(3,034)**	(3,281)	**66**	–	**4,359**	4,345
Community Development	**1,719**	1,686	**4,715**	4,159	**(2,996)**	(2,473)	**993**	1,041	**11,402**	11,366
Economic Development and Placemaking	**1,395**	574	**6,836**	5,680	**(5,441)**	(5,106)	**761**	11	**43,369**	43,200
Environmental Sustainability	**240**	585	**2,288**	2,613	**(2,048)**	(2,028)	**198**	527	**91,575**	90,096
Health, Building & Regulatory Services	**2,801**	2,421	**5,271**	4,473	**(2,470)**	(2,052)	**–**	–	**38,120**	38,000
Library Services	**626**	600	**6,109**	5,587	**(5,483)**	(4,987)	**464**	447	**28,395**	28,064
Recreation Business Services	**10,564**	10,498	**9,675**	9,034	**889**	1,464	**–**	–	**49,066**	48,914
Waste, Cleansing and Public Safety	**45,501**	43,135	**51,969**	49,637	**(6,468)**	(6,502)	**266**	–	**259,789**	255,543
Ranger Services	**6,804**	7,287	**4,158**	4,038	**2,646**	3,249	**–**	–	**–**	–
Integrated Transport	**4,605**	2,902	**2,115**	2,088	**2,490**	814	**85**	73	**183,080**	182,501
Infrastructure Services	**11,920**	15,666	**35,069**	34,528	**(23,149)**	(18,862)	**7,563**	11,742	**1,255,902**	1,232,155
Technical Services	**1,161**	1,006	**27,961**	27,218	**(26,800)**	(26,212)	**1,004**	942	**11,488**	11,472
Customer Service & Governance Management	**5,570**	5,451	**14,942**	13,862	**(9,372)**	(8,411)	**6**	3	**25,426**	20,318
People Management	**76**	116	**3,107**	2,819	**(3,031)**	(2,703)	**76**	116	**4,370**	4,356
Finance	**118,791**	118,964	**9,642**	9,224	**109,149**	109,740	**2,888**	10,007	**205,364**	172,818
Information Management and Technology Services	**338**	293	**13,064**	12,640	**(12,726)**	(12,347)	**147**	129	**45,585**	44,135
Communications	**19**	2	**1,942**	1,859	**(1,923)**	(1,857)	**7**	–	**4,361**	4,347
Change and Performance Service	**–**	–	**872**	520	**(872)**	(520)	**–**	–	**5,572**	5,559
Total functions and activities	**242,108**	226,310	**207,595**	197,207	**34,513**	29,103	**41,317**	37,644	**2,271,582**	2,201,534

B1-2 Components of functions or activities

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

Strategic Planning
- Strategic land use planning
- Creation of land use and development controls
- Implementation of land use and development controls

Development Assessment
- Assessment of Development Applications
- Assessment of other Development Related Applications

Community Development
- Community capacity building
- Community support

Economic Development and Placemaking
- Economic Development
- Placemaking

Environmental Sustainability
- Environmental Sustainability

Health, Building & Regulatory Services
- Regulation and Compliance
- Approvals & Certification
- Prevention of crime and anti-social behaviour

Library Services
- Information services
- Library spaces

Recreation Business Services
- Leisure Centre Facilities Management
- Leisure Centre Programs and Service

Waste, Cleansing and Public Safety
- Waste and Recycling Services
- Public Place Cleansing
- Plant & Fleet Management
- Public Safety - Lifeguard

Ranger Services
- Public Safety - Ranger

Integrated Transport
- Transport Planning & Facilities

Infrastructure Services
- Asset construction
- Asset Maintenance
- Emergency Management
- Tree & Plant Management

Technical Services
- Asset Lifecycle Planning
- Asset Management & Control
- Floodplain Management

Customer Service & Governance Management
- Property and Land Management
- Customer Service Management
- Procurement Management
- Governance Management
- Enterprise Risk Management

People Management
- Workforce Management

Finance
- Accounting
- Financial Management and Control

Information Management and Technology Services
- Information Management
- Technology Management

Communications
- Community engagement

Change and Performance Service
- Performance Management
- Change Management
- Internal Audit

B2 Sources of income

B2-1 Rates and annual charges

$ '000	2025	2024
Ordinary rates		
Residential	**78,135**	74,364
Business	**22,081**	20,908
Less: pensioner rebates (mandatory)	**(628)**	(640)
Rates levied to ratepayers	**99,588**	94,632
Pensioner rate subsidies received	**345**	352
Total ordinary rates	**99,933**	94,984
Special rates		
Environmental	**6,466**	5,312
Less: pensioner rebates (Council policy)	**(96)**	(98)
Rates levied to ratepayers	**6,370**	5,214
Total special rates	**6,370**	5,214
Annual charges (pursuant to s496, 496A, 496B, 501 & 611)		
Domestic waste management services	**41,651**	39,956
Stormwater management services	**1,144**	1,141
Section 611 charges	**247**	160
Less: pensioner rebates (mandatory)	**(303)**	(311)
Less: pensioner rebates (Council policy)	**(287)**	(293)
Annual charges levied	**42,452**	40,653
Pensioner annual charges subsidies received:		
– Domestic waste management	**167**	171
Total annual charges	**42,619**	40,824
Total rates and annual charges	**148,922**	141,022

Council has used 2022 year valuations provided by the NSW Valuer General in calculating its rates.

Material accounting policy information

Rates and annual charges are recognised as revenue at 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 that are not subsidised by the NSW Government.

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

$ '000	Timing	2025	2024
Specific user charges (per s502 - specific 'actual use' charges)			
Waste management services (non-domestic)	2	**1,719**	1,598
Total specific user charges		**1,719**	1,598
Other user charges and fees			
(i) Fees and charges – statutory and regulatory functions (per s608)			
Planning and building regulation	2	**2,254**	1,943
Regulatory/ statutory fees	2	**3,276**	2,722
Alignment fees	2	**81**	78
Construction zones	2	**2,979**	1,501
Other	2	**79**	51
Total fees and charges – statutory/regulatory		**8,669**	6,295
(ii) Fees and charges – other (incl. general user charges (per s608))			
Leaseback fees – Council vehicles	2	**494**	488
Bus shelter advertising fees	2	**348**	398
Cemetery fees	2	**31**	29
Child care centre fees	2	**587**	485
Community facilities and park hire	2	**2,616**	1,903
Enquiries	2	**89**	85
Filming permits	2	**137**	148
Home maintenance services	2	**49**	47
Leisure centre fees	1	**8,989**	9,039
Library	2	**12**	12
Microfilm prints & Photocopying	2	**265**	233
Parking meters	2	**1,180**	1,072
Parking schemes and traffic management	2	**194**	162
Road and other infrastructure reinstatements	2	**1,774**	1,617
Sale of recycled materials	2	**39**	54
Shrub and tree sales	2	**205**	261
Other	2	**373**	750
Total fees and charges – other		**17,382**	16,783
Total other user charges and fees		**26,051**	23,078
Total user charges and fees		**27,770**	24,676
Timing of revenue recognition for user charges and fees			
User charges and fees recognised at a point in time (2)		**18,781**	15,637
User charges and fees recognised over time (1)		**8,989**	9,039
Total user charges and fees		**27,770**	24,676

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B2-2 User charges and fees (continued)

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 14 days of the provision of the service or in some cases such as facility hire, casual gym or swim activities, 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

$ '000	Timing	2025	2024
Fines – parking	2	**6,596**	6,990
Fines – other	2	**279**	377
Legal fees recovery – rates and charges	2	**146**	244
Legal fees recovery – other	2	**134**	105
Diesel rebate	2	**104**	361
Insurance claims recoveries	2	**15**	267
Other	2	**434**	232
Aquatic centre kiosk and merchandise sales	2	**1,295**	1,228
Total other revenue		**9,003**	9,804

Timing of revenue recognition for other revenue

Other revenue recognised over time (1)	**–**	–
Other revenue recognised at a point in time (2)	**9,003**	9,804
Total other revenue	**9,003**	9,804

Material accounting policy information for other revenue

Where the revenue is earned for the provision of specified goods / services under an enforceable contract, revenue is recognised when or as the obligations are satisfied.

Statutory fees and fines are recognised as revenue when the service has been provided, the payment is received or when the penalty has been applied, whichever occurs first.

Other revenue 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

$ '000	Timing	**Operating 2025**	Operating 2024	**Capital 2025**	Capital 2024
General purpose grants and non-developer contributions (untied)					
General purpose (untied)					
Current year allocation					
Financial assistance – general component	2	**585**	36	**–**	–
Financial assistance – local roads component	2	**180**	–	**–**	–
Payment in advance - future year allocation					
Financial assistance	2	**2,538**	4,088	**–**	–
Amount recognised as income during current year		**3,303**	4,124	**–**	–
Special purpose grants and non-developer contributions (tied)					
Cash contributions					
Child care	2	**476**	513	**–**	–
Community centres	2	**–**	–	**–**	1,360
Environmental programs	2	**253**	448	**–**	–
Economic development	2	**555**	–	**–**	–
Food Organics & Garden Organics (FOGO)	2	**224**	–	**–**	–
Community services	2	**408**	474	**–**	–
Parks and beaches	1	**–**	–	**279**	–
Library	2	**464**	447	**–**	–
Street lighting	2	**436**	422	**–**	–
Transport (roads to recovery)	2	**770**	798	**–**	–
Transport (other roads and bridges funding)	1	**92**	–	**625**	2,329
Local Roads and Community Infrastructure Program	1	**–**	–	**3,757**	365
Greening Our City Tree Planting	2	**188**	941	**–**	–
At the Heart of the Village - Clovelly & Carrington Rd Plaza	1	**–**	–	**–**	1,928
At the Heart of the Village - Waratah Ave	1	**–**	–	**–**	1,942
Regional and Local Roads Repair Program	1	**–**	–	**–**	937
Other specific grants	2	**481**	22	**22**	179
Driveways	2	**568**	427	**–**	88
Ex gratia rates	2	**23**	23	**–**	–
Tree amenity income	2	**162**	114	**–**	–
Transport for NSW contributions (regional roads, block grant)	2	**357**	436	**283**	278
Paid parental leave scheme	2	**76**	116	**–**	–
Interest free loan for IT devices	2	**112**	129	**–**	–
Other contributions	2	**449**	338	**–**	–
Total special purpose grants and non-developer contributions – cash		**6,094**	5,648	**4,966**	9,406
Non-cash contributions					
Crown land transfer to Council control	2	**–**	–	**172**	–
Land	2	**–**	–	**–**	1,997
Drainage	2	**–**	–	**–**	253
Property	2	**–**	–	**–**	833
Roads	2	**–**	–	**–**	1,105
Parks	2	**–**	–	**–**	1,672
Total other contributions – non-cash		**–**	–	**172**	5,860
Total special purpose grants and non-developer contributions (tied)		**6,094**	5,648	**5,138**	15,266
Total grants and non-developer contributions		**9,397**	9,772	**5,138**	15,266

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B2-4 Grants and contributions (continued)

$ '000	Timing	Operating 2025	Operating 2024	Capital 2025	Capital 2024
Comprising:					
– Commonwealth funding		**4,827**	5,635	**3,757**	365
– State funding		**3,092**	3,057	**1,350**	8,953
– Other funding		**1,478**	1,080	**31**	5,948
		9,397	9,772	**5,138**	15,266

The timing column notation (above) identifies the revenue recognition pattern for material items of Council's revenue:

(1) indicates income recognised under AASB 15 or AASB 1058 “over time”,
(2) indicates income recognised under AASB 15 or AASB 1058 “at a point in time”.

Developer contributions

$ '000	Notes	Timing	Operating 2025	Operating 2024	Capital 2025	Capital 2024
Developer contributions: (s7.4 & s7.11 - EP&A Act, s64 of the LGA):	F3					
Cash contributions						
s7.4 – Voluntary Planning Agreements - K2K Affordable Housing		2	**–**	–	**15,945**	6,367
s7.12 – Fixed development consent levies - General		2	**–**	–	**7,092**	4,357
s7.12 - Fixed development consent levies - K2K Infrastructure		2	**–**	–	**3,745**	1,882
Total developer contributions – cash			**–**	–	**26,782**	12,606
Total developer contributions			**–**	–	**26,782**	12,606
Total contributions			**–**	–	**26,782**	12,606
Total grants and contributions			**9,397**	9,772	**31,920**	27,872
Timing of revenue recognition						
Grants and contributions recognised over time (1)			**92**	–	**4,833**	4,807
Grants and contributions recognised at a point in time (2)			**9,305**	9,772	**27,087**	23,065
Total grants and contributions			**9,397**	9,772	**31,920**	27,872

The timing column notation (above) identifies the revenue recognition pattern for material items of Council's revenue:

(1) indicates income recognised under AASB 15 or AASB 1058 “over time”,
(2) indicates income recognised under AASB 15 or AASB 1058 “at a point in time”.

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:

$ '000	Operating 2025	Operating 2024	Capital 2025	Capital 2024
Unspent grants and contributions				
Unspent funds at 1 July	**2,643**	5,116	**560**	489
	913	532	**5**	102

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B2-4 Grants and contributions (continued)

$ '000	Operating 2025	Operating 2024	Capital 2025	Capital 2024
Add: funds recognised as revenue in the current period but not yet spent	**913**	532	**5**	102
Less: funds recognised in a previous reporting period now spent	**(2,110)**	(3,005)	**(189)**	(31)
Unspent funds at 30 June	**1,446**	2,643	**376**	560
Contributions				
Unspent funds at 1 July	**–**	–	**23,903**	20,008
Add: contributions recognised as revenue in the reporting year but not yet spent in accordance with the conditions	**–**	–	**26,828**	12,651
Less: contributions recognised as revenue in previous years that have been spent during the reporting year	**–**	–	**(4,279)**	(8,756)
Unspent contributions at 30 June	**–**	–	**46,452**	23,903

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 agreements. 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 (e.g. provision of community health services through the year).

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

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 sections 7.4, 7.11 and 7.12 of the *Environmental Planning and Assessment Act 1979* (EP&A Act).

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.

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B2-4 Grants and contributions (continued)

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

$ '000	2025	2024
Interest on financial assets		
– Overdue rates and annual charges (incl. special purpose rates)	**368**	318
– Cash and investments	**8,530**	7,291
Total interest and investment income (losses)	**8,898**	7,609

B2-6 Other income

$ '000	Notes	2025	2024
Reversal of impairment losses on receivables			
Other		**–**	49
Total reversal of impairment losses on receivables	C1-4	**–**	49
Fair value increment on investments			
Fair value increment on investments through profit and loss		**395**	335
Total fair value increment on investments		**395**	335
Rental income			
Lease Income		**5,803**	5,171
Total rental income	C2-1	**5,803**	5,171
Total other income		**6,198**	5,555

B3 Costs of providing services

B3-1 Employee benefits and on-costs

$ '000	2025	2024
Salaries and wages	**68,499**	61,225
Travel expenses	**104**	89
Employee leave entitlements (ELE)	**8,081**	8,208
Superannuation – defined contribution plans	**7,547**	6,434
Superannuation – defined benefit plans	**588**	818
Workers' compensation insurance	**1,123**	1,331
Fringe benefits tax (FBT)	**488**	257
Training costs (other than salaries and wages)	**1,026**	763
Other	**1,679**	654
Total employee costs	**89,135**	79,779
Less: capitalised costs	**(1,464)**	(1,011)
Total employee costs expensed	**87,671**	78,768

Material accounting policy information

Superannuation plans
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 D3-1 for more information.

B3-2 Materials and services

$ '000	Notes	2025	2024
Raw materials and consumables		**6,281**	7,375
Contractor and consultancy costs			
– Garbage and recycling contracts		**18,229**	17,708
– Other contractor and consultancy costs		**38,954**	36,800
Audit Fees	E2-1	**161**	180
Infringement notice contract costs (SEINS)		**939**	1,001
Councillor and Mayoral fees and associated expenses	E1-2	**827**	784
Election expenses		**910**	–
Electricity and heating		**1,299**	1,671
Insurance		**3,511**	3,461
Street lighting		**1,925**	2,003
Subscriptions and publications		**922**	737
Telephone and communications		**1,414**	1,442
Valuation fees		**196**	185
Animal pest control		**87**	145
Bank charges, investment charges and payments to council collection		**540**	491
Community events and functions		**2,329**	1,916
Other expenses		**596**	793
Vehicle registration fees		**262**	238
Water and sewerage		**859**	700
Legal expenses:			
– Legal expenses: planning and development		**937**	833
– Legal expenses: other		**721**	696
Total materials and services		**81,899**	79,159

B3-3 Borrowing costs

$ '000	2025	2024
(i) Interest bearing liability costs		
Interest on loans	**545**	615
Total borrowing costs expensed	**545**	615

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

$ '000	Notes	2025	2024
Depreciation and amortisation			
Plant and equipment		**3,029**	2,795
Office equipment		**1,589**	2,155
Furniture and fittings		**524**	504
Land improvements (depreciable)		**698**	626
Infrastructure:	C1-6		
– Buildings – non-specialised		**2,113**	2,126
– Buildings – specialised		**4,282**	3,951
– Roads		**8,272**	8,033
– Footpaths		**1,917**	1,768
– Stormwater drainage		**2,522**	2,378
– Swimming pools		**132**	126
– Other open space/recreational assets		**3,049**	2,656
Right of use assets		**3**	3
Other assets:			
– Library books		**249**	232
Total depreciation and amortisation costs		**28,379**	27,353
Total depreciation, amortisation and impairment for non-financial assets		**28,379**	27,353

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. Useful lives are included in C1-6 for IPPE assets.

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 no longer required to be tested for impairment under AASB 136. This is because 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.

Other 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). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

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

$ '000	Notes	2025	2024
Impairment of receivables			
Other		**4**	–
Total impairment of receivables	C1-4	**4**	–
Other			
Contributions/levies to other levels of government			
– Department of planning levy		**316**	306
– NSW State Emergency Service levy		**485**	711
– Fire and Rescue NSW levy		**3,197**	3,237
Donations, contributions and assistance to other organisations (Section 356)		**975**	1,070
Total other		**4,973**	5,324
Total other expenses		**4,977**	5,324

B4 Gains or losses

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

$ '000	Notes	2025	2024
Gain (or loss) on disposal of plant and equipment	C1-6		
Proceeds from disposal – plant and equipment		**1,437**	972
Less: carrying amount of plant and equipment assets sold/written off		**(879)**	(738)
Gain (or loss) on disposal		**558**	234
Gain (or loss) on disposal of infrastructure	C1-6		
Less: carrying amount of infrastructure assets sold/written off		**(4,682)**	(6,222)
Gain (or loss) on disposal		**(4,682)**	(6,222)
Gain (or loss) on disposal of investments	C1-2		
Proceeds from disposal/redemptions/maturities – investments		**111,863**	82,500
Less: carrying amount of investments sold/redeemed/matured		**(111,863)**	(82,500)
Gain (or loss) on disposal		**–**	–
Net gain (or loss) from disposal of assets		**(4,124)**	(5,988)

B5 Performance against budget

B5-1 Material budget variations

Council's original budget was adopted by the Council on 25 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	**148,948**	**148,922**	**(26)**	**0%**	**U**
User charges and fees	**23,616**	**27,770**	**4,154**	**18%**	**F**
The main contributors to the variation are: • Work Zones • Hoarding Fees • Road Restorations The variation between the revised budget and actuals is 8%.					
Other revenues	**6,807**	**9,003**	**2,196**	**32%**	**F**
The main contributors to the variation are: • Parking Fines • Legal Fees Recovery - Rates • Des Renford Leisure Centre Merchandise & Kiosk sales The variation between the revised budget and actuals is 14%.					
Operating grants and contributions	**7,185**	**9,397**	**2,212**	**31%**	**F**
The main contributors to the variation are: • Financial Assistance Grants 2025-26 pre-payment received at 50% • Permit Plug and Play Grant • Coastal Pollution Incident Contribution • Greening Our City Grant • CreateNSW Grant • Organics Waste Program Grant The variation between the revised budget and actuals is 1%.					
Capital grants and contributions	**5,790**	**31,920**	**26,130**	**451%**	**F**
The main contributors to the variation are: • s7.12 Developer Contributions • s7.12 K2K Kensington Contributions • Kensington Community Infrastructure Contribution • s7.23 Affordable Housing K2K Kensington • s7.23 Afforrdable Housing K2K Kingsford • Organics Waste Program Grant The variation between the revised budget and actuals is 21%.					
Interest and investment revenue	**5,175**	**8,898**	**3,723**	**72%**	**F**
Interest revenue higher than originally budgeted due to the timing of capital projects, higher portfolio balance and smaller interest rate cuts in the 2024/25 financial year than anticipated. The variation between the revised budget and actuals is 16%.					
Other income	**5,704**	**6,198**	**494**	**9%**	**F**

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B5-1 Material budget variations (continued)

$ '000	2025 Budget	2025 Actual	2025 -------- Variance --------		
Expenses					
Employee benefits and on-costs	**88,817**	**87,671**	**1,146**	**1%**	**F**
Materials and services	**71,085**	**81,899**	**(10,814)**	**(15)%**	**U**
The main contributors to the variation are: • Higher volume of reactive works by Facilities Management, Parks Maintenance, Horticultural Maintenance, Footpath and Roads Maintenance. • Waste disposal costs increase due to new contamination standards. • Legal expenses for Development Assessment. The variation between the revised budget and actuals is 3%.					
Borrowing costs	**547**	**545**	**2**	**0%**	**F**
Depreciation, amortisation and impairment of non-financial assets	**27,351**	**28,379**	**(1,028)**	**(4)%**	**U**
Other expenses	**5,807**	**4,977**	**830**	**14%**	**F**
The main contributor to the variation is due to the Fire & Emergency Services Levy for 2024/25 financial year being less than originally budgeted.					
Net losses from disposal of assets	**–**	**4,124**	**(4,124)**	**∞**	**U**
This includes the written down value of fleet assets sold, and the movement in residual value of infrastructure assets renewed. The variation between the revised budget and actuals is 18%.					
Statement of cash flows					
Cash flows from operating activities	**44,129**	**69,012**	**24,883**	**56%**	**F**
The main contributor to the variation is due to additional grants and contributions income.					
Cash flows from investing activities	**(39,475)**	**(69,974)**	**(30,499)**	**77%**	**U**
Council invested more than budgeted as a result of cashflow management and the timing of capital projects payments.					
Cash flows from financing activities	**(3,803)**	**(3,199)**	**604**	**(16)%**	**F**
Budget in excess of loan repayments.					

C Financial position

C1 Assets we manage

C1-1 Cash and cash equivalents

$ '000	2025	2024
Cash assets		
Cash on hand and at bank	**310**	449
Cash equivalent assets		
– Deposits at call	**2,789**	9,811
– Short-term deposits	**3,000**	–
Total cash and cash equivalents	**6,099**	10,260

Reconciliation of cash and cash equivalents

Total cash and cash equivalents per Statement of Financial Position	**6,099**	10,260
Balance as per the Statement of Cash Flows	**6,099**	10,260

C1-2 Financial investments

$ '000	2025 Current	2025 Non-current	2024 Current	2024 Non-current
Financial assets at fair value through the profit and loss				
NCD's, FRN's (with maturities > 3 months)	**62,906**	**–**	40,231	–
Total	**62,906**	**–**	40,231	–
Debt securities at amortised cost				
Long term deposits	**95,500**	**24,000**	87,500	16,000
Total	**95,500**	**24,000**	87,500	16,000
Total financial investments	**158,406**	**24,000**	127,731	16,000
Total cash assets, cash equivalents and investments	**164,505**	**24,000**	137,991	16,000

Material accounting policy information

Financial instruments are recognised initially on the date that the Council becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets
All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification
On initial recognition, Council classifies its financial assets into the following categories – those measured at:
- amortised cost
- fair value through profit and loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition.

Amortised cost
Council's financial assets measured at amortised cost comprise trade and other receivables, term deposits and cash and cash equivalents in the Statement of Financial Position. Term deposits with an initial term of more than 3 months are classified as investments rather than cash and cash equivalents.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, impairment and gains or loss on de-recognition are recognised in profit or loss.

Financial assets through profit or loss
All financial assets not classified as measured at amortised cost or fair value through other comprehensive income as described above are measured at fair value through profit or loss.

Net gains or losses, including any interest or dividend income, are recognised in profit or loss.

Council's financial assets measured at fair value through profit or loss comprise investments in floating rate notes and bonds in the Statement of Financial Position.

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

$ '000	2025	2024

(a) Externally restricted cash, cash equivalents and investments

Total cash, cash equivalents and investments	**188,505**	153,991
Less: Externally restricted cash, cash equivalents and investments	**(67,043)**	(48,559)
Cash, cash equivalents and investments not subject to external restrictions	**121,462**	105,432

External restrictions

External restrictions included in cash, cash equivalents and investments above comprise:

Developer contributions – general	**46,452**	23,903
Specific purpose unexpended grants (recognised as revenue) – general fund	**1,822**	3,203
Stormwater management	**1,910**	1,950
Environmental levy	**3,149**	7,567
Domestic waste management	**13,710**	11,936
Total external restrictions	**67,043**	48,559

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.

$ '000	2025	2024

(b) Internal allocations

Cash, cash equivalents and investments not subject to external restrictions	**121,462**	105,432
Less: Internally restricted cash, cash equivalents and investments	**(110,526)**	(95,154)
Unrestricted and unallocated cash, cash equivalents and investments	**10,936**	10,278

Internal allocations

At 30 June, Council has internally allocated funds to the following:

Plant and vehicle replacement	**10,944**	10,235
Employees leave entitlement	**9,792**	9,292
Carry over works	**36,548**	30,208
Deposits, retentions and bonds	**3,266**	3,266
Affordable housing rental scheme	**1,069**	1,069
Building Levy	**708**	708
Community Connect	**20**	20
Community Creative	**52**	52
Community Partnerships	**17**	17
Des Renford Leisure Centre	**285**	285
Economic Development	**465**	465
Education & Training	**88**	88
Election of Councillors	**10**	710
Financial Assistance Grant advance payment	**2,539**	4,088
Information and communication technology	**9,909**	4,456
Infrastructure loan	**3,980**	4,414
Infrastructure reserve	**8,688**	6,373
Insurance claims / risk management	**2,414**	2,414
Kingsford & Kensington Town Centre's - Public Domain	**1,645**	1,645
La Perouse Museum	**774**	774

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C1-3 Restricted and allocated cash, cash equivalents and investments (continued)

$ '000	2025	2024
Light rail support plan	**89**	89
Lionel Bowen Library	**111**	111
Our Community Our Future	**14,608**	12,087
Prince Henry Centre	**62**	62
Property development	**1,404**	1,404
Randwick Environmental Park	**601**	764
Randwick Literary Institute	**35**	35
Strategic Planning	**23**	23
2025/26 One-off pensioner rebate	**380**	–
Total internal allocations	**110,526**	95,154

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

$ '000	2025	2024
(c) Unrestricted and unallocated		
Unrestricted and unallocated cash, cash equivalents and investments	**10,936**	10,278

C1-4 Receivables

$ '000	2025 Current	2025 Non-current	2024 Current	2024 Non-current
Rates and annual charges	**2,708**	**487**	2,948	496
Interest and extra charges	**392**	**79**	338	69
User charges and fees	**771**	**–**	1,393	–
Accrued revenues				
– Interest on investments	**2,779**	**–**	2,264	–
– Fines Receivable	**1,340**	**–**	709	88
– Other income accruals	**259**	**–**	2,052	–
Government grants and subsidies	**588**	**–**	600	–
Net GST receivable	**1,009**	**–**	1,614	–
Total	**9,846**	**566**	11,918	653
Less: provision for impairment				
User charges and fees	**(59)**	**–**	(99)	–
Total provision for impairment – receivables	**(59)**	**–**	(99)	–
Total net receivables	**9,787**	**566**	11,819	653

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C1-4 Receivables (continued)

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 (ECL) basis.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition, and when estimating ECL, the Council considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on Council's historical experience and informed credit assessment, and including forward-looking information.

When considering the ECL for rates debtors, Council takes into account that unpaid rates represent a charge against the rateable property that will be recovered when the property is next sold. For non-rates debtors, Council uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Council uses the presentation that a financial asset is in default when:
- the other party is unlikely to pay its credit obligations to the Council in full, without recourse by the Council to actions such as realising security (if any is held) or
- the financial assets (for non-rates debtors) are more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the entity in accordance with the contract, and the cash flows expected to be received. This is applied using a probability weighted approach.

On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

Council uses the simplified approach for trade receivables where the expected lifetime credit losses are recognised on day 1.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

The Council writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings.

None of the receivables that have been written off are subject to enforcement activity.

Where the Council renegotiates the terms of receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Rates and annual charges outstanding are secured against the property.

C1-5 Inventories

$ '000	2025 Current	2025 Non-current	2024 Current	2024 Non-current
Inventories at cost				
Stores and materials	**359**	**–**	389	–
Trading stock	**184**	**–**	207	–
Total inventories at cost	**543**	**–**	596	–
Total inventories	**543**	**–**	596	–

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.

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		
$ '000	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount	Additions renewals [1]	Additions new assets	Carrying value of disposals	Depreciation expense	WIP transfers	Revaluation increments to equity (ARR)	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount
Capital work in progress	20,914	–	20,914	7,160	–	–	–	(12,339)	–	15,735	–	15,735
Plant and equipment	28,290	(14,081)	14,209	–	3,495	(842)	(3,029)	–	–	26,960	(13,127)	13,833
Office equipment	38,506	(33,186)	5,320	–	1,651	(14)	(1,589)	–	–	40,135	(34,767)	5,368
Furniture and fittings	11,238	(8,119)	3,119	–	824	(23)	(524)	16	–	12,051	(8,639)	3,412
Land:												
– Operational land	235,677	–	235,677	–	–	–	–	–	–	235,677	–	235,677
– Community land	186,341	–	186,341	–	5,062	–	–	–	–	191,403	–	191,403
– Crown land	181,573	–	181,573	–	172	(560)	–	–	–	181,185	–	181,185
– Land under roads (post 30/6/08)	4,075	–	4,075	–	–	–	–	–	–	4,075	–	4,075
Land improvements – depreciable	42,404	(3,788)	38,616	148	–	(62)	(698)	–	912	43,503	(4,587)	38,916
Infrastructure:												
– Buildings – non-specialised	154,474	(71,571)	82,903	271	–	–	(2,113)	39	2,085	158,600	(75,415)	83,185
– Buildings – specialised	280,824	(84,723)	196,101	2,408	283	(112)	(4,282)	958	10,417	299,440	(93,667)	205,773
– Roads	952,024	(323,537)	628,487	4,867	–	(1,915)	(8,272)	3,663	14,556	979,010	(337,624)	641,386
– Footpaths	140,126	(36,291)	103,835	3,281	–	(1,363)	(1,917)	1,913	2,436	146,890	(38,704)	108,186
– Stormwater drainage	324,582	(96,637)	227,945	–	–	(212)	(2,522)	1,016	5,407	333,090	(101,456)	231,634
– Swimming pools	10,030	(3,557)	6,473	279	–	(42)	(132)	–	158	10,446	(3,710)	6,736
– Other open space/recreational assets	104,981	(11,082)	93,899	2,504	628	(415)	(3,049)	4,707	2,193	114,849	(14,382)	100,467
Other assets:												
– Heritage collections	2,539	–	2,539	4	–	–	–	27	–	2,570	–	2,570
– Library books	9,058	(8,245)	813	–	264	–	(249)	–	–	9,322	(8,494)	828
Total infrastructure, property, plant and equipment	2,727,656	(694,817)	2,032,839	20,922	12,379	(5,560)	(28,376)	–	38,164	2,804,941	(734,572)	2,070,369

(1) Renewals are defined as the replacement of existing assets (as opposed to the acquisition of new assets).

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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		
$ '000	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount	Additions renewals [1]	Additions new assets	Carrying value of disposals	Depreciation expense	WIP transfers	Adjustments and transfers	Revaluation decrements to equity (ARR)	Revaluation increments to equity (ARR)	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount
Capital work in progress	22,072	–	22,072	20,102	–	–	–	(21,260)	–	–	–	20,914	–	20,914
Plant and equipment	24,883	(14,783)	10,100	–	7,565	(704)	(2,795)	43	–	–	–	28,290	(14,081)	14,209
Office equipment	37,274	(31,037)	6,237	–	1,244	(33)	(2,155)	27	–	–	–	38,506	(33,186)	5,320
Furniture and fittings	11,042	(7,615)	3,427	–	196	–	(504)	–	–	–	–	11,238	(8,119)	3,119
Land:														
– Operational land	242,080	–	242,080	–	2,900	–	–	–	(33)	(9,270)	–	235,677	–	235,677
– Community land	190,477	–	190,477	–	1,997	–	–	–	–	(6,133)	–	186,341	–	186,341
– Crown land	187,614	–	187,614	–	–	–	–	–	–	(6,041)	–	181,573	–	181,573
– Land under roads (post 30/6/08)	4,075	–	4,075	–	–	–	–	–	–	–	–	4,075	–	4,075
Land improvements – depreciable	34,483	(2,634)	31,849	1,891	–	(119)	(626)	654	3,562	–	1,405	42,404	(3,788)	38,616
Infrastructure:														
– Buildings – non-specialised	149,385	(69,639)	79,746	474	2,767	(225)	(2,126)	166	33	–	2,068	154,474	(71,571)	82,903
– Buildings – specialised	256,705	(75,321)	181,384	5,159	–	(160)	(3,951)	4,388	246	–	9,035	280,824	(84,723)	196,101
– Roads	906,456	(304,604)	601,852	2,928	554	(2,756)	(8,033)	4,964	101	–	28,877	952,024	(323,537)	628,487
– Footpaths	131,693	(33,115)	98,578	214	539	(1,386)	(1,768)	2,851	88	–	4,719	140,126	(36,291)	103,835
– Stormwater drainage	306,351	(89,945)	216,406	519	253	(776)	(2,378)	3,048	–	–	10,873	324,582	(96,637)	227,945
– Swimming pools	9,635	(3,292)	6,343	–	–	–	(125)	–	–	–	255	10,030	(3,557)	6,473
– Other open space/recreational assets	91,782	(8,259)	83,523	4,718	4,744	(800)	(2,656)	5,119	(3,832)	–	3,083	104,981	(11,082)	93,899
– Other infrastructure	–	–	–	–	–	–	(1)	–	–	–	–	–	–	–
Other assets:														
– Heritage collections	2,704	–	2,704	–	–	–	–	–	(165)	–	–	2,539	–	2,539
– Library books	8,815	(8,014)	801	–	244	–	(232)	–	–	–	–	9,058	(8,245)	813
Total infrastructure, property, plant and equipment	2,617,526	(648,258)	1,969,268	36,005	23,003	(6,959)	(27,350)	–	–	(21,444)	60,315	2,727,656	(694,817)	2,032,839

(1) Renewals are defined as the replacement of existing assets (as opposed to the acquisition of new assets).

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

Material accounting policy information

Infrastructure, property, plant and equipment (IPPE) are held at fair value. Independent comprehensive valuations are performed at least every five 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.

Increases in the carrying amounts arising on revaluation are credited to the revaluation reserve. To the extent that the increase reverses a decrease previously recognising profit or loss relating to that asset class, the increase is first recognised as profit or loss. Decreases that reverse previous increases of assets in the same class are first charged against revaluation reserves directly in equity to the extent of the remaining reserve attributable to the class; all other decreases are charged to the Income Statement.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to Council and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Income Statement during the financial period in which they are incurred.

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

Plant and equipment	Years
Office equipment	5 to 10
Office furniture	10 to 20
Computer equipment	3 to 10
Vehicles	5 to 7
Heavy plant/road making equipment	7
Other plant and equipment	2 to 20
Transportation assets	
Road formation	Infinite
Road pavement	120
Road surface	35
Kerb and Gutter	100
Footpaths	25 to 80
Road furniture	10
Retaining walls	80
Stormwater assets	
Pits	100
Pipes/conduit	100 to 150
Library resources	
Library resources	5

Open Space assets	Years
Ocean Pools	100
Swimming pools	50 to 80
Playground equipment	15
Irrigation system	6 to 20
Park furniture	15
Skate park	50
Cricket nets	10
Turf cricket wicket	15
Fencing	20
Lighting	20
Scoreboards	30
Signage and flagpoles	20
Water tank	15 to 50
Buildings	
Buildings: masonry	100
Buildings: other	20 to 100

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.
Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Income Statement.

Land under roads

Land under roads is land under roadways and road reserves including land under footpaths, nature strips and median strips.

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.

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 Other

Other assets

$ '000	2025 Current	2025 Non-current	2024 Current	2024 Non-current
Prepayments	**1,592**	**–**	1,412	–
Total other assets	**1,592**	**–**	1,412	–

C2 Leasing activities

C2-1 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.

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

$ '000	2025	2024
Assets held as property, plant and equipment		
Lease income (excluding variable lease payments not dependent on an index or rate)	**5,803**	5,171
Total income relating to operating leases for Council assets	**5,803**	5,171
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	**2,891**	1,947
1–2 years	**2,355**	1,201
2–3 years	**1,961**	889
3–4 years	**1,481**	773
4–5 years	**927**	661
> 5 years	**18,442**	19,103
Total undiscounted lease payments to be received	**28,057**	24,574

C3 Liabilities of Council

C3-1 Payables

$ '000	2025 Current	2025 Non-current	2024 Current	2024 Non-current
Payables				
Goods and services	**5,478**	**–**	9,970	–
Accrued expenses:				
– Salaries and wages	**3,563**	**–**	2,280	–
– Other expenditure accruals	**2,238**	**–**	2,577	–
Security bonds, deposits and retentions	**9,641**	**–**	9,325	–
Total payables	**20,920**	**–**	24,152	–
Income received in advance				
Payments received in advance	**2,714**	**–**	1,906	–
Rent received in advance - Heffron High Performance Centre	**1,019**	**19,006**	1,099	19,835
Total income received in advance	**3,733**	**19,006**	3,005	19,835
Total payables	**24,653**	**19,006**	27,157	19,835

Current payables not anticipated to be settled within the next twelve months

$ '000	2025	2024
The following liabilities, even though classified as current, are not expected to be settled in the next 12 months.		
Payables – security bonds, deposits and retentions	**6,521**	6,805
Total payables	**6,521**	6,805

Payables
Payables represent liabilities for goods and services provided to 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

$ '000	Notes	2025 Current	2025 Non-current	2024 Current	2024 Non-current
Grants and contributions received in advance:					
Unexpended capital grants (to construct Council controlled assets)	(i)	**6,633**	**–**	3,643	–
Unexpended operating grants (received prior to performance obligation being satisfied)	(ii)	**139**	**–**	73	–
Total grants received in advance		**6,772**	**–**	3,716	–
Total contract liabilities		**6,772**	**–**	3,716	–

Notes

(i) Council has received funding to construct assets including sporting facilities, bridges, library and other infrastructure. The funds received are under an enforceable contract which require Council to construct an identified asset which will be under Council's control on completion. The revenue is recognised as Council constructs the asset and the contract liability reflects the funding received which cannot yet be recognised as revenue. The revenue is expected to be recognised in the next 12 months.

(ii) 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

$ '000	2025	2024
Grants and contributions received in advance:		
Capital grants (to construct Council controlled assets)	**66**	5,227
Operating grants (received prior to performance obligation being satisfied)	**375**	–
Total revenue recognised that was included in the contract liability balance at the beginning of the period	**441**	5,227

Significant changes in contract liabilities

This contractual liability for Council has been finalised as at the end of financial year. The associated performance obligations have been satisfied and the revenue recognised accordingly.

C3-3 Borrowings

$ '000	2025 Current	2025 Non-current	2024 Current	2024 Non-current
Loans – secured [1]	**3,270**	**19,336**	3,199	22,606
Total borrowings	**3,270**	**19,336**	3,199	22,606

(1) Loans are secured over the general rating income of Council.

The following borrowings, even though classified as current, are not expected to be settled in the next 12 months.

Financing arrangements

Total facilities		
Total financing facilities available to Council at the reporting date are:		
Bank overdraft facilities [1]	**400**	400
Total financing arrangements	**400**	400
Drawn facilities		
Financing facilities drawn down at the reporting date are:		
Undrawn facilities		
Undrawn financing facilities available to Council at the reporting date are:		
– Bank overdraft facilities	**400**	400
Total undrawn financing arrangements	**400**	400

(1) The bank overdraft facility may be drawn at any time and may be terminated by the bank without notice.

C3-4 Employee benefit provisions

$ '000	2025 Current	2025 Non-current	2024 Current	2024 Non-current
Annual leave	**6,644**	**–**	6,614	–
Sick leave	**1,354**	**–**	1,293	–
Long service leave	**15,962**	**819**	15,251	782
Gratuities	**204**	**–**	193	–
Other leave	**84**	**–**	83	–
Total employee benefit provisions	**24,248**	**819**	23,434	782

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

$ '000	2025	2024
The following provisions, even though classified as current, are not expected to be settled in the next 12 months.		
Provisions – employees benefits	**16,779**	16,048
	16,779	16,048

Description of and movements in provisions

		ELE provisions			
$ '000	Annual leave	Sick leave	Long service leave	Other employee benefits	Total
2025					
At beginning of year	**6,614**	**1,293**	**16,033**	**276**	**24,216**
Additional provisions and payments (net)	**30**	**61**	**748**	**12**	**851**
Total ELE provisions at end of year	**6,644**	**1,354**	**16,781**	**288**	**25,067**
2024					
At beginning of year	6,090	1,255	14,556	247	22,148
Additional provisions and payments (net)	524	38	1,477	29	2,068
Total ELE provisions at end of year	6,614	1,293	16,033	276	24,216

Material accounting policy information

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 in which the employees render the related service is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

C4 Reserves

C4-1 Nature and purpose of reserves

IPPE Revaluation Surplus

The infrastructure, property, plant and equipment (IPPE) revaluation surplus is used to record increments and decrements in the revaluation of infrastructure, property, plant and equipment.

continued on next page ...

D1 Risks relating to financial instruments held

D Risks and accounting uncertainties

D1-1 Risks relating to financial instruments held

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's objective is to maximise its return on cash and investments whilst maintaining an adequate level of liquidity and preserving capital. The finance team manages the cash and Investments portfolio with the assistance of independent advisors. Council has an investment policy which complies with the s 625 of the Act and the Ministerial Investment Order. The policy is regularly reviewed by Council and a monthly investment report is provided to Council setting out the make-up performance of the portfolio as required by local government regulations.

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 by the finance team under policies approved by the Councillors.

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

The risks associated with the financial instruments held are:

a) Market risk - interest rate risk – the risk that movements in interest rates could affect returns

b) Liquidity risk – the risk that Council will not be able to pay its debts as and when they fall due

c) Credit risk – the risk that a contracting entity will not complete its obligations under a financial instrument resulting in a financial loss to Council.

Council manages these risks by diversifying its portfolio and only purchasing investments with high credit ratings or capital guarantees. Council also seeks advice from its independent advisers before placing any cash and investments.

(a) Market risk – interest rate and price risk

$ '000	**2025**	2024
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	**1,712**	1,540
Impact of a 10% movement in price of investments		
– Equity / Income Statement	**5,157**	4,023

D1-1 Risks relating to financial instruments held (continued)

(b) Credit risk

Council's major receivables comprise (i) rates and annual charges and (ii) 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 the business.

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

Council makes suitable provision for doubtful receivables as required and carries out credit checks on most non-rate debtors.

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

Credit risk profile

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.

$ '000	Not yet overdue	overdue rates and annual charges < 5 years	≥ 5 years	Total
2025				
Gross carrying amount	**–**	**2,682**	**516**	**3,198**
2024				
Gross carrying amount	–	2,333	1,111	3,444

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.

$ '000	Not yet overdue	Overdue debts 0 - 30 days	31 - 60 days	61 - 90 days	> 91 days	Total
2025						
Gross carrying amount	**5,679**	**253**	**386**	**460**	**439**	**7,217**
Expected loss rate (%)	**0.00%**	**0.00%**	**0.00%**	**0.00%**	**13.44%**	**0.82%**
ECL provision	**–**	**–**	**–**	**–**	**59**	**59**
2024						
Gross carrying amount	7,939	533	111	27	517	9,127
Expected loss rate (%)	0.00%	0.00%	0.00%	0.00%	19.14%	1.08%
ECL provision	–	–	–	–	99	99

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D1-1 Risks relating to financial instruments held (continued)

(c) Liquidity risk

Payables, lease liabilities and borrowings are both 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.

$ '000	Weighted average interest rate	Subject to no maturity	payable in: ≤ 1 Year	1 - 5 Years	> 5 Years	Total cash outflows	Actual carrying values
2025							
Payables	**0.00%**	**9,641**	**11,279**	**–**	**–**	**20,920**	**20,920**
Borrowings	**2.22%**	**–**	**3,270**	**13,828**	**5,508**	**22,606**	**22,606**
Total financial liabilities		**9,641**	**14,549**	**13,828**	**5,508**	**43,526**	**43,526**
2024							
Payables	0.00%	9,325	14,827	–	–	24,152	24,152
Borrowings	2.22%	–	3,199	13,526	9,080	25,805	25,805
Total financial liabilities		9,325	18,026	13,526	9,080	49,957	49,957

D2-1 Fair value measurement

The Council measures the following asset and liability classes at fair value on a recurring basis:

– Infrastructure, property, plant and equipment
– Financial investments

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

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

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

		Fair value measurement hierarchy					
		Level 2 Significant observable inputs		Level 3 Significant unobservable inputs		Total	
$ '000	Notes	2025	2024	2025	2024	2025	2024
Recurring fair value measurements							
Financial assets							
Financial investments	C1-2						
At fair value through profit or loss		**62,906**	40,231	**–**	–	**62,906**	40,231
Total financial assets		**62,906**	40,231	**–**	–	**62,906**	40,231
Infrastructure, property, plant and equipment	C1-6						
Plant & Equipment		**–**	–	**13,833**	14,208	**13,833**	14,208
Office Equipment		**–**	–	**5,368**	5,320	**5,368**	5,320
Furniture & Fittings		**–**	–	**3,412**	3,118	**3,412**	3,118
Operational Land		**–**	–	**235,677**	235,677	**235,677**	235,677
Community Land		**–**	–	**191,403**	186,341	**191,403**	186,341
Crown Land		**–**	–	**181,185**	181,573	**181,185**	181,573
Land Under Roads		**–**	–	**4,075**	4,075	**4,075**	4,075
Depreciable Land Improvements		**–**	–	**38,916**	38,616	**38,916**	38,616
Buildings – Non Specialised		**–**	–	**83,185**	82,903	**83,185**	82,903
Buildings – Specialised		**–**	–	**205,773**	196,101	**205,773**	196,101
Roads		**–**	–	**641,386**	628,488	**641,386**	628,488
Footpaths		**–**	–	**108,186**	103,835	**108,186**	103,835
Stormwater Drainage		**–**	–	**231,634**	227,945	**231,634**	227,945
Swimming Pools		**–**	–	**6,736**	6,473	**6,736**	6,473
Other Open Space/Recreational Assets		**–**	–	**100,467**	93,899	**100,467**	93,899
Heritage Collections		**–**	–	**2,570**	2,539	**2,570**	2,539
Library Books		**–**	–	**828**	813	**828**	813
Total infrastructure, property, plant and equipment		**–**	–	**2,054,634**	2,011,924	**2,054,634**	2,011,924
Non-recurring fair value measurements							

Transfers between level 1 and level 2 fair value hierarchies

During the year, there were no transfers between level 1 and level 2 fair value hierarchies for recurring fair value measurements.

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D2-1 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:

Financial assets

At fair value through profit and loss are represented by Floating Rate Notes and Covered Bonds. Council obtains valuations from its Investment Advisor on a monthly basis and at the end of each accounting period to ensure the financial statements reflect the most up to date valuation. The valuations of Floating Rate Notes and Covered Bonds are sourced from UBS based on mid-market prices. That is, valuations are marked at the mid-point of the bid and ask prices in the secondary market. This price represents a general market value for the asset. There has been no change to the valuation techniques during the reporting period.

Infrastructure, property, plant and equipment (IPPE)

Plant & Equipment, Office Equipment and Furniture & Fittings

The purchase cost of Plant & Equipment, Office Equipment and Furniture & Fittings are taken as their fair value. There has been no change to the valuation techniques during the reporting period.

Operational Land

A desktop valuation of Council's Operational Land was undertaken at 30 June 2025 by an external and qualified valuer, it was determined there was no material movement for the reporting period.

Operational land has been valued at market value, having regard to the “highest and best use”, after identifying all elements that would be taken into account by buyers and sellers in settling the price, including but not limited to:

- The land’s description and/or dimensions;
- Planning and other constraints on development; and
- The potential for alternative use.

Level 2 inputs were used to value land held in freehold title and those with special use, which are restricted under the zoning objectives. Sale prices of comparable land parcels in close proximity were adjusted for differences in key attributes such as size and configuration. The most significant inputs into this valuation approach are price per square metre.

There may, also, be special use parcels where there was no observable market evidence. This land was valued utilising Level 3 inputs, with the valuer using professional judgement to adjust the rate per square metre from the sales evidence available.

Community Land

The valuation of Council's Community Land was undertaken at 30 June 2023 by an external and qualified valuer.

Community land has been valued at market value, having regard to the “highest and best use”, after identifying all elements that would be taken into account by buyers and sellers in settling the price, including but not limited to:

- The land’s description and/or dimensions;
- Planning and other constraints on development; and
- The potential for alternative use.

Level 2 inputs were used to value land held in freehold title and those with special use, which are restricted under the zoning objectives. Sale prices of comparable land parcels in close proximity were adjusted for differences in key attributes such as size and configuration. The most significant inputs into this valuation approach are price per square metre.

There may, also, be special use parcels where there was no observable market evidence. This land was valued utilising Level 3 inputs, with the valuer using professional judgement to adjust the rate per square metre from the sales evidence available.

Council has determined there was no material movement for Community Land as at 30 June 2025.

Crown Land

The valuation of Council's Crown Land was undertaken at 30 June 2023 by an external and qualified valuer.

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D2-1 Fair value measurement (continued)

Land has been valued at market value, having regard to the “highest and best use”, after identifying all elements that would be taken into account by buyers and sellers in settling the price, including but not limited to:

- The land’s description and/or dimensions;
- Planning and other constraints on development; and
- The potential for alternative use.

Level 2 inputs were used to value land held in freehold title and those with special use, which are restricted under the zoning objectives. Sale prices of comparable land parcels in close proximity were adjusted for differences in key attributes such as size and configuration. The most significant inputs into this valuation approach are price per square metre.

There are, also, parks, reserves and other special use parcels where there was no observable market evidence.
This land was valued utilising Level 3 inputs, with the valuer using professional judgement to adjust the rate per square metre from the sales evidence available.

Council has determined there was no material movement for Crown Land as at 30 June 2025.

Land Under Roads

Land Under Roads acquired post 1 July 2008 have been valued using the square meter rates of adjacent Community Land having regard to the highest and best use for the land. There has been no change to the valuation techniques during the reporting period.

Buildings: Non-specialised and Specialised

Council's buildings were valued utilising the cost approach by an external and qualified valuer at 30 June 2023.

The valuation schedule provides the Gross Carrying Amount of each building, which is obtained by applying a unit rate to a structure or a square metre rate to a building, based on its current replacement cost, which is the lowest cost of replacing the economic benefits of the existing asset using modern technology.

The approach estimated the replacement cost of each building and componentising of significant parts with different useful lives and taking into account a range of factors. The unit rates could be supported by market evidence (Level 2 inputs), other inputs (such as estimates of residual value, useful life and asset condition) required extensive professional judgement and impacted significantly on the final determination of fair value. As such, these assets have been valued using Level 3 inputs.

Council has determined there was a material movement for Buildings using indexation as at 30 June 2025 and has recognised the movement accordingly.

Roads

The valuation of Council's roads was undertaken at 30 June 2023 by an external and qualified valuer.

The ‘Cost Approach’ using Level 3 inputs was used to value the road carriageway and other road infrastructure. Valuations for the road carriageway, comprising surface, pavement and formation were based primarily on unit rates derived from SSROC rates and Councils schedule of rates tender. Other inputs (such as estimates pattern of consumption, residual value, asset condition and useful life) required extensive professional judgement and impacted significantly on the final determination of fair value. Additionally due to limitations in the historical records of very long lived assets there some uncertainty regarding the actual design, specifications and dimensions of some assets.

Council has determined there was a material movement for Roads using indexation as at 30 June 2025 and has recognised the movement accordingly.

Stormwater Drainage

The valuation of Council’s stormwater drainage assets was undertaken at 30 June 2022 using the cost approach by in-house staff comprising of Council engineers and asset management staff.

Assets within this class comprise pits, pipes, open channels, headwalls and various types of water quality devices.

The ‘Cost Approach’ estimated the replacement cost for each asset by componentising the assets into significant parts with different useful lives and taking into account a range of factors. While the unit rates based on linear metres of certain diameter pipes and prices per pit or similar could be supported from market evidence (Level 2) other inputs (such as estimates of pattern of consumption, residual value, asset condition and useful life) required extensive professional judgement and impacted significantly on the final determination of fair value. Additionally due to limitations in the historical records of very long lived

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D2-1 Fair value measurement (continued)

assets there is uncertainty regarding the actual design, specifications and dimensions of some assets. There has been no change to the valuation process during the reporting period.

Council has determined there was a material movement for Stormwater Drainage using indexation as at 30 June 2025 and has recognised the movement accordingly.

Swimming Pools

The valuation of Council's swimming pools was undertaken at 30 June 2023 by an external and qualified valuer.

Assets within this class comprise the Des Renford Leisure Centre Pools and also Council's rockpools. The approach estimated the replacement cost for each pool by componentising its significant parts.

While some elements of gross replacement values could be supported from market evidence (Level 2 input) other inputs (such as estimates of pattern of consumption, residual value, asset condition and useful life) required extensive professional judgement and impacted significantly on the final determination of fair value.

Council has determined there was a material movement for Swimming Pools using indexation as at 30 June 2025 and has recognised the movement accordingly.

Open Space Assets

The valuation of Council's open space assets was undertaken at 30 June 2023 by an external and qualified valuer.

Assets within this class comprise Tennis Courts, Synthetic Surfaces, BBQs, Regional Sporting Facilities and Playgrounds. While some elements of gross replacement values could be supported from market evidence (Level 2 input) other inputs (such as estimates of pattern of consumption, residual value, asset condition and useful life) required extensive professional judgement and impacted significantly on the final determination of fair value. There has been no change to the valuation process during the reporting period.

Council has determined there was a material movement for Open Space using indexation as at 30 June 2025 and has recognised the movement accordingly.

Fair value measurements using significant unobservable inputs (level 3)

b. Significant unobservable valuation inputs used (for level 3 asset classes) and their relationship to fair value.

The following table summarises the quantitative information relating to the significant unobservable inputs used in deriving the various level 3 asset class fair values.

$ '000	Fair value (30/6/25) 2025	Valuation technique/s	Unobservable inputs
Infrastructure, property, plant and equipment			
Plant & Equipment, Other Equipment & Furniture & Fittings	22,613	Depreciated historical cost used to approximate fair value	* Gross replacement cost * Remaining useful life
Operational Land	235,677	Independent valuer report	* Price per square metre
Community Land	191,403	Independent valuer report	* Price per square metre
Crown Land	181,185	Independent valuer report	* Price per square metre

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D2-1 Fair value measurement (continued)

$ '000	Fair value (30/6/25) 2025	Valuation technique/s	Unobservable inputs
Land Under Roads	4,075	Average municipal rate, determined by the NSW Valuer-General, after applying 90% discount to reflect restricted nature of asset.	* VG value (price per square metre)
Depreciable Land Improvement	38,916	Independent valuer report Unit rates per m2 or length	* Gross replacement cost * Asset condition * Remaining useful life
Buildings	288,958	Non-Specialised Buildings: market value Specialised Buildings: replacement cost	* Gross replacement cost * Asset condition * Remaining useful life
Roads & Footpaths	749,572	Independent valuer report Unit rates per m2 or length	* Gross replacement cost * Asset condition * Remaining useful life
Stormwater Drainage	231,634	Unit rates per m2 or length	* Gross replacement cost * Asset condition * Remaining useful life
Swimming Pools	6,736	Independent valuer report Unit rates per m2 or length	* Gross replacement cost * Asset condition * Remaining useful life
Other Open Space/Recreational Assets	100,467	Independent valuer report	* Gross replacement cost * Asset condition * Remaining useful life
Library Books	828	Cost used to approximate fair value	* Gross replacement cost * Remaining useful life
Heritage Collections	2,570	Cost used and market values used to approximate fair value	* Gross replacement cost (monuments) * Market value (fine arts)

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D2-1 Fair value measurement (continued)

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

$ '000	Plant and equipment, other equipment, furniture and fittings 2025	2024	Land 2025	2024	Depreciable land improvement 2025	2024	Buildings 2025	2024
Opening balance	**22,648**	19,764	**607,666**	624,246	**38,616**	31,849	**279,004**	261,130
Total gains or losses for the period								
Other movements								
Transfers from/(to) another asset class	**16**	70	**–**	(33)	**–**	4,216	**997**	4,833
Purchases (GBV)	**5,971**	9,005	**5,234**	4,897	**148**	1,891	**2,960**	8,400
Disposals (WDV)	**(880)**	(737)	**(560)**	–	**(62)**	(119)	**(112)**	(385)
Depreciation and impairment	**(5,142)**	(5,454)	**–**	–	**(698)**	(626)	**(6,394)**	(6,077)
Revaluation increments / (decrements)	**–**	–	**–**	(21,444)	**912**	1,405	**12,503**	11,103
Closing balance	**22,613**	22,648	**612,340**	607,666	**38,916**	38,616	**288,958**	279,004

$ '000	Infrastructure 2025	2024	Other assets 2025	2024	Total 2025	2024
Opening balance	**1,060,640**	1,006,702	**3,350**	3,505	**2,011,924**	1,947,196
Transfers from/(to) another asset class	**11,299**	12,339	**27**	(165)	**12,339**	21,260
Purchases (GBV)	**11,560**	14,470	**269**	243	**26,142**	38,906
Disposals (WDV)	**(3,947)**	(5,717)	**–**	–	**(5,561)**	(6,958)
Depreciation and impairment	**(15,892)**	(14,961)	**(248)**	(233)	**(28,374)**	(27,351)
Revaluation increments / (decrements)	**24,749**	47,807	**–**	–	**38,164**	38,871
Closing balance	**1,088,409**	1,060,640	**3,398**	3,350	**2,054,634**	**2,011,924**

Highest and best use

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

D3-1 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) 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.

(ii) Defined benefit 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 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).

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 member contributions for non-180 Point Members; Nil for 180 Point Members*
Division C	2.5% salaries
Division D	1.64 times member 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 Council can be liable to the plan for other Council's obligations under the terms and conditions of the multi-employer plan

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D3-1 Contingencies (continued)

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 additional contributions. There is no provision for allocation of any surplus which may be present at the date of withdrawal of the Council.

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

There is no provision for allocation of any surplus which may be present at the date of withdrawal of an employer.

The amount of Council employer contributions to the defined benefit section of the Local Government Superannuation Scheme and Vision Super during the year ended 30 June 2025 totalled $748,752.95. The last formal valuation of the Fund was undertaken by fund actuary, Richard Boyfield, FIAA as at 30 June 2024.

The anticipated employer defined benefit contributions for the 2025/26 year is $174,633.12. This includes past service liability credit of $37,516.44 and regular contributions credit of $29,774.64.

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

Defined Benefit 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 other accumulation accounts and reserves in both assets and liabilities.

The share of any funding surplus or deficit that can be attributed to Council is 1.57%

Council's share of that deficiency cannot be accurately calculated as the Scheme is a mutual arrangement where assets and liabilities are pooled together for all member councils. For this reason, no liability for the deficiency has been recognised in Council's accounts. Council has a possible obligation that may arise should the Scheme require immediate payment to correct the deficiency.

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 prelimnary calculation, and once all the relevant information has been received by the Funds Actuary, the final end of year review, which will be a triennial actuarial investigation will be completed by December 2025.

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.

(ii) Potential land acquisitions due to planning restrictions imposed by Council
Council has classified a number of privately owned land parcels as local open space or bushland. As a result, where notified in writing by the various owners, Council will be required to purchase these land parcels.
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.

E People and relationships

E1 Related party disclosures

E1-1 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.
Council has identified Councillors, the General Manager and Directors as KMP.

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

$ '000	2025	2024
Compensation:		
Short-term benefits	**2,560**	2,450
Post-employment benefits	**209**	191
Termination benefits [1]	**285**	–
Total	**3,054**	2,641

(1) Termination benefits are annual leave and long service leave paid out on termination

Other transactions with KMP and their related parties

Council has determined that transactions at arm's length between KMP and Council as part of Council delivering a public service objective (e.g. access to library or Council swimming pool by KMP) will not be disclosed.

There were no related parties transactions declared for the 2024-25 financial year.

E1-2 Councillor and Mayoral fees and associated expenses

$ '000	2025	2024
The aggregate amount of Councillor and Mayoral fees and associated expenses included in materials and services expenses in the Income Statement are:		
Mayoral fee	**76**	73
Councillors' fees	**424**	415
Councillors' Superannuation	**58**	54
Other Councillors' expenses (including Mayor)	**269**	242
Total	**827**	784

E2 Other relationships

E2-1 Audit fees

$ '000	2025	2024
During the year, the following fees were incurred for services provided by the auditor of Council, related practices and non-related audit firms		
Auditors of the Council - NSW Auditor-General:		
(i) Audit and other assurance services		
Audit and review of financial statements	**161**	180
Remuneration for audit and other assurance services	**161**	180
Total Auditor-General remuneration	**161**	180
Total audit fees	**161**	180

F Other matters

F1-1 Statement of Cash Flows information

Reconciliation of Operating Result

$ '000	2025	2024
Net operating result from Income Statement	**34,513**	29,103
Add / (less) non-cash items:		
Depreciation and amortisation	**28,379**	27,353
(Gain) / loss on disposal of assets	**4,124**	5,988
Non-cash capital grants and contributions	**(172)**	(5,860)
Losses/(gains) recognised on fair value re-measurements through the P&L:		
– Investments classified as ‘at fair value’	**(395)**	(335)
Movements in operating assets and liabilities and other cash items:		
(Increase) / decrease of receivables	**2,159**	1,215
Increase / (decrease) in provision for impairment of receivables	**(40)**	(269)
(Increase) / decrease of inventories	**53**	9
(Increase) / decrease of other current assets	**(180)**	(135)
Increase / (decrease) in payables	**(4,492)**	2,276
Increase / (decrease) in other accrued expenses payable	**944**	490
Increase / (decrease) in other liabilities	**212**	(1,011)
Increase / (decrease) in contract liabilities	**3,056**	(3,966)
Increase / (decrease) in employee benefit provision	**851**	2,068
Net cash flows from operating activities	**69,012**	56,926

F2-1 Commitments

Capital commitments (exclusive of GST)

$ '000	2025	2024
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:		
Property, plant and equipment		
Buildings	**5,055**	5,525
Plant and equipment	**1,802**	1,579
Open Space	**1,951**	3,541
Roads	**3,912**	3,421
Drainage	**565**	383
Total commitments	**13,285**	14,449
These expenditures are payable as follows:		
Within the next year	**13,285**	14,449
Total payable	**13,285**	14,449

Details of capital commitments

Council has committed to a number of projects including Matraville Town Centre Streetscape Upgrade , Maroubra Junction Stage 2 Streetscape, and Snape Park Amenities Upgrade. Orders have also been placed for Council's ongoing plant replacement program.

F3 Statement of developer contributions

F3-1 Summary of developer contributions

$ '000	Opening balance at 1 July 2024	Contributions received during the year: Cash	Contributions received during the year: Non-cash Land	Non-cash Other	Interest and investment income earned	Amounts expended	Internal borrowings	Held as restricted asset at 30 June 2025	Cumulative balance of internal borrowings (to)/from
S7.12 levies – under a plan	14,749	**7,092**	**–**	**–**	**14**	**(3,865)**	**–**	**17,990**	**–**
Total S7.11 and S7.12 revenue under plans	14,749	**7,092**	**–**	**–**	**14**	**(3,865)**	**–**	**17,990**	**–**
s7.4 Voluntary Planning Agreements (Affordable Housing)	6,743	**15,945**	**–**	**–**	**32**	**(144)**	**–**	**22,576**	**–**
K2K Infrastructure	1,661	**3,745**	**–**	**–**	**–**	**(270)**	**–**	**5,136**	**–**
s7.4 Voluntary Planning Agreements (General)	750	**–**	**–**	**–**	**–**	**–**	**–**	**750**	**–**
Total contributions	23,903	**26,782**	**–**	**–**	**46**	**(4,279)**	**–**	**46,452**	**–**

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

G Additional Council disclosures (unaudited)

G1-1 Council information and contact details

Principal place of business:
30 Frances Street
Randwick NSW 2031

Contact details

Mailing Address:
30 Frances Street
Randwick NSW 2031

Telephone: 02 9093 6000
Facsimile: 02 9319 1510

Opening hours:
Mon to Fri
8:30am to 5.00pm

Internet: www.randwick.nsw.gov.au
Email: council@randwick.nsw.gov.au

Officers

General Manager
Ray Brownlee PSM

Responsible Accounting Officer
Stephen Wong

Public Officer
David Kelly

Auditors
Auditor General
The Audit Office of New South Wales
Level 19, 201 Sussex Street, Darling Park Tower 2,
Sydney, NSW 2000
GPO Box 12, Sydney, NSW 2001

Elected members

Mayor
Dylan Parker

Councillors
Aaron Magner
Alexandra Luxford
Andrew Hay
Bill Burst
Carolyn Martin
Christie Hamilton
Clare Willington
Daniel Rosenfeld
Danny Said
Dexter Gordon
Marea Wilson (Deputy Mayor)
Masoomeh Asgari
Noel D'Souza
Philipa Veitch

Other information

ABN: 77 362 844 121

INDEPENDENT AUDITOR'S REPORT

Report on the general purpose financial statements

Randwick City Council

To the Councillors of Randwick City Council

Opinion

I have audited the accompanying financial statements of Randwick 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 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 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.

Manuel Moncada

Director, Financial Audit
Delegate of the Auditor-General for New South Wales

1 October 2025
SYDNEY

CR Dylan Parker
Mayor
Randwick City Council
30 Frances Street
RANDWICK NSW 2031

Contact: Manuel Moncada
Phone no: 02 9275 7333
Our ref: R008-1981756498-4964

1 October 2025

Dear Mayor

Report on the Conduct of the Audit

for the year ended 30 June 2025

Randwick City Council

I have audited the general purpose financial statements (GPFS) of the Randwick 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 $m	2024 $m	Variance %
Rates and annual charges revenue	148.9	141.0	▲ 5.6
Grants and contributions provided for operating purposes revenue	9.4	9.8	▼ 4.1
Grants and contributions provided for capital purposes revenue	31.9	27.9	▲ 14.3
Operating result from continuing operations	34.5	29.1	▲ 18.6
Net Operating result for the year before grants and contributions provided for capital purposes	2.6	1.2	▲ 117

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 $5.4 million higher than the 2023–24 result.

In 2024-25:

- Council revenue excluding grants and contributions ($200.8 million) increased by $12.2 million. Refer to Council revenue below for details
- Council's grants and contributions revenue ($41.3 million) increased by $3.6 million. Refer to 'Grants and contributions revenue' below for details.
- Council's total expenses from continuing operations including depreciation, amortisation and impairment of non-financial assets increased by $10.3 million mainly due to an increment of employee benefits and on-cost of $8.9 million and increment in depreciation expense.

The net operating result for the year before grants and contributions provided for capital purposes was $2.6 million. Refer to 'Grants and contributions revenue' below for details.

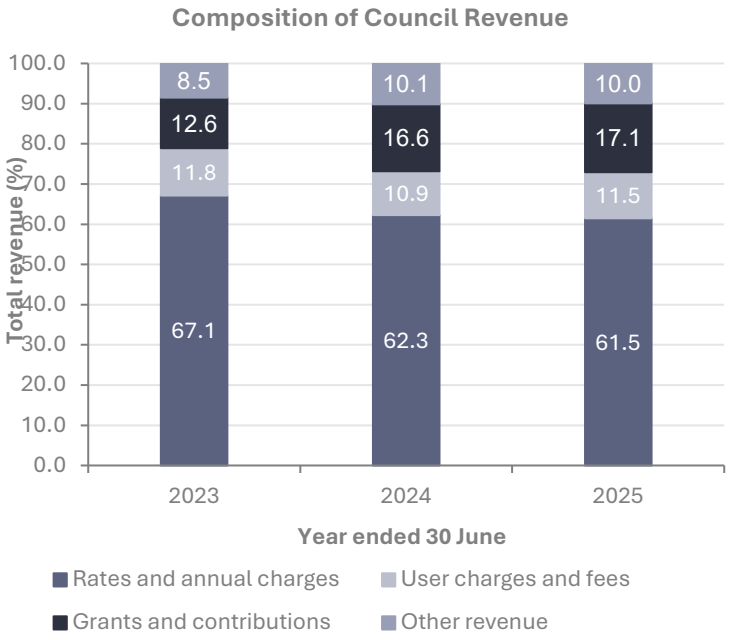
Income

Council revenue

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

Council revenue ($242.1 million) increased by $15.8 million (7.0 per cent) in 2024–25 due to:

- rates and annual charges revenue ($148.9 million) which increased by $7.9 million (5.6 per cent) due in part to rate peg increase of 3.7 per cent
- user charges and fees revenue ($27.8 million) which increased by $3.1 million (12.5 per cent) mainly due to increases in a range of fees.
- grants and contributions revenue ($41.3 million) which increased by $3.7 million (9.8 per cent) – see additional details below.

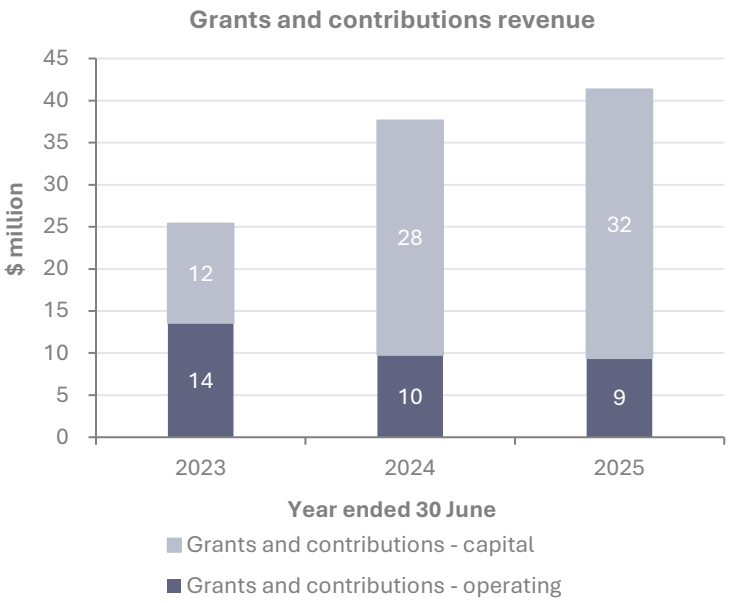


Grants and contributions revenue

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

Grants and contributions revenue ($41.3 million) increased by $3.7 million (9.8 per cent) in 2024–25 due to:

- increase of $14.2 million of developer contributions recognised during the year
- decrease of $5.7 million of non-cash other contributions



CASH FLOWS

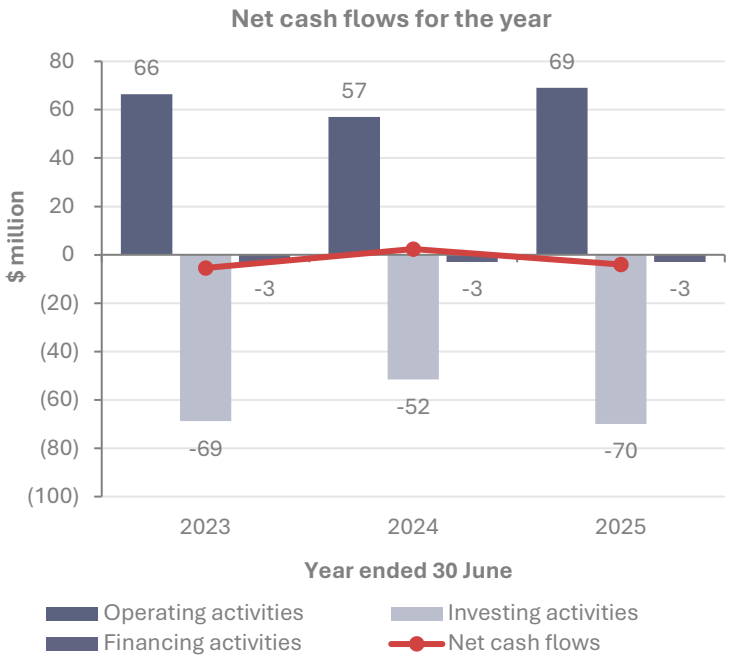
Statement of cash flows

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.

The net cash flows for the year were negative $4.2 million (positive $2.3 million in 2023-24).

In 2024-25 the net cashflows:

- from operating activities increased (inflow) by $12.1 million, mainly due to increase in grants and contribution and rates and annual charges
- used in investing activities decreased (outflow) by $18.4 million, mainly due to purchase of investments
- used in financing activities decreased (outflow) by $0.1 million, mainly due to repayments of borrowings.



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	Percentage of total cash and investments 2025	Commentary
	$m	$m	%	
Total cash, cash equivalents and investments	**188.5**	**154.0**		Externally restricted balances are those which are only available for specific use due to a restriction placed by legislation or third-party

Restricted and allocated cash, cash equivalents and investments:			
• External restrictions	67.0	48.6	35.4
• Internal allocations	110.5	95.2	58.6

contract. A breakdown of the sources of externally restricted balances is included in the graph below.

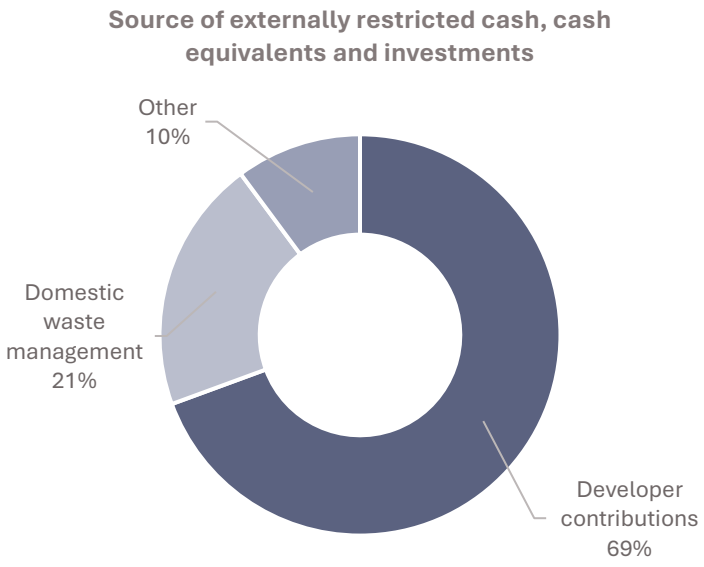
Internal allocations are determined by council policies or decisions, which are subject to change.

Cash and investment balances increased as a result of an increase in deposit balances.

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 $46.5 million which increased by $22.6 million, mainly due to the cash contributions received during the year and the interest and investment income earned on the restricted cash, offset by the monies expended during the year.
- domestic waste management charges of $13.7 million which increased by $1.8 million.



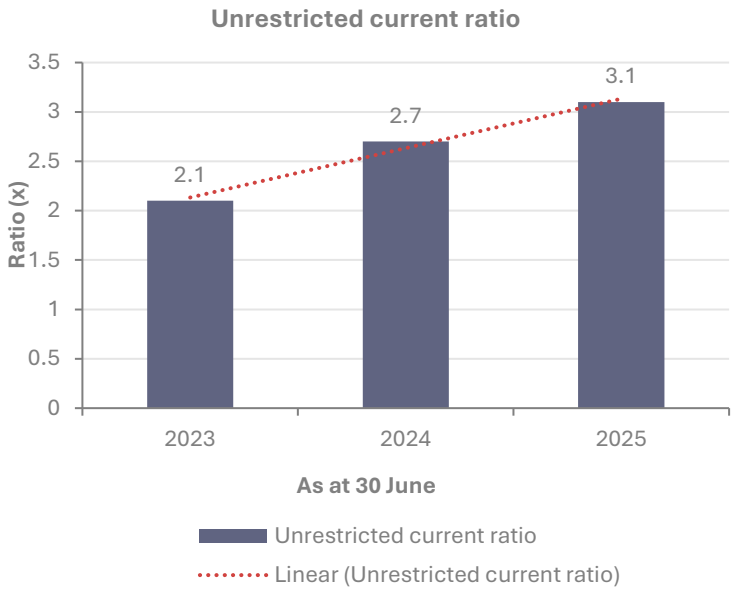
Council liquidity

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. The ratio measures the ratio of unrestricted current assets to specific purpose liabilities.

In 2023-24, the average unrestricted current ratio was an average of 3.7x for metropolitan councils.

The Council's unrestricted current ratio was 3.1 as at 30 June 2025 , which has improved from prior year.

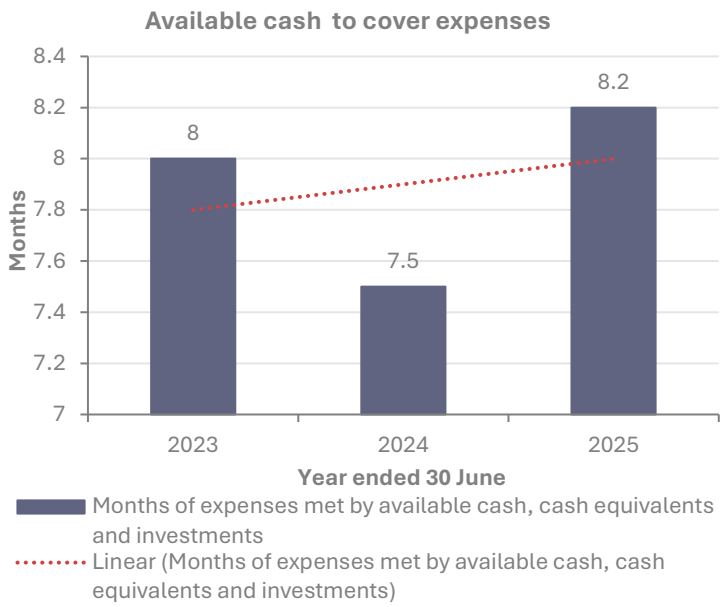


This graph shows the number of months of general fund expenses (excluding depreciation and borrowing costs), Council can fund from its available cash, cash equivalents and investments (not subject to external restrictions).

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 8 months for metropolitan councils.

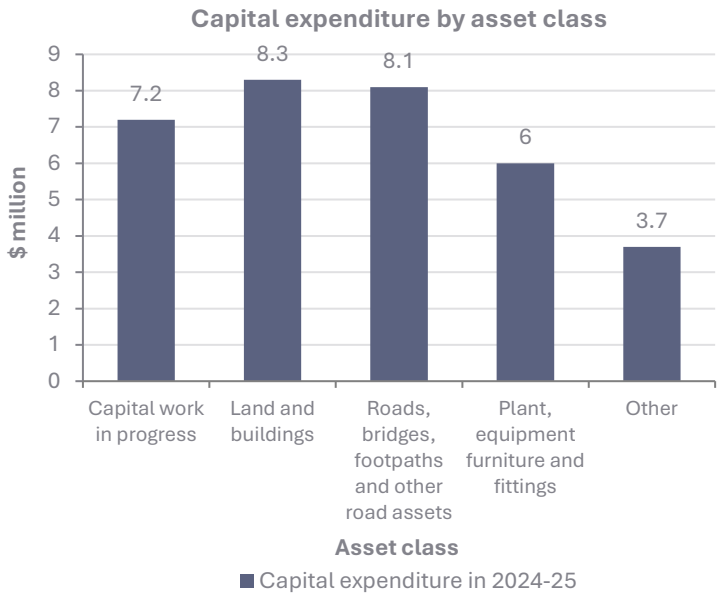
The Council's available cash to cover expenses stood at 8.2 months during the year, which is consistent with the metropolitan average of 8 months.



Infrastructure, property, plant and equipment

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

Council renewed $20.9 million of infrastructure, property, plant and equipment during the 2024-25 financial year. This was mainly spent on roads. A further $12.4 million of new assets were acquired during the year.



Manuel Moncada

Director, Financial Audit
Delegate of the Auditor-General

Randwick City Council

SPECIAL SCHEDULES
for the year ended 30 June 2025

Randwick City Council
a sense of community

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Randwick City Council

Permissible income for general rates

$ '000	Notes	Calculation 2024/25	**Calculation 2025/26**
Notional general income calculation [1]			
Last year notional general income yield	a	100,823	**106,717**
Plus or minus adjustments [2]	b	47	**329**
Notional general income	c = a + b	**100,870**	**107,046**
Permissible income calculation			
Percentage increase	d	11.67%	**3.70%**
Less expiring special variation amount	e	(5,293)	**–**
Plus percentage increase amount [3]	f = d x (c + e)	11,154	**3,961**
Sub-total	g = (c + e + f)	**106,731**	**111,007**
Plus (or minus) last year's carry forward total	h	4	**20**
Less valuation objections claimed in the previous year	i	(1)	**(3)**
Sub-total	j = (h + i)	**3**	**17**
Total permissible income	k = g + j	106,734	**111,024**
Less notional general income yield	l	106,717	**111,017**
Catch-up or (excess) result	m = k – l	17	**7**
Plus income lost due to valuation objections claimed [4]	n	3	**5**
Carry forward to next year [6]	p = m + n + o	20	**12**

Notes

(1) The notional general income will not reconcile with rate income in the financial statements in the corresponding year. The statements are reported on an accrual accounting basis which include amounts that relate to prior years' rates income.

(2) Adjustments account for changes in the number of assessments and any increase or decrease in land value occurring during the year. The adjustments are called 'supplementary valuations' as defined in the *Valuation of Land Act 1916 (NSW).*

(3) The 'percentage increase' is inclusive of the rate-peg percentage, and/or special variation and/or Crown land adjustment (where applicable).

(4) Valuation objections are unexpected changes in land values as a result of land owners successfully objecting to the land value issued by the Valuer General. Councils can claim the value of the income lost due to valuation objections in any single year.

(6) Carry-forward amounts which are in excess (an amount that exceeds the permissible income) require Ministerial approval by order published in the *NSW Government Gazette* in accordance with section 512 of the Act. The OLG will extract these amounts from Council's Permissible income for general rates Statement in the financial data return (FDR) to administer this process.

INDEPENDENT AUDITOR'S REPORT

Special Schedule – Permissible income for general rates

Randwick City Council

To the Councillors of Randwick City Council

Opinion

I have audited the accompanying Special Schedule – Permissible income for general rates (the Schedule) of Randwick City Council (the Council) for the year ending 30 June 2026.

In my opinion, the Schedule is prepared, in all material respects in accordance with the requirements of the Local Government Code of Accounting Practice and Financial Reporting 2024–25 (LG Code) and is in accordance with the books and records of the Council.

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

Emphasis of Matter - Basis of Accounting

Without modifying my opinion, I draw attention to the special purpose framework used to prepare the Schedule. The Schedule has been prepared for the purpose of fulfilling the Council's reporting obligations under the LG Code. As a result, the Schedule may not be suitable for another purpose.

Other Information

The Council's annual report for the year ended 30 June 2025 includes other information in addition to the Schedule 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 general purpose financial statements and Special Schedule 'Report on infrastructure assets as at 30 June 2025.

My opinion on the Schedule 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 general purpose financial statements.

In connection with my audit of the Schedule, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Schedule 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 Schedule

The Councillors are responsible for the preparation of the Schedule in accordance with the LG Code. The Councillors' responsibility also includes such internal control as the Councillors determine is necessary to enable the preparation of the Schedule that is free from material misstatement, whether due to fraud or error.

In preparing the Schedule, 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 Schedule

My objectives are to:

- obtain reasonable assurance whether the Schedule as a whole is 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 Schedule.

A description of my responsibilities for the audit of the Schedule is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar8.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
- about the security and controls over the electronic publication of the audited Schedule on any website where it may be presented
- about any other information which may have been hyperlinked to/from the Schedule.

Manuel Moncada

Director, Financial Audit
Delegate of the Auditor-General for New South Wales

1 October 2025
SYDNEY

Randwick City Council

Report on infrastructure assets as at 30 June 2025

Asset Class	Asset Category	Estimated cost to bring assets to satisfactory standard $ '000	Estimated cost to bring to the agreed level of service set by Council $ '000	2024/25 Required maintenance [a] $ '000	2024/25 Actual maintenance $ '000	Net carrying amount $ '000	Gross replacement cost (GRC) $ '000	Assets in condition as a percentage of gross replacement cost 1	2	3	4	5
Buildings	Buildings – non-specialised	272	272	2,020	648	83,185	158,600	19.0%	23.0%	58.0%	0.0%	0.0%
	Buildings – specialised	433	433	1,552	1,604	205,773	299,440	67.0%	6.0%	26.0%	1.0%	0.0%
	Sub-total	**705**	**705**	**3,572**	**2,252**	**288,958**	**458,040**	**50.4%**	**11.9%**	**37.1%**	**0.7%**	**0.0%**
Roads	Sealed roads	3,560	3,560	2,169	4,113	500,243	714,194	19.0%	69.0%	5.0%	4.0%	3.0%
	Footpaths	706	706	794	2,576	108,186	146,890	30.0%	40.0%	28.0%	2.0%	0.0%
	Other road assets	1,404	1,404	1,130	1,655	141,143	264,816	31.0%	36.0%	28.0%	5.0%	0.0%
	Sub-total	**5,670**	**5,670**	**4,093**	**8,344**	**749,572**	**1,125,900**	**23.3%**	**57.5%**	**13.4%**	**4.0%**	**1.8%**
Stormwater drainage	Stormwater drainage	1,154	1,154	1,374	2,402	231,634	333,090	17.0%	66.0%	16.0%	1.0%	0.0%
	Sub-total	**1,154**	**1,154**	**1,374**	**2,402**	**231,634**	**333,090**	**17.0%**	**66.0%**	**16.0%**	**1.0%**	**0.0%**
Open space / recreational assets	Swimming pools	–	–	93	21	6,736	10,446	44.0%	6.0%	50.0%	0.0%	0.0%
	Other Open Space / Recreational Assets	983	983	688	2,638	100,467	114,849	57.0%	34.0%	7.0%	2.0%	0.0%
	Sub-total	**983**	**983**	**781**	**2,659**	**107,203**	**125,295**	**55.9%**	**31.7%**	**10.6%**	**1.8%**	**0.0%**
	Total – all assets	**8,512**	**8,512**	**9,820**	**15,657**	**1,377,367**	**2,042,325**	**30.3%**	**47.0%**	**19.0%**	**2.6%**	**1.1%**

(a) Required maintenance is the amount identified in Council's asset management plans.

Infrastructure asset condition assessment 'key'

#	Condition	Integrated planning and reporting (IP&R) description
1	**Excellent/very good**	No work required (normal maintenance)
2	**Good**	Only minor maintenance work required
3	**Satisfactory**	Maintenance work required
4	**Poor**	Renewal required
5	**Very poor**	Urgent renewal/upgrading required

Randwick City Council

Report on infrastructure assets as at 30 June 2025

Infrastructure asset performance indicators (consolidated) *

$ '000	Amounts 2025	Indicator 2025	Indicators 2024	2023	2022	Benchmark
Buildings and infrastructure renewals ratio						
Asset renewals [1] / Depreciation, amortisation and impairment	20,770 / 22,287	**93.19%**	162.15%	89.70%	62.76%	> 100.00%
Infrastructure backlog ratio						
Estimated cost to bring assets to a satisfactory standard / Net carrying amount of infrastructure assets	8,512 / 1,393,102	**0.61%**	0.43%	0.45%	0.48%	< 2.00%
Asset maintenance ratio						
Actual asset maintenance / Required asset maintenance	15,657 / 9,820	**159.44%**	194.34%	174.25%	179.13%	> 100.00%
Cost to bring assets to agreed service level						
Estimated cost to bring assets to an agreed service level set by Council / Gross replacement cost	8,512 / 2,042,325	**0.42%**	0.30%	0.32%	0.31%	

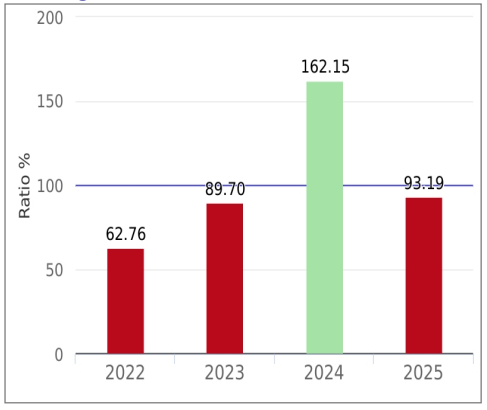
(*) All asset performance indicators are calculated using classes identified in the previous table.

(1) Asset renewals represent the replacement and/or refurbishment of existing assets to an equivalent capacity/performance as opposed to the acquisition of new assets (or the refurbishment of old assets) that increases capacity/performance.

Randwick City Council

Report on infrastructure assets as at 30 June 2025

Buildings and infrastructure renewals ratio



Buildings and infrastructure renewals ratio	Commentary on result
	24/25 ratio 93.19%
To assess the rate at which these assets are being renewed relative to the rate at which they are depreciating.	In 2024/25, Council delivered $33.3m of capital works with $38.7m of assets capitalised. Capital works included the purchase of 49 Cuzco Street South Coogee. After two decades of planning, the purchase takes Council one step closer to fulfilling its long-held vision of a continuous coastal walkway. New assets purchased or constructed are not included in the renewal ratio.

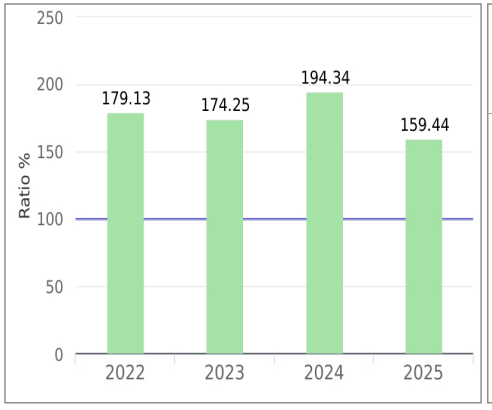
Benchmark: — > 100.00%

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

Asset maintenance ratio



Asset maintenance ratio	Commentary on result
	24/25 ratio 159.44%
Compares actual vs. required annual asset maintenance. A ratio above 1.0 indicates Council is investing enough funds to stop the infrastructure backlog growing.	Council continues to sufficiently fund the maintenance of its assets ensuring assets are kept in a satisfactory condition.

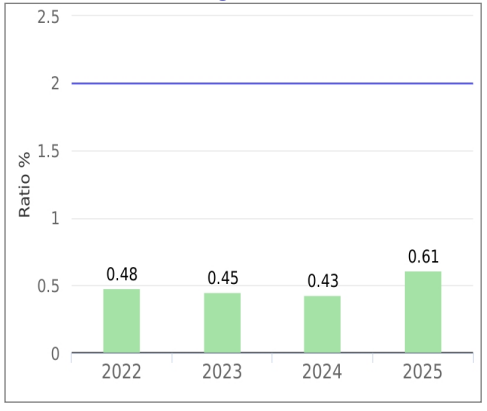
Benchmark: — > 100.00%

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

Infrastructure backlog ratio



Infrastructure backlog ratio	Commentary on result
	24/25 ratio 0.61%
This ratio shows what proportion the backlog is against the total value of a Council's infrastructure.	Council's infrastructure backlog ratio remains below the benchmark.

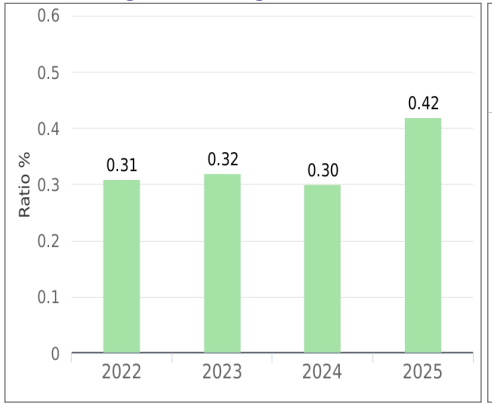
Benchmark: — < 2.00%

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

Cost to bring assets to agreed service level



Cost to bring assets to agreed service level	Commentary on result
	24/25 ratio 0.42%
This ratio provides a snapshot of the proportion of outstanding renewal works compared to the total value of assets under Council's care and stewardship.	Council's continual high level of asset renewals means that Council has a low cost to bring assets to agreed service level ratio.

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