
dorset
COUNCIL
Annual Report
2025/26

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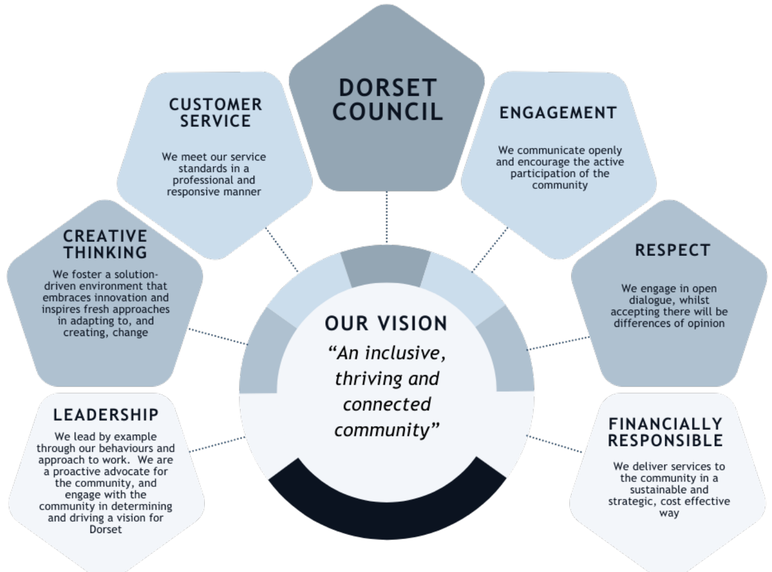
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Front Cover Image: Creek Side - West Maurice Road, Ringarooma

Acknowledgment of Country

Dorset Council acknowledges the deep history and culture of the First People who were the traditional owners of the lands and waterways where we live and work. We acknowledge the clans-people who lived here for over a thousand generations on the Country where Dorset is built and throughout the area we know as the northeast region.

Dorset Council acknowledges the present-day Aboriginal custodians and the inclusive contribution they make to the social, cultural and economic essence of the municipality.



The Annual Report provides a comprehensive overview of Dorset Council's activities during 2025/26, including an account of our performance to the community.

The Annual Report meets legislative requirements incorporating the results of Council's performance in respect of goals and objectives set in the 2025/26 Annual Plan and details of our financial performance.

Details in Brief

Elected Members **9**

Employees **73.7 FTEs** (30 June 2026)

Capital Expenditure **$8,205,000**

Total Operating Revenue **$20,132,000**

Total Operating Expenditure **$19,138,000**

Loan Debt **$2,333,000** (30 June 2026)

Adjusted Capital Value of Properties **$3,854,159,600** (30 June 2026)

Adjusted Assessed Annual Value of Properties **$157,544,086** (30 June 2026)

Standard General Rate **0.05299 cents in $** (1 July 2025)

Varied General Rate Short-Term Accommodation **0.10598 cents in $** (1 July 2025)

Varied General Rate Forestry **0.07745 cents in $** (1 July 2025)

Varied General Rate Windfarm **0.07785 cents in $** (1 July 2025)

Land Area
3,231 km2

Population
7,059 *(2025 ABS estimate)*

Property Assessments
5,732 (30 June 2026)

Sealed Roads
250 km

Unsealed Roads
440 km

Bridges
99

Major Culverts
16

Sports Grounds
6

Community Halls
18

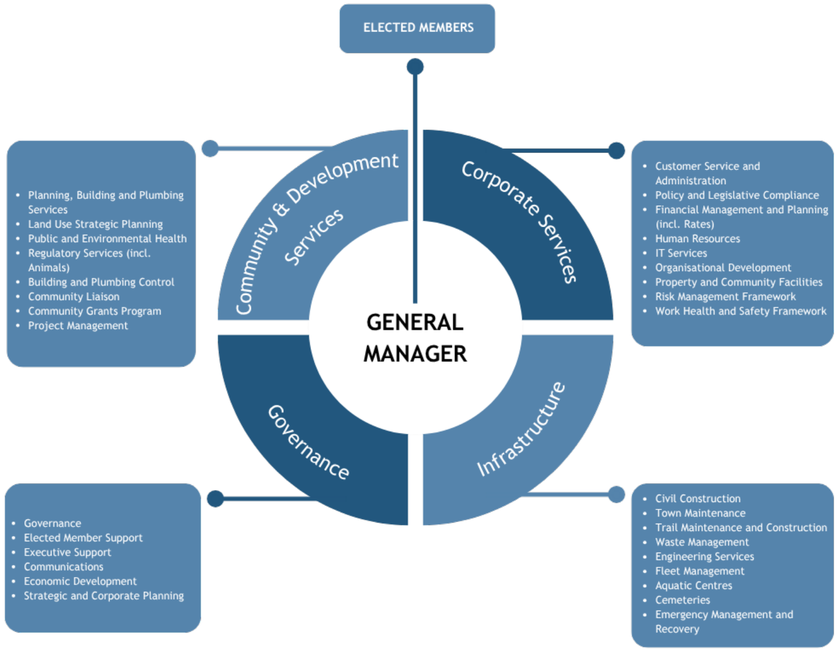
Caravan Parks/ Camping Grounds
6

Waste Transfer Stations
3

Swimming Pools
2



Organisational Structure



Message from the Mayor





As we come to the end of this Council election cycle, I would like to acknowledge and thank my fellow Councillors for their commitment, dedication and service to the Dorset community. Serving on Council is a significant responsibility, we have worked together to make decisions with good governance and practical outcomes at the front of mind.

This year has presented some financial challenges, with Council facing a less favourable budget position than we would have liked. In response, Councillors and staff have remained focused on delivering services and progressing important projects through a lens of long-term financial sustainability. While difficult decisions have sometimes been required, our priority has always been ensuring Council remains financially responsible while continuing to meet the needs of our community.

Despite these challenges, significant planning has commenced to help shape the future of Dorset. Through the Dorset Future Ready initiative and other strategic planning work, we are developing a clear vision and pathway for our towns and region. This work is about understanding what our communities need, identifying opportunities for growth, and creating a framework that supports investment, liveability and prosperity into the future. Our focus remains on creating the conditions for growth while protecting the unique character, environment and lifestyle that make Dorset such a special place to call home.

During the year, Council also farewelled our General Manager John Marik following his resignation. I would like to sincerely thank him for his contribution to Council and the community during his time with us. His leadership helped progress a range of important initiatives and supported the organisation through periods of both challenge and change. While transitions can be difficult, they also create opportunities. Change often brings fresh perspectives, new ideas and the chance to build on the strong foundations already in place. I am confident Council is well positioned to embrace those opportunities as we move forward.

I would also like to acknowledge Council's Executive Leadership and all staff for their professionalism, resilience and commitment throughout the year. Their dedication to serving our community, often in challenging circumstances, is what enables Council to continue delivering for Dorset.

Finally, I would like to thank our residents, businesses, community groups and volunteers. Dorset is a strong and resilient community, and the contribution made by so many people across our municipality is what makes this region such a great place to call home.

As Mayor, I remain optimistic about the future. The work undertaken during this Council term has laid important foundations for what comes next. By maintaining a focus on good governance, financial sustainability and practical outcomes, we can continue creating opportunities for our communities and ensuring Dorset remains a place where people choose to live, work and play. We have incredible natural assets, strong and connected communities, and significant opportunities ahead. By planning for the future, supporting sustainable growth and working together, we can build a Dorset that continues to attract families, support local businesses and provide a high quality of life for current and future generations.

RHYS BEATTIE



ABOVE | 2026 Dorset Citizen of the Year: Ally Mercer
(pictured with Mayor Rhys Beattie and Ambassador Vicki Purnell)

BELOW | 2026 Dorset Australia Day Award Winners with Mayor Rhys Beattie



Elected Members

Council Meetings

Ordinary meetings of the Council are generally held on the third Monday of each month, commencing at 6pm in the Council Chambers, 3 Ellenor Street, Scottsdale. During 2025/26, Council held community Council Meetings at Derby, Winnaleah and Bridport. From January 2026, Council transitioned to holding all Council Meetings in Scottsdale, with meetings visually recorded and uploaded to YouTube for public viewing. To ensure the community could still engage with Councillors, a series of Community Meet and Greet sessions were planned, with visits to Tomahawk and Ringarooma undertaken in January and March respectively.

By-Election - Councillor Vacancy

The Tasmanian Electoral Commission conducted a By-Election in August 2025 to fill a Councillor vacancy following the resignation of James Cashion on 26 June 2025, with Anthony Richards elected to Council unopposed on 22 September 2025.



October 2025 Elected Council
Photo Credit: North Eastern Advertiser

Councillor Learning and Development 2025/26

Under Regulation 37(d) of the *Local Government (General) Regulations 2025*, Council must include in its annual report a statement on the core learning and development activities, determined by the Director of Local Government, completed by each Councillor during the 2025/26 financial year.

Councillors were enrolled in three online 'Learn to Lead' learning packages covering the role of Councillor, key responsibilities, essential knowledge and good governance in local government. Module completion data was transferred to a new Learning Management System in late 2025, based on records as at 30 June 2025, and Councillors were not required to repeat modules completed before that date.

During 2025/26, Councillors also attended internal education sessions facilitated by Council Officers including land use planning, finance and contracts. In addition to internal sessions, the Local Government Association of Tasmania facilitated two learning and development sessions specific to Dorset.

Progress against the online modules as at 30 June 2026 for each Councillors is listed as follows.



Mayor Rhys Beattie

Committees

- Local Government Association of Tasmania Delegate
- TasWater Owners Representative Delegate
- General Manager's Performance Evaluation Committee
- Event Funding Program Selection Panel
- Australia Day Awards Selection Panel
- Northern Tasmania Development Corporation Management Representative
- Pioneer Lake Advocacy Group (Chair)
- Dorset Municipal Emergency Management Committee (Chair)
- Tourism Working Group (Chair)

Attendance at Meetings and Workshops
Ordinary Meetings: 12/12
Special Meetings: Nil held
Annual General Meeting: 1/1
Briefing Workshops: 10/11
External Presentation Session: 1/1

Attendance at Community Engagement Sessions and Internal / Other Learning and Development Sessions
Community Meet and Greet Sessions*: 2/2
Planning Sessions: 5/6
Contracts Sessions: 2/2
Finance Session: 1/1
LGAT Elected Members Professional Development Day: 1/1
LGAT Learning and Development Sessions - Dorset specific: 2/2

** Held at Tomahawk and Ringarooma*

Learning Package	Module Name	Module Completion
Learning Package One	Being a councillor and encouraging nomination	Yes*
	Getting elected as a councillor	Yes*
Learning Package Two	Roles and responsibilities of councillors	Yes*
	Essential knowledge and skills for councillors	Yes*
	Foundations of good governance	Yes*
Learning Package Three	Understanding your role	Yes*
	Building positive relationships	Yes*
	Cyber safety essentials	Yes*
	Good decision making	Yes*
	Land-use planning	No
	Strategic planning, reporting and performance management	No
	Ethical standards	No
	Understanding local government finances for councillors	No
	Risk management	No
	Continuous improvement	No

** Module completed prior to 2025/26 financial year*



Deputy Mayor Edwina Powell

Committees

- Local Government Association of Tasmania Delegate (alternate)
- TasWater Owners Representative Delegate (alternate)
- General Manager's Performance Evaluation Committee
- Community Grants Selection Panel
- Barry Jarvis Education Scholarship Selection Panel

Attendance at Meetings and Workshops
Ordinary Meetings: 12/12
Special Meetings: Nil held
Annual General Meeting: 1/1
Briefing Workshops: 11/11
External Presentation Session: 1/1

Attendance at Community Engagement Sessions and Internal / Other Learning and Development Sessions
Community Meet and Greet Sessions*: 2/2
Planning Sessions: 4/6
Contracts Sessions: 1/2
Finance Session: 0/1
LGAT Elected Members Professional Development Day: 1/1
LGAT Learning and Development Sessions - Dorset specific: 2/2

** Held at Tomahawk and Ringarooma*

Learning Package	Module Name	Module Completion
Learning Package One	Being a councillor and encouraging nomination	Yes*
	Getting elected as a councillor	Yes*
Learning Package Two	Roles and responsibilities of councillors	Yes*
	Essential knowledge and skills for councillors	Yes*
	Foundations of good governance	Yes*
Learning Package Three	Understanding your role	Yes*
	Building positive relationships	Yes*
	Cyber safety essentials	Yes*
	Good decision making	Yes*
	Land-use planning	Yes*
	Strategic planning, reporting and performance management	Yes*
	Ethical standards	Yes*
	Understanding local government finances for councillors	Yes*
	Risk management	Yes*
	Continuous improvement	Yes*

** Module completed prior to 2025/26 financial year*



Cr Mervyn Chilcott

Committees

- Dorset Australia Day Awards Selection Panel
- Community Grants Selection Panel

Attendance at Meetings and Workshops
Ordinary Meetings: 12/12
Special Meetings: Nil held
Annual General Meeting: 1/1
Briefing Workshops: 10/11
External Presentation Session: 1/1

Attendance at Community Engagement Sessions and Internal / Other Learning and Development Sessions
Community Meet and Greet Sessions*: 2/2
Planning Sessions: 5/6
Contracts Sessions: 2/2
Finance Session: 0/1
LGAT Elected Members Professional Development Day: 0/1
LGAT Learning and Development Sessions - Dorset specific: 0/2

** Held at Tomahawk and Ringarooma*

Learning Package	Module Name	Module Completion
Learning Package One	Being a councillor and encouraging nomination	Yes*
	Getting elected as a councillor	Yes*
Learning Package Two	Roles and responsibilities of councillors	Yes*
	Essential knowledge and skills for councillors	Yes*
	Foundations of good governance	Yes*
Learning Package Three	Understanding your role	Yes*
	Building positive relationships	Yes*
	Cyber safety essentials	Yes*
	Good decision making	Yes*
	Land-use planning	Yes*
	Strategic planning, reporting and performance management	Yes*
	Ethical standards	Yes*
	Understanding local government finances for councillors	Yes*
	Risk management	Yes*
	Continuous improvement	Yes*

** Module completed prior to 2025/26 financial year*



Cr Kahlia Simmons

Committees

- Audit Panel Committee Member
- Event Funding Program Selection Panel
- Emergency Relief Grant Panel

Attendance at Meetings and Workshops
Ordinary Meetings: 10/12
Special Meetings: Nil held
Annual General Meeting: 1/1
Briefing Workshops: 7/11
External Presentation Session: 1/1

Attendance at Community Engagement Sessions and Internal / Other Learning and Development Sessions
Community Meet and Greet Sessions*: 1/2
Planning Sessions: 2/6
Contracts Sessions: 0/2
Finance Session: 1/1
LGAT Elected Members Professional Development Day: 0/1
LGAT Learning and Development Sessions - Dorset specific: 0/2

** Held at Tomahawk and Ringarooma*

Learning Package	Module Name	Module Completion
Learning Package One	Being a councillor and encouraging nomination	Yes*
	Getting elected as a councillor	Yes*
Learning Package Two	Roles and responsibilities of councillors	Yes*
	Essential knowledge and skills for councillors	Yes*
	Foundations of good governance	Yes*
Learning Package Three	Understanding your role	Yes*
	Building positive relationships	Yes*
	Cyber safety essentials	Yes*
	Good decision making	Yes*
	Land-use planning	Yes*
	Strategic planning, reporting and performance management	Yes*
	Ethical standards	Yes*
	Understanding local government finances for councillors	Yes*
	Risk management	Yes*
	Continuous improvement	Yes*

** Module completed prior to 2025/26 financial year*



Cr Jan Hughes

Committees

- Barry Jarvis Education Scholarship Selection Panel
- Emergency Relief Grant Panel
- General Manager's Performance Evaluation Committee
- Audit Panel Committee Member

Attendance at Meetings and Workshops
Ordinary Meetings: 10/12
Special Meetings: Nil held
Annual General Meeting: 1/1
Briefing Workshops: 9/11
External Presentation Session: 1/1

Attendance at Community Engagement Sessions and Internal / Other Learning and Development Sessions
Community Meet and Greet Sessions*: 1/2
Planning Sessions: 3/6
Contracts Sessions: 1/2
Finance Session: 0/1
LGAT Elected Members Professional Development Day: 0/1
LGAT Learning and Development Sessions - Dorset specific: 0/2

** Held at Tomahawk and Ringarooma*

Learning Package	Module Name	Module Completion
Learning Package One	Being a councillor and encouraging nomination	Yes*
	Getting elected as a councillor	Yes*
Learning Package Two	Roles and responsibilities of councillors	Yes*
	Essential knowledge and skills for councillors	Yes*
	Foundations of good governance	Yes*
Learning Package Three	Understanding your role	Yes*
	Building positive relationships	Yes*
	Cyber safety essentials	Yes*
	Good decision making	Yes*
	Land-use planning	Yes*
	Strategic planning, reporting and performance management	Yes*
	Ethical standards	Yes*
	Understanding local government finances for councillors	Yes*
	Risk management	Yes*
	Continuous improvement	Yes*

** Module completed prior to 2025/26 financial year*



Cr Nick Bicanic

Committees

- Event Funding Program Selection Panel
- Pioneer Lake Advocacy Group (Councillor representative)
- Tourism Working Group (Councillor representative)

Attendance at Meetings and Workshops

Ordinary Meetings: 10/12
Special Meetings: Nil held
Annual General Meeting: 1/1
Briefing Workshops: 8/11
External Presentation Session: 0/1

Attendance at Community Engagement Sessions and Internal / Other Learning and Development Sessions

Community Meet and Greet Sessions*: 0/2
Planning Sessions: 4/6
Contracts Sessions: 2/2
Finance Session: 1/1
LGAT Elected Members Professional Development Day: 0/1
LGAT Learning and Development Sessions - Dorset specific: 2/2

** Held at Tomahawk and Ringarooma*

Learning Package	Module Name	Module Completion
Learning Package One	Being a councillor and encouraging nomination	Yes*
	Getting elected as a councillor	Yes*
Learning Package Two	Roles and responsibilities of councillors	Yes*
	Essential knowledge and skills for councillors	Yes*
	Foundations of good governance	Yes*
Learning Package Three	Understanding your role	Yes*
	Building positive relationships	Yes*
	Cyber safety essentials	Yes*
	Good decision making	Yes*
	Land-use planning	Yes*
	Strategic planning, reporting and performance management	Yes*
	Ethical standards	Yes*
	Understanding local government finances for councillors	Yes*
	Risk management	Yes*
	Continuous improvement	Yes*

** Module completed prior to 2025/26 financial year*



Cr Vincent Teichmann

Committees

- Audit Panel Committee (alternate member)
- Emergency Relief Grant Panel

Attendance at Meetings and Workshops

Ordinary Meetings: 11/12
Special Meetings: Nil held
Annual General Meeting: 1/1
Briefing Workshops: 10/11
External Presentation Session: 1/1

Attendance at Community Engagement Sessions and Internal / Other Learning and Development Sessions

Community Meet and Greet Sessions*: 1/2
Planning Sessions: 4/6
Contracts Sessions: 1/2
Finance Session: 1/1
LGAT Elected Members Professional Development Day: 0/1
LGAT Learning and Development Sessions - Dorset specific: 1/2

** Held at Tomahawk and Ringarooma*

Learning Package	Module Name	Module Completion
Learning Package One	Being a councillor and encouraging nomination	31/05/2026
	Getting elected as a councillor	31/05/2026
Learning Package Two	Roles and responsibilities of councillors	31/05/2026
	Essential knowledge and skills for councillors	03/06/2026
	Foundations of good governance	27/06/2026
Learning Package Three	Understanding your role	No
	Building positive relationships	No
	Cyber safety essentials	No
	Good decision making	No
	Land-use planning	No
	Strategic planning, reporting and performance management	No
	Ethical standards	No
	Understanding local government finances for councillors	No
	Risk management	No
	Continuous improvement	No



Cr Wendy McLennan

Committees

- Dorset Australia Day Awards Selection Panel
- Community Grants Selection Panel
- Barry Jarvis Education Scholarship Selection Panel

Attendance at Meetings and Workshops

Ordinary Meetings: 12/12
Special Meetings: Nil held
Annual General Meeting: 1/1
Briefing Workshops: 10/11
External Presentation Session: 1/1

Attendance at Community Engagement Sessions and Internal / Other Learning and Development Sessions

Community Meet and Greet Sessions*: 2/2
Planning Sessions: 5/6
Contracts Sessions: 0/2
Finance Session: 0/1
LGAT Elected Members Professional Development Day: 1/1
LGAT Learning and Development Sessions - Dorset specific: 2/2

** Held at Tomahawk and Ringarooma*

Learning Package	Module Name	Module Completion
Learning Package One	Being a councillor and encouraging nomination	Yes*
	Getting elected as a councillor	Yes*
Learning Package Two	Roles and responsibilities of councillors	No
	Essential knowledge and skills for councillors	No
	Foundations of good governance	No
Learning Package Three	Understanding your role	Yes*
	Building positive relationships	17/05/2026
	Cyber safety essentials	17/05/2026
	Good decision making	Yes*
	Land-use planning	17/05/2026
	Strategic planning, reporting and performance management	18/05/2026
	Ethical standards	17/05/2062
	Understanding local government finances for councillors	18/05/2026
	Risk management	19/05/2026
	Continuous improvement	19/05/2026

** Module completed prior to 2025/26 financial year*



Cr Anthony Richards

Committees

- Nil

Attendance at Meetings and Workshops*

Ordinary Meetings: 9/12
Special Meetings: Nil held
Annual General Meeting: 1/1
Briefing Workshops: 7/11
External Presentation Session: 1/1

** Elected to Council in October 2025*

Attendance at Community Engagement Sessions and Internal / Other Learning and Development Sessions

Community Meet and Greet Sessions*: 1/2
Planning Sessions: 4/6
Contracts Sessions: 1/2
Finance Session: 0/1
LGAT Elected Members Professional Development Day: N/A
LGAT Learning and Development Sessions - Dorset specific: 2/2

** Held at Tomahawk and Ringarooma*

Learning Package	Module Name	Module Completion
Learning Package One	Being a councillor and encouraging nomination	03/11/2025
	Getting elected as a councillor	04/11/2025
Learning Package Two	Roles and responsibilities of councillors	16/02/2026
	Essential knowledge and skills for councillors	19/02/2026
	Foundations of good governance	19/02/2026
Learning Package Three	Understanding your role	22/06/2026
	Building positive relationships	25/06/2026
	Cyber safety essentials	25/06/2026
	Good decision making	No
	Land-use planning	No
	Strategic planning, reporting and performance management	No
	Ethical standards	No
	Understanding local government finances for councillors	No
	Risk management	No
	Continuous improvement	No



October 2025 Citizenship Ceremony at the Council Chambers



Australian Local Government Association Conference: Mayor Rhys Beattie and General Manager John Marik pictured with the Prime Minister and other Tasmanian representatives



Community Council Meeting at the Winnaleah Community Centre



January 2026 Community Meet and Greet Session at Tomahawk



2025 Local Government of Tasmania Annual Conference:
General Manager John Manager pictured with Deputy Mayor Edwina Powell and Mayor Rhys Beattie
Photo Credit: Local Government Association of Tasmania



2025/26 Community Grants Presentation: Scottsdale Fire Brigade Social Club with their wellbeing packs

Acting General Manager's Overview



"Our Vision – an inclusive, thriving and connected community"



As Acting General Manager, it is my pleasure to present the Annual Report for the year ended 30 June 2026.

The year can be defined as one of both achievement and transition.

Council faced a range of challenges, including increasing financial pressures, regulatory and legislative requirements, workforce constraints, and growing community expectations. Despite these challenges, our organisation remained focused on delivering practical outcomes that support residents, businesses, and visitors.

Significant progress was made across several key areas, including infrastructure renewal, community development projects, asset management improvements, strategic planning initiatives, and organisational development. Through the delivery of the 2025/26 Annual Plan, we retained a focus on building a liveable community, supporting economic development, strengthening leadership and governance, and managing our environmental footprint.

Key achievements included:

- Progressing priority infrastructure projects through a significant program to improve community assets, roads, recreation facilities, and public spaces across the municipality.
- Under the banner of Dorset Future Ready, advance strategic planning initiatives, such as the Blue Derby Economic Study and scoping work for the Scottsdale and Derby Structure Plans and the Scottsdale Aquatic Centre Feasibility Study to support future growth and development.
- Improving organisational performance through stronger project management practices and increased alignment between operational activities and long-term strategic objectives.
- Maintaining essential services across the municipality while managing increasing financial pressures and ensuring responsible management of community assets and resources.
- Appointment of an Audit Panel Chairperson and new Independent Member.
- Strengthening long-term financial sustainability through ongoing financial planning, asset management, and prioritisation of Council resources.
- Adoption of a new Dispute Resolution Policy and a refreshed Youth Policy.
- Supporting community wellbeing through the delivery of programs, partnerships, and facilities that enhance the quality of life for residents across Dorset such as $20,000 in funding towards the Bright Dorset program.

The past year has also marked an important period of organisational reform and renewal following the Board of Inquiry process. While the findings of the Inquiry highlighted areas requiring improvement, they have also provided a valuable opportunity to strengthen our organisation and build a more positive and sustainable future. We will continue to work hard as a Council to foster a culture built on respect, collaboration, transparency, and continuous improvement.

I would like to acknowledge the dedication and professionalism of Council staff, who continue to serve our community with commitment and resilience. Their efforts, often behind the scenes, are fundamental to the successful delivery of Council services and projects.

I also extend my thanks to the Mayor and Councillors for their leadership and support throughout the year. The positive working relationship between Councillors and staff plays a critical role in achieving outcomes for the Dorset community.

I commend this Annual Report to our community and thank everyone who has contributed to the achievements outlined within it.

JAYNE MILLER



2026 Dorset Employment and Business Awards

Outstanding Employee

Winner - Scottsdale Aquatic Centre Manager, Jane Kilburn



2025 Land Managers Awards

Excellence in Destination Management (promotion and maintenance) for Blue Derby mountain bike trails

Accepted by Trail Operations Manager, Peter Coleborn

Executive Leadership Team



ACTING GENERAL MANAGER
Jayne Miller



ACTING DIRECTOR COMMUNITY & DEVELOPMENT SERVICES
Skyy Anderson



DIRECTOR CORPORATE SERVICES
Lauren Tolputt



DIRECTOR INFRASTRUCTURE
Kerry Sacilotto

Teams



Corporate Services & Governance
Helen Anderson, Malcolm Beattie, Sarah Forsyth, Lauren Tolputt, Jim Burden, Mechelle Gomez
Absent | Brody Martin



Administration and Customer Service
Tracey Brown, Shannon Hill, Natasha Quenby, Helen Anderson, Lauren Summers, Sophie Mills
Absent | Kim McGlashan, Annalyse Willett

Teams



Finance
Malcolm Beattie, Laxmi Rupakheti, Jane France, Coralee Freeman



Community & Development Services
Madison Loosmore, Bridget Waterhouse, Chris Wicks, Angela Lowe, Robert Masterman, Elizabeth Hadley, Kamala Roberts, Peter Carey, Skyy Anderson
Absent | Carly Hall



Infrastructure Services
Daniel Smythe, Lou Barrett, Andrew Holmes, Susan Woolley, Craig Wheeler, Kerry Sacilotto
Absent | Peter Carey, Jane Kilburn, Derek Dunne



Bridport Seaside Caravan Park
Courtney Irwin, Phil Coleman, Kate Snow, Debbie Anderson



Bridport Town Maintenance
Aaron Scott, Crystal Bowerman, Gavin Porter



Scottsdale Town Maintenance
Corey Binns, Paul Chirichiello, Paul Williams, Bruce Van Asch, Alex Stevens, Nick Arnold



Derby Town Maintenance
Trevor Styles, Samuel Chapple
Absent | Byran Atkins



Waste Crew
Kelvin Simmons, Don Rainbow, John Powe, Dave Anderson
Absent | Rex Barnett



Blue Derby Trail Maintenance Crew
Theo Williams, Carlos Preis, Peter Coleborn, Brodie O'Brien
Absent | Edmond Williams



Cleansing Team
Anne-Marie Freund, Kellie Webb, Shirley Jessup
Absent | Paula Barry

Amenities Cleaners/Hall Caretakers (all absent)
Tanya Barker, Coral Petrie, Cindy Walsh



Civil Works Crew
Michael Taylor, Gregory Coker-Williams, Daniel Smythe, Graeme Betts, Jason Whelan, Duncan James, Lachlan Cassidy, Stuart Worker, Sam Hadley, John Petterwood, Chance Shadwick, Cory Harris
Absent | Luke Hadley

Strategic Plan Overview

A new Dorset Council Strategic Plan 2023 - 2032 was developed by Councillors with the assistance of Council Management throughout various workshops during February - June 2023. During this time the Strategic Plan was put to the community for a two-month period (18 March to 15 May 2023) to allow consultation and feedback.

The review process enabled Councillors to assess the current and future direction of Council and the accompanying priorities. The Dorset Council Strategic Plan 2023 – 2032 was adopted by Council in the June 2023 Council meeting.

The Dorset Council Strategic Plan simply and easily defines what Council will be doing over the 2023 – 2032 term and why these initiatives are important to the municipality. The Strategic Plan centres on four key pillars - improving the liveability of the community, stimulating economic growth, improving service delivery, and reducing Council's environmental footprint.

The current Strategic Plan provides Council and Management with a clear strategic direction and serves as the basis for more detailed planning documents such as Annual Plans, Implementation Plans and Asset / Infrastructure Planning over the 10-year period.

Officers conducted an annual review of the Plan in May - June 2026, noting the following progress:

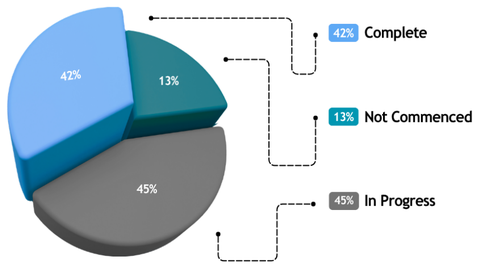
- Of the 45 strategic imperatives, 87% are either in progress or complete, while 13% have not yet been started. The 42% of strategic imperatives that have been completed may be revisited or updated over the 2023 – 2032 strategic term. Imperative 9.3 is an example which was the creation of a projects of significance report which will be reviewed and amended over the life of the Strategic Plan.
- Of the 45 strategic imperatives, 71% have a green status whereby the project timeline and budget is on target. The 2023 - 2032 strategic cycle green status activities have focused Council on long term municipal planning including structure plans, Regional Land Use Strategy planning and infrastructure planning. Council has developed a Priority Projects Plan which focuses Council on projects that require advocacy and funding.

A full update on the annual review of the Plan was presented to the community at the 22 June 2026 Council Meeting.

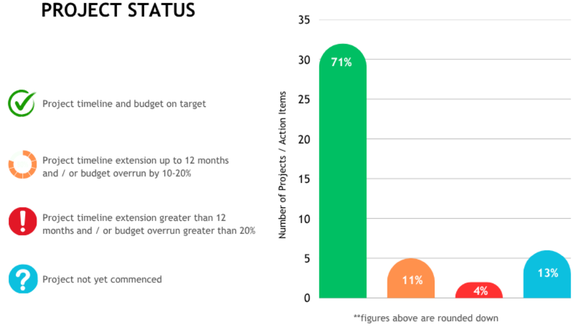
June 2026 Review

STRATEGIC PLAN 2023 - 2032

STRATEGIC IMPERATIVES SUMMARY



PROJECT STATUS



**figures above are rounded down

2025/26 Annual Plan

Council adopted the 2025/26 Annual Plan at the 23 June 2025 Council Meeting. As at 30 June 2026, the achievement rate - excluding deferred items - was 98%. Below are quarterly assessments - as presented to the community - on progress of the Plan during 2025/26:

1 July - 30 September Quarter

✅ **Completed (100%):**
- **Board of Inquiry Requirements:** Reporting to the Minister for Local Government under Direction 10 completed for reporting periods due in July and October 2025
- **Council Meeting Procedures Policy (No. 41):** Reviewed and adopted at the July 2025 Council Meeting.
- **Dispute Resolution Policy (No. 67):** New policy established and adopted at the July 2025 Council Meeting.

🔄 **In Progress / Substantially Advanced (75-90%):**
- Annual Report 2025/26
- Municipal Tourism Marketing Strategy
- Priority Projects Plan
- Councillor Learning and Development Plan
- Audit Panel Review
- Land Improvement Asset Management Plan
- Building Asset Management Plan

🎯 **Key Strategic Priorities Underway**
- Scottsdale: Future Ready initiatives
- Waste Strategy and FOGO planning
- Conduct Framework for Elected Members
- Youth Policy review
- Councillor Expenses Policy review
- Council-owned asset review.

4	Achieved
18	In Progress
-	Not Achieved
-	Carried Forward



Briseis Mine Hole, Derby: new Blue Derby signage



Ellesmere Cemetery: new memorial wall

1 October - 31 December Quarter

✅ **Completed:**
- **Annual Report 2024/25:** presented at the December 2025 Annual General Meeting.
- **Future of Local Government Review:** reviewed with no submission made.
- **Councillor Learning and Development Plan:** training matrix implemented and Councillor training undertaken.
- **Land Improvement Asset Management Plan:** new Plan development and adopted at December 2025 Council Meeting.
- **Building Asset Management Plan:** reviewed and adopted at December 2025 Council Meeting.

🔄 **In Progress / Substantially Advanced (75-90%)**
- Audit Panel Review
- Municipal Tourism Marketing Strategy
- Priority Projects Plan
- Councillors Expenses Policy review

🎯 **Key Strategic Priorities Underway**
- Scottsdale: Future Ready initiatives
- Waste Strategy and FOGO planning
- Council-owned asset review
- Asset Management Strategy review

9	Achieved
22	In Progress
-	Not Achieved
-	Carried Forward

2025/26 Annual Plan (cont.)

1 January - 31 March Quarter

✅ **Completed:**
- **Blue Derby Foundation:** completed half-yearly reporting on the Memorandum of Understanding.
- **Audit Panel Review**: reviewed with updated Audit Charter
- **Policy Reviews:** reviewed and adopted the Corporate Credit Card, Gifts and Benefits and Related Party policies.

🔄 **In Progress / Substantially Advanced (75-100%)**
- Municipal Tourism Marketing Strategy

🎯 **Key Strategic Priorities Underway**
- Scottsdale: Future Ready initiatives
- Bridport New Port / River Entrance and Marina

⏸️ **Approved Deferred Activities**
- Community Consultation and Communications Policy (No. 39)
- New Framework - Conduct of Elected Members
- Asset Management Strategy
- Council Owned Asset Review

18	Achieved
14	In Progress
-	Not Achieved
4	Deferred

1 April - 30 June Quarter

✅ **Completed:**
- **Strategic & Financial Planning including:**
  - Strategic Plan 2023-2032 reviewed and updated.
  - Long Term Financial Plan, Annual Plan 2026/27, Budget Estimates, Rates Resolution, and Fees & Charges all adopted.
- **Council Quarterly Financials** for period ending 31 March were noted
- **Youth Policy (No. 27)** was reviewed and adopted by Council at 20 April Council Meeting.
- **Priority Projects Plan 2025+** half-yearly report including project status updates.
- **Blue Derby Foundation Memorandum of Understanding** reporting was addressed and reported back to Council in various Workshops.

🔄 **In Progress / Substantially Advanced (75-100%)**
- Municipal Tourism Marketing Strategy

❌ **Not Achieved:**
- Bridport Seaside Caravan Park Policy Review (No. 56)

📌 **Carried Forward to 2026/27:**
- **6 Projects** including:
  - Municipal Tourism Marketing Strategy
  - Scottsdale: Future Ready
  - FOGO Review (Waste Strategy)
  - Bridport: Future Ready
  - Asset Management Strategy
  - Council Owned Asset Review

9	Achieved
6	In Progress
1	Not Achieved

Looking Forward 2026/27

Overall, 2026/27 reflects a transition year, balancing delivery of current projects with preparation for a newly elected Council, refreshed strategic priorities and stronger organisational systems.

Council's work program is focused on:

1. Setting future strategic direction.
2. Planning for the growth and development of Dorset's towns.
3. Advancing priority community infrastructure and development opportunities.
4. Supporting the new Council and implementing local government reform.
5. Improving financial and asset sustainability.
6. Strengthening workforce, technology, safety and project-management systems.
7. Modernising Council's policy and governance framework.
8. Participating in regional waste and coastal resilience initiatives.

Longer term projects, initiatives and activities are listed in Council's Strategic Plan 2023 - 2032, which can be viewed on Council's website.

Governor of Tasmania Municipal Visit - 5 December 2025



CMTP Branxholm
Photo Credit: Government House



Derby Schoolhouse Museum



Mayor Rhys Beattie, Her Excellency, Taylor Clyne-Smith (Blue Derby Foundation), Pete Coleborn and Professor Chalmers



May Shaw Aminya Scottsdale aged care facility



Potato crop at Tomahawk
Photo Credit: North Eastern Advertiser



Community Civic Reception with Her Excellency, the Hon. Barbara Baker AC and Professor Chalmers, Mechanics Hall Scottsdale

Environmental Health

Dorset Council undertakes environmental health activities with the aim to protect and promote the health of the community and reduce the incidence of preventable illness. Council currently employs an Environmental Health Officer (EHO) on a full-time basis to undertake these activities. The following is an overview of Council's environmental health activities for 2025/26.

PUBLIC HEALTH

Council undertakes various regulatory activities to protect and promote the health of the community, as well as reduce the incidence of preventable illness.

Activity	Comments
Place of assembly assessment Licencing of public events which have a duration of longer than two hours with more than 1000 people attending	5 licences issued
Public health risk activities Registration and licencing of public health risk activities include tattooing and body piercing	1 premises, 1 operator
Regulated systems Registration of cooling towers and warm water systems to reduce the risk of illnesses like Legionnaires disease	1 registered
Private water suppliers Those providing drinking water through a private supply (i.e. not using TasWater's reticulated drinking water network).	2 registered
Water carriers Commercial water carriers who sell or supply drinking water by carting it in a tank or similar.	2 registered
Unhealthy premises Inspection of private residences following complaints of mould or unhealthy living conditions	Nil
Recreational waters - natural Recreational swimming sites at Derby Lake and Old Pier Beach tested during December - March	32 samples collected, 100% compliant
Recreational waters - Council owned pools Monthly testing of the Scottsdale Aquatic Centre and Branxholm Swimming Pool during their opening	23 samples collected, 100% compliant
Immunisations Provision of immunisations through our school based immunisation program at Scottsdale High School and Winnaleah District High School.	87 students vaccinated
Notifiable disease Investigation of cases of notifiable diseases referred by the Department of Health	2 cases

FOOD SAFETY

Council regulate the sale of food in the municipality to ensure it is safe and fit for human consumption. Council undertake registration of food businesses, inspection of food business premises to ensure they are compliant with the Food Act 2003 and Food Standards Code, and investigate complaints relating to the sale of food.

Activity	Comments
Registered food businesses Registration of food businesses that occupy a fixed premises such as restaurants and cafes	119 registered
Registration of temporary food business Registration of temporary food providers including school fairs, sporting events, fundraising events, etc	8 issued
Food complaint inspections Investigations of complaints made by customers about food businesses which may or may not be justified	Nil
Registered food business inspections Inspections of new food businesses, as well as unannounced routine inspections of existing food businesses	62 inspections completed
Compliance actions This includes improvement notices, prohibition orders, infringements and prosecutions undertaken under the *Food Act 2003*	Nil

ENVIRONMENT

Council respond to and investigate complaints about environmental nuisance such as noise, dust, odour and wood smoke. Council also regulate the approval and installation of on-site wastewater management systems.

Activity	Comments
Infringements for environmental related offences Infringements issued to people or businesses under the *Environmental Management and Pollution Control Act 1994* and its regulations	Nil
On-site Wastewater Management Systems Assessment and approval of applications for On-site Wastewater Management Systems (OWMS) for developments in areas where reticulated sewage is not available	16 OWMS approved

Waste Management

Dorset Council has three Waste Transfer Stations, centrally located at Scottsdale, Branxholm and Gladstone. Council collection trucks service twelve townships within the municipality with kerbside collection of waste and recycling which services approximately 3,200 houses and businesses.

Dorset Council, in conjunction with 6 other northern councils, are working towards an ambitious target of 80% diversion from landfill by 2030. Recent initiatives have seen Dorset Council go from 26% diversion in 2023/24 to 58% diversion in 2025/26. This has been achieved through education, changes in practice, value recovery, green waste mulching, improved partnerships with industry and the communities' incredible support of the container refund scheme.

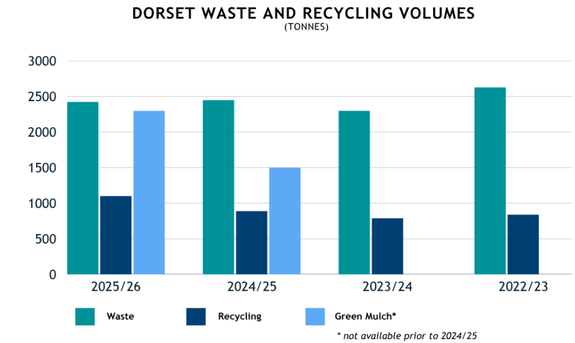
The State Government "landfill levy" is a tax paid for each tonne of waste that goes to landfill, with anything recyclable exempt from this levy. The funds raised through the landfill levy are then used to help create new or improved processes to reduce landfill, through grants and investment. Currently 50% of landfill in Dorset is material considered as Food Organics / Garden Organics (FOGO) material. Reducing FOGO in landfill presents an opportunity for the future to help reach our goals.

This year with joint state funding from the landfill levy Council have introduced recycling sheds to Gladstone and Branxholm, and new oils recycling facilities at all three transfer stations. We have also started an extension to the tip shop in Scottsdale to encourage more landfill diversion and provide affordable items for reuse, repurpose or recycling. A tip shop is also available at the Branxholm Waste Transfer Station.

New recycling initiatives have been introduced including the bagMUSTER program - recycling of used fertiliser bulka bags, and Pharmacycle - disposal of medication blister pack that can't be recycled through regular kerbside collection services.

The Waste Transfer Station sites also offer the following services / collections:

- paint recycling
- battery disposal
- light disposal
- steel and non-ferrous metals
- mixed recycling
- e-waste and phones
- Pharmacycle
- Polystyrene
- drumMUSTER drums
- bagMUSTER





New recycling shed at the Scottsdale Waste Transfer Station

Community Grants

Small Grants

(Allocation of $10,000)

Organisation	$ Grant Amount	Round	Grant Details
Derby Community Development Association	1,642	1	Equipment - various items for North East Tasmania Lapidary Club
Nabowla Community Association	2,000	1	Nabowla Hall Centenary
Scottsdale Lawn Bowls Clubs	1,775	1	Equipment - jacks, mats and umpire kits
Scottsdale Fire Brigade Social Club	1,815	1	Wellbeing packs
Bridport Netball Club	1,914	1	Equipment - exercise items
Bridport Community Mens Shed	699	2	Hand pallet truck purchase
TOTAL	**9,845**		

Community Matching Funds Grants

(Allocation of $30,000)

Organisation	$ Grant Amount	Round	Grant Details
Bridport Innovations Inc.	4,319	1	Installation of solar panels at the Bridport Visitor Information Centre Pavilion
Ringarooma Golf Club	13,700	2	Machinery shed
TOTAL	**18,019**		

Councillors Discretionary Grants

(Allocation of $15,000)

Organisation	$ Grant Amount	Round	Grant Details
Bridport Girl Guides	1,310	1	Replacement of oven at Bridport Girl Guide building - Joseph Street, Bridport
Lions Club of Scottsdale	5,420	1	Installation of security cameras at Northeast Park
TOTAL	**6,730**		

TOTAL GRANTS EXPENDED	**$34,594**



Mayor Rhys Beattie cutting the Nabowla Hall Centenary Celebration Cake

Photo Credit: North Eastern Advertiser

Legislative Reporting Requirements

Public Interest Disclosures Act 2002

Section 86 of the Public Interest Disclosures Act 2002 (the Act) requires Council to include specific information about public interest disclosures in its Annual Report. Council reports that during 2025/26:

- Council's current Public Interest Disclosure Procedures were available at www.dorset.tas.gov.au/public-interest-disclosure-procedures;
- Council received one disclosure concerning alleged improper conduct;
- no disclosures were determined by Council to be public interest disclosures during the reporting year;
- no public interest disclosures were investigated by Council during the reporting year;
- no disclosed matters were referred to Council by the Ombudsman;
- no disclosed matters were referred by Council to the Ombudsman for investigation;
- no investigations were taken over by the Ombudsman from Council;
- Council did not decide not to investigate any disclosed matters;
- no disclosed matters were substantiated on investigation during the reporting year; and
- no recommendations were made by the Ombudsman under the Act relating to Council

Subsequent to the reporting year, the disclosure received during 2025/26 was determined by Council to be a public interest disclosure under section 33 of the Act.

Right to Information Act 2009

Council received five (5) applications for assessed disclosure of information under the *Right to Information Act 2009* during 2025/26.

Local Government Act 1993

Code of Conduct Complaints

There were no code of conduct complaints received during the 2025/26 financial year.

Dispute Resolution Matters

During 2025/26, no matters were subject to Council's dispute resolution processes.

Statement of Councillor Allowances and Expenses

Section 72 (1) (cb) of the *Local Government Act 1993* requires that a statement of the total allowances and expenses paid to the Mayor, Deputy Mayor and Councillors be included within the Annual Report.

During the 2025/26 period, Council paid allowances and reimbursements totaling $200,000.

Audit Panel

Council has an Audit Panel as required under the *Local Government Act 1993.*

The role of the Audit Panel is advisory in nature and includes reviewing Council's financial governance arrangements, risk management frameworks, internal controls and compliance with legislative obligations.

Council has adopted an Audit Panel Charter to guide the operation of the Panel. The Charter sets out the panel's objectives, authority, composition, tenure, functions, reporting requirements and administrative arrangements and was most recently reviewed by Council in October 2025.

As part of that review, Council also adopted a Code of Conduct for members of the Audit Panel to clearly establish the behavioural standards expected of panel members, including requirements relating to conflicts of interest, confidentiality and the proper use of Council information, and expanded the independent membership of the Panel from one to two.

Since the October 2025 review, Panel is made up of the following members:

Independent Member and Chair:	Ms Jan Lynch
Independent Member:	Mr Ian Wright
Council Representatives:	Cr Jan Hughes, Cr Kahlia Simmons
	Cr Vincent Teichmann *(alternate member)*

Complaints in accordance with Council's Customer Service Charter

In accordance with Section 339F of the Local Government Act 1993, Council is required to disclose the number and type of complaints it received under the Customer Service Charter.

During 2025/26 there were a total of 3 complaints made in accordance with Council's Customer Service Charter:

- All 3 complaints related to Council's service standards

School Bursaries

Council provided bursaries to the following schools in 2025/26:

Recipient	$
Bridport Primary School 2025 Bursary	200
Ringarooma Primary School 2025 Bursary	200
Scottsdale Primary School 2025 Bursary	200
Scottsdale High School 2025 Bursary	500
Winnaleah District High School 2025 Bursary	500
TOTAL	**$1,600**

Mayor's Discretionary Fund

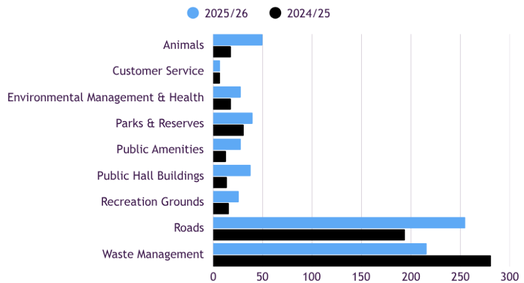
During 2025/26, Council received requests for assistance from a variety of organisations that fell outside of other funding streams provided by Council.

The following donations were made from the Discretionary Fund.

Recipient	$
Volunteer Week Morning Tea and Promotion	1,520
W Lethborg - Ballet Representation Sponsorship	200
Ringarooma Show Sponsorship	2,000
TOTAL	**$3,720**

Customer Service Requests

The graph depicts the number of all customer requests received during 2025/26, being a total of 770 (2024/25: 643).



Sporting and Cultural Representatives

(Council Policy No. 4)

In accordance with Council Policy No. 4 - Sponsorship of Sporting and Cultural Representatives, Council was able to assist the following recipients represent Tasmania during 2025/26:

Recipient	$
Mr B Styles - Under 20 Men's Netball	500
Ms M Monson - Lawn Bowls	500
Mr W Hadley - B.E.E.F International	1,000
Mr A Terry - MotoGP	500
Mr R Cuthbertson - MotoGP	500
Ms C Viney - Cross Country	500
Ms L Larcombe - Equestrian	500
Ms L Larcombe - Pony Club	500
Ms A Brooks - Pony Club	500
TOTAL	**$5,000**

Barry Jarvis Education Scholarships

Council provided the following recipients with education scholarships in 2025/26:

Recipient	$
Ms M Mahoney - High School Scholarship	500
Ms A Fursey - High School Scholarship	500
Mr C Johnson - High School Scholarship	500
Ms M Riley - High School Scholarship	500
Ms M Fletcher - High School Scholarship	500
Ms L Atkins - Apprenticeship / Traineeship Scholarship	850
Mr A Cron - Apprenticeship / Traineeship Scholarship	850
Mr J Forsyth - Apprenticeship / Traineeship Scholarship	850
Ms A Samec - Apprenticeship / Traineeship Scholarship	850
Mr W Hadley - University Scholarship	1,500
Ms A Chorley - University Scholarship	1,500
Ms T Walters - University Scholarship	3,000
Ms H Walters - University Scholarship	3,000
TOTAL	**$14,900**



Will Hadley (left) representing Australia at the B.E.E.F International Competitions held in Edmonton, Canada in November 2025
Photo Credit: FarmFair International



2026 Barry Jarvis Education Scholarship recipients with Mayor Rhys Beattie

Enterprise Powers Statement

Under Section 72(1)(ca), Council is required to report on exercising of enterprise powers relating to the formation and operation of corporations, trusts, partnerships or other bodies (Section 21).

TasWater

The Water and Sewerage Corporation Act 2012 (Tas) requires the Council to form, or participate in the formation of a proprietary company limited by shares and incorporated under the Corporations Act 2001. This corporation is TasWater.

Dorset Council is represented on TasWater's Owners' Representatives' Group, the activities of which are detailed at taswater.com.au. For further information see Note 5.1 in the financials (page 61).

Detailed performance information is also available in TasWater's Annual Report.

Northern Tasmania Development Corporation Ltd

Council is a member of the Northern Tasmania Development Corporation Ltd (NTDC). NTDC is a not-for-profit public company limited by guarantee.

Council's shareholding is based on annual funding contributions (membership fee) calculated using a formula based on municipality population. Council's annual membership fee for 2025/26 was $36,494.

Dorset Council is represented on the Member Representative Group, with information on current projects available at ntdc.org.au. Detailed performance information is also available in NTDC's Annual Report.

Remuneration Statement

Section 72

Council is to include a statement relating to the total annual remuneration paid to employees of the Council who are key management personnel. Total annual remuneration includes the salary paid, contributions to superannuation, value of use of any motor vehicle and any other allowances or benefits paid.

Annual Remuneration

$1 - $20,000	1	$140,001 - $160,000	1
$20,001 - $40,000	-	$160,001 - $180,000	-
$40,001 - $60,000	-	$180,001 - $200,000	1
$60,001 - $80,000	-	$200,001 - $220,000	1
$80,001 - $100,000	-	$220,001 - $240,000	-
$100,001 - $120,000	-	$240,001 - $260,000	-
$120,001 - $140,000	-	$260,001 - $280,000	1

See Note 10.1 in the financials (page 83) for further details on key management personnel.

Grants & Benefits

Section 77(2)

Type of Grant/Benefit		$
Council Rate Remission	Conservation Covenants	3,830.00
Council Rate Remission	Discretionary Rates	12,172.84
Council Rate Remission	Council Policy	327.35
Council Rate Remission	Varied General Rate	4,538.57
Council Remission	Green Waste fee exemption - Dorset Community House	420.00
TOTAL		**$21,288.76**

GST Dispute Statement

Section 72A

Council reports no disputes with the Australian Taxation Office during the financial year relating to compliance with GST law.

Donation of Land Statement

Section 72(1)da)

There were no donations or sale of Council owned property during the 2025/26 financial year in accordance with Section 177.

Local Government Association of Tasmania

Council is a member of the Local Government Association of Tasmania (LGAT). LGAT is the voice of Local Government in Tasmania and represents all Tasmanian councils.

LGAT provides support to councils so that they are well placed to serve their communities. This support comes in the form of providing specialist services to councils, including policy and strategic support and information, and education for elected members and council officers.

Child and Youth Safe Organisations Act 2023

Tasmania's Child and Youth Safe Organisations Framework (CYSOF) is a law designed to keep children and youth safe in organisations. The CYSOF was established under the Child and Youth Safe Organisations Act 2023, which commenced on 1 July 2023. It created 10 Child and Youth Safe Standards (the Standards), the Reportable Conduct Scheme, information sharing provisions, and established the role of the Independent Regulator. Council is required to comply with the CYSOF from 1 January 2024.

The Standards are designed to help organisations foster a culture that places child safety and wellbeing at its centre. To embed compliance with the Standards across Council operations, Council established an operational CYSOF Working Group, which developed an Action Plan outlining key objectives, actions, and roll-out timeframe. The Action Plan builds on Council's existing practices to keep children and young people safe, and the CYSOF Working Group continues to advance the actions it sets out.

Local Government (General) Regulations 2025

Tenders and Contracts

In accordance with Regulation 30, Council is to report details of any contract for the supply or provisions of goods and services:

1. valued at or exceeding $250,000 (excluding GST); or
2. valued at or exceeding $100,000 (excluding GST) but less than $250,000

entered into or extended in the financial year.

Contractor / Supplier	Address	Description	Contract Period	Value
Mr Chris Riggall, Beaumontcote Pty Ltd	101 George Street SCOTTSDALE TAS 7260	Public Waste Collection Services (Contract 2021/22-04)	01.09.2021 to 01.09.2026	$165,800 per annum
Cain Civil Contracting	8 Henry Street BRIDPORT TAS 7262	Stormwater upgrade - Thomas Street and Union Street, Scottsdale	10.09.2025 to 30.06.2026	$173,105
Crossroads Civil Contracting Pty Ltd	73-79 Lilydale Road ROCHERLEA TAS 7248	Bituminous sealing of roads (Contract 2025/26-02)	19.08.2025 to 30.06.2025	$733,827
DLM Machinery	PO Box 170 NEWSTEAD TAS 7250	Supply of 15 tonne excavator	29.10.2025	$168,168
Webster Trucks Pty Ltd	4 Connector Park Drive KINGS MEADOWS TAS 7249	Supply of road maintenance truck (flocon)	19.05.2026	$521,100
BridgePro Engineering	19-21 Faulkner Drive LATROBE TAS 7307	Bridge 1508 - Garibaldi Road - pier support and sheet piling (Contract 2025/26-05)	28.10.2025	$334,400
Hazellbros Pty Ltd	PO Box 430 MOONAH TAS 7009	Bridge 1559 - Jensens Road, and Bridge 1572 - Haas Road (Contract 2025/26-06)	25.06.2026 (carried forward to 2026/27)	$650,734
AWC Pty Ltd	4 Whitestone Drive GRANTON TAS 7030	Ferny Hill Road realignment (Contract 2025/26-08)	23.03.2026	$452,364
Veolia Environmental Services (Australia) Pty Ltd	Level 4 Bay Centre, 65 Pirrama Road PYRMONT NSW 2009	Northern Materials Recovery Facility	01.07.2024 to 30.06.2038	$1,600,000
Aurora Energy	GPO Box 191 HOBART TAS 7001	Public Lighting Connections	01.07.2025 to 30.06.2028	$355,000
Aurora Energy	GPO Box 191 HOBART TAS 7001	Small Electricity Connections	01.07.2025 to 30.06.2028	$216,300
Aurora Energy	GPO Box 191 HOBART TAS 7001	Large Electricity Connections	01.07.2025 to 30.06.2027	$128,850

Local Government (General) Regulations 2025 (cont.)

Tenders and Contracts

In accordance with Regulation 37(b), Council is to report on all instances where an exemption has been applied for procurement of a contractor / supplier. Council, by absolute majority, resolved to exempt the following contractor from undertaking a public procurement process:

Reason for Exemption	Description of Goods or Services	Value	Contractor / Supplier	Council Resolution
Reg 28(i)(i) - extenuating circumstances	Bridge renewal and upgrade works to Bridge 1541 (West Maurice Road)	$130,000	BridgePro Engineering	16 February 2026 Minute 34/2026



Bridge 1541 | West Maurice Road, Ringarooma
31 March 2026

Grants Paid to Council

Financial Assistance Grants

Annual Financial Assistance Grants (FA Grants) are a critical revenue source for Council, representing 20% ($4.2 million – adjusted for FA Grants paid in advance) of Council's total recurrent operating revenue. FA Grants provide annual funding for Council roads and other essential services.

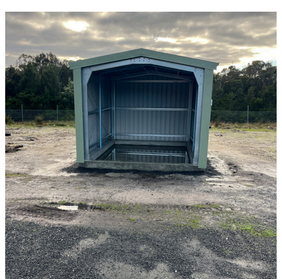
Grants Received by Council

External grants received by Council are essential to fund projects or works and supplement the cost of essential maintenance works. Below is a summary of grants received, along with images of some of the projects undertaken with grant funding, with a full listing of grants paid to Council during 2025/26, see Note 2.4 (page 53).

Summary of grants	**2026 $'000**	**2025 $'000**
Federally funded grants	8,060	6,345
State funded grants	824	604
Others	161	11
Total grants	**9,045**	6,959









Grants Received by Council Images

1. Ferny Hill Road realignment
2. Golconda Road reconstruction
3. Oil Bunded Shed - Waste Transfer Station
4. Community events recycle trailer

Overview of Financial Performance

The following information is to assist the reader in understanding Council's 2025/26 financial statements.

Financial Result

Dorset Council recorded a surplus before other comprehensive income of $3.9 million for the 2025/26 financial year, compared to a surplus before other comprehensive income of $1.9 million for 2024/25. Council's recurrent income increased by $3.8 million, capital income decreased by $1.1 million and expenses increased by $0.8 million.

After adjusting for capital income and one-off events for the 2025/26 financial year, Council recorded an underlying deficit of $538,000, compared to an underlying deficit of $775,000 in 2024/25. Many factors contribute to the decrease in underlying deficit, however the increase in operating income from rates and charges, statutory and user fees and interest had the most significant impact on results.

Council remains in a strong financial position, as reflected in a $3.4 million increase in cash generated from operating activities during the 2025/26 financial year. This increase is primarily due to the timing of cash payments received under the Financial Assistance Grant program as a higher proportion of the 2026/27 grant was prepaid compared to the previous year, materially impacting the 2025/26 result.

Significant movements in income, expenses, assets and liabilities from those recognised in the prior year are explained in further detail below:

Statement of Comprehensive Income:

Recurrent Income

Council's income from continuing operations increased by $3.9 million for the 2025/26 financial year. The material movements that contributed to this increase are as follows:

- Operating grants increased by $3.0 million, primarily due to an increase in income recognised under the Financial Assistance Grant program. In June 2026, the Federal Government prepaid 80% of the 2026/27 grant allocation, compared to a 50% prepayment made in the prior year. Financial Assistance Grants are recognised as revenue when the cash is received as they are not tied to the completion of a specific Council project.
- Rates and charges increased by $0.7 million as a result of a 4.9% increase to the general rate revenue base and changes to the minimum general rate and varied general rate charged for forestry properties. Income received for waste management services also increase by 6.2% on prior year to ensure cost recovery for these services, in response to the increase in Statewide Waste Levy for 2025/26 financial year.
- User fees increased by $0.1 million, primarily due to increased income from caravan and camping fees and the aquatic centre during the 2025/26 financial year. Caravan and camping fee income also includes fees received for shower facilities at Derby, Branxholm, the Northeast Park and Bridport Seaside Caravan Park. A portion of this income is subsequently reimbursed to various community groups and the Blue Derby Foundation in accordance with the relevant Memorandum of Understanding.

Capital Income

Council's capital income decreased by $1.1 million for the 2025/26 financial year. The material movements that contributed to this increase include:

- Capital grant income decreased by $0.9 million due to the timing of works completed on capital projects during the year.
- Capital funding programs utilised during the 2025/26 financial year included:
  - Heavy Vehicle Safety and Productivity program - $1,008,000
  - Roads to Recovery - $914,000
  - Tasmanian Relief and Recovery Arrangements - $559,000
  - Open Spaces program - $161,000
  - Regional Towns CCTV program (LGAT) - $121,000
  - Safer Rural Roads program - $80,000
  - Community Development Grants programme - $72,000
  - Play Our Way program - $61,000
  - Safer Local Roads Infrastructure program - $31,000
  - Circular North funding - $30,000
  - Waste and Resource Recovery Program - $29,000
  - Remote Roads program - $24,000 and
  - Vulnerable Road Users program - $14,000
- Capital grant funding of $224,000 for projects still in progress has been carried forward into the 2026/27 financial year. This includes $50,000 from the state government in relation to the construction of additional pedestrian crossings in Scottsdale. Following the decision of Council at its February 2026 meeting (Item 38/2026) not to proceed with this project, the grant was acquitted and the total funding received is required to be repaid to the State government. This is expected to occur early in the 2026/27 financial year.
- The net loss on disposal of property, infrastructure, plant and equipment increased by $60,000 in the 2025/26 financial year. This was predominantly due to the disposal of various road and bridge assets associated with the capitalisation of completed projects from the 2025/26 capital works program.

Expenses

Council's expenses from continuing operations increased by $0.8 million for the 2025/26 financial year. The material movements that contributed to this increase are as follows:

- Depreciation increased by $396,000 in the 2025/26 financial year. This increase is primarily due to the addition of new and updated assets through Council's annual capital works program, as well as the revaluation of road and building assets in the prior financial year.
- Materials and services increased by $282,000 in the 2025/26 financial year, primarily due to increased materials and contractor costs associated with planned road maintenance works, as well as additional planning consultancy costs incurred as a result of delays in recruitment.
- Employee benefits increased by $128,000 in the 2025/26 financial year due to a range of factors including wage adjustments under Council's Enterprise Bargaining Agreement, the reclassification of existing positions and the recruitment of additional roles as budgeted for during the year.

Statement of Financial Position:

Current Assets

Current assets have increased by $2.1 million for the 2025/26 financial year. The material movements that contributed to this increase are as follows:

- Other assets increased by $924,000 in the 2025/26 financial year. This increase is primarily due to the recognition of outstanding grant income related to capital projects that were completed during the year.
- Financial investments increased by $500,000 during the 2025/26 financial year, primarily due to additional cash investments placed during the year. Cash and cash equivalents increased by $681,000, largely due to the receipt of an advance payment under the Financial Assistance Grants program.
- Assets held for sale decreased by $140,000 as a result of the sale of 100 ML of water rights. Council has 377 ML of water rights remaining to be sold.

Non-current Assets

Non-current assets have decreased by $6.5 million for the 2025/26 financial year. The material movements that contributed to this decrease are as follows:

- Property, infrastructure, plant and equipment decreased by $6.9 million as a result of a change in accounting estimate for the useful life applied to unsealed road sub-base assets. This resulted in a decrease in the written down value of this asset sub-class.
- Investment in water corporation increased by $593,000 as a result of the increase in the water corporation's net asset value at 30 June 2026, of which Council holds a 0.95% ownership interest.

Current liabilities

Current liabilities increased by $200,000 in the 2025/26 financial year. The material movements that contributed to this increase include:

- Trade and other payables increased by $226,000 due to an increase in the number of creditors outstanding at the end of the 2025/26 financial year.

Non-current liabilities

Non-current liabilities have decreased by $637,000 in the 2025/26 financial year. The material movements that contributed to this decrease include:

- Interest-bearing loans and borrowings have decreased by $531,000 as a result of loan repayments made throughout the 2025/26 financial year.
- Provisions decreased by $100,000 as a result of movements in employee leave provisions throughout the 2025/26 financial year.



Image: Dorset from the Sideling Lookout

dorset COUNCIL

Financial Statements Year Ended 30 June 2026

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Audit Tasmania

Independent Auditor's Report

To the Councillors of Dorset Council

Report on the Audit of the Financial Report

Opinion

I have audited the financial report of Dorset Council (Council), which comprises the statement of financial position as at 30 June 2026 and statements of comprehensive income, changes in equity and cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, other explanatory notes and the statement of certification signed by the General Manager.

In my opinion, the accompanying financial report:

(a) presents fairly, in all material respects, Council's financial position as at 30 June 2026 and its financial performance and its cash flows for the year then ended

(b) is in accordance with the *Local Government Act 1993* and Australian Accounting Standards.

Basis for Opinion

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

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

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

Responsibilities of the General Manager for the Financial Report

The General Manager is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the *Local Government Act*

1993 and for such internal control as determined necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Report

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

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

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

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

C Bellchambers

Chloe Bellchambers
Director, Financial and Sustainability Audit
Delegate of the Auditor-General

12 November 2026
Hobart

Statement of Comprehensive Income
For Year Ended 30 June 2026

	Note	Budget 2026 $'000	Actual 2026 $'000	Actual 2025 $'000
Income from continuing operations				
Recurrent Income				
Rates and charges	2.1	11,157	11,233	10.519
Statutory fees and fines	2.2	304	348	294
User fees	2.3	1,456	1,477	1,383
Grants	2.4	4,656	5,948	2,980
Contributions - cash	2.5	136	137	133
Interest	2.6	280	438	388
Other income	2.7	236	299	379
Investment income from water corporation	2.9, 5.1	252	252	233
		18,476	**20,132**	16,309
Capital income				
Capital grants received specifically for new or upgraded assets	2.4	3,797	3,097	3,979
Capital contributions - cash	2.5	20	17	139
Capital contributions - Non-monetary assets	2.5	-	-	20
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	2.8	-	(251)	(191)
		3,817	**2,863**	3,947
Total income from continuing operations		22,293	**22,995**	20,256

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

Statement of Comprehensive Income cont.
For Year Ended 30 June 2026

	Note	Budget 2026 $'000	Actual 2026 $'000	Actual 2025 $'000
Expenses from continuing operations				
Employee benefits	3.1	6,746	6,464	6,336
Materials and services	3.2	4,539	4,302	4,020
Depreciation	3.3	6,183	6,118	5,722
Impairment	3.4	-	-	85
Finance costs	3.5	98	71	62
Other expenses	3.6	2,288	2,183	2,160
Total expenses from continuing operations		19,854	**19,138**	18,385
Net result for the year		2,440	**3,857**	1,871
Other comprehensive income				
Items that will not be reclassified to net result				
Fair value adjustment on equity investments assets	9.1	-	593	350
Net asset revaluation increment/(decrement)	9.1	-	(8,383)	27,722
		-	**(7,790)**	28,072
Total Other Comprehensive Income		-	**(7,790)**	28,072
Total Comprehensive Result		**2,440**	**(3,933)**	29,943

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

Statement of Financial Position
As at 30 June 2026

	Note	2026 $'000	2025 $'000
Assets			
Current assets			
Cash and cash equivalents	4.1	6,766	6,085
Trade and other receivables	4.2	1,318	1,233
Financial investments	4.3	3,000	2,500
Inventories	4.4	305	254
Assets held for sale	4.5	663	803
Other assets	4.6	2,190	1,266
Total current assets		**14,242**	12,141
Non-current assets			
Trade and other receivables	4.2	1,087	1,297
Investment in water corporation	5.1	18,912	18,319
Property, infrastructure, plant and equipment	6.1	265,283	272,142
Pine plantations	6.2	66	43
Right-of-use assets	6.3	329	347
Other assets	4.6	17	17
Total non-current assets		**285,694**	292,165
Total assets		**299,936**	304,306

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

Statement of Financial Position cont.
As at 30 June 2026

	Note	2026 $'000	2025 $'000
Liabilities			
Current liabilities			
Trade and other payables	7.1	1,300	1,074
Deposits	7.2	17	20
Provisions	7.3	1,206	1,140
Contract liabilities	7.4	518	622
Lease liabilities	7.5	7	1
Interest-bearing loans and borrowings	8.1	531	522
Total current liabilities		**3,579**	3,379
Non-current liabilities			
Provisions	7.3	541	641
Lease liabilities	7.5	346	352
Interest-bearing loans and borrowings	8.1	1,802	2,333
Total non-current liabilities		**2,689**	3,326
Total liabilities		**6,268**	6,705
Net Assets		**293,668**	297,601
Equity			
Accumulated surplus		144,243	140,386
Reserves	9.1	149,425	157,215
Total Equity		**293,668**	297,601

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

Statement of Cash Flows
For Year Ended 30 June 2026

	Note	2026 Inflows/(Outflows) $'000	2025 Inflows/(Outflows) $'000
Cash flows from operating activities			
Rates and charges		11,112	10,374
Statutory fees and fines, user fees, contributions, reimbursements and other income (inclusive of GST)		2,431	2,480
Grants and contributions (inclusive of GST)		5,948	3,013
Interest received		438	401
Dividends from water corporation	2.9	252	233
Finance costs		(56)	(81)
Payments to suppliers (inclusive of GST)		(7,575)	(7,182)
Payment to employees		(6,450)	(6,342)
Net GST refunds received		926	702
Net cash provided by (used in) operating activities	9.2	**7,026**	3,598
Cash flows from investing activities			
Payments for property, infrastructure, plant and equipment		(8,143)	(6,697)
Proceeds from sale of property, infrastructure, plant and equipment including assets held for sale		307	591
Payments for new investments		(500)	(500)
Capital grants (inclusive of GST)		2,331	3,182
Net cash provided by (used in) investing activities		**(6,005)**	(3,424)

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

Statement of Cash Flows cont.
For Year Ended 30 June 2026

	Note	2026 Inflows/(Outflows) $'000	2025 Inflows/(Outflows) $'000
Cash flows from financing activities			
Finance lease repayments	9.3	(18)	(12)
Repayments of interest bearing loans and borrowings	9.3	(522)	(512)
Repayments received from loan to third party (May Shaw)	8.1	200	196
Net cash provided by (used in) financing activities		**(340)**	(328)
Net increase (decrease) in cash and cash equivalents		**681**	(154)
Cash and cash equivalents at the beginning of the financial year		**6,085**	6,239
Cash and cash equivalents at the end of the financial year	9.4	**6,766**	6,085

Restrictions on cash assets	4.1
Financing arrangements	9.5

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

Statement of Changes in Equity
For Year Ended 30 June 2026

	Note	Total	Accumulated Surplus	Asset Revaluation Reserve	Fair Value Reserve
		$'000	$'000	$'000	$'000
2026					
Balance at beginning of the financial year		**297,601**	**140,386**	**156,939**	**276**
Net result for the year		3,857	3,857	-	-
Other Comprehensive Income:					
- Fair Value adjustment on equity investments	5.1, 9.1	593	-	-	593
- Net asset revaluation increment/(decrement)	9.1	(8,383)	-	(8,383)	-
Balance at end of the financial year		**293,668**	**144,243**	**148,556**	**869**
2025					
Balance at beginning of the financial year		**267,658**	**138,515**	**129,217**	**(74)**
Net result for the year		1,871	1,871	-	-
Other Comprehensive Income:					
- Fair Value adjustment on equity investments	5.1, 9.1	350	-	-	350
- Net asset revaluation increment/(decrement)	9.1	27,722	-	27,722	-
Balance at end of the financial year		**297,601**	**140,386**	**156,939**	**276**

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

Notes to and forming part of the Financial Statements
For Year Ended 30 June 2026

Note 1 | Overview

1.1 Reporting entity

The Dorset Council was established on 1 April 1993 and is a body corporate with perpetual succession and a common seal. Council's main office is located at 3 Ellenor Street, Scottsdale, Tasmania.

The purpose of the Council, as per Section 20 of the *Local Government Act (1993)*, is to:

- provide for the health, safety and welfare of the community;
- to represent and promote the interests of the community; and
- provide for the peace, order and good government in the municipality.

As per Council's Strategic Plan, Dorset Council's specific objectives are to:

- to continually improve the liveability of the community and to respond to community challenges and changing demographics;
- to stimulate economic growth through sustainable and visionary projects, with a view to increasing prosperity, population and investment;
- to create value and improve service delivery for the community through effective leadership and governance; and
- to proactively engage in strategies that result in sustainable natural resource management for Dorset.

1.2 Basis of accounting

These financial statements are a general purpose financial report that consists of a Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows, and notes accompanying these financial statements. The general purpose financial report complies with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, and the *Local Government Act 1993 (LGA 1993) (as amended)*. Council has determined that it does not have profit generation as a prime objective. Consequently, where appropriate, Council has elected to apply options and exemptions within accounting standards that are applicable to not-for-profit entities.

This financial report has been prepared on the accrual and going concern basis.

All amounts are presented in Australian dollars and unless stated, have been rounded to the nearest thousand dollars.

This financial report has been prepared under the historical cost convention, except where specifically stated in Notes 4.3, 4.5, 5.1, 6.1, 6.2, 7.3, 8.1 and 10.6(d).

Unless otherwise stated, all material accounting policy information is consistent with those applied in the prior year. Where appropriate, comparative figures have been amended to accord with current presentation, and disclosure has been made of any material changes to comparatives.

All entities controlled by Council that have material assets or liabilities, such as Special Committees of Management, and material subsidiaries or joint ventures, have been included in this financial report. All transactions between these entities and Council have been eliminated in full.

1.3 Use of judgements and estimates

Judgements and Assumptions

In the application of Australian Accounting Standards, Council is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Council has made no assumptions concerning the future that may cause a material adjustment to the carrying amounts of assets and liabilities within the next reporting period. Judgements made by Council that have significant effects on the financial report are disclosed in the relevant notes as follows:

Employee entitlements

Assumptions are utilised in the determination of Council's employee entitlement provisions. These assumptions are discussed in Note 7.3.

Defined benefit superannuation fund

Actuarial assumptions are utilised in the determination of Council's defined benefit superannuation fund obligations. These assumptions are discussed in Note 9.6.

Fair value of property, plant & equipment

Assumptions and judgements are utilised in determining the fair value of Council's property, plant and equipment including useful lives and depreciation rates. These assumptions are discussed in Note 6.1.

Investment in water corporation

Assumptions utilised in the determination of Council's valuation of its investment in TasWater are discussed in Note 5.1.

1.4 Material budget variations

Council's original budget was adopted by Council on 23 June 2025. 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, change in economic activity and decisions made by Council.

Material budget variations of more than 10% and $50,000 are explained below:

Income - Recurrent

Statutory fees and fines
Statutory fees and fines were $44,000 above budget (up 14.5%) as a result of an increase in income received from land information certificates, building permits, levies and infringements and planning fees in the 2025/26 financial year.

Grants
Recurrent grant income was $1.3 million above budget (up 27.7%) as a result of a higher than expected prepayment received from the Commonwealth Government for the 2026/27 financial year.

Interest
Interest was $158,000 above budget (up 56.4%) as a result of an increase in interest received from cash investments during the 2025/26 financial year.

Expenses

Net gain / (loss) of disposal of property, infrastructure, plant and equipment
Loss on disposal of property, infrastructure, plant and equipment is $251,000 above budget (up 100%) largely as a result of the disposal of infrastructure assets as part of Council's annual capital renewal program

Employee costs
Employee costs were $283,000 below budget (down 4.2%) as a result of timing of recruitment for new and replacement employment positions throughout the 2025/26 financial year.

Materials and services
Materials and services were $237,000 below budget (down 5.2%) as a result of a decrease in external contractor costs during the 2025/26 financial year.

1.5 Functions / Activities of the Council

(a) Income, expenditure and assets attributable to each function as categorised in (c) below:

	Grants and Contributions	Other	Total Income	Total Expenditure	Surplus/(Deficit)	Assets
	$'000	$'000	$'000	$'000	$'000	$'000
Governance						
2025-2026	-	2	2	976	(974)	-
2024-2025	-	9	9	1,159	(1,150)	-
Corporate Services						
2025-2026	2,072	9,864	11,936	548	11,388	36,085
2024-2025	1,026	9,197	10,223	2,893	7,330	33,639
Community and Development Services						
2025-2026	10	281	291	1,462	(1,171)	267
2024-2025	10	256	266	1,246	(980)	264
Infrastructure						
2025-2026	7,117	3,649	10,766	16,152	(5,386)	263,584
2024-2025	6,195	3,563	9,758	13,087	(3,329)	270,403
Total						
2025-2026	**9,199**	**13,796**	**22,995**	**19,138**	**3,857**	**299,936**
2024-2025	**7,231**	**13,025**	**20,256**	**13,385**	**1,871**	**304,306**

(b) Reconciliation of assets from Note 1.5(a) with the Statement of Financial Position at 30 June:

	2026	2025
	$'000	$'000
Current assets	14,242	12,141
Non-current assets	285,694	292,165
	299,936	304,306

1.5 Functions / Activities of the Council (cont.)

(c) Functions

Governance
Operational oversight, strategic and corporate planning, economic development, elected member support, communications and governance.

Corporate Services
Organisational development, customer service, rates, legislative compliance, information management, information technology, property and community facilities management (including Bridport Seaside Caravan Park), human resources, work health and safety framework, risk management framework, financial management and planning.

Community and Development Services
Planning, building and plumbing services, regulatory compliance, environmental and public health, animal control, strategic projects and planning, community grants and programs and project management office.

Infrastructure
Construction, town maintenance, engineering services, fleet management, waste management, aquatic facilities management, facilities maintenance, infrastructure management, emergency management, cemeteries, and mountain bike operations.

Note 2 | Income

2.1 Rates and charges

Council uses assessed annual value as the basis of valuation of all properties within the municipality. The assessed annual value of a property is the estimated yearly rental value of the property, as determined by the Valuer-General.

The valuation base used to calculate general rates for 2025/26 was $156488 million (2024/25: $157918 million). The 2025/26 rate in the assessed annual value dollar was $0.05299 (2024/25: $0.0532).

Rates and charges	2026 $'000	2025 $'000
General rate	8,619	8,052
Waste charge	2,170	2,044
Fire Levy	444	423
Total rates and charges	**11,233**	10,519

The date of the latest general revaluation of land for rating purpose within the municipality was 15 May 2024, and the valuation was first applied in the rating year commencing 1 July 2024.

Accounting policy
Council recognises income from rates and annual charges for the amount it is expected to be entitled to at the beginning of the rating period to which they relate, or when the charge has been applied. Rates and charges in advance are recognised as a financial liability until the beginning of the rating period to which they relate (see Note 7.1).

2.2 Statutory fees and fines

Statutory fees and fines	2026 $'000	2025 $'000
Regulatory services	1	20
Town planning fees	116	95
Land information certificates	91	67
Building Permits, Levies and Infringements	105	66
Plumbing Permits	-	16
Animal control	35	30
Total statutory fees and fines	**348**	294

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

2.3 User fees

User fees	2026 $'000	2025 $'000
Caravan and camping fees	1,204	1,140
Rental and lease income	77	70
Cemetery fees	48	44
Waste disposal fees	92	83
Aquatic centre fees	56	46
Total user fees	**1,477**	1,383
User fees by timing of revenue recognition		
User fees recognised over time	**77**	70
User fees recognised at a point in time	**1,400**	1,313
Total user fees	**1,477**	1,383

Accounting policy
Council recognises income from user fees and charges at a point in time or over time as the performance obligation is completed and the customer receives the benefit of the goods or services being provided.

Where rental and lease fees are received upfront, these are recognised on a straight line basis over the expected lease or licence term,

2.4 Grants

Grants were received in respect of the following:

Summary of grants	2026 $'000	2025 $'000
Federally funded grants	8,060	6,345
State funded grants	824	604
Others	161	10
Total grants	**9,045**	6,959

Grants - Recurrent	2026 $'000	2025 $'000
Commonwealth Government Financial Assistance Grants - General Purpose (untied)	1,951	1,027
Commonwealth Government Financial Assistance Grants - Roads (untied)	3,543	1,728
Commonwealth Government - other	441	140
State Government - other	3	75
Other grants and subsidies	10	10
Total recurrent grants	**5,948**	2,980

Capital grants received specifically for new or upgraded assets	2026 $'000	2025 $'000
Commonwealth Government - Roads to Recovery	914	977
Commonwealth Government - LRCI Phase 3		
- Cascade Dam Road safety improvements	-	40
- Victoria Street reconstruction	-	58
- Bridport CWA car park extension	-	13
- Derby trailhead car park	-	17
- Northeast Park car park seal	-	29
Commonwealth Government - LRCI Phase 4(a)		
- Golconda Road pavement renewal	-	83
- Derby Town Hall roof replacement	-	19
- Alfred Street, Scottsdale kerb and footpath upgrade	-	21
- South Street, Bridport kerb renewal	-	33
- Eastmans Beach amenities block renewal	-	179

Capital grants received specifically for new or upgraded assets (cont.)	2026 $'000	2025 $'000
- Branxholm Hall re-roof	-	47
- Gladstone Town Hall refurbishment	-	26
- Westwood Street, Bridport reseal	-	42
Commonwealth Government - LRCI Phase 4(b)		
- Golconda Road pavement renewal	-	130
- Golconda Road reseal	-	130
Commonwealth Government - Community Development Grants Programme		
- North East Rail Trail	72	-
Commonwealth Government - Safer Rural Roads Program		
- Gillespies Road upgrade	-	300
- Golconda Road upgrade	80	-
Commonwealth Government - Heavy Vehicle Safety and Productivity Program		
- Golconda Road upgrade - stage 7 & 8	1,008	1,079
Commonwealth Government - Remote Roads Program		
- Old Waterhouse Road safety improvements	24	208
Commonwealth Government - Vulnerable Road Users Program		
- Pedestrian crossings - King Street and George Street, Scottsdale and Main Street, Bridport	14	19
Commonwealth Government - Play Our Way Program		
- Netball Court upgrades - Scottsdale, Bridport and Derby	61	-
Commonwealth Government - Safer Local Roads Infrastructure Program		
- Bridge 1572 - Frenchs Creek Haas Road, Legerwood	31	-
State Government - Tasmania Relief and Recovery Arrangements	559	279
State Government - Election Commitments		
- Playground upgrades - Scottsdale, Winnaleah and Bridport	-	28
- Pedestrian crossings - King Street and George Street, Scottsdale	(7)	7
State Government - Open Spaces Program		
- Playground project - Scottsdale Childrens Reserve, Branxholm Park and Winnaleah Park	56	200
- Scottsdale Railway Station Precinct	105	-

2.4 Grants (cont.)

Capital grants received specifically for new or upgraded assets (cont.)	2026 $'000	2025 $'000
State Government - Isolated Communities Resilience Program		
- Emergency mobile response trailer	-	9
State Government - Waste and Resource Recovery Program		
- Oil and recycling sheds at Gladstone, Branxholm and Scottsdale Waste Transfer Stations	29	6
Other - Circular North		
- Oil and Recycling sheds at Gladstone, Branxholm and Scottsdale Waste Transfer Stations	15	-
- Tip Shop extension - Scottsdale Waste Transfer Station	12	-
- Recycling trailer	3	-
Other - LGAT		
- CCTV Project	121	-
Total capital grants	**3,097**	3,979

Following the decision of Council at its February 2026 meeting (Item 38/2026) not to proceed with constructing additional pedestrian crossings on King Street and George Street, Scottsdale, the project was acquitted and the $50,000 in funding received from the State Government under its election commitment is required to be returned. This funding remains recognised as a contract liability at 30 June 2026 and is expected to be repaid in early 2027 (refer to Note 74 for further information).

Timing of revenue recognition	2026 $'000	2025 $'000
Grants recognised over time	3,097	3,979
Grants recognised at a point in time	5,948	2,980
Total Grants	**9,045**	6,959

Unspent grants and contributions
Grants and contributions which were obtained on the condition that they be spent for specified purposes or in a future period, but which are not yet spent in accordance with those conditions, are as follows:

Capital	2026 $'000	2025 $'000
Balance of unspent funds at 1 July	348	147
Add: Funds recognised as income in the reporting year but not yet spent in accordance with the conditions	-	-
Add: Funds received and not recognised as income in the current year	19	348
Less: Funds recognised as income in previous years that have been spent during the reporting year	-	-
Less: Funds received in prior years but income recognised and funds spent in current year	(143)	(147)
Balance of unspent funds at 30 June	**224**	348
Total unspent funds held as a contract liability	**224**	348

Accounting policy
Council recognises untied grant income and those without performance obligations when received.

In cases where there is an enforceable agreement which contains sufficiently specific performance obligations, income is recognised as or when control of each performance obligation is satisfied (i.e. when it transfers control of a product or provides a service). A contract liability is recognised for unspent funds received in advance and then recognised as income as obligations are fulfilled.

The performance obligations are varied based on the agreement, but include project milestones such as design, construction progress and project completion.

Each performance obligation is considered to ensure that the income recognition reflects the transfer of control. Within grant agreements there may be some performance obligations where control transfers at a point in time and others which have a continuous transfer of control over the life of the contract. Where control is transferred over time, generally the input methods being either costs or time incurred are deemed to be the most appropriate methods to reflect the transfer of benefit.

If the transaction is a transfer of a financial asset to enable Council to acquire or construct a recognisable non-financial asset to be controlled by Council (i.e. an in-substance acquisition of a non-financial asset), a contract liability is recognised for the excess of the fair value of the transfer over any related amounts recognised and income as the unspent funds are expended at the point in time at which required performance obligations are 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 as there is no profit margin. For the acquisitions of assets, income is recognised when the asset is acquired and controlled by the Council.

Commonwealth Government Financial Assistance Grants
In both years the Commonwealth has made early payment of untied Financial Assistance Grants for the following year (80% in the 2025/26 financial year and 50% in the 2024/25 financial year). The early receipt of these instalments has resulted in Commonwealth Government Financial Assistance Grants being above that originally budgeted in 2025/26 by $1.3 million (2024/25, below budget by $1.4 million). This has impacted the Statement of Comprehensive Income resulting in the net result for the year being higher by the same amount. Financial Assistance Grants are general grants and do not have sufficient specific performance obligations. As a result, they are recognised as income when received.

2.5 Contributions

(a) Cash	2026 $'000	2025 $'000
Operating		
Blue Derby Mountain Bike Trails	133	119
Scottsdale Aquatic Centre	4	4
Other	-	10
	137	133
Capital		
Branxholm Hall - kitchen upgrades	17	-
Blue Derby Mountain Bike Trails	-	125
Tomahawk Park - basketball court lighting	-	12
Other	-	2
	17	139
(b) Non-monetary assets		
Buildings	-	20
	-	20
Total Contributions	**154**	292

Accounting policy
Council recognises contributions without performance obligations when received. In cases where the contribution is for a specific purpose to acquire or construct a recognisable non-financial asset, a liability is recognised for funds received in advance and income recognised as obligations are fulfilled.

2.6 Interest

Interest	2026 $'000	2025 $'000
Interest on financial assets	123	133
Interest on rates	46	41
Interest on cash and cash equivalents	269	214
Total Interest	**438**	388

Accounting policy
Interest is recognised progressively as it is earned.

2.7 Other income

Other Income	2026 $'000	2025 $'000
Tourism income	7	13
Aquatic Centre	65	63
Private works	10	33
Reimbursements	111	206
Other sundry income	106	64
Total other income	**299**	379
Other income by timing of revenue recognition		
Other income recognised over time	-	-
Other income recognised at a point in time	299	379
Total other income	**299**	379

Accounting policy

Tourism, aquatic centre and other sundry income
Tourism and other income is recognised as income when the payment is due or the payment is received, whichever first occurs.

Private works and reimbursements
Reimbursements are recognised as income when the payment is due or the payment is received, whichever first occurs.

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

	2026 $'000	2025 $'000
Proceeds of sale	447	591
Written down value of assets disposed:		
Plant, machinery and equipment	(290)	(307)
Water irrigation rights - Scottsdale Irrigation Scheme	(140)	(70)
Land	-	(27)
Pine Plantations	-	(2)
Building and infrastructure assets		
Scheduled	(268)	(376)
Unscheduled	-	-
Total net gain/(loss) on disposal of property, infrastructure, plant and equipment	**(251)**	(191)

2.8 Net gain/(loss) on disposal of property, infrastructure, plant and equipment (cont.)

Accounting policy

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

2.9 Investment income from water corporation

Investment income from water corporation	2026 $'000	2025 $'000
Dividend income	252	233
Total investment income from water corporation	**252**	233

Accounting policy

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

Note 3 | Expenses

3.1 Employee benefits

Employee Benefits	2026 $'000	2025 $'000
Wages and salaries	6,630	6,464
Workers compensation	205	267
Superannuation (Refer to Note 9.6)	768	741
Payroll tax	370	381
Fringe benefits tax	63	54
	8,036	7,907
Less amounts capitalised	(1,572)	(1,571)
Total employee benefits	**6,464**	6,336

Accounting policy

Expenses are recognised in the Statement of Comprehensive Income when a decrease in future economic benefits related to a decrease in asset or an increase of a liability has arisen that can be measured reliably.

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

3.2 Materials and services

Materials and Services	2026 $'000	2025 $'000
Materials	745	553
Utilities	535	532
Plant, machinery and equipment maintenance	625	649
Office administration	41	56
Contractors	1,747	1,571
Professional services	305	356
Management contracts	304	303
Total materials and services	**4,302**	4,020

Accounting policy

Expenses are recognised in the Statement of Comprehensive Income when a decrease in future economic benefits related to a decrease in asset or an increase of a liability has arisen that can be measured reliably.

Routine maintenance, repair costs, and minor renewal costs are expensed as incurred. Where the repair relates to the replacement of a component of an asset and the cost exceeds the capitalisation threshold the cost is capitalised and depreciated. The carrying value of the replaced asset is expensed.

3.3 Depreciation

	2026 $'000	2025 $'000
Property		
Land improvements	396	478
Buildings	510	461
Plant and Equipment		
Plant, machinery and equipment	836	746
Fixtures, fittings and furniture	12	17
Computers and telecommunications	125	122
Infrastructure		
Roads	3,265	2,938
Bridges	630	619
Stormwater	326	323
Right-of-use assets		
Right-of-use assets	18	18
Total depreciation	**6,118**	5,722

Accounting policy

Expenses are recognised in the Statement of Comprehensive Income when a decrease in future economic benefits related to a decrease in asset or an increase of a liability has arisen that can be measured reliably.

Land improvements, buildings, infrastructure, plant and equipment and other assets having limited useful lives are systematically depreciated over their useful lives to Council in a manner which reflects consumption of the service potential embodied in those assets.

Where assets have separate identifiable components that are subject to regular replacement, these components are assigned distinct useful lives and remaining values and a separate depreciation rate is determined for each component.

Road and trail earthworks are not depreciated on the basis that they are assessed as not having a limited useful life. Land (including land under roads) is not depreciated.

Straight line depreciation is charged based on the residual useful life as determined each year.

Right-of-use assets are depreciated over the lease term.

Estimates of remaining useful lives and residual value are made on a regular basis with major asset classes reassessed annually and depreciation and amortisation rates and methods are reviewed annually.

Major depreciation and amortisation periods used are listed below and are consistent with the prior year unless stated:

	Current	Comparative
Property		
Land improvements	5 to 100 years	5 to 100 years
Buildings	15 to 160 years	15 to 160 years
Plant and Equipment		
Plant, machinery and equipment	2 to 50 years	2 to 50 years
Fixtures, fittings and furniture	10 to 40 years	10 to 40 years
Computers and telecommunications	4 to 15 years	4 to 15 years
Infrastructure		
Road wear surface		
seal	14 to 35 years	14 to 35 years
unsealed	8 to 20 years	8 to 20 years
Road pavements (including drainage)	56 to 90 years	56 to 90 years
Road sub base	168 to 400 years	168 to 400 years
Road kerb, channel and minor culverts	56 to 90 years	56 to 90 years
Footpaths	30 to 80 years	30 to 80 years
Bridge substructure	18 to 115 years	20 to 80 years
Bridge superstructure	13 to 100 years	20 to 100 years
Stormwater points, drains and pipes	80 to 100 years	80 to 100 years
Right-of-use assets		
Right-of-use assets	20 years	20 years

3.4 Impairment

Impairment	2026 $'000	2025 $'000
Assets held for sale - land	-	85
Total impairment	**-**	85

Accounting policy

Expenses are recognised in the Statement of Comprehensive Income when Council determines that an assets' fair value less cost to sell is lower than its current carrying amount.

3.5 Finance costs

Finance Costs	2026 $'000	2025 $'000
Interest - borrowings	49	57
Interest - lease liabilities	17	-
Interest - unwinding of discounts	5	5
Total finance costs	**71**	62

Accounting policy

Expenses are recognised in the Statement of Comprehensive Income when a decrease in future economic benefits related to a decrease in asset or an increase of a liability has arisen that can be measured reliably. Finance costs are recognised as an expense in the period in which they are incurred, except where they are capitalised as part of a qualifying asset constructed by Council. Where specific borrowings are obtained for the purpose of specific asset acquisition, the weighted average interest rate applicable to borrowings at balance date, excluding borrowings associated with superannuation, is used to determine the borrowing costs to be capitalised. No borrowing costs were capitalised during the period.

Finance costs include interest on borrowings, leases and unwinding of discounts for applicable provisions. .

3.6 Other expenses

Other Expenses	2026 $'000	2025 $'000
State levies, licences and taxes	650	668
Insurance	245	227
Councillors allowances	200	218
Commissions	8	10
IT maintenance	231	156
Communications	42	55
Subscriptions and memberships	157	131
Professional development	51	63
Bad and doubtful debts	81	6
Community grants and donations	164	170
Advertising	42	43
Election expenditure	10	34
Marketing	2	7
Bank fees and charges	41	42
Postage	25	25
Lease payments	12	7
Other expenses	222	298
Total other expenses	**2,183**	2,160

Accounting policy

Expenses are recognised in the Statement of Comprehensive Income when a decrease in future economic benefits related to a decrease in asset or an increase of a liability has arisen that can be measured reliably.

The external audit fee for 2025/26 is $48,800 (2024/25: $46,000).

Note 4 | Current Assets

4.1 Cash and cash equivalents

Cash and Cash Equivalents	2026 $'000	2025 $'000
Cash on hand	2	2
Cash at bank	6,747	6,066
Special committees (Note 10.2)	17	17
Total cash and cash equivalents	**6,766**	6,085

Council's cash and cash equivalents are subject to a number of external restrictions and internal commitments that limit amounts available for discretionary or future use. These include:

Restricted funds		
(i) Deposits (Note 7.2)	17	20
(ii) Unspent grant funds with conditions (Note 2.4)	224	348
Internal committed funds		
(iii) Leave provisions (Note 7.3)	1,542	1,631
(iv) Other provisions (Note 7.3)	205	150
Committed funds	**1,988**	2,149
Total uncommitted cash and cash equivalents	**4,778**	3,936
Total financial investments (Note 4.3)	3,000	2,500
Total uncommitted funds	**7,778**	6,436

Accounting policy

For the purpose of the Statement of Cash Flows, cash and cash equivalents include cash on hand, deposits at call and other highly liquid investments with original maturities of three months or less, net of outstanding bank overdrafts.

Restricted and internally committed funds include:

(i) refundable deposits held by Council.

(ii) income received in advance until specific performance obligations required under funding agreements are complete.

(iii) provisions for both short and long term leave entitlements payable to employees in the future.

(iv) provisions for the rehabilitation of current mineral leases held with Mineral Resources Tasmania and an expected employee back payment to be made in the 2026/27 financial year..

4.2 Trade and other receivables

Current	2026 $'000	2025 $'000
Rates debtors	725	599
Other debtors	262	364
Payroll debtors	5	-
Loans and advances (Note 10.4)	224	214
Net GST receivable	192	64
less provision for impairment - other debtors	(90)	(8)
Total current	**1,318**	1,233
Non-current		
Loans and advances (Note 10.4)	1,087	1,297
Total non-current	**1,087**	1,297
Total trade and other receivables	**2,405**	2,530

Reconciliation of movement in expected credit loss

Carrying amount at 1 July	8	12
Amounts written off during the year	-	-
Amounts recovered during the year	-	(11)
Increase/(decrease) in provision recognised in the profit or loss	82	7
Carrying amount at 30 June	**90**	8

For ageing analysis of the financial assets, refer to Note 9.10 (b).

Accounting policy

Trade receivables that do not contain a significant financing component are measured at amortised cost, which represents their transaction value. Impairment is recognised on an expected credit loss (ECL) basis.

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

For rate debtors, Council takes the view that unpaid rates represent a charge against the rateable property that will be recovered when the property is next sold. For non-rate debtors, Council uses the presumptions that assets more than 60 days past due have a significant increase in credit risk and those more than 90 days will likely be in default. Council writes off receivables when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery.

4.3 Financial Investments

Financial investments	2026 $'000	2025 $'000
Term deposits	3,000	2,500
Total financial investments	**3,000**	2,500

Accounting policy

Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business.

Term deposits represent short term deposits invested with Australian deposit taking institutions for a fixed period of less than 12 months with interest paid at maturity.

4.4 Inventories

Inventories	2026 $'000	2025 $'000
Inventories held for distribution - stores	105	119
Inventories held for distribution - gravel stockpile	190	123
Inventories held for sale	10	12
Total inventories	**305**	254

Accounting policy

Inventories held for distribution are measured at cost, adjusted when applicable for any loss of service potential. Other inventories are measured at the lower of cost and net realisable value.

Where inventories are acquired at no cost, or for nominal consideration, the cost shall be the current replacement cost as at the date of acquisition.

4.5 Assets held for sale

Assets held for sale	2026 $'000	2025 $'000
Water Irrigation Rights - Scottsdale Irrigation Scheme	528	668
Internal transfer from Land	135	135
Total assets held for sale	**663**	803

Water Irrigation Rights - Scottsdale Irrigation Scheme

In 2015, Council committed to purchase a minimum of 1,250ML in unsold water rights to enable the construction of the Scottsdale Irrigation Scheme (SIS) to commence. The SIS was commissioned in August 2021 at which time 642ML were purchased by Council and these water rights are now available for sale to the community via Tasmanian Irrigation.

At 30 June 2026, 377 ML of unsold water rights remain for sale.

Internal transfer from Land

Council currently holds a parcel of land at 3 North Scottsdale Road that has been classified as held for sale. The sale of this land is expected to be completed within the next twelve months (see Note 10.4 for further details).

Accounting policy

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

4.6 Other Assets

	2026 $'000	2025 $'000
Current		
Contractual assets - accrued grant income	1,786	1,018
Accrued income - interest	43	43
Accrued income - other	167	18
Prepayments	194	187
Total current	**2,190**	1,266
Non-current		
Deposits	17	17
Total non-current	**17**	17
Total other assets	**2,207**	1,283

Accounting policy

Council recognises a contractual asset for work in progress where a performance obligation is satisfied by transferring a promised good or service to the customer, before the customer pays consideration or the payment is due. Contractual assets are transferred to receivables when the right to receive payment becomes unconditional.

Council reviews contractual assets for impairment and concluded that there was no impairment required for the 2025/26 year.

Council's contract assets with customers predominately includes accrued interest payable on Council's loan receivables and capital grant funding for projects which have been completed and are awaiting finalisation of the acquittal process prior to receiving the final milestone payments.

Note 5 | Investment in water corporation

5.1 Investment in water corporation

	2026 $'000	2025 $'000
Opening balance	18,319	17,969
Fair value adjustment on equity investment assets	593	350
Total investment in water corporation	**18,912**	18,319

Council has derived returns from the water corporation as disclosed at Note 2.9.

Accounting policy

As Council's investment in TasWater is held for long-term strategic purposes, Council has elected under AASB 9 Financial Instruments to irrevocably classify this equity investment as designated as fair value through other comprehensive income.

Subsequent changes in fair value on designated investments in equity instruments are recognised in other comprehensive income (for fair value reserve refer to Note 9.1) and not reclassified through the profit or loss when derecognised. Dividends associated with the equity investments are recognised in profit and loss when the right of payment has been established and it can be reliably measured.

Fair value was determined by using Council's ownership interest against the water corporation's net asset value at balance date. At 30 June 2026, Council holds a 0.95% ownership interest in TasWater which is based on Schedule 2 of the Corporations Constitution.

Note 6 | Non-current assets

6.1 Property, infrastructure, plant and equipment

Summary	2026 $'000	2025 $'000
at cost	37,037	36,530
Less accumulated depreciation	(11,012)	(10,095)
	26,025	26,435
at fair value	338,548	326,902
Less accumulated depreciation	(99,290)	(81,195)
	239,258	245,707
Total	**265,283**	272,142
Property		
Land		
at fair value	12,227	12,227
	12,227	12,227
Land improvements		
at cost	22,604	22,330
Less accumulated depreciation	(4,731)	(4,357)
	17,873	17,973
Land Under Roads		
at fair value	12,919	12,919
	12,919	12,919
Total Land	**43,019**	43,119
Buildings		
at fair value	13,356	12,844
Less accumulated depreciation	(515)	-
	12,841	12,844
Total Buildings	**12,841**	12,844
Total Property	**55,860**	55,963

Plant and Equipment	2026 $'000	2025 $'000
Plant, machinery and equipment		
at cost	10,054	9,234
Less accumulated depreciation	(4,180)	(3,773)
	5,874	5,461
Fixtures, fittings and furniture		
at cost	211	187
Less accumulated depreciation	(122)	(110)
	89	77
Computers and telecommunications		
at cost	2,308	2,156
Less accumulated depreciation	(1,979)	(1,855)
	329	301
Total Plant and Equipment	**6,292**	5,839
Infrastructure		
Roads		
at fair value	230,150	222,246
Less accumulated depreciation	(74,460)	(58,594)
	155,690	163,652
Bridges		
at fair value	41,116	38,334
Less accumulated depreciation	(14,437)	(13,195)
	26,679	25,139
Stormwater		
at fair value	28,780	28,332
Less accumulated depreciation	(9,878)	(9,406)
	18,902	18,926
Total Infrastructure	**201,271**	207,717

6.1 Property, infrastructure, plant and equipment (cont.)

Works in progress	2026 $'000	2025 $'000
Land	9	9
Land improvements	630	542
Buildings	256	141
Plant, machinery and equipment	7	11
Fixtures, fittings and furniture	11	-
Computers and telecommunications	1	1
Roads	428	1,868
Bridges	129	27
Stormwater	389	24
Total Works in progress	**1,860**	2,623
Total property, infrastructure, plant and equipment	**265,283**	272,142

6.1 Property, infrastructure, plant and equipment (cont.)

Reconciliation of property, plant and equipment, infrastructure

2026	Balance at beginning of financial year $'000	Acquisition of assets $'000	Revaluation increments (decrements) (Note 9.1) $'000	Depreciation and amortisation (Note 3.3) $'000	Written down value of disposals (Note 2.8) $'000	Impairment losses or items expensed (a) $'000	Transfers $'000	Balance at the end of financial year $'000
Property								
land	12,227	-	-	-	-	-	-	12,227
land improvements	17,973	-	-	(396)	(6)	-	302	17,873
land under roads	12,919	-	-	-	-	-	-	12,919
Total land	**43,119**	**-**	**-**	**(396)**	**(6)**	**-**	**302**	**43,019**
buildings	12,844	-	127	(510)	-	-	380	12,841
Total buildings	**12,844**	**-**	**127**	**(510)**	**-**	**-**	**380**	**12,841**
Total property	**55,963**	**-**	**127**	**(906)**	**(6)**	**-**	**682**	**55,860**
Plant and Equipment								
plant, machinery and equipment	5,461	-	-	(836)	(290)	-	1,539	5,874
fixtures, fittings and furniture	77	-	-	(12)	-	-	24	89
computers and telecommunications	301	-	-	(125)	-	-	153	329
Total plant and equipment	**5,839**	**-**	**-**	**(973)**	**(290)**	**-**	**1,716**	**6,292**
Infrastructure								
roads	163,652	-	(10,141)	(3,265)	(224)	-	5,668	155,690
bridges	25,139	-	1,352	(630)	(38)	-	856	26,679
stormwater	18,926	-	279	(326)	-	-	23	18,902
Total infrastructure	**207,717**	**-**	**(8,510)**	**(4,221)**	**(262)**	**-**	**6,547**	**201,271**
Works in progress								
land	9	-	-	-	-	-	-	9
land improvements	542	413	-	-	-	-	(325)	630
buildings	142	494	-	-	-	-	(380)	256
plant, machinery and equipment	10	1,536	-	-	-	-	(1,539)	7
fixtures, fittings and furniture	-	35					(24)	11
computers and telecommunications	1	153	-	-	-	-	(153)	1
roads	1,868	4,228	-	-	-	-	(5,668)	428
bridges	27	958	-	-	-	-	(856)	129
stormwater	24	388	-	-	-	-	(23)	389
Total works in progress	**2,623**	**8,205**	**-**	**-**	**-**	**-**	**(8,968)**	**1,860**
Total property, plant and equipment, infrastructure	**272,142**	**8,205**	**(8,383)**	**(6,100)**	**(558)**	**-**	**(23)**	**265,283**

6.1 Property, infrastructure, plant and equipment (cont.)

Reconciliation of property, plant and equipment, infrastructure

2025	Balance at beginning of financial year $'000	Acquisition of assets $'000	Revaluation increments (decrements) (Note 9.1) $'000	Depreciation and amortisation (Note 3.3) $'000	Written down value of disposals (Note 2.8) $'000	Impairment losses or items expensed (a) $'000	Transfers $'000	Balance at the end of financial year $'000
Property								
land	12,312	-	-	-	(25)	(85)	25	12,227
land improvements	17,608	-	-	(478)	-	-	843	17,973
land under roads	12,919	-	-	-	(2)	-	2	12,919
Total land	**42,839**	**-**	**-**	**(478)**	**(27)**	**(85)**	**870**	**43,119**
buildings	12,167	-	583	(461)	(41)	-	596	12,844
Total buildings	**12,167**	**-**	**583**	**(461)**	**(41)**	**-**	**596**	**12,844**
Total property	**55,006**	**-**	**583**	**(939)**	**(68)**	**(85)**	**1,466**	**55,963**
Plant and Equipment								
plant, machinery and equipment	5,523	-	-	(746)	(307)	-	991	5,461
fixtures, fittings and furniture	58	10	-	(17)	-	-	26	77
computers and telecommunications	289	-	-	(122)	-	-	134	301
Total plant and equipment	**5,870**	**10**	**-**	**(885)**	**(307)**	**-**	**1,151**	**5,839**
Infrastructure								
roads	137,826	-	26,318	(2,938)	(300)	-	2,746	163,652
bridges	24,946	-	541	(619)	-	-	271	25,139
stormwater	18,494	-	280	(323)	(35)	-	510	18,926
Total infrastructure	**181,266**	**-**	**27,139**	**(3,880)**	**(335)**	**-**	**3,527**	**207,717**
Works in progress								
land	26	8	-	-	-	-	(25)	9
land improvements	527	858	-	-	-	-	(843)	542
buildings	422	342	-	-	-	-	(622)	142
plant, machinery and equipment	51	950	-	-	-	-	(991)	10
computers and telecommunications	10	125	-	-	-	-	(134)	1
roads	682	3,932	-	-	-	-	(2,746)	1,868
bridges	180	118	-	-	-	-	(271)	27
stormwater	180	354	-	-	-	-	(510)	24
Total works in progress	**2,078**	**6,687**	**-**	**-**	**-**	**-**	**(6,142)**	**2,623**
Total property, plant and equipment, infrastructure	**244,220**	**6,697**	**27,722**	**(5,704)**	**(710)**	**(85)**	**2**	**272,142**

6.1 Property, infrastructure, plant and equipment (cont.)

Accounting policy

Acquisitions of assets are initially recorded at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition.

Property, infrastructure, and buildings received in the form of contributions, are recognised as assets and incomes at fair value by Council valuation where that value exceeds the recognition thresholds for the respective asset class. Fair value is the price that would be received to sell the asset in an orderly transaction between market participants at the measurement date.

Where assets are constructed by Council, cost includes all materials used in construction, direct labour, borrowing costs incurred during construction, and an appropriate share of directly attributable variable and fixed overheads.

The following classes of assets have been recognised. In accordance with Council's policy, a threshold limit of $1,000 is applied when recognising assets within an applicable asset class and unless otherwise stated are consistent with the prior year:

Asset Class	*Valuation Base*
Land	*fair value*
Stormwater	*fair value*
Roads	*fair value*
Land under roads	*fair value*
Bridges	*fair value*
Buildings	*fair value*
Plant, machinery and equipment	*cost*
Fixtures, fittings and furniture	*cost*
Land improvements	*cost*
Computers and telecommunication	*cost*

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

In addition, Council undertakes a formal revaluation of land, buildings, and infrastructure assets on a regular basis to ensure valuations represent fair value. Valuations are performed either by experienced Council Officers or independent experts. Between such valuations, Council considers, and when necessary, applies indexation to assets to ensure the carrying values continue to represent fair values.

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

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

Impairment of assets / reversal of impairment losses

Impairment losses are recognised in the Statement of Comprehensive Income under other expenses, unless the asset is carried at the revalued amount (in accordance with AASB 116). Any impairment loss of a revalued asset shall be treated as a revaluation decrease in accordance with AASB 116. Reversals of impairment losses are recognised in the Statement of Other Comprehensive Income under other income, unless the asset is carried at the revalued amount in accordance with AASB 116. Any reversal of impairment loss of a revalued asset shall be treated as a revaluation increase in accordance with AASB 116.

Land under roads

Council recognised the value of land under roads it controls at fair value.

6.2 Pine plantations

	2026 $'000	2025 $'000
Balance at beginning of financial year	43	45
Additions - at cost	23	-
Disposals	-	(2)
Balance at end of financial year	**66**	43

Accounting policy

Pine plantations are held to generate income from the sale of pine saw logs. Plantations are measured initially at cost including establishment costs. Costs incurred subsequent to initial acquisition are capitalised when it is probable that the future economic benefit in excess of the original assessed performance of the asset will flow to Council. Subsequent to initial recognition at cost, plantations are carried at fair value. Changes in fair value are recorded in the Statement of Comprehensive Income when the risk and rewards of ownership are transferred to the purchaser.

6.3 Right-of-use assets

	2026 $'000	2025 $'000
Gross carrying amount		
Balance as at 1 July	365	-
Additions	-	365
Disposals / derecognition	-	-
Balance as at 30 June	**365**	365
Accumulated depreciation and impairment		
Balance as at 1 July	18	-
Disposals / derecognition	-	-
Depreciation expense	18	18
Balance as at 30 June	**36**	18
Net book value at 30 June	**329**	347

Accounting policy

Leases - Council as Lessee

In contracts where Council is lessee, Council recognises a right-of-use asset and a lease liability at the commencement date of the lease, unless the short-term or low-value exemption is applied. Refer to Note 7.5 for details on the accounting policy of lease liabilities.

A right-of-use asset is initially measured at cost comprising the initial measurement of the lease liability adjusted for any lease payments made before the commencement date (reduced by lease incentives received), plus initial direct costs incurred n obtaining the lease and an estimate of costs to be incurred in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

All right-of-use assets are measured as described in the accounting policy for property, infrastructure, plant and equipment in Note 6.1. Also, Council applies AASB 136 Impairment of Assets to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the aforesaid right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that Council expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement of the lease.

Note 7 | Current liabilities

7.1 Trade and other payables

Trade and Other Payables	2026 $'000	2025 $'000
Trade payables	673	399
Rates and charges in advance	305	300
Accrued expenses	322	375
Total trade and other payables	**1,300**	1,074

Accounting policy

Liabilities are recognised for amounts to be paid in the future for goods and services provided to Council as at balance date whether or not invoices have been received. General creditors are unsecured, not subject to interest and are normally settled within 30 days of invoice receipt.

Rates and charges in advance represent amounts received by Council prior to the commencement of the rating or charging period. Revenue is recognised by Council at the beginning of the rating or charge period to which the advance payment relates.

For ageing analysis of trade and other payables, refer to Note 9.1.0(c).

7.2 Deposits

Deposits	2026 $'000	2025 $'000
Planning deposits	13	13
Other refundable deposits	4	7
Total deposits	**17**	20

Accounting policy

Amounts received as deposits and retention amounts controlled by Council are recognised as deposits until they are returned or forfeited.

7.3 Provisions

(a) Employee benefits	Annual leave	Long service leave	Rostered days off and time in lieu	On costs	Total
2026	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Balance at beginning of the financial year	539	734	79	279	1,631
Additional provisions	555	157	143	197	1,052
Amounts used	(571)	(118)	(145)	(186)	(1,020)
Decrease in the discounted amount arising from the time and effect of any change in the discount rate	-	(103)	-	(18)	(121)
Balance at the end of the financial year	**523**	**670**	**77**	**272**	**1,542**
Current	523	343	77	200	1,143
Non-current	-	327	-	72	399
Total	**523**	**670**	**77**	**272**	**1,542**
2025					
Balance at beginning of the financial year	542	662	89	257	1,550
Additional provisions	434	138	39	88	699
Amounts used	(437)	(129)	(49)	(103)	(718)
Increase in the discounted amount arising from the time and effect of any change in the discount rate	-	63	-	37	100
Balance at the end of the financial year	**539**	**734**	**79**	**279**	**1,631**
Current	539	321	79	189	1,128
Non-current	-	413	-	90	503
Total	**539**	**734**	**79**	**279**	**1,631**

Employee benefits	2026 $'000	2025 $'000
The following assumptions were adopted in measuring the present value of employee benefits:		
Weighted average discount rates	4.46%	3.43%
Weighted average settlement period (days)	17.8	17.8
Full Time Equivalent Employees	73.7	75.8

Accounting policy

(a) Employee Benefits

(i) Short term obligations

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

(ii) Other long term employee benefit obligations

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

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

(iii) Sick leave

No accrual is made for sick leave as Council experience indicates that, on average, sick leave taken in each reporting period is less than the entitlement accruing in that period, and this experience is expected to recur in future reporting periods. Council does not make payment for untaken sick leave.

(iv) Defined benefit plans

A liability or asset in respect of defined benefit superannuation plans would ordinarily be recognised in the Statement of Financial Position, and measured as the present value of the defined benefit obligation at the reporting date plus unrecognised actuarial gains (less unrecognised actuarial losses) less the fair value of the superannuation fund's assets at that date and any unrecognised past service cost.

7.3 Provisions (cont.)

The present value of the defined benefit obligation is based on expected future payments which arise from membership of the fund to the reporting date, calculated annually by independent actuaries using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. However, when this information is not reliably available, 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.

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

(v) Defined contribution plans

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

(b) Other provisions

Council have a provision to account for bank guarantees in place to cover potential rehabilitation costs required for current mineral leases and an employee back payment expected to be made in the 2026/27 financial year. Please see Note 10.5(d) for further information.

	2026 $'000	2025 $'000
Provision for rehabilitation		
Balance at beginning of year	150	106
Unused amounts reversed	-	(106)
Additional provisions recognised	50	145
Unwinding of discount	5	5
Closing balance	**205**	150
Provision - Other		
Current	63	12
Non-current	142	138
	205	150
Total Provisions		
Current	1,206	1,140
Non-current	541	641
Total Provisions	**1,747**	1,781

7.4 Contract liabilities

	2026 $'000	2025 $'000
Current		
Funds received to acquire or construct an asset controlled by Council	224	348
Funds received prior to performance obligation being satisfied (upfront payments)	-	2
Deposits received in advance of services provided	294	272
	518	622
Total contract liabilities	**518**	622

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

	2026 $'000	2025 $'000
Funds to construct Council controlled assets	143	147
Funds received prior to performance obligations being satisfied (upfront payments)	2	-
Deposits received in advance of services provided (e.g. caravan park fees, hire fees)	236	274
	381	421

Accounting policy

Council recognised the following contact liabilities with customers:

i) Funds received to construct Council controlled assets includes Commonwealth and State grant funding received for capital projects. 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 income is recognised as Council constructs the asset and the contract liability reflects the funding which cannot yet be recognised as income. All income is expected to be recognised within the next twelve months.

ii) Funds received prior to performance obligations being satisfied include annual lease payments received in advance for Council owned property. All income is expected to be recognised within the next twelve months.

iii) Deposits received in advance of services provided include camping deposits collected from customers at the Bridport Seaside Caravan Park. Income is recognised progressively as services are provided and all income is expected to be recognised within the next twelve months.

7.5 Lease liabilities

Lease liabilities	2026 $'000	2025 $'000
Current	7	1
Non-current	346	352
Total lease liabilities	**353**	353

Lease liabilities are secured by the related underlying assets. Future minimum lease payments area as follows:

	Minimum lease payments due						
As at 30 June 2026	Within 1 Year $'000	1-2 Years $'000	2-3 Years $'000	3-4 Years $'000	4-5 Years $'000	After 5 Years $'000	Total $'000
Lease payments	24	25	25	26	27	435	562
Finance charges	(17)	(17)	(17)	(16)	(16)	(126)	(209)
Net present value	**7**	**8**	**8**	**10**	**11**	**309**	**353**

	Minimum lease payments due						
As at 30 June 2025	Within 1 Year $'000	1-2 Years $'000	2-3 Years $'000	3-4 Years $'000	4-5 Years $'000	After 5 Years $'000	Total $'000
Lease payments	18	24	25	25	26	462	580
Finance charges	(17)	(17)	(17)	(17)	(16)	(143)	(227)
Net present value	**1**	**7**	**8**	**8**	**10**	**319**	**353**

Accounting policy

Leases - Council as Lessee

The lease liability is measured at the present value of outstanding payments that are not paid at balance date, discounted by using the rate implicit in the lease. Where this cannot be readily determined then Council's incremental borrowing rate for a similar term with similar security is used.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

Council has elected not to recognise right-of-use assets and lease liabilities for short-term leases i.e. leases with a lease term of 12 months or less and leases of low-value assets. Council recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term (see Note 9.8).

Note 8 | Non-current liabilities

8.1 Interest-bearing loans and borrowings

Current	2026 $'000	2025 $'000
Borrowings	531	522
	531	522
Non-current		
Borrowings	1,802	2,333
	1,802	2,333
Total Interest-bearing loans and borrowings	**2,333**	2,855

As part of the State Government's response to the COVID-19 pandemic, the Treasurer has ensured that all councils have access to sufficient funding. On 15 June 2020, the Treasurer provided explicit support to the Tasmanian Public Finance Corporation for any loans advanced to local government authorities under the Local Government Loans Program ("LGLP"). The LGLP enabled Council to borrow $2.5 million in the 2019/20 financial year with an additional $700,000 being drawn down in the 2020/21 financial year (total borrowings under the LGLP is $3.2 million). The Tasmanian Government is providing interest rebates to Council for a period of 3 years to meet the interest obligations of the loan.

During the 2020/21 financial year, Council entered into an additional loan agreement with the Tasmanian Public Finance Corporation for a further $2.0 million. This is a ten-year principal and interest loan which has been on-lent to May Shaw via a back to back loan, to support the redevelopment of the Aminya Aged-Care Facility. The Aminya facility redevelopment is now completed and Council is in the process of transferring the title to May Shaw. Upon transfer, a first mortgage in favour of Council will be secured over the title to ensure the loan is secured against the facility.

Maturity profile for Council's borrowings:	2026 $'000	2025 $'000
Not later than one year	531	522
Later than one year and not later than five years	1,802	2,186
Later than five years	-	147
Total borrowings	**2,333**	**2,855**

Accounting policy

The borrowing capacity of Council is limited by the Local Government Act 1993. Interest bearing liabilities are initially recognised at fair value, net of transaction costs incurred. Subsequent to initial recognition these liabilities are measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Comprehensive Income over the period of the liability using the effective interest method.

Interest is expensed as it accrues and no interest has been capitalised during the current or comparative reporting period. There have been no defaults or breaches of the loan agreement during the period. Borrowings are secured by way of mortgages over the general rates of the Council.

Note 9 | Other Financial Information

9.1 Reserves

(a) Asset revaluation reserve

2026	Balance at beginning of the reporting year $'000	Increment $'000	(Decrement) $'000	Balance at end of the reporting year $'000
Property				
Land	7,874	-	-	7,874
Land under roads	9,570	-	-	9,570
Buildings	3,531	127	-	3,658
	20,975	**127**	**-**	**21,102**
Infrastructure				
Roads	103,559	-	(10,141)	93,418
Bridges	17,367	1,352	-	18,719
Stormwater	15,012	279	-	15,291
	135,938	**1,631**	**(10,141)**	**127,428**
Other				
Pine plantations	26	-	-	26
	26	**-**	**-**	**26**
Total asset revaluation reserve	**156,939**	**1,758**	**(10,141)**	**148,556**

2025	Balance at beginning of the reporting year $'000	Increment $'000	(Decrement) $'000	Balance at end of the reporting year $'000
Property				
Land	7,874	-	-	7,874
Land under roads	9,570	-	-	9,570
Buildings	2,948	583	-	3,531
	20,392	**583**	**-**	**20,975**
Infrastructure				
Roads	77,241	26,318	-	103,559
Bridges	16,826	541	-	17,367
Stormwater	14,732	280	-	15,012
	108,799	**27,139**	**-**	**135,938**
Other				
Pine plantations	26	-	-	26
	26	**-**	**-**	**26**
Total asset revaluation reserve	**129,217**	**27,722**	**-**	**156,939**

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

9.1 Reserves (cont.)

(b) Fair value reserve 2026	Balance at the beginning of reporting year $'000	Increment $'000	(Decrement) $'000	Balance at end of reporting year $'000
Equity investments assets				
Investment in water corporation	276	593	-	869
Total fair value reserve	**276**	**593**	**-**	**869**

2025				
Equity investments assets				
Investment in water corporation	(74)	350	-	276
Total fair value reserve	**(74)**	**350**	**-**	**276**

Council has designated its investment in TasWater as an equity investment at fair value through other comprehensive income. Subsequent changes in fair value are reflected in the reserve and will not be reclassified through the profit and loss when derecognised.

	2026 $'000	2025 $'000
Total Reserves	**149,425**	157,215

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

	2026 $'000	2025 $'000
Result from continuing operations	3,857	1,871
Depreciation/impairment	6,118	5,807
(Profit)/loss on disposal of property, infrastructure, plant and equipment	251	191
Capital grants and contributions received specifically for new or upgraded assets	(3,114)	(4,138)
Finance lease movements	18	-
Change in asset and liabilities:		
Decrease/(increase) in trade and other receivables	(184)	(101)
Decrease/(increase) in other assets	(16)	39
Decrease/(increase) in inventories	(51)	81
Increase/(decrease) in trade and other payables	159	(223)
Increase/(decrease) in deposits	(3)	(16)
Increase/(decrease) in provisions	(34)	125
Increase/(decrease) in contract liabilities	25	(38)
Net cash provided by/(used in) operating activities	**7,026**	**3,598**

9.3 Reconciliation of liabilities arising from financing activities

Liabilities arising from financing activities are liabilities for which cash flows were, or future cash flows will be, classified in the Statement of Cash Flows as cash flows from financing activities.

	Lease liabilities $'000	Interest-bearing loans and borrowings $'000
Balance at 1 July 2025	353	2,855
Acquisitions	-	-
Changes in fair value	-	-
Non cash movements in liability	18	-
Changes from financing cash flows:		
Cash received	-	-
Cash repayments	(18)	(522)
Balance as at 30 June 2026	**353**	**2,333**
Balance at 1 July 2024	-	3,367
Acquisitions	365	-
Changes in fair value	-	-
Other movements	-	-
Changes from financing cash flows:		
Cash received	-	-
Cash repayments	(12)	(512)
Balance as at 30 June 2025	**353**	**2,855**

9.4 Reconciliation of cash and cash equivalents

	2026 $'000	2025 $'000
Cash and cash equivalents (see Note 4.1)	6,766	6,085
Less bank overdraft utilised	-	-
Total reconciliation of cash and cash equivalents	**6,766**	6,085

9.5 Financing arrangements

	2026 $'000	2025 $'000
Bank overdraft	40	40
Credit card facilities	50	50
Used facilities	(8)	(12)
Unused facilities	**82**	78

9.6 Superannuation

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

For the year ended 30 June 2026 the Council contributed 0% of employees' gross income to the Fund (2025: 0%). Assets accumulate in the fund to meet member benefits as they accrue, and if assets within the fund are insufficient to satisfy benefits payable, the Council is required to meet its share of the deficiency.

Deloitte Consulting Pty Ltd undertook the last actuarial review of the Fund at 30 June 2023. The review disclosed that at that time the net market value of assets available for funding member benefits was $48,442,000, the value of vested benefits was $39,789,000, the surplus over vested benefits was $8,653,000, the value of total accrued benefits was $39,479,000, and the number of members was 77. These amounts relate to all members of the fund at the date of valuation and no asset or liability is recorded in the CareSuper's financial statements for Council employees.

The financial assumptions used to calculate the Accrued Benefits for the Fund were:

- Net Investment Return 4.50% p.a.
- Salary Inflation 3.50% p.a.
- Price Inflation N/A

The actuarial review concluded that:

- The value of assets of the Fund was adequate to meet the liabilities of the Fund in respect of vested benefits as at 30 June 2023.
- The value of assets of the Fund was adequate to meet the value of the liabilities of the Fund in respect of accrued benefits as at 30 June 2023.
- Based on the assumptions used, and assuming the Employer contributes at the levels described below, the value of the assets is expected to continue to be adequate to meet the value of the liabilities of the Fund in respect of vested benefits at all times during the period up to 30 June 2028.

9.6 Superannuation (cont.)

Given the strong financial position of the Fund, the Actuary recommended that the Council consider a contribution holiday and contribute 0% of salaries from 1 July 2024 to 1 July 2027. This contribution rate is subject to normal review processes which include reviewing the contribution rate if needed to respond to extreme movements in financial markets. In addition, employers pay contributions towards defined benefit members' accumulation accounts where required by agreements.

The Actuary will continue to undertake a brief review of the financial position the Fund at the end of each financial year to confirm that the contribution rates remain appropriate. The next full triennial actuarial review of the Fund will have an effective date of 30 June 2026 and is expected to be completed late in 2026.

Council also contributes to other accumulation schemes on behalf of a number of employees; however the Council has no ongoing responsibility to make good any deficiencies that may occur in those schemes.

During the year Council made the required superannuation contributions for all eligible employees to an appropriate complying superannuation fund as required by the *Superannuation Guarantee (Administration) Act 1992*.

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

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

  Under the aggregate funding method of financing the benefits, the stability of the Councils' contributions over time depends on how closely the Fund's actual experience matches the expected experience. If the actual experience differs from that expected, the Councils' contribution rate may need to be adjusted accordingly to ensure the Fund remains on course towards financing members' benefits.
- In terms of Rule 15.2 of the CareSuper Trust Deed (Trust Deed), there is a risk that employers within the Fund may incur an additional liability when an Employer ceases to participate in the Fund at a time when the assets of the Fund are less than members' vested benefits. Each member of the Fund who is an employee of the Employer who is ceasing to participate is required to be provided with a benefit at least equal to their vested benefit. However, there is no provision in the Trust Deed requiring an employer to make contributions other than its regular contributions up to the date of cessation of contributions.
- The application of Fund assets on CareSuper being wound-up is set out in Rule 20.2. This Rule provides that expenses and taxation liabilities should have first call on the available assets. Additional assets will initially be applied for the benefit of the then remaining members and / or their Dependants in such manner as the Trustee considers equitable and appropriate in accordance with the Applicable Requirements (broadly, superannuation and taxation legislative requirements and other requirements as determined by the regulators).

  The Trust Deed does not contemplate the Fund withdrawing from CareSuper.
- The Fund is a defined benefit fund.
- The Fund has been classified as a multi-employer sponsored plan. As the Fund's assets and liabilities are pooled and are not allocated by employer, the Actuary is unable to allocate benefit liabilities, assets and costs between employers. Thus the Fund is not able to prepare standard AASB 119 defined benefit reporting.

During the reporting period the amount of contributions paid to defined benefits schemes was $3,248 (2024/25: $3,317, and the amount paid to accumulation schemes was $773,251 (2024/25: $725,261).

From the 2026/27 financial year Council will no longer be required to make contributions to defined benefits schemes. The amount expected to be paid to accumulation schemes in 2026/27 is $804,181.

- As reported n the first page of this note, Assets exceeded accrued benefits as at the date of the last actuarial review, 30 June 2023. Favourable investment returns, since that date, has seen further improvement in the financial position of the Fund. The financial position of the Fund will be fully investigated at the actuarial review as at 30 June 2026.
- An analysis of the assets and vested benefits of sub-funds participating in the Scheme, prepared by Deloitte Consulting Pty Ltd as at 30 June 2025, showed that the Fund had assets of $38.81 million and members' Vested Benefits were $28.97 million. These amounts represented 0.07% and 0.05% respectively of the corresponding total amounts for CareSuper.
- As at 30 June 2025 the fund had 55 members and the total employer contributions and member contributions for the year ending 30 June 2025 were $547,842 and $184,457 respectively.

Fund	**2026**	**2025**
Defined benefits fund	**$'000**	**$'000**
Employer contributions to CareSuper Defined Benefit Fund	3	3
	3	3
Employer contribution payable to CareSuper Defined Benefit fund at reporting date	-	-
	-	-
Accumulation funds		
Employer contributions to CareSuper	402	365
Employer contributions to Other Funds	371	360
	773	725
Employer contribution payable to CareSuper at reporting date	-	-
Employer contributions payable to other funds at reporting date	-	-
	-	-

9.7 Commitments

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

Capital Expenditure Commitments

2026	Not later than 1 year	Later than 1 year and not later than 5 years	Later than 5 years	Total
Bridges	687	-	-	**687**
Roads and footpaths	569	-	-	**569**
Plant and equipment	519	-	-	**519**
Total capital expenditure commitments	**1,775**	**-**	**-**	**1,775**

Contractual commitments

Contractual commitments at end of financial year but not recognised in the financial report are as follows:

2026	Not later than 1 year	Later than 1 year and not later than 5 years	Later than 5 years	Total
Waste Management				
General waste collection	38	-	-	**38**
Waste Transfer Stations	35	-	-	**35**
Electricity	281	212	-	**493**
Cleaning contractors	25	-	-	**25**
Insurance	489	-	-	**489**
Information systems and technology	60	3	-	**63**
Total contractual commitments	**928**	**215**	**-**	**1,143**

Capital Expenditure Commitments

2025	Not later than 1 year	Later than 1 year and not later than 5 years	Later than 5 years	Total
Land improvements and buildings	26	-	-	**26**
Roads and footpaths	453	-	-	**453**
Plant and equipment	441	-	-	**441**
Total capital expenditure commitments	**920**	**-**	**-**	**920**

Contractual commitments

Contractual commitments at end of financial year but not recognised in the financial report are as follows:

2025	Not later than 1 year	Later than 1 year and not later than 5 years	Later than 5 years	Total
Waste Management				
General waste collection	219	37	-	**256**
Waste Transfer Stations	122	-	-	**122**
Electricity	277	493	-	**770**
Cleaning contractors	33	25	-	**58**
Insurance	435	-	-	**435**
Information systems and technology	44	1	-	**45**
Total contractual commitments	**1,130**	**556**	**-**	**1,686**

9.8 Operating leases as lessor

Council leases are over a variety of property assets including halls, community centres, sporting and recreation facilities and land.

Maturity analysis of operating lease payments to be received	2026 $'000	2025 $'000
Year 1	58	62
Year 2	13	31
Year 3	10	12
Year 4	7	11
Year 5	-	6
Year 6 and onwards	-	-
Total	**88**	**122**
The following table presents the amounts reported in profit or loss:		
Lease income on operating leases	77	70
Therein lease income relating to variable lease payments that do not depend on an index or rate	-	-

Accounting policy

Council is a lessor and enters into agreements with a number of lessees. These include commercial and non-commercial agreements.

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

Where leases are commercial agreements, but properties leased are part of properties predominantly used by Council for its own purposes, Council records lease revenue on an accruals basis and records the associated properties as part of land and buildings within property, plant and equipment. Buildings are recognised at current replacement cost.

Furthermore, when Council leases some of its land and buildings on commercial terms the lease contract may include incentives for the lessee to enter in the agreement, for example rent-free period or discounted rent. Council accounts for the cost of incentives as a reduction of rental income of the term of the lease.

9.9 Contingent Liabilities and Contingent Assets

Contingent liabilities

Council has a closed landfill site that is currently under active monitoring. Although monitoring to date has shown no issues requiring remediation, it is possible that future remedial costs may arise which are unable to be estimated with certainty.

9.10 Financial instruments

Managing financial risk

Council has exposure to the following risks from its use of financial instruments:

(a) Interest rate risk
(b) Credit risk
(c) Liquidity risk; and
(d) Market risk

The General Manager has overall responsibility for the establishment and oversight of Council's risk management framework. Risk management policies are established to identify and analyse risks faced by Council, to set appropriate risk limits, and to monitor risk and adherence to limits.

(a) Interest Rate Risk

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Interest rate risk arises from interest bearing financial assets and liabilities used. Non-derivative interest bearing assets are predominantly short term liquid assets. Council's interest rate liability arises primarily from long term loans and borrowing at fixed rates which exposes us to fair value interest rate risk.

Council's loan borrowings are sourced from the Tasmanian Public Finance Corporation and our bank overdraft is arranged with Westpac Banking Corporation. We manage interest rate risk on our net debt portfolio by:

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

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

Investment of surplus funds is made with approved financial institutions under the *Local Government Act 1993*. Council manage interest rate risk by adopting an investment policy that ensures:

- conformity with State and Federal regulations and standards;
- capital protection;
- appropriate liquidity;
- diversification by credit rating, financial institution and investment product;
- monitoring of return on investment;
- benchmarking of returns and comparison with budget.

Maturity will be staggered to provide for interest rate variations and to minimise interest rate risk.

9.10 Financial instruments (cont.)

(a) Interest Rate Risk (cont.)

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

2026

	Weighted average interest rate	Floating interest rate	Fixed interest maturing in: 1 year or less	Over 1 to 5 years	More than 5 years	Non-interest bearing	Total
		$'000	$'000	$'000	$'000	$'000	$'000
Financial assets							
Cash and cash equivalents	4.45%	6,747	-	-	-	19	**6,766**
Financial investments	4.97%	-	3,000	-	-	-	**3,000**
Trade and other receivables	N/A	-	-	-	-	1,094	**1,094**
Loans and advances	1.89%	-	218	801	292	-	**1,311**
Total financial assets		6,747	3,218	801	292	1,113	**12,171**
Financial liabilities							
Trade and other payables	N/A	-	-	-	-	1,300	**1,300**
Deposits	N/A	-	-	-	-	17	**17**
Interest-bearing loans / borrowings	1.87%	-	531	1,802	-	-	**2,333**
Total financial liabilities		-	531	1,802	-	1,317	**3,650**
Net financial assets / (liabilities)		**6,747**	**2,687**	**(1,001)**	**292**	**(204)**	**8,521**

9.10 Financial instruments (cont.)

2025

	Weighted average interest rate	Floating interest rate	Fixed interest maturing in: 1 year or less	Over 1 to 5 years	More than 5 years	Non-interest bearing	Total
		$'000	$'000	$'000	$'000	$'000	$'000
Financial assets							
Cash and cash equivalents	4.17%	6,066	-	-	-	19	6,085
Financial investments	4.48%	-	2,500	-	-	-	2,500
Trade and other receivables	N/A	-	-	-	-	1,019	1,019
Loans and advances	1.89%	-	228	966	317	-	1,511
Total financial assets		6,066	2,728	966	317	1,038	11,115
Financial liabilities							
Trade and other payables	N/A	-	-	-	-	1,074	1,074
Deposits	N/A	-	-	-	-	20	20
Interest-bearing loans/borrowings	1.88%	-	522	2,186	147	-	2,855
Total financial liabilities		-	522	2,186	147	1,094	3,949
Net financial assets (liabilities)		**6,066**	**2,206**	**(1,220)**	**170**	**(56)**	**7,166**

(b) Credit risk

Credit risk is the risk that a contracting entity will not complete its obligations under a financial instrument and cause Council to make a financial loss. Council have exposure to credit risk on some financial assets included in our Statement of Financial Position. To help manage this risk:

- we have a policy for establishing credit limits for the entities we deal with;
- we may require collateral where appropriate; and
- we only invest surplus funds with financial institutions which have a recognised credit rating specified in our Investment Policy.

Credit risks arises from Council's trade and other receivables. Council's exposure to credit risk arises from potential default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments. Exposure at balance date is addressed in each applicable policy note. Council generally trades with recognised, creditworthy third parties, and as such collateral is generally not requested, nor is it Council's policy to securitise its trade and receivables.

It is Council's policy that some customers who wish to trade on credit terms are subject to credit verification procedures including an assessment of their credit rating, financial position, past experience and industry reputation. In addition, receivable balance are monitored on an ongoing basis with the result that Council's exposure to bad debts is not significant.

The maximum exposure to credit risk at balance date in relation to each class of recognised financial assets is represented by the carrying amount of those assets in the Statement of Financial Position.

Council may also be subject to credit risk for transactions which are not included in the Statement of Financial Position, such as when Council provides a guarantee for another party. Details of our contingent liabilities are disclosed in Note 9.9.

9.10 Financial instruments (cont.)

Credit quality of contractual financial assets that are neither past due or impaired

2026	Financial Institutions (AAA credit rating)	Government agencies (BBBB credit rating)	Other (min BBB credit rating)	Other (unrated)	Total
Cash and cash equivalents	6,747	-	-	19	6,766
Financial investments	2,500	-	500	-	3,000
Trade and other receivables	-	-	-	2,405	2,405
Investments and other financial assets	-	18,912	-	-	18,912
Total contractual financial assets	**9,247**	**18,912**	**500**	**2,424**	**31,083**
2025					
Cash and cash equivalents	6,066	-	-	19	6,085
Financial investments	2,000	-	500	-	2,500
Trade and other receivables	-	-	-	2,530	2,530
Investments and other financial assets	-	18,319	-	-	18,319
Total contractual financial assets	**8,066**	**18,319**	**500**	**2,549**	**29,434**

Ageing of Trade and Other Receivables

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

Unsecured	2026 $'000	2025 $'000
Current (not yet due)	120	140
Past due by up to 30 days	39	159
Past due between 31 and 60 days	21	41
Past due between 61 and 90 days	-	2
Past due by more than 90 days	82	22
Total unsecured trade & other receivables	**262**	**364**
Secured		
GST receivable	192	64
Payroll debtors receivable	4	-
Rates receivable	725	599
Loan receivable	1,312	1,511
Total secured trade & other receivables	**2,233**	2,174
Total trade & other receivables	**2,495**	2,538

Ageing of individually impaired Trade and Other Receivables

At balance date, other debtors representing financial assets with a nominal value of $91,388 (2024/25: $8,405) were impaired. The amount of the provision raised against these debtors was $89,826 (2024/25: $8,426. The individually impaired debtors relate to general and sundry debtor and have been impaired as a result of their doubtful collection. Many of the long outstanding past due amounts have been lodged with Council's debt collectors or are on payment arrangements.

The ageing of trade and other receivables that have been individually determined as impaired at reporting date was:

	2026 $'000	2025 $'000
Current (not yet due)	50	-
Past due by up to 30 days	-	-
Past due between 31 and 60 days	-	-
Past due between 61 and 90 days	-	-
Past due by more than 90 days	40	8
Total Trade & Other Receivables	**90**	8

9.10 Financial instruments (cont.)

(c) Liquidity risk

Liquidity risk includes the risk that, as a result of our operational liquidity requirements:

- we will not have sufficient funds to settle a transaction on the date;
- we will be forced to sell financial assets at a value which is less than what they are worth; or
- we may be unable to settle or recover a financial asset at all.

To help reduce these risks we:

- have a liquidity policy which targets a minimum and average level of cash and cash equivalents to be maintained;
- have readily accessible standby facilities and other funding arrangements in place;
- have a liquidity portfolio structure that requires surplus funds to be invested within various bands of liquid instruments;
- monitor budget to actual performance on a regular basis; and
- set limits on borrowings relating to the percentage of loans to rate revenue and percentage of loan principal repayments to rate income.

The Council's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk.

The table below lists the contractual maturities for non-lease financial liabilities. These amounts represent the discounted cash flow payments (i.e. principal only).

2026	6 mths or less $'000	6-12 mths $'000	1-2 years $'000	2-5 years $'000	>5 years $'000	Contracted Cash Flow $'000	Carrying Amount $'000
Trade and other payables	1,300	-	-	-	-	1,300	1,300
Deposits	-	1	3	-	13	17	17
Interest-bearing loans and borrowings	264	267	541	1,261	-	2,333	2,333
Total financial liabilities	**1,564**	**268**	**544**	**1,261**	**13**	**3,650**	**3,650**

2025	6 mths or less $'000	6-12 mths $'000	1-2 years $'000	2-5 years $'000	>5 years $'000	Contracted Cash Flow $'000	Carrying Amount $'000
Trade and other payables	1,074	-	-	-	-	1,074	1,074
Deposits	1	5	-	1	13	20	20
Interest-bearing loans and borrowings	260	262	531	1,655	147	2,855	2,855
Total financial liabilities	**1,335**	**267**	**531**	**1,656**	**160**	**3,949**	**3,949**

(d) Market risk

Market risk is the risk that the fair value or future cash flows of our financial instruments will fluctuate because of changes in market prices. Council's exposures to market risk are primarily through interest rate risk with only insignificant exposure to other price risks and no exposure to foreign currency risk. Refer to the previous interest rate risk discussion for details on market risk exposures.

Sensitivity disclosure analysis

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

- A parallel shift of + 2.00% and -2.00% in market interest rates (AUD) from year-end rates of 4.35%.

The table below discloses the impact on net operating result and equity for each category of financial instruments held by Council at year-end, if the above movements were to occur.

		Interest rate risk			
		-2.00 %		2.00%	
		-200 basis points		+200 basis points	
2026	$'000	Profit $'000	Equity $'000	Profit $'000	Equity $'000
Financial assets:					
Cash and cash equivalents	6,766	(135)	(135)	135	135
Financial investments	3,000	(60)	(60)	60	60

		Interest rate risk			
		-2.00 %		2.00%	
		-200 basis points		+200 basis points	
2026	$'000	Profit $'000	Equity $'000	Profit $'000	Equity $'000
Financial assets:					
Cash and cash equivalents	6,085	(122)	(122)	122	122
Financial investments	2,500	(50)	(50)	50	50

9.10 Financial instruments (cont.)

Fair Value

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

Financial Instruments	Total carrying amount as per Statement of Financial Position		Aggregate net fair value	
Financial assets	**2026 $'000**	**2025 $'000**	**2026 $'000**	**2025 $'000**
Cash and cash equivalents	6,766	6,085	6,766	6,085
Financial Investments	3,000	2,500	3,000	2,500
Trade and other receivables	2,405	2,530	2,530	2,470
Investment in water corporation	18,912	18,319	18,912	18,319
Total financial assets	**31,083**	**29,434**	**31,028**	**29,374**
Financial liabilities				
Trade and other payables	1,300	1,074	1,300	1,074
Deposits	17	20	17	20
Interest-bearing loans and borrowings	2,333	2,855	2,185	2,690
Total financial liabilities	**3,650**	**3,949**	**3,502**	**3,784**

9.11 Fair Value measurements

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

- Investment in water corporation
- Land
- Buildings
- Roads
- Land under roads
- Bridges
- Stormwater
- Pine plantation

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

Council also has assets measured at fair value on a non-recurring basis as a result of being reclassified as assets held for sale. These comprise of $135,000 as disclosed in Note 4.5. A description of the valuation techniques and the inputs used to determine the fair value of this land is included below under the heading land held for sale.

(a) Fair Value Hierarchy

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

Level 1	Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.
Level 2	Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3	Unobservable inputs for the asset or liability.

The table below shows the assigned level for each asset and liability held at fair value by the Council. The table presents the Council's assets and liabilities measured and recognised at fair value at 30 June 2026.

The fair values of the assets are determined using valuation techniques which maximise the use of observable data, where it is available, and minimise the use of entity specific estimates. If one or more of the significant inputs is not based on observable market data, the asset is included in level 3. This is the case for Council infrastructure assets and investment in water corporation, which are of a specialist nature for which there is no active market for similar or identical assets. These assets are valued using a combination of observable and unobservable inputs.

Recurring fair value measurements

As at 30 June 2026	Note	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Land	6.1	-	12,227	-	**12,227**
Buildings	6.1	-	12,841	-	**12,841**
Roads	6.1	-	-	155,690	**155,690**
Land under roads	6.1	-	-	12,919	**12,919**
Bridges	6.1	-	-	26,679	**26,679**
Stormwater	6.1	-	-	18,902	**18,902**
Pine plantation	6.2	-	66	-	**66**
Investment in water corporation	5.1	-	-	18,912	**18,912**
		-	**25,134**	**233,102**	**258,236**

Non-recurring fair value measurement

Assets held for sale	4.5	-	135	-	**135**
		-	**135**	**-**	**135**

9.11 Fair Value measurement (cont.)

As at 30 June 2025	Note	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Land	6.1	-	12,227	-	**12,227**
Buildings	6.1	-	12,844	-	**12,844**
Roads	6.1	-	-	163,652	**163,652**
Land under roads	6.1	-	-	12,919	**12,919**
Bridges	6.1	-	-	25,139	**25,139**
Stormwater	6.1	-	-	18,926	**18,926**
Pine plantation	6.2	-	43	-	**43**
Investment in water corporation	5.1	-	-	18,319	**18,319**
		-	**25,114**	**238,955**	**264,069**

Non-recurring fair value measurement

Assets held for sale	4.5	-	135	-	**135**
		-	**135**	**-**	**135**

Transfers between level of the hierarchy

There were no transfers between level 1 and 2 during the year, nor between levels 2 and 3.

(b) Highest and best use

All assets valued at fair value in this note are being used for their highest and best use.

(c) Valuation techniques and significant inputs used to derive fair values

Investment in water corporation

Refer to Note 5.1 for details of valuation techniques used to derive fair values.

Land

Land fair values are based on the fresh statutory land valuations conducted by the Office of the Valuer General (OVG) during the 2023/24 financial year. The OVG values land in accordance with its obligations under the *Valuation of Land Act 2001*. There were no new adjustment factors published by the OVG for the Dorset municipality during the 2025/26 financial year and as such indexation was not required.

Land held for sale

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

Land under roads

Land under roads is based on fresh valuations completed by the OVG in the 2023/24 financial year. The OVG issues values per square metre for different classes of land in the municipality. The relevant land values are then applied to the area of roads owned and managed by Council to arrive at a total value. There were no new adjustment factors published by the OVG for the Dorset municipality during the 2025/26 financial year and as such indexation was not required.

Buildings

The fair value of buildings were determined on an independent basis by Opteon Property Group Pty Ltd effective 30 June 2025. Where there is an active market for Council building assets, fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The most significant input into this valuation approach was price per square metre. Where Council buildings are of a specialist nature (e.g. heritage buildings or public amenities) and there is no active market for the assets, fair value has been determined on the basis of replacement with a new asset having similar service potential. To ensure book values continue to represent "fair value" as of 30 June 2026, Council has indexed the Buildings asset class by 1% which represents the movement in the ABS non-residential building index for Tasmania (index 3020) for the 12 months to 31 March 2026. The next comprehensive valuation of the Buildings asset class is scheduled for the 2027/28 financial year.

Infrastructure assets

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

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

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

The level of accumulated depreciation for infrastructure assets was determined based on the age of the asset and the useful life adopted by Council for the asset type. Estimated useful lives and residual values are disclosed in Note 3.3.

The calculation of CRC involves a number of inputs that require judgement and are therefore classed as unobservable. While these judgements are made by qualified and experienced staff, different judgements could result in a different valuation.

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

9.11 Fair Value measurement (cont.)

Roads

A comprehensive revaluation of the road asset class was performed by Shepherd Services Pty Ltd (Shepherd's) during the 2024/25 financial year. As part of this revaluation exercise, Shepherd's completed a condition assessment of Council's sealed and unsealed road network in addition to a portion of Council's footpaths. Shepherd's, in conjunction with Council Officers, reviewed condition data to determine the expected future serviceable life of the assets. A full revaluation of Council's road assets was undertaken by Shepherd's utilising current road construction cost data to determine unit rates.

Council categorises its road infrastructure into urban and rural roads and further sub categories of sealed and unsealed roads. Roads are managed in segments of 30 to 4,000 metres. All sealed segments are componentised into earthworks, sub base, pavement and wear surface. Council also recognises minor culverts, kerbs and footpaths based on GIS asset data. Council assumed that environmental factors such as soil type, climate and topography are consistent across each segment. Council also assumed a segment is designed and constructed to the same standard and uses a consistent amount of labour and materials.

CRC is based on the road area multiplied by a unit rate (unit rates are representative of typical current replacement costs of asset components).

To ensure book values continue to represent "fair value" as of 30 June 2026, Council has indexed the entire Roads asset class by 2% which represents the movement in the ABS roads and bridges construction index Australia (index 3101) for the 12 months to 31 March 2026. The next comprehensive valuation of the Roads asset class is scheduled for the 2027/28 financial year.

Bridges

A full valuation of bridge assets was undertaken by Council effective 30 June 2026. This was completed by independent bridge valuation experts AusSpan in conjunction with Council Officers. Bridge unit rates were determined by AusSpan after a review of construction costs from recent bridge construction projects across Tasmania. Valuation is based on material type and the dimensions of each bridge. Each bridge is separated into a sub-structure and super-structure component. Culverts and some recreational type structures (boat ramps, pontoons, and pedestrian/bike bridges) consist only of a super-structure component. The Bridge asset class includes values for all major culverts (according to the State Grants Commission definition) and any other culverts regularly inspected by AusSpan. The values of all other minor culverts are included in the roads asset class. The next comprehensive valuation of the Bridge asset class is scheduled for the 2028/29 financial year.

Stormwater

A full valuation of drainage infrastructure was undertaken by Shepherd Services Pty Ltd, effective 30 June 2024. Stormwater assets are managed in segments; pits and pipes being the major components. Council assumes that environmental factors such as soil types, climate and topography are consistent across each segment and that a segment is designed and constructed to the same standard and uses a consistent amount of labour and materials.

To ensure book values continue to represent "fair value" as of 30 June 2026, Council has indexed the entire Stormwater asset class by 1.5% which represents the movement in the ABS other heavy and civil engineering construction Australia (index 3109) for the 12 months to 31 March 2026. The next comprehensive valuation of the Stormwater asset class is scheduled for the 2026/27 financial year.

Pine Plantations

Fair value of pine plantations has been determined in accordance with an independent valuation by Forestry Consultant Mr Greg Williams as at 30 June 2024. Mr Williams has experience in the location and category of the plantations being valued.

(d) Unobservable inputs and sensitivities

Asset/ liability category*	Carrying amount (at fair value) $'000	Key unobservable inputs *	Expected range of input	Description of how changes in inputs will affect the fair value
Investment in Water Corporation	18,912	Refer to Note 5.1 for a description of the valuation basis		

**There were no significant inter-relationships between unobservable inputs that materially affect fair values.*

	2026 $'000	2025 $'000
Balance at beginning of reporting period	**18,319**	**17,969**
Gain/(loss) recognised in other comprehensive income - Fair value adjustment on equity investment assets	593	350
Closing Balance	**18,912**	**18,319**

(e) Changes in recurring level 3 fair value measurements

The changes in level 3 property, plant, and equipment assets with recurring fair value measurements are detailed in Note 6.1 (Property, infrastructure, plant and equipment). Investment in water corporation, which is classified as level 3 has been separately disclosed in Note 5.1.

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

(f) Valuation processes

Council's current policy for the valuation of property, infrastructure, and investment in water corporation (recurring fair value measurements) is set out in Notes 6.1 and 5.1 respectively.

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

(g) Assets and liabilities not measured at fair value but for which fair value is disclosed

Council has assets and liabilities which are not measured at fair value, but for which fair values are disclosed in other notes (refer Note 9.10).

Council borrowings are measured at amortised cost with interest recognised in profit or loss when incurred. The fair value of borrowings disclosed in Note 8.1 equates to the carrying amount as the carrying amount approximates fair value (level 2).

The carrying amounts of trade receivables and trade payables are assumed to approximate their fair values due to their short-term nature (level 2).

Note 10 | Other matters

10.1 Related party transactions

Responsible Persons

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

Councillors

Councillor Rhys Beattie (Mayor)
Councillor Edwina Powell (Deputy Mayor)
Councillor Mervyn Chilcott
Councillor Jan Hughes
Councillor Wendy McLennan
Councillor Anthony Richards
Councillor Dr Drago Vincent Teichmann
Councillor Nick Bicanic
Councillor Kahlia Simmons

General Manager

John Marik

Executive Leadership Team

Jayne Miller: Director - Community & Development Services (from 18.08.2025)
Kerry Sacilotto: Director - Infrastructure
Craig Wheeler: Acting Director - Infrastructure (between 20.09.2025 to 26.10.2025)
Lauren Tolputt: Director - Corporate Services

The key management personnel of Council has been determined to include all Councillors, the General Manager and members of the Executive Leadership Team (including those acting in a management position for a period of one month or more). In all, 14 persons were paid the following total compensation in the year ended 30 June 2026:

Councillors Remuneration

	2026 $'000	2025 $'000
Councillor allowances and reimbursements	226	250

General Manager / Executive Leadership Team Remuneration

Short-term employee benefits (salaries, vehicles and allowances)	756	811
Post-employment benefits (superannuation)	91	100
Other long term benefits (movements in employee leave provisions)	19	(47)
	866	864
Total Key Management Personnel Remuneration	**1,092**	1,114

Transactions with related parties

During the period, Council did not enter into any significant transactions with related parties.

10.1 Related party transactions (cont.)

Transactions with related parties that have not been disclosed

Most of the entities and people that are related parties of Council live and operate within the Municipality. Therefore, on a regular basis ordinary citizen transactions occur between Council and its related parties. Some examples include:

- Payment of rates on a primary residence
- Dog registration

Council has not included these types of transaction in its disclosure, where they are made on the same terms and conditions available to the general public.

Remuneration Principles

Remuneration levels for key management personnel are set in accordance with Council's Enterprise Agreement and individual employment contracts.

The employment terms and conditions of Executive Leadership Team, including the General Manager, is reviewed annually which includes a review of their remuneration package. The terms of employment of each senior executive (excluding the General Manager) contain a termination clause that requires the executive or Council to provide a minimum notice period of up to 4 weeks prior to termination of the contract. Whilst not automatic, contracts can be extended.

10.2 Special Committees

In accordance with Section 84(d) of the *Local Government Act 1993 (as amended)* these statements include the bank account balances for the following committees:

	2026 $'000	2025 $'000
Jetsonville Hall	1	1
North Scottsdale Hall	10	10
Springfield Community Association	7	6
Total special committees	**18**	17

10.3 Significant business activities

Council is required to report the operating, capital and competitive neutrality costs in respect of each significant business activity undertaken by the Council. Council has determined, that none of the activities carried on by Council are considered significant business activities.

10.4 Aminya Aged Care Facility

Dorset Council have underwritten the Aminya Aged Care Facility, along with the Tasmanian Government, since 30 June 2015.

In May 2017, operations of the Aminya Aged Care Facility and the James Scott Wing of the North East Soldiers Memorial Hospital merged under the control of May Shaw. At this time the Tasmanian Government agreed to contribute to the ongoing operational costs until the merger was complete and both operations were contained within one facility.

May Saw have completed a redevelopment of the Aminya Facility which has seen its capacity increase to a minimum of 55 residents.

Originally, it was expected that May Shaw would take control of the Aminya Facility on 31 December 2019, however due to construction delays, this was deferred to 31 December 2020. May Shaw have since taken full financial responsibility for the facility and Council's financial exposure is now limited to the back-to back and working capital loans provided to May Shaw (see Note 8.1 and 9.10(d)). Although originally expected to be finalised during the 2025/26 financial year, the final transfer of title was delayed due to taxation issues. Council and May Shaw are currently working through these issues with the relevant agencies and both parties are motivated to finalise the process during the 2026/27 financial year.

Once the process is complete, the working capital loan will be crystalised and both loans secured via first mortgage over the Aminya facility.

10.5 Other significant accounting policies and pending accounting standards

(a) Taxation

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

Goods and services tax (GST)

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

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

(b) Impairment of assets

At each reporting date, Council reviews the carrying value of its assets to determine whether there is any indication that these assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the assets carrying value. Any excess of the assets carrying value over its recoverable amount is expensed to the Statement of Comprehensive Income, unless the asset is carried at the revalued amount in which case, the impairment loss is recognised directly against the revaluation reserve in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset. For non-cash generating assets of Council such as roads, drains, public buildings and the like, value in use is represented by the deprival value of the asset approximated by its written down replacement cost.

(c) Allocation between current and non-current

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be settled. The asset or liability is classified as current if it is expected to be settled within the next twelve months, being Council's operational cycle, or if Council does not have an unconditional right to defer settlement of a liability for at least 12 months after the reporting date.

(d) Financial guarantees

Financial guarantee contracts are recognised as a liability at the time the guarantee is issued. The liability is initially measured at fair value, and if there is material increase in the likelihood that the guarantee may have to be exercised, at the higher of the amount determined in accordance with AASB 137 Provisions, Contingent Liabilities and Contingent Assets and the amount initially recognised less cumulative amortisation, where appropriate. In the determination of fair value, consideration is given to factors including the probability of default by the guaranteed party and the likely loss to Council in the event of default.

(e) Contingent assets, contingent liabilities and commitments

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

Commitments are not recognised in the Statement of Financial Position. Commitments are disclosed at their nominal value inclusive of the GST payable.

(f) Budget

The estimated revenue and expense amounts in the Statement of Comprehensive Income represent revised budget amounts.

(g) Adoption of new and amended accounting standards

In the current year, Council has reviewed and assessed all new and revised Standards and Interpretations issued by the Australian Accounting Standards Board, and determined that none would have a material effect on Council's operations or financial reporting.

(h) Pending accounting standards

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2026 reporting periods. Council's assessment of the impact of the relevant new standards and interpretations is set out below.

- *AASB 18 Presentation and Disclosure in Financial Statements*

This Standard is replacing *AASB 101 Presentation of Financial Statements* and aims to improve how entities communicate in their financial statements, with a focus on information about financial performance in the statement of profit or loss. The key presentation and disclosure requirement established by *AASB 18 Presentation and Disclosure in Financial Statements* will require an entity to classify income and expenses into operating, investing and financing categories in the statement of profit and loss and disclose management-defined performance measures alongside those defined by Australia Accounting Standards. The Standard applies for annual reporting periods beginning on or after 1 January 2028. Council will assess any impacts and make any required changes ahead of the 2027/28 reporting period.

- *Australian Sustainability Reporting Standards (ASRS)*

In September 2024 the Australian Accounting Standards Board (AASB) issued two Australian Sustainability Reporting Standards (ASRS). This followed Commonwealth legislation establishing Australia's sustainability reporting framework. Relevant entities will be required to undertake mandatory reporting of climate-related disclosures in future financial years. Public sector application issues remain under consideration and Council will continue to monitor developments and potential implications for future financial years.

All other Australian accounting standards and interpretations with future effective dates are either not applicable to Council's activities or have no material impact.

10.6 Management indicators

(a) Underlying surplus or deficit		2026 $'000	2025 $'000	2024 $'000	2023 $'000
Net result for the year		3,857	1,871	2,231	5,729
Less non-operating income					
Income received from sale of property for unpaid rates		-	-	-	-
Capital grants and contributions		(3,114)	(4,138)	(2,856)	(4,273)
Disaster relief and recovery grants (operational)		(2)	(76)	(122)	-
Financial assistance grants in advance - received prior financial year		2,102	3,524	4,028	2,842
Financial assistance grants in advance - received current financial year		(3,381)	(2,102)	(3,524)	(4,028)
Add non-operational expenses					
Disaster relief and recovery expenditure		-	146	3	176
Loss on disposal of assets (unscheduled)		-	-	58	232
Underlying surplus / deficit	**> 0**	**(538)**	(775)	(182)	678

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

b) Underlying surplus or deficit		2026 $'000	2025 $'000	2024 $'000	2023 $'000
Recurrent income* *less*		18,851	17,655	17,235	16,053
Recurrent expenditure		19,389	18,430	17,417	15,375
Underlying surplus / deficit	**> 0**	**(538)**	(775)	(182)	678

** Recurrent income excludes income received specifically for new or upgraded assets, physical resources received free of charge or other income of a capital nature.*

For the 2025/26 financial year, Council has recorded an underlying deficit of $538,000. Further detail on material movements between actuals and budget for the 2025/26 financial year is provided in Note 1.4. Despite the deficit result, Council continues to be in a strong position to service day to day operations as evidenced by the cash generated from operating activities reported this year (see Note 9.2 for further details).

(c) Underlying surplus ratio		2026 $'000	2025 $'000	2024 $'000	2023 $'000
Underlying surplus or deficit		(538)	(775)	(182)	678
Recurrent income*		18,851	17,655	17,235	16,053
Underlying surplus ratio	**>0%**	**(2.9%)**	(4.4%)	(1.1%)	4.2%

This ratio serves as an overall measure of financial operating effectiveness and results indicate that Council is in a sustainable operating position. Although the benchmark of greater than 0% has not been achieved this financial year, Council has various strategies outlined in the Long Term Financial Plan and Financial Management Strategy to return to a positive underlying surplus position within the next four financial years.

(d) Net financial liabilities

	2026 $'000	2025 $'000	2024 $'000	2023 $'000
Liquid assets *less*	11,084	9,818	9,250	10,218
Total liabilities	6,268	6,705	6,815	7,461
Net financial liabilities	**4,816**	3,113	2,435	2,757

This measure shows whether Council's total liabilities can be met by its liquid assets. An excess of total liabilities over liquid assets means that, if all liabilities fell due at once, additional income would be needed to fund the shortfall.

Council recorded positive net financial liabilities for the period with liquid assets greater than current and non-current liabilities in each year. This indicates a strong liquidity position, with Council able to meet existing obligations.

Council has contractual commitments totaling $2.9 million (2024/25: $2.6 million) which are not recognised on the Statement of Financial Position and consequently not factored into the net financial liabilities ratio. Refer to Note 9.7 for further details.

Council's cash and financial assets are subject to a number of restrictions that limit the amount available for discretionary use and include commitments, deposits and employee benefits.

10.6 Management indicators (cont.)

(e) Net financial liabilities ratio

		2026 $'000	2025 $'000	2024 $'000	2023 $'000
Net financial liabilities		4,816	3,113	2,435	2,757
Recurrent income*		18,851	17,655	17,235	16,053
Net financial liabilities ratio %	**0% - (50%)**	**25.5%**	17.6%	14.1%	17.2%

This ratio indicates the net financial obligations of Council compared to its recurrent income.

The net financial liabilities ratio is 25.5% for the 2025/26 financial year, signifying that Council remains in a strong position to meet ongoing liabilities as they fall due through recurrent operational income.

(f) Asset consumption ratio

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

	2026 $'000	2025 $'000	2024 $'000	2023 $'000
Roads				
Fair Value (Carrying amount)	155,690	163,652	137,826	130,542
Current replacement cost (Gross)	230,150	222,246	222,305	210,206
Asset consumption ratio %	**67.6%**	73.6%	62.0%	62.1%
Bridges				
Fair Value (Carrying amount)	26,679	25,139	24,946	23,163
Current replacement cost (Gross)	41,116	38,334	37,238	35,029
Asset consumption ratio %	**64.9%**	65.6%	67.0%	66.1%
Buildings				
Fair Value (Carrying amount)	12,841	12,844	12,167	12,120
Current replacement cost (Gross)	13,356	12,844	13,474	12,966
Asset consumption ratio %	**96.1%**	100.0%	90.3%	93.5%
Stormwater				
Fair Value (Carrying amount)	18,902	18,926	18,494	12,103
Current replacement cost (Gross)	28,780	28,332	27,495	19,367
Asset consumption ratio %	**65.7%**	66.8%	67.3%	62.5%

This ratio indicates the level of service potential available in Council's existing asset base.

The ratios above indicate that at 30 June 2026, Council had used (consumed) approximately 31.7% of the service potential of its infrastructure assets. Overall, at this point in time, Council's infrastructure assets have sufficient capacity to continue to provide services to ratepayers.

(g) Asset renewal funding ratio

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

		2026 $'000	2025 $'000	2024 $'000	2023 $'000
Roads[1]					
Projected capital funding outlays*		37,105	35,964	34,620	38,192
Projected capital expenditure funding**		37,105	35,964	34,620	38,192
Asset renewal funding ratio %	**90-100%**	**100.0%**	100.0%	100.0%	100.0%
Bridges[2]					
Projected capital funding outlays*		7,641	6,485	5,546	5,919
Projected capital expenditure funding**		7,641	6,485	5,546	5,919
Asset renewal funding ratio %	**90-100%**	**100.0%**	100.0%	100.0%	100.0%
Buildings[3]					
Projected capital funding outlays*		5,799	5,009	2,681	3,169
Projected capital expenditure funding**		5,799	5,009	2,681	3,169
Asset renewal funding ratio %	**90-100%**	**100.0%**	100.0%	100.0%	100.0%
Stormwater[4]					
Projected capital funding outlays*		2,654	2,560	2,677	3,054
Projected capital expenditure funding**		2,654	2,560	2,677	3,054
Asset renewal funding ratio %	**90-100%**	**100.0%**	100.0%	100.0%	100.0%

This ratio measures Council's capacity to fund future asset replacement requirements. The above table demonstrates Council is providing sufficient funding to renew assets in accordance with its asset renewal plans.

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

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

[1] The Road Asset Management Plan was adopted by Council on 23 June 2025.

[2] The Bridge Asset Management Plan was adopted by Council on 26 June 2023.

[3] The Building Asset Management Plan was adopted by Council on 15 December 2025.

[4] The Urban Stormwater Asset Management Plan was adopted by Council on 24 June 2024.

(h) Asset sustainability ratio

	2026 $'000	2025 $'000	2024 $'000	2023 $'000
Capex on replacement / renewal of existing assets	5,729	4,010	5,385	4,566
Annual depreciation expense	6,118	5,722	5,402	4,924
Asset sustainability ratio %	**93.6%**	70.1%	99.7%	92.7%

This ratio calculates the extent to which Council is maintaining operating capacity through renewal of their existing asset base.

Council's asset sustainability ratio for the current and prior years continues to show that Council is sustainably maintaining its existing asset base.

10.6 Management indicators (cont.)

Annual capital expenditure by asset class is included in the table below.

2026 By asset class	Capital renewal expenditure $'000	Capital upgrade expenditure $'000	Capital new expenditure $'000	Total Capital Expenditure $'000
Bridges	734	224	-	**958**
Land and land improvements	40	302	72	**414**
Buildings	203	4	287	**494**
Roads	3,276	933	19	**4,228**
Stormwater	-	149	239	**388**
Plant, machinery and equipment	1,452	-	83	**1,535**
Furniture and fixtures	18	-	17	**35**
Computers and telecommunications	6	147	-	**153**
Total capital expenditure	**5,729**	**1,759**	**717**	**8,205**

2025 By asset class	Capital renewal expenditure $'000	Capital upgrade expenditure $'000	Capital new expenditure $'000	Total Capital Expenditure $'000
Bridges	110	8	-	**118**
Land and land improvements	256	331	280	**867**
Buildings	191	42	109	**342**
Roads	2,699	1,201	33	**3,933**
Stormwater	-	179	175	**354**
Plant, machinery and equipment	712	-	248	**960**
Computers and telecommunications	42	53	29	**124**
Total capital expenditure	**4,010**	**1,814**	**874**	**6,698**

Certification of the Financial Report

The financial report presents fairly the financial position of Dorset Council as at 30 June 2026, and the results of its operations and cash flows for the year then ended, in accordance with the *Local Government Act 1993 (as amended),* Australian Accounting Standards and other authoritative pronouncements issued by the Australian Accounting Standards Board.



Jayne Miller
Acting General Manager **Date: 5 November 2026**

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