

Annual Financial Statements 2024/25



Byron Shire Council

GENERAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2025

*Byron Shire is a 'meeting place' - Where people can come
together to connect, share, grow, inspire, and create
positive change.*



General Purpose Financial Statements

for the year ended 30 June 2025

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Overview

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

70 Station Street
MULLUMBIMBY NSW 2482

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

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

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

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

Byron Shire Council

General Purpose Financial Statements

for the year ended 30 June 2025

Understanding Council's Financial Statements

Introduction

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

What you will find in the Statements

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

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

About the Councillor/Management Statement

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

About the Primary Financial Statements

The financial statements incorporate five "primary" financial statements:

1. The Income Statement

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

2. The Statement of Comprehensive Income

Primarily records changes in the fair value of Council's Infrastructure, property, plant and equipment.

3. The Statement of Financial Position

A 30 June snapshot of Council's financial position indicating its assets, liabilities and "net wealth".

4. The Statement of Changes in Equity

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

5. The Statement of Cash Flows

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

About the Notes to the Financial Statements

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

About the Auditor's Reports

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

In NSW the auditor provides 2 audit reports:

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

Who uses the Financial Statements?

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

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

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

Byron Shire Council

General Purpose Financial Statements

for the year ended 30 June 2025

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

The attached general purpose financial statements have been prepared in accordance with:

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

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

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

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

Signed in accordance with a resolution of Council made on 27 November 2025.



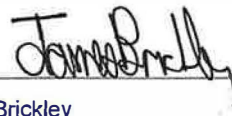
Sarah Ndiaye
Mayor
27 November 2025



Jack Dods
Deputy Mayor
27 November 2025



Mark Arnold
General Manager
27 November 2025



James Brickley
Responsible Accounting Officer
27 November 2025

Byron Shire Council

Income Statement

for the year ended 30 June 2025

Original unaudited budget 2025	\$ '000	Notes	Actual 2025	Actual 2024
Income from continuing operations				
65,421	Rates and annual charges	B2-1	66,677	62,317
34,430	User charges and fees	B2-2	35,137	33,972
1,592	Other revenues	B2-3	3,001	3,141
8,264	Grants and contributions provided for operating purposes	B2-4	9,938	14,144
48,688	Grants and contributions provided for capital purposes	B2-4	42,428	38,624
2,594	Interest and investment income	B2-5	6,098	4,772
1,908	Other income	B2-6	1,869	1,648
162,897	Total income from continuing operations		165,148	158,618
Expenses from continuing operations				
36,657	Employee benefits and on-costs	B3-1	38,419	35,086
54,259	Materials and services	B3-2	71,362	52,331
2,685	Borrowing costs	B3-3	2,888	2,928
2,600	Other expenses	B3-5	2,883	2,758
—	Net loss from the disposal of assets	B4-1	4,035	1,017
96,201	Total expenses from continuing operations excluding depreciation, amortisation and impairment of non-financial assets		119,587	94,120
66,696	Operating result from continuing operations excluding depreciation, amortisation and impairment of non-financial assets		45,561	64,498
20,657	Depreciation, amortisation and impairment of non-financial assets	B3-4	25,812	21,878
46,039	Operating result from continuing operations		19,749	42,620
46,039	Net operating result for the year attributable to Council		19,749	42,620
2,649	Net operating result for the year before grants and contributions provided for capital purposes		(22,679)	3,996

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

Byron Shire Council

Statement of Comprehensive Income

for the year ended 30 June 2025

\$ '000	Notes	2025	2024
Net operating result for the year – from Income Statement		19,749	42,620
Other comprehensive income:			
Amounts which will not be reclassified subsequent to operating result			
Gain (loss) on revaluation of infrastructure, property, plant and equipment	C1-7	50,321	(1,562)
Impairment (loss) reversal / (revaluation decrement) relating to infrastructure, property, plant and equipment	C1-7	(1,824)	157
Other comprehensive income – joint ventures and associates		142	(71)
Total items which will not be reclassified subsequent to operating result		48,639	(1,476)
Total other comprehensive income for the year		48,639	(1,476)
Total comprehensive income for the year attributable to Council		68,388	41,144

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

Byron Shire Council

Statement of Financial Position

as at 30 June 2025

\$ '000	Notes	2025	2024
ASSETS			
Current assets			
Cash and cash equivalents	C1-1	50,564	75,090
Investments	C1-2	42,250	37,184
Receivables	C1-4	18,044	17,075
Inventories	C1-5	430	418
Contract assets and contract cost assets	C1-6	1,948	4,883
Other	C1-8	349	17
Total current assets		113,585	134,667
Non-current assets			
Investments	C1-2	6,104	6,928
Receivables	C1-4	1,925	1,780
Infrastructure, property, plant and equipment (IPPE)	C1-7	1,536,574	1,470,188
Investments accounted for using the equity method	D2-1	1,434	1,292
Total non-current assets		1,546,037	1,480,188
Total assets		1,659,622	1,614,855
LIABILITIES			
Current liabilities			
Payables	C3-1	17,594	18,855
Contract liabilities	C3-2	24,267	42,637
Borrowings	C3-3	13,894	3,217
Employee benefit provisions	C3-4	8,570	8,021
Total current liabilities		64,325	72,730
Non-current liabilities			
Borrowings	C3-3	37,148	52,688
Employee benefit provisions	C3-4	646	521
Provisions	C3-5	13,223	13,024
Total non-current liabilities		51,017	66,233
Total liabilities		115,342	138,963
Net assets		1,544,280	1,475,892
EQUITY			
Accumulated surplus	C4-1	742,871	722,980
IPPE revaluation surplus	C4-1	801,409	752,912
Council equity interest		1,544,280	1,475,892
Total equity		1,544,280	1,475,892

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

Byron Shire Council

Statement of Changes in Equity

for the year ended 30 June 2025

\$ '000	Notes	2025			2024		
		Accumulated surplus	IPPE revaluation surplus	Total equity	Accumulated surplus	IPPE revaluation surplus	Total equity
Opening balance at 1 July		722,980	752,912	1,475,892	680,431	754,317	1,434,748
Opening balance		722,980	752,912	1,475,892	680,431	754,317	1,434,748
Net operating result for the year		19,749	–	19,749	42,620	–	42,620
Other comprehensive income							
Gain (loss) on revaluation of infrastructure, property, plant and equipment	C1-7	–	50,321	50,321	–	(1,562)	(1,562)
– Impairment (loss) reversal relating to IPP&E	C1-7	–	(1,824)	(1,824)	–	157	157
Joint ventures and associates		142	–	142	(71)	–	(71)
Other comprehensive income		142	48,497	48,639	(71)	(1,405)	(1,476)
Total comprehensive income		19,891	48,497	68,388	42,549	(1,405)	41,144
Closing balance at 30 June		742,871	801,409	1,544,280	722,980	752,912	1,475,892

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

Byron Shire Council

Statement of Cash Flows

for the year ended 30 June 2025

Original unaudited budget 2025	\$ '000	Notes	Actual 2025	Actual 2024
Cash flows from operating activities				
Receipts:				
65,421	Rates and annual charges		65,636	60,999
34,430	User charges and fees		35,192	33,774
2,594	Interest received		5,743	3,856
56,952	Grants and contributions		26,168	86,862
–	Bonds, deposits and retentions received		–	2,465
3,500	Other		4,880	4,612
Payments:				
(36,657)	Payments to employees		(37,745)	(34,562)
(54,259)	Payments for materials and services		(70,810)	(51,590)
(2,685)	Borrowing costs		(2,437)	(2,643)
–	Bonds, deposits and retentions refunded		(1,272)	–
(2,600)	Other		(4,110)	1,136
66,696	Net cash flows from operating activities	G1-1	21,245	104,909
Cash flows from investing activities				
Receipts:				
–	Sale of investments		34,981	18,000
–	Proceeds from sale of IPPE		803	236
–	Deferred debtors receipts		30	14
Payments:				
–	Purchase of investments		(34,157)	(18,414)
–	Acquisition of term deposits		(5,066)	(16,638)
(85,647)	Payments for IPPE		(37,442)	(59,410)
–	Deferred debtors and advances made		(57)	(200)
(85,647)	Net cash flows from investing activities		(40,908)	(76,412)
Cash flows from financing activities				
Receipts:				
9,941	Proceeds from borrowings		3,500	5,801
Payments:				
(4,047)	Repayment of borrowings		(8,363)	(4,103)
5,894	Net cash flows from financing activities		(4,863)	1,698
(13,057)	Net change in cash and cash equivalents		(24,526)	30,195
75,090	Cash and cash equivalents at beginning of year		75,090	44,895
62,033	Cash and cash equivalents at end of year	C1-1	50,564	75,090
44,112	plus: Investments on hand at end of year	C1-2	48,354	44,112
106,145	Total cash, cash equivalents and investments		98,918	119,202

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

Byron Shire Council

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A About Council and these financial statements

A1-1 Basis of preparation

These financial statements were authorised for issue by Council on 27 November 2025. Council has the power to amend and reissue these financial statements in cases where critical information is received from public submissions or where the OLG directs Council to amend the financial statements.

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

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

Council is a not for-profit entity.

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

Unless otherwise indicated, all amounts disclosed in the financial statements are actual amounts. Specific budgetary amounts have been included for comparative analysis (to actuals) in the following reports and notes:

- Income statement
- Statement of cash flows
- Note B5-1 Material budget variations

Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain infrastructure, property, plant and equipment.

Significant accounting estimates and judgements

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Council's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Council and that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

Council makes estimates and assumptions concerning the future.

The resulting accounting estimates will, by definition, seldom equal the related actual results.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include:

- (i) estimated fair values of infrastructure, property, plant and equipment – refer Note C1-7
- (ii) estimated remediation provisions – refer Note C3-5
- (iii) employee benefit provisions – refer Note C3-4

Significant judgements in applying the Council's accounting policies

- i. Impairment of receivables – refer Note C1-4.
- ii. Determination of whether performance obligations are sufficiently specific and whether the contract is within the scope of AASB 15 *Revenue from Contracts with Customers* and / or AASB 1058 *Income of Not-for-Profit Entities* – refer to Notes B2-2 – B2-4.

Monies and other assets received by Council

The Consolidated Fund

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

The Consolidated Fund has been included in the financial statements of the Council.

A1-1 Basis of preparation (continued)

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

- General purpose operations
- Water service
- Sewerage service

The Trust Fund

In accordance with the provisions of Section 411 of the *Local Government Act 1993 (NSW)* (as amended), a separate and distinct Trust Fund is maintained to account for all money and property received by the Council in trust which must be applied only for the purposes of, or in accordance with, the trusts relating to those monies. Trust monies and property subject to Council's control have been included in these reports. A separate statement of monies held in the Trust Fund is available for inspection at the council office by any person free of charge.

Volunteer services

Council currently utilises the services of volunteers to assist in the management/operation of nine community facilities under Section 355 of the *Local Government Act 1993*. The financial operations of these facilities in the main are contained within the financial outcomes of Council. The financial consideration relevant though to specific volunteer services (labour) has not been recognised in the financial statements as it is considered not material overall nor can it be reliably measured. That aside, whilst the financial consideration cannot be reliably measured, Council acknowledges the importance and appreciation of the support it receives from volunteers.

New accounting standards and interpretations issued but not yet effective

New accounting standards and interpretations issued but not yet effective

Certain new accounting standards and interpretations have been published that are not mandatory for the 30 June 2025 reporting period. Council has not applied any pronouncements before its operative date in the annual reporting period beginning 1 July 2024.

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

New accounting standards adopted during the year

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

- AASB 2022-10 *Amendments to Australian Accounting Standards – Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities*.
- AASB 2020-1 *Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-current*.
- AASB 2020-6 *Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-current - Deferral of Effective Date*.
- AASB 2022-6 *Amendments to Australian Accounting Standards - Non-current Liabilities with Covenants*.
- AASB 2022-5 *Amendments to Australian Accounting Standards - Lease Liability in Sale and Leaseback*.

None of these standards has a significant impact on the Council's reported financial position.

B Financial Performance

B1 Functions or activities

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

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

\$ '000	Income		Expenses		Operating result		Grants and contributions		Carrying amount of assets	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Functions or activities										
We have, infrastructure, transport and services which meet our expectations	86,796	85,238	104,111	84,025	(17,315)	1,213	47,461	41,348	1,042,974	989,360
We cultivate and celebrate our diverse cultures, lifestyle and sense of community	7,270	6,367	7,979	3,507	(709)	2,860	2,105	7,546	319,943	317,655
We protect and enhance our natural environment	17,255	17,164	23,582	20,241	(6,327)	(3,077)	667	1,416	33,877	33,170
We manage growth and change responsibly	17,696	12,104	6,947	6,852	10,749	5,252	246	13	99,014	89,183
We have community led decision making which is open and inclusive	36,131	37,745	2,780	1,373	33,351	36,372	1,887	2,445	163,814	185,487
Total functions and activities	165,148	158,618	145,399	115,998	19,749	42,620	52,366	52,768	1,659,622	1,614,855

B1-2 Components of functions or activities

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

Connected Infrastructure

- Provide a safe, reliable, and accessible transport network.
- Connect the Shire through integrated transport services.
- Ensure infrastructure meets future needs and invest in emerging technologies.
- Provide accessible community facilities and open spaces.
- Provide continuous and sustainable water and sewerage management.

Inclusive Community

- Foster opportunities to express, celebrate and participate in arts and cultural activity.
- Enhance safety and contribute to the physical, mental and spiritual health and wellbeing of the community.
- Respect Aboriginal culture, value cultural knowledge, and acknowledge history.
- Enrich lifelong learning and education and support services to help young people thrive.
- Create social impact and initiatives that address disadvantage.

Nurtured Environment

- Partner to nurture and enhance biodiversity, ecosystems and ecology.
- Deliver initiatives and education programs to encourage protection of the environment.
- Protect the health of coastline, estuaries, waterways, and catchments.
- Support and empower the community to adapt to, and mitigate the impact on climate change.
- Minimise waste and encourage recycling and resource recovery practices.

Ethical Growth

- Manage responsible development through effective place and space planning.
- Enable housing diversity and support people experiencing housing insecurity.
- Promote and support the local economy.
- Foster sustainable visitation and manage the impacts of tourism on the Shire.
- Support a resilient community that can adapt and respond to change.

Effective Leadership

- Enhance trust and accountability through open and transparent leadership.
- Engage, inform, and involve community in decision making.
- Ethical and efficient management of resources.
- Enhance organisation capability through innovative practices and regional partnerships.
- Empower community leadership through collaboration, capacity building, and cultivating community driven initiatives.

B2 Sources of income

B2-1 Rates and annual charges

\$ '000	2025	2024
Ordinary rates		
Residential	22,755	21,553
Farmland	1,560	1,465
Business	6,208	5,899
Rates levied to ratepayers	30,523	28,917
Pensioner rate subsidies received	179	179
Total ordinary rates	30,702	29,096
Annual charges (pursuant to s496, 496A, 496B, 501 & 611)		
Domestic waste management services	10,254	9,789
Stormwater management services	279	306
Water supply services	3,308	2,973
Sewerage services	20,092	18,173
Waste management services (non-domestic)	1,847	1,783
Annual charges levied	35,780	33,024
Pensioner annual charges subsidies received:		
– Water	67	67
– Sewerage	64	64
– Domestic waste management	64	66
Total annual charges	35,975	33,221
Total rates and annual charges	66,677	62,317

Council has used 2024 year valuations provided by the NSW Valuer General in calculating its rates.

Material accounting policy information

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

Pensioner rebates relate to reductions in rates and certain annual charges for eligible pensioners' place of residence in the local government council area that are not subsidised by the NSW Government.

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

B2-2 User charges and fees

\$ '000	Timing	2025	2024
Specific user charges (per s502 - specific 'actual use' charges)			
Water supply services	2	9,499	9,128
Sewerage services	2	2,960	2,525
Total specific user charges		12,459	11,653
Other user charges and fees			
(i) Fees and charges – statutory and regulatory functions (per s608)			
Private works – section 67	2	47	62
Regulatory/ statutory fees	2	102	117
Section 10.7 certificates (EP&A Act)	2	164	155
Section 603 certificates	2	91	71
Building inspections	2	839	639
Building services	2	1,158	937
Developer fees	2	1,263	1,154
Dog registration / release	2	119	61
Engineering services	2	14	125
Freedom of information	2	110	92
Health inspection	2	638	627
Total fees and charges – statutory/regulatory		4,545	4,040
(ii) Fees and charges – other (incl. general user charges (per s608))			
Aerodrome	2	99	99
Caravan park	2	4,870	4,486
Cemeteries	2	332	299
Child care	2	758	968
Leaseback fees – Council vehicles	2	356	364
Parking fees	2	5,039	5,565
Water connection fees	2	232	182
Administration and financial services	2	18	18
Public halls	2	360	316
Sewerage charges	2	970	953
Sport & Recreation		4	–
Swimming pools	2	267	252
Other	2	311	261
Waste	2	4,517	4,516
Total fees and charges – other		18,133	18,279
Total other user charges and fees		22,678	22,319
Total user charges and fees		35,137	33,972
Timing of revenue recognition for user charges and fees			
User charges and fees recognised over time (1)		–	–
User charges and fees recognised at a point in time (2)		35,137	33,972
Total user charges and fees		35,137	33,972

Material accounting policy information

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

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

B2-3 Other revenues

\$ '000	Timing	2025	2024
Fines	2	2,080	2,202
Legal Fees Recovery	2	82	49
Insurance Claim Recoveries	2	308	747
Sales – general	2	420	40
Workers Compensation	2	111	103
Total other revenue		3,001	3,141
Timing of revenue recognition for other revenue			
Other revenue recognised over time (1)		–	–
Other revenue recognised at a point in time (2)		3,001	3,141
Total other revenue		3,001	3,141

Material accounting policy information for other revenue

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

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

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

B2-4 Grants and contributions

\$ '000	Timing	Operating 2025	Operating 2024	Capital 2025	Capital 2024
General purpose grants and non-developer contributions (untied)					
General purpose (untied)					
Current year allocation					
Financial assistance – general component	2	439	112	–	–
Financial assistance – local roads component	2	249	66	–	–
Payment in advance - future year allocation					
Financial assistance – general component	2	1,448	2,333	–	–
Financial assistance – local roads component	2	848	1,366	–	–
Amount recognised as income during current year		2,984	3,877	–	–
Special purpose grants and non-developer contributions (tied)					
Cash contributions					
Bushfire and emergency services	2	209	150	12	2
Child care	2	1,423	1,591	–	–
Community centres	2	–	–	–	490
Economic development	2	163	–	–	–
Library	2	165	158	–	11
Heritage and cultural	2	–	1	–	–
Street lighting	2	59	58	–	–
Transport (Roads to Recovery)	1	795	159	–	–
Transport (other roads, bridges and drainage funding)	1	143	2,236	6,043	4,037
Parks & Gardens	2	4	–	350	1,495
Community services	2	421	993	–	–
Crown lands maintenance	2	83	220	–	–
Planning	2	200	89	–	–
Environmental management	2	446	1,264	–	–
Employment & Training	2	45	13	–	–
Footpaths	2	–	–	175	41
Foreshore Maintenance	2	258	30	–	–
Sporting Grounds & Venues	2	67	17	294	1,895
Roads and bridges	1	1,354	1,532	2,780	3,320
Transport for NSW contributions (regional roads, block grant)	1	902	1,324	18,537	18,564
Surf lifesaving	2	217	209	–	–
Water	2	–	–	(231)	231
Sewer	2	–	223	–	36
Total special purpose grants and non-developer contributions – cash		6,954	10,267	27,960	30,122
Non-cash contributions					
Dedications – Assets	2	–	–	10,621	3,239
Total other contributions – non-cash		–	–	10,621	3,239
Total special purpose grants and non-developer contributions (tied)		6,954	10,267	38,581	33,361
Total grants and non-developer contributions		9,938	14,144	38,581	33,361
Comprising:					
– Commonwealth funding		5,394	5,969	763	708
– State funding		2,945	6,784	27,146	29,387
– Other funding		1,599	1,391	10,672	3,266
		9,938	14,144	38,581	33,361

B2-4 Grants and contributions (continued)

Developer contributions

\$ '000	Notes	Timing	Operating 2025	Operating 2024	Capital 2025	Capital 2024
Developer contributions:						
(s7.4 & s7.11 - EP&A Act, s64 of the LGA):						
	G3					
Cash contributions						
S 7.11 – contributions towards amenities/services		2	–	–	2,349	2,216
S 64 – water supply contributions		2	–	–	209	633
S 64 – sewerage service contributions		2	–	–	1,289	2,414
Total developer contributions – cash			–	–	3,847	5,263
Total developer contributions			–	–	3,847	5,263
Total contributions			–	–	3,847	5,263
Total grants and contributions			9,938	14,144	42,428	38,624
Timing of revenue recognition						
Grants and contributions recognised over time (1)			3,194	5,251	27,360	25,921
Grants and contributions recognised at a point in time (2)			6,744	8,893	15,068	12,703
Total grants and contributions			9,938	14,144	42,428	38,624

B2-4 Grants and contributions (continued)

Unspent grants and contributions

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

\$ '000	Operating 2025	Operating 2024	Capital 2025	Capital 2024
Unspent grants				
Unspent funds at 1 July	4,773	5,957	40,980	6,967
Add: Funds recognised as revenue in the reporting year but not yet spent in accordance with the conditions	909	2,931	–	–
Add: Funds received and not recognised as revenue in the current year	–	–	2,439	38,765
Less: Funds recognised as revenue in previous years that have been spent during the reporting year	(3,712)	(4,115)	–	–
Less: Funds received in prior year but revenue recognised and funds spent in current year	–	–	(21,072)	(4,752)
Unspent grants at 30 June	1,970	4,773	22,347	40,980
Unspent Contributions				
Unspent funds at 1 July	–	–	26,085	21,262
Add: Funds recognised as revenue in the reporting year but not yet spent in accordance with the conditions	–	–	5,324	6,549
Add: Funds received and not recognised as revenue in the current year	–	–	–	–
Less: Funds recognised as revenue in previous years that have been spent during the reporting year	–	–	–	–
Less: Funds received in prior year but revenue recognised and funds spent in current year	–	–	(3,050)	(1,726)
Unspent contributions at 30 June	–	–	28,359	26,085

Material accounting policy information

Grants and contributions – enforceable agreement with sufficiently specific performance obligations

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

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

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

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

Capital grants

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

B2-4 Grants and contributions (continued)

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

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

Developer contributions

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

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

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

Other grants and contributions

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

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

B2-5 Interest and investment income

\$ '000	2025	2024
Interest on financial assets measured at amortised cost		
– Overdue rates and annual charges (incl. special purpose rates)	998	792
– Cash and investments	5,100	3,980
Total interest and investment income (losses)	6,098	4,772

B2-6 Other income

\$ '000	Notes	2025	2024
Rental income			
Other lease income			
Property Agreements		1,439	1,271
Cavanbah Centre		430	377
Total other lease income		1,869	1,648
Total rental income	C2-2	1,869	1,648
Total other income		1,869	1,648

B3 Costs of providing services

B3-1 Employee benefits and on-costs

\$ '000	2025	2024
Salaries and wages	28,402	26,805
Employee termination costs	83	—
Employee leave entitlements (ELE)	6,838	6,229
Superannuation	3,814	3,469
Workers' compensation insurance	1,140	851
Fringe benefit tax (FBT)	55	11
Payroll tax	235	221
Training costs (other than salaries and wages)	302	490
Total employee costs	40,869	38,076
Less: capitalised costs	(2,450)	(2,990)
Total employee costs expensed	38,419	35,086

Material accounting policy information

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

B3-2 Materials and services

\$ '000	Notes	2025	2024
Raw materials and consumables		45,521	30,264
Caravan parks		1,491	1,327
Cleaning		400	357
Security		83	114
Surf lifesaving		828	793
Swimming pools		550	526
Temporary employment		3,916	3,311
Waste		8,708	8,119
Audit Fees	F2-1	172	227
Infringement notice contract costs		275	277
Expenses from leases of low value assets		824	624
Councillor and Mayoral fees and associated expenses	F1-2	479	445
Advertising		60	56
Bank charges		154	148
Computer software charges		1,843	1,377
Election expenses		265	–
Electricity and heating		2,365	1,635
Insurance		1,839	1,540
Postage		115	101
Printing and stationery		96	73
Street lighting		283	277
Subscriptions and publications		22	–
Telephone and communications		375	327
Valuation fees		109	105
Legal expenses:			
– Legal expenses: planning and development		563	237
– Legal expenses: debt recovery		12	–
– Legal expenses: other		14	71
Total materials and services		71,362	52,331

B3-3 Borrowing costs

\$ '000	Notes	2025	2024
(i) Interest bearing liability costs			
Interest on loans		2,436	2,634
Total interest bearing liability costs		2,436	2,634
Total interest bearing liability costs expensed		2,436	2,634
(ii) Other borrowing costs			
– Remediation liabilities	C3-5	452	294
Total other borrowing costs		452	294
Total borrowing costs expensed		2,888	2,928

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

\$ '000	Notes	2025	2024
Depreciation and amortisation			
Plant and equipment		2,268	1,358
Office equipment		6	11
Furniture and fittings		5	5
Land improvements (depreciable)		26	26
Infrastructure:	C1-7		
– Buildings		1,899	1,611
– Other structures		41	41
– Roads		10,417	8,765
– Bridges		562	539
– Footpaths		322	307
– Stormwater drainage		2,300	2,227
– Water supply network		1,678	1,663
– Sewerage network		3,717	3,602
– Swimming pools		68	68
– Other open space/recreational assets		717	682
Other assets:			
– Other		89	90
Reinstatement, rehabilitation and restoration assets:			
– Tip assets	C3-5,C1-7	685	481
– Quarry assets	C3-5,C1-7	1,012	402
Total gross depreciation and amortisation costs		25,812	21,878
Total depreciation and amortisation costs		25,812	21,878
Impairment / revaluation decrement of IPPE			
Infrastructure:	C1-7		
– Buildings		112	(366)
– Roads		(11)	(95)
– Stormwater drainage		21	–
– Water supply network		1,702	304
Total gross IPPE impairment / revaluation decrement costs		1,824	(157)
Amounts taken through revaluation reserve	C1-7	(1,824)	157
Total depreciation, amortisation and impairment for non-financial assets		25,812	21,878

Depreciation and amortisation

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

Impairment of non-financial assets

Council assets held at fair value that are not held primarily for their ability to generate net cash flow, and that are deemed to be specialised, are no longer required to be tested for impairment under AASB 136. This is because these assets are assessed on an annual basis to ensure that the carrying amount is not materially different from fair value and therefore an impairment loss would be captured during this assessment.

Other assets that do not meet the criteria above are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

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

B3-5 Other expenses

\$ '000	Notes	2025	2024
Impairment of receivables			
Other		52	117
Total impairment of receivables	C1-4	52	117
Other			
Contributions/levies to other levels of government			
– Bushfire fighting fund		313	318
– Emergency services levy (includes FRNSW, SES, and RFS levies)		130	168
– NSW fire brigade levy		130	130
– Far North Coast Weeds		129	123
– Other contributions/levies		211	156
Donations, contributions and assistance to other organisations (Section 356)		80	77
Richmond Tweed Regional Library		1,838	1,669
Total other		2,831	2,641
Total other expenses		2,883	2,758

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

\$ '000	Notes	2025	2024
Gain (or loss) on disposal of plant and equipment	C1-7		
Proceeds from disposal – plant and equipment		803	236
Less: carrying amount of plant and equipment assets sold/written off		(288)	(141)
Gain (or loss) on disposal		515	95
Gain (or loss) on disposal of infrastructure	C1-7		
Less: carrying amount of infrastructure assets sold/written off		(3,097)	(964)
Gain (or loss) on disposal		(3,097)	(964)
WIP Assets written off			
Less: carrying amount of WIP assets written off		(1,453)	(148)
Gain (or loss) on disposal - Loss on write off of WIP assets		(1,453)	(148)
Net gain (or loss) from disposal of assets		(4,035)	(1,017)

B5 Performance against budget

B5-1 Material budget variations

Council's original budget was adopted by the Council on 27 June 2024 and is not required to be audited. The original projections on which the budget was based have been affected by a number of factors. These include state and federal government decisions, including new grant programs, changing economic activity, environmental factors, and by decisions made by Council.

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

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

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

\$ '000	2025 Budget	2025 Actual	2025 ----- Variance -----	
Revenues				
Rates and annual charges	65,421	66,677	1,256	2% F
User charges and fees	34,430	35,137	707	2% F
Other revenues	1,592	3,001	1,409	89% F
Other revenues exceeded the original budget by \$1.409million with the following items accounting for the majority of the favourable variance:				
<ul style="list-style-type: none"> Additional infringement revenue exceeded the original budget by \$200k. Workers compensation performance rebate revenue \$108k was not included in the original budget. Insurance claim recoveries of \$308k was not included in the original budget. Council sold property assets not capitalised at \$413k not included in the original budget. Council recovered \$82k in legal expenses not included in the original budget. 				
Operating grants and contributions	8,264	9,938	1,674	20% F
During the course of the financial year, Council was successful in obtaining additional grant funds not included in the original budget including \$420k for Community Services, \$162k for Economic Development and \$185k for Housing Support as examples along with others.				
Capital grants and contributions	48,688	42,428	(6,260)	(13)% U
The unfavourable budget variance for capital grants and contributions is principally due to the level of revenue from flood recovery works being less than budgeted as the level of expenditure associated with AGRN 1012 was less than estimated.				
Interest and investment revenue	2,594	6,098	3,504	135% F
Actual results for interest and investment revenue exceeded original budget by \$3.504million. This is principally due to Council maintaining more cash invested due to lower levels of flood recovery expenditure associated with AGRN 1012 and interest rate reductions anticipated not occurring as quickly during the financial year. Further due to the level of outstanding rates and charges, Council levied revenue for interest on these overdue amounts than included in the original budget.				
Other income	1,908	1,869	(39)	(2)% U

B5-1 Material budget variations (continued)

\$ '000	2025 Budget	2025 Actual	2025 ----- Variance -----	
Expenses				
Employee benefits and on-costs	36,657	38,419	(1,762)	(5)% U
Materials and services	54,259	71,362	(17,103)	(32)% U
The unfavourable budget variance for materials and services is principally driven from expenditure of \$9.797million associated with natural disasters that were not included in the original budget mainly AGRN 1172 and AGRN 1198. Council also did not capitalise \$5.030million in budgeted capital works during the financial year but expensed these. The budgeted amounts for these works would have been classified as capital expenditure in the original budget.				
Borrowing costs	2,685	2,888	(203)	(8)% U
Depreciation, amortisation and impairment of non-financial assets	20,657	25,812	(5,155)	(25)% U
The ongoing revaluation/indexation of assets cumulates in increased depreciation expense. Further the increased cost of the Quarry rehabilitation provision corresponding asset outlined in 2023/2024 financial year has increased the depreciation expense on this asset considerably.				
Other expenses	2,600	2,883	(283)	(11)% U
Net losses from disposal of assets	—	4,035	(4,035)	∞ U

Statement of cash flows

Cash flows from operating activities	66,696	21,245	(45,451)	(68)% U
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The major variances in the cash flows from operating activities relates to reduced grant receipts compared to that budgeted amounting to approx \$30million. This relates to capital grants not realised for flood recovery restoration AGRN 1012 \$7.898million, Water and Sewerage capital grants \$6.500million, Byron Bay Drainage capital grants \$6.82million and road construction related capital grants \$2.344million as the major variances. The other major variance was the increase in payments for material and services that exceeded budget by approx \$15million in terms of payments related mostly to two Natural Disasters that occurred through the financial year (ARGN 1172 and AGRN 1198). On these natural disasters, Council has expended \$9.79million that were not included in the original budget as these events were unforeseen. Council also did not capitalise \$5.030million in capital works but chose to expense these items. This was not included in the original budget.

Cash flows from investing activities	(85,647)	(40,908)	44,739	(52)% F
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The favourable variance for cash flows for investing activities relates to the level of capital works undertaken compared to the original budget. Council budgeted to spend \$25.740million in Flood Recovery restoration works associated with AGRN 1012 but expended \$8.796million in actual work. Other capital works not undertaken or completed include \$3.788million on Sandhills Wetlands Project, Lot 12 Bayshore Drive Roundabout \$2.378million, South Arm Brunswick Heads Carpark \$0.859million, Sandhills Wetlands Sewerage Main \$1.662million, Myocum Landfill Stormwater Management Implementation \$0.622million, Tennyson St works \$1.182million, Station Street Mullumbimby Upgrade \$1.708million, Byron Bay Drainage \$1.819million, Other Roads, Bridges and Drainage Projects \$1.873million, Byron Bay Town Centre Masterplan Projects \$0.603million, Suffolk Beachfront Holiday Park Works \$0.375million, Facilities Management works program \$0.396million, Water Capital works program \$1.459million, Sewerage Other Capital Works program \$1.582million and Plant purchases \$1.330million

Cash flows from financing activities	5,894	(4,863)	(10,757)	(183)% U
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Council originally proposed to borrow \$9.941million in 2024/25 but later reduced the actual borrowing requirement to \$3.500million. Further Council was to refinance a sewerage loan in December 2024 but decided to pay the loan out instead. This loan at the time had a balance outstanding of \$5.145million. This additional payment was not included in the original budget.

C Financial position

C1 Assets we manage

C1-1 Cash and cash equivalents

\$ '000	2025	2024
Cash assets		
Cash on hand and at bank	2,617	7,279
Cash equivalent assets		
– Deposits at call	28,947	40,811
– Short-term deposits	19,000	27,000
Total cash and cash equivalents	50,564	75,090

Reconciliation of cash and cash equivalents

\$ '000	Notes	2025	2024
Total cash and cash equivalents per Statement of Financial Position		50,564	75,090
Less bank overdraft	C3-3	–	–
Balance as per the Statement of Cash Flows		50,564	75,090

C1-2 Financial investments

\$ '000	2025 Current	2025 Non-current	2024 Current	2024 Non-current
Debt securities at amortised cost				
Long term deposits	42,250	–	37,184	–
NCD's, FRN's (with maturities > 3 months)	–	1,860	–	1,859
Other long term financial assets	–	4,244	–	5,069
Total	42,250	6,104	37,184	6,928
Total financial investments	42,250	6,104	37,184	6,928
Total cash assets, cash equivalents and investments	92,814	6,104	112,274	6,928

Material accounting policy information

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

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

Financial assets

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

Classification

On initial recognition, Council classifies its financial assets into the following categories – those measured at:

- amortised cost
- fair value through profit and loss (FVTPL)
- fair value through other comprehensive income – equity instrument (FVOCI-equity)

Financial assets are not reclassified subsequent to their initial recognition.

Amortised cost

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

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

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

Financial assets through profit or loss

All financial assets not classified as measured at amortised cost or fair value through other comprehensive income as described above are measured at fair value through profit or loss. Net gains or losses, including any interest or dividend income, are recognised in profit or loss. Council's financial assets measured at fair value through profit or loss comprise investments in FRNs and NCDs in the Statement of Financial Position.

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

\$ '000	2025	2024
(a) Externally restricted cash, cash equivalents and investments		
Total cash, cash equivalents and investments	98,918	119,202
Less: Externally restricted cash, cash equivalents and investments	(67,370)	(89,573)
Cash, cash equivalents and investments not subject to external restrictions	31,548	29,629

External restrictions

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

Bonds and deposits	2,522	2,487
Specific purpose unexpended grants – general fund	24,064	45,500
Specific purpose unexpended grants – sewer fund	253	253
Developer contributions – general	17,214	15,883
Developer contributions – water fund	1,727	1,746
Developer contributions – sewer fund	9,167	8,043
Transport for NSW contributions	–	231
Water fund	1,987	4,112
Sewer fund	7,900	8,610
Domestic waste management	695	919
Crown paid parking reserve	1,180	1,420
Crown reserve	411	188
Other	250	181
Total external restrictions	67,370	89,573

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

\$ '000	2025	2024
(b) Internal allocations		
Cash, cash equivalents and investments not subject to external restrictions	31,548	29,629
Less: Internally restricted cash, cash equivalents and investments	(31,148)	(29,229)
Unrestricted and unallocated cash, cash equivalents and investments	400	400

Internal allocations

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

Information technology	–	65
Council caravan parks	850	1,388
Employees leave entitlement	683	571
Waste management	13,056	12,718
Plant and vehicle replacement	3,434	4,528
Quarry	377	1,073
Risk management	317	297
Property	66	91
Infrastructure services carryover	322	330
Land and natural environment	440	311
Footpath dining	507	486
Byron Bay Library	285	290
People & Culture	464	414
Legal services	200	200

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

\$ '000	2025	2024
Community development	310	327
Stormwater	331	144
Council election expenses	43	203
Environmental levy	54	35
Children's services	112	110
General managers office	70	70
Financial assistance grant (in advance)	2,297	3,723
Revolving energy fund	28	10
Tennis courts	10	8
Asset revaluation reserve	40	11
Mullumbimby Civic Hall	–	34
Brunswick Heads Memorial Hall	30	31
South Golden Beach Hall	10	15
Infrastructure renewal - Byron Bay	737	1,147
Byron Bay Library Exhibition Space	5	–
Brunswick Valley community centre	4	–
Suffolk Park Community Hall	19	–
On-site sewerage management reserve	–	15
Property development	562	506
Bridge replacement fund	2	2
Ocean Shores Community Centre	46	29
Byron Bay Town Centre Masterplan	1,419	931
2017/2018 Special Rate Carryover Reserve	1,603	2,151
Information & technology service fee	657	464
Environmental Enforcement Levy	93	94
Byron Senior Citizens Hall	36	118
Infrastructure renewal reserve – non Byron Bay	2,107	2,350
Economic development	167	83
Land remediation	10	10
Community Building Maintenance	125	631
Public Toilets	312	180
Volunteer Visitor Fund	75	56
Byron Bay Construction Contingency	273	273
Pay Parking - Council/TfNSW	152	152
Pay Parking Meter Replacement	601	800
Development & Certification	272	316
Property Development - Part Sale of Lot 12 Bayshore Drive	514	258
Corporate Services Carryover	17	25
Sale of Road Assets	265	51
House Raising	59	59
Flood Recovery ¹	–	(8,695)
AGRN1119 IRW East Coast Flooding ²	–	(1,278)
Infrastructure Recovery Contingency Reserve	1,141	290
AGRN1172 EW and IRW ³	(2,694)	–
AGRN1198 EW and IRW (Cyclone Alfred) ³	(4,650)	–
Unexpended loans	2,883	728
Total internal allocations	31,148	29,229

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

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

- (1) Council has reimbursed the Flood Recovery reserve from the Unexpended Grant due to the advanced payments previously received now allowed to be allocated to all EPARs.
- (2) Council has received full reimbursement from TfNSW for this Natural Disaster.
- (3) Council is able to make a resolution at any time to determine internal allocations. It has chosen by resolution to include a reserve to represent funds from its overall pool of internal allocations that it has applied to response and recovery activities associated with the November 2024 Storm event (AGRN 1172) and Tropical Cyclone Alfred (AGRN 1198) that is awaiting reimbursement via Natural disaster funding. Council has not used any externally restricted funds for this purpose.

C1-4 Receivables

\$ '000	2025 Current	2025 Non-current	2024 Current	2024 Non-current
Rates and annual charges	8,580	1,126	7,331	1,192
Interest and extra charges	774	372	425	243
User charges and fees	5,909	95	5,975	34
Accrued revenues				
– Interest on investments	553	–	676	–
Net investment in finance lease	170	–	139	–
Deferred debtors	32	332	26	311
Government grants and subsidies	599	–	1,083	–
Net GST receivable	1,480	–	1,488	–
Miscellaneous water and sewer	65	–	98	–
Total	18,162	1,925	17,241	1,780
Less: provision for impairment				
User charges and fees	(118)	–	(166)	–
Total provision for impairment – receivables	(118)	–	(166)	–
Total net receivables	18,044	1,925	17,075	1,780

\$ '000	2025	2024
Movement in provision for impairment of receivables		
Balance at the beginning of the year	166	76
+ new provisions recognised during the year	(48)	90
Balance at the end of the year	118	166

Material accounting policy information

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

Impairment

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

When estimating 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 and informed credit assessment, and including forward-looking information.

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

When considering the ECL for rates and annual charges debtors, Council takes into account that unpaid rates represent a charge against the rateable property that will be recovered when the property is next sold.

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

Council writes off a receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or when the receivables are over 2 years past due, whichever occurs first.

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

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

C1-5 Inventories

\$ '000	2025 Current	2025 Non-current	2024 Current	2024 Non-current
(i) Inventories at cost				
Stores and materials	430	–	418	–
Total inventories at cost	430	–	418	–
Total inventories	430	–	418	–

Material accounting policy information

Raw materials and stores, work in progress and finished goods

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

C1-6 Contract assets and Contract cost assets

\$ '000	Notes	2025 Current	2025 Non-current	2024 Current	2024 Non-current
Contract assets	C1-6	1,948	–	4,883	–
Total contract assets and contract cost assets		1,948	–	4,883	–

Contract assets

Government Grants and Subsidies - Roads and Cycleways	1,948	–	3,795	–
Government Grants and Subsidies - Open Space Assets	–	–	766	–
Other	–	–	322	–
Total contract assets	1,948	–	4,883	–

Significant changes in contract assets

During the 2024/2025 financial year, the major change to contract assets was receipt of \$3.000million payment from the NSW Government for the Election Commitment Grant that was outstanding at 30 June 2024. Council has also received other payments related to contract assets outstanding at 30 June 2024 and has recognised \$1.657million in new contract assets during the 2024/25 financial year related to road infrastructure works.

Material accounting policy information

Contract assets

Contract assets represent Councils right to payment in exchange for goods or services the Council has transferred to a customer when that right is conditional on something other than the passage of time.

Contract assets arise when the amounts billed to customers are based on the achievement of various milestones established in the contract and therefore the amounts recognised as revenue in a given period do not necessarily coincide with the amounts billed to or certified by the customer. Once an invoice or payment claim is raised or the relevant milestone is reached, Council recognises a receivable.

Impairment of contract assets is assessed using the simplified expected credit loss model where lifetime credit losses are recognised on initial recognition.

Contract cost asset – costs to fulfil a contract

Where costs are incurred to fulfil a contract and these costs are outside the scope of another accounting standard, they are capitalised as contract cost assets if the following criteria are met:

- the costs relate directly to a contract
- the costs generate or enhance resources of Council that will be used to satisfy performance obligations in the future and

C1-6 Contract assets and Contract cost assets (continued)

– the costs are expected to be recovered.

The capitalised costs are recognised in the Income statement on a systematic basis consistent with the timing of revenue recognition.

Refer to B3-4 for the accounting policy for impairment of contract cost assets.

C1-7 Infrastructure, property, plant and equipment

By aggregated asset class	At 1 July 2024			Asset movements during the reporting period										At 30 June 2025		
	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount	Additions renewals ¹	Additions new assets	Carrying value of disposals	Depreciation expense	Impairment loss / revaluation decrements (recognised in equity)	Impairment reversal (recognised in equity)	WIP transfers	Adjustments and transfers	WIP Written off (to P&L)	Revaluation increments to equity (ARR)	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount
\$ '000																
Capital work in progress	64,313	–	64,313	19,968	2,179	–	–	–	–	(20,709)	–	(1,453)	–	64,297	–	64,297
Plant and equipment	20,157	(13,044)	7,113	–	5,676	(288)	(2,268)	–	–	135	–	–	–	22,849	(12,480)	10,369
Office equipment	1,929	(1,906)	23	–	–	–	(6)	–	–	–	–	–	–	1,929	(1,911)	18
Furniture and fittings	166	(157)	9	–	–	–	(5)	–	–	–	–	–	–	166	(161)	5
Land:																
– Operational land	224,708	–	224,708	–	–	–	–	–	–	1,773	–	–	–	226,481	–	226,481
– Community land	168,861	–	168,861	–	1,210	–	–	–	–	–	–	–	1,138	171,209	–	171,209
– Crown land	78,926	–	78,926	–	–	–	–	–	–	–	–	–	1,059	79,984	–	79,984
– Land under roads (post 30/6/08)	889	–	889	–	64	–	–	–	–	–	–	–	8	961	–	961
Land improvements – depreciable	1,292	(129)	1,163	–	–	–	(26)	–	–	–	–	–	–	1,294	(155)	1,139
Infrastructure:																
– Buildings	117,269	(27,971)	89,298	1,002	453	(695)	(1,899)	(112)	–	7,554	–	–	3,730	130,342	(31,013)	99,329
– Other structures	4,488	(3,224)	1,264	–	–	–	(41)	–	–	–	–	–	–	4,488	(3,264)	1,224
– Roads	465,617	(182,834)	282,783	2,403	5,400	(866)	(10,417)	–	11	3,445	(17)	–	18,906	505,291	(203,645)	301,646
– Bridges	70,130	(7,939)	62,191	58	–	(35)	(562)	–	–	201	–	–	1,621	72,187	(8,714)	63,473
– Footpaths	22,068	(6,027)	16,041	–	1,319	(58)	(322)	–	–	605	–	–	13,936	42,843	(11,321)	31,522
– Bulk earthworks (non-depreciable)	51,084	(84)	51,000	329	–	(67)	–	–	–	446	–	–	1,342	53,134	(84)	53,050
– Stormwater drainage	235,064	(67,571)	167,493	562	2,429	(575)	(2,300)	(27)	6	2,308	(88)	–	3,127	243,885	(70,951)	172,934
– Water supply network	132,696	(56,592)	76,104	36	1,727	(465)	(1,678)	(1,702)	–	2,624	160	–	1,904	139,694	(60,984)	78,710
– Sewerage network	234,553	(93,010)	141,543	1,073	1,808	(73)	(3,717)	–	–	760	(160)	–	3,530	243,778	(99,016)	144,762
– Swimming pools	3,404	(1,241)	2,163	–	–	–	(68)	–	–	–	–	–	–	3,404	(1,309)	2,095
– Other open space/recreational assets	26,068	(9,693)	16,375	1,090	6	(263)	(717)	–	–	858	105	–	–	27,707	(10,253)	17,454
Other assets:																
– Other	1,343	(708)	635	–	–	–	(89)	–	–	–	–	–	–	1,343	(796)	547
Reinstatement, rehabilitation and restoration assets (refer Note C3-5):																
– Quarry assets	7,932	(2,313)	5,619	–	–	–	(1,012)	–	–	–	(62)	–	–	7,870	(3,324)	4,546
– Tip assets	16,471	(4,797)	11,674	–	–	–	(685)	–	–	–	(189)	–	20	16,321	(5,502)	10,819
Total infrastructure, property, plant and equipment	1,949,428	(479,240)	1,470,188	26,521	22,271	(3,385)	(25,812)	(1,841)	17	–	(251)	(1,453)	50,321	2,061,457	(524,883)	1,536,574

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

C1-7 Infrastructure, property, plant and equipment (continued)

By aggregated asset class	At 1 July 2023			Asset movements during the reporting period											At 30 June 2024		
	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount	Additions renewals ¹	Additions new assets	Carrying value of disposals	Depreciation expense	Impairment loss / revaluation decrements (recognised in equity)	Impairment reversal (recognised in equity)	WIP transfers	Adjustments and transfers	WIP Written off (to P&L)	Revaluation decrements to equity (ARR)	Revaluation increments to equity (ARR)	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount
\$ '000																	
Capital work in progress	28,924	–	28,924	35,079	7,164	–	–	–	–	(6,708)	–	(148)	–	–	64,313	–	64,313
Plant and equipment	13,227	(7,743)	5,484	–	2,109	(141)	(1,358)	–	–	–	1,019	–	–	–	20,157	(13,044)	7,113
Office equipment	2,261	(2,226)	35	–	–	–	(11)	–	–	–	–	–	–	–	1,929	(1,906)	23
Furniture and fittings	275	(259)	16	–	–	(2)	(5)	–	–	–	–	–	–	–	166	(157)	9
Land:																	
– Operational land	221,917	–	221,917	–	5	(55)	–	–	–	–	–	–	–	2,842	224,708	–	224,708
– Community land	200,003	–	200,003	–	335	–	–	–	–	–	5,320	–	(36,797)	–	168,861	–	168,861
– Crown land	94,410	–	94,410	–	–	–	–	–	–	–	(5,320)	–	(10,164)	–	78,926	–	78,926
– Land under roads (post 30/6/08)	847	–	847	–	42	–	–	–	–	–	–	–	–	–	889	–	889
Land improvements – depreciable	1,294	(104)	1,190	–	–	–	(26)	–	–	–	–	–	–	–	1,292	(129)	1,163
Infrastructure:																	
– Buildings	107,943	(24,954)	82,989	842	174	–	(1,611)	–	366	912	–	–	–	5,626	117,269	(27,971)	89,298
– Other structures	4,488	(3,183)	1,305	–	–	–	(41)	–	–	–	–	–	–	–	4,488	(3,224)	1,264
– Roads	434,884	(165,709)	269,175	5,477	1,350	(367)	(8,765)	–	95	1,524	–	–	–	14,296	465,617	(182,834)	282,783
– Bridges	66,472	(6,997)	59,475	19	22	–	(539)	–	–	47	–	–	–	3,166	70,130	(7,939)	62,191
– Footpaths	20,208	(5,421)	14,787	–	356	(5)	(307)	–	–	431	–	–	–	778	22,068	(6,027)	16,041
– Bulk earthworks (non-depreciable)	48,321	(84)	48,237	217	–	(71)	–	–	–	21	–	–	–	2,596	51,084	(84)	51,000
– Stormwater drainage	224,844	(63,178)	161,666	693	1,296	(145)	(2,227)	–	–	770	–	–	–	5,439	235,064	(67,571)	167,493
– Water supply network	126,002	(52,116)	73,886	185	161	(38)	(1,663)	(304)	–	136	–	–	–	3,741	132,696	(56,592)	76,104
– Sewerage network	222,762	(85,022)	137,740	405	205	(46)	(3,602)	–	–	21	–	–	–	6,820	234,553	(93,010)	141,543
– Swimming pools	3,404	(1,173)	2,231	–	–	–	(68)	–	–	–	–	–	–	–	3,404	(1,241)	2,163
– Other open space/recreational assets	23,077	(9,514)	13,563	857	26	(234)	(682)	–	–	2,846	–	–	–	–	26,068	(9,693)	16,375
Other assets:																	
– Other	1,343	(618)	725	–	–	–	(90)	–	–	–	–	–	–	–	1,343	(708)	635
Reinstatement, rehabilitation and restoration assets (refer Note C3-5):																	
– Quarry assets	4,675	(1,910)	2,765	–	–	–	(402)	–	–	–	3,242	–	–	16	7,932	(2,313)	5,619
– Tip assets	14,995	(4,288)	10,707	–	–	–	(481)	–	–	–	1,369	–	–	79	16,471	(4,797)	11,674
Total infrastructure, property, plant and equipment	1,866,576	(434,499)	1,432,077	43,774	13,245	(1,104)	(21,878)	(304)	461	–	5,630	(148)	(46,961)	45,399	1,949,428	(479,240)	1,470,188

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

C1-7 Infrastructure, property, plant and equipment (continued)

Material accounting policy information

Useful lives of Infrastructure, Property, Plant and Equipment (IPPE)

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

Plant and equipment	Years	Other equipment	Years
Office equipment	5 to 10	Playground equipment	20 to 100
Office furniture	10 to 20	Benches, seats etc.	0 to 5
Computer equipment	4		
Vehicles	7 to 10		
Heavy plant/road making equipment	7 to 10		
Other plant and equipment	5 to 10		
Buildings		Buildings	
Envelope	40 to 150	Mechanical Services	30
Floors	40	Fire Services	30
Floor Coverings	17 to 34	Electrical Services	50
Internal Screens	20	Hydraulic Services	40
Roof	80		
Water and sewer assets		Stormwater assets	
Dams and reservoirs	40 to 100	Drains	100 to 200
Bores	20 to 40	Culverts	100
Reticulation pipes: PVC	70 to 80	Flood control structures	100
Reticulation pipes: other	40 to 80		
Pumps and telemetry	10 to 60		
Transportation assets		Other infrastructure assets	
Sealed roads: surface	8 to 25	Bulk earthworks	Infinite
Sealed roads: structure	45 to 225	Swimming pools	50
Unsealed roads	12 to 36	Other open space / recreational assets	5 to 100
Bridge: concrete	60 to 100		
Bridge: other	60 to 100		
Road pavements	50		
Kerb, gutter and footpaths	80		

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

Revaluation model

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

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

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

Land under roads

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

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

C1-7 Infrastructure, property, plant and equipment (continued)

Crown reserves

Crown reserves under Council's care and control are recognised as assets of the Council. While ownership of the reserves remains with the Crown, Council retains operational control of the reserves and is responsible for their maintenance and use in accordance with the specific purposes to which the reserves are dedicated.

Where the Crown reserves are under a lease arrangement they are accounted for under AASB 16 Leases, refer Note C2-1.

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

Rural Fire Service assets

Under Section 119 of the *Rural Fire Services Act 1997 (NSW)*, "all firefighting equipment purchased or constructed wholly or from money to the credit of the Fund is to be vested in the council of the area for or on behalf of which the firefighting equipment has been purchased or constructed". These Rural Fire Service assets are recognised as assets of the Council in these financial statements even though Council has resolved it does not control the Red Fleet assets included.

C1-8 Other

Other assets

\$ '000	2025	2025	2024	2024
	Current	Non-current	Current	Non-current
Other	349	–	17	–
Total other assets	349	–	17	–

C2 Leasing activities

C2-1 Council as a lessee

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

Land and Buildings

Council has fourteen leases and licences for a variety of land and buildings as a lessee. These leases/licences are with the NSW Government and are often for minimal rentals, some of the agreements have no end dates and rentals generally increase in line with the Consumer Price Index on anniversary. Council has not outlined any right of use assets or lease liabilities for these leases/licences as it is of the view they are not material to the financial statements of Council.

Vehicles

Council does not lease any vehicles.

Office and IT equipment

Council leases all of its Information Technology equipment including servers, printers, WYSE terminals, laptops, and audio visual equipment.

The vast majority of these assets individually are below the low value threshold individually and therefore Council has taken the view that disclosure requirements of AASB 16 do not apply to this equipment. Council will continue to recognise the operating lease payments as an operating expense.

Material accounting policy information

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

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

Exceptions to lease accounting

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

Leases at significantly below market value / Concessionary leases

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

C2-2 Council as a lessor

Operating leases

Council leases out a number of properties to community groups and businesses. These leases have been classified as operating leases for financial reporting purposes.

\$ '000	2025	2024
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(i) Assets held as property, plant and equipment

Council provides operating leases on Council land and buildings for the purpose of community use such as property agreements, use of rooms/facility hire and the Cavanbah Centre.

Lease income	1,869	1,648
Total income relating to operating leases for Council assets	1,869	1,648

(ii) Maturity analysis of contractual lease income

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

< 1 year	616	861
1–2 years	391	352
2–3 years	262	236
3–4 years	206	143
4–5 years	160	95
> 5 years	1,574	558
Total undiscounted lease payments to be received	3,209	2,245

C3 Liabilities of Council

C3-1 Payables

\$ '000	2025 Current	2025 Non-current	2024 Current	2024 Non-current
Prepaid rates	1,075	–	933	–
Goods and services – operating expenditure	10,052	–	9,488	–
Accrued expenses:				
– Borrowings	101	–	101	–
– Other expenditure accruals	238	–	933	–
Security bonds, deposits and retentions	6,128	–	7,400	–
Total payables	17,594	–	18,855	–

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

\$ '000	2025	2024
The following liabilities, even though classified as current, are not expected to be settled in the next 12 months.		
Payables – security bonds, deposits and retentions	6,128	7,400
Total payables	6,128	7,400

Payables

The amounts are unsecured and are usually paid within 30 days of recognition.

C3-2 Contract Liabilities

\$ '000	Notes	2025 Current	2025 Non-current	2024 Current	2024 Non-current
Grants and contributions received in advance:					
Unexpended capital grants (to construct Council controlled assets)	(i)	22,347	–	40,867	–
Total grants received in advance		22,347	–	40,867	–
User fees and charges received in advance:					
Advance bookings - holiday parks	(ii)	1,920	–	1,770	–
Total user fees and charges received in advance		1,920	–	1,770	–
Total contract liabilities		24,267	–	42,637	–

Notes

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

(ii) Advance booking fees for Council's holiday parks do meet the definition of a performance obligation and therefore the funds received are recorded as a contract liability on receipt and recognised as revenue when the customer has completed their booking by virtue of their stay at the holiday park.

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

\$ '000	2025	2024
Grants and contributions received in advance:		
Capital grants (to construct Council controlled assets)	21,072	4,752
Total revenue recognised that was included in the contract liability balance at the beginning of the period	21,072	4,752

Significant changes in contract liabilities

During the 2024/2025 financial year, Council expended \$21.072million in capital grant funding received in years previous to 2024/2025. This included the following major expenditures: \$2.536million on Sandhills Wetlands Activation, \$17.456million of Flood Recovery EPAR Works associated with AGRN 1012, Cavanbah Centre Carpark Repair \$237k, Rifle Range Road construction \$487k, Mullumbimby Recreation Ground Amenities \$114k and Heritage Park Accessible Path \$150k.

C3-3 Borrowings

\$ '000	2025	2025	2024	2024
	Current	Non-current	Current	Non-current
Loans – secured ¹	13,894	37,148	3,217	52,688
Total borrowings	13,894	37,148	3,217	52,688

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

Disclosures on liability interest rate risk exposures, fair value disclosures and security can be found in Note E1-1.

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

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

(a) Changes in liabilities arising from financing activities

\$ '000	2024		Non-cash movements				2025
	Opening Balance	Cash flows	Acquisition	Fair value changes	Acquisition due to change in accounting policy	Other non-cash movement	Closing balance
Loans – secured	55,905	(4,863)	–	–	–	–	51,042
Total liabilities from financing activities	55,905	(4,863)	–	–	–	–	51,042

\$ '000	2023		Non-cash movements				2024
	Opening Balance	Cash flows	Acquisition	Fair value changes	Acquisition due to change in accounting policy	Other non-cash movement	Closing balance
Loans – secured	54,207	1,698	–	–	–	–	55,905
Total liabilities from financing activities	54,207	1,698	–	–	–	–	55,905

C3-3 Borrowings (continued)

(b) Financing arrangements

\$ '000	2025	2024
Total facilities		
Total financing facilities available to Council at the reporting date are:		
Bank overdraft facilities ¹	1,000	1,000
Credit cards/purchase cards	185	185
Total financing arrangements	1,185	1,185
Drawn facilities		
Financing facilities drawn down at the reporting date are:		
– Credit cards/purchase cards	44	5
Total drawn financing arrangements	44	5
Undrawn facilities		
Undrawn financing facilities available to Council at the reporting date are:		
– Bank overdraft facilities	1,000	1,000
– Credit cards/purchase cards	141	180
Total undrawn financing arrangements	1,141	1,180

Additional financing arrangements information

Breaches and defaults

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

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

C3-4 Employee benefit provisions

\$ '000	2025 Current	2025 Non-current	2024 Current	2024 Non-current
Annual leave	3,586	–	3,371	–
Long service leave	4,903	646	4,559	521
Gratuities	81	–	91	–
Total employee benefit provisions	8,570	646	8,021	521

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

\$ '000	2025	2024
The following provisions, even though classified as current, are not expected to be settled in the next 12 months.		
Provisions – employees benefits	5,685	5,391
	5,685	5,391

C3-4 Employee benefit provisions (continued)

Description of and movements in provisions

\$ '000	ELE provisions			Total
	Annual leave	Long service leave	Other employee benefits	
2025				
At beginning of year	3,371	5,080	91	8,542
Other	215	469	(10)	674
Total ELE provisions at end of year	3,586	5,549	81	9,216
2024				
At beginning of year	3,206	4,691	121	8,018
Other	165	389	(30)	524
Total ELE provisions at end of year	3,371	5,080	91	8,542

Material accounting policy information

Other long-term employee benefit obligations

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

C3-5 Provisions

\$ '000	2025 Current	2025 Non-Current	2024 Current	2024 Non-Current
Asset remediation/restoration:				
Asset remediation/restoration (future works)	–	13,223	–	13,024
Sub-total – asset remediation/restoration	–	13,223	–	13,024
Total provisions	–	13,223	–	13,024

Description of and movements in provisions

\$ '000	Other provisions	
	Asset remediation	Total
2025		
At beginning of year	13,024	13,024
Unwinding of discount	451	451
Other	(252)	(252)
Total other provisions at end of year	13,223	13,223
2024		
At beginning of year	8,119	8,119
Unwinding of discount	294	294
Other	4,611	4,611
Total other provisions at end of year	13,024	13,024

Nature and purpose of provisions

Asset remediation

The asset remediation provision represents the present value estimate of future costs Council will incur to restore, rehabilitate and reinstate the tip and quarry as a result of past operations.

Material accounting policy information

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

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Asset remediation – tips and quarries

Close-down and restoration costs include the dismantling and demolition of infrastructure, and the removal of residual materials and remediation of disturbed areas. Estimated close-down and restoration costs are provided for in the accounting period when the obligation arising from the related disturbance occurs, whether this occurs during the development or during the operation phase, based on the net present value of estimated future costs. Provisions for close-down and restoration costs do not include any additional obligations which are expected to arise from future disturbance. The cost estimates are calculated annually during the life of the operation to reflect known developments, e.g. updated cost estimates and revisions to the estimated lives of operations, and are subject to formal review at regular intervals.

The ultimate cost of environmental remediation is uncertain and cost estimates can vary in response to many factors, including changes to the relevant legal requirements, the emergence of new restoration techniques, or experience at other locations. The expected timing of expenditure can also change, for example in response to changes in quarry reserves or production rates. As a result, there could be significant adjustments to the provision for close down and restoration and environmental clean-up, which would affect future financial results.

C3-5 Provisions (continued)

Other movements in the provisions for close-down and restoration costs, including those resulting from new disturbance, updated cost estimates, changes to the estimated lives of operations, and revisions to discount rates, are capitalised within infrastructure, property, plant and equipment. These costs are then depreciated over the lives of the assets to which they relate.

C4 Reserves

C4-1 Nature and purpose of reserves

IPPE Revaluation Surplus

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

D Council structure

D1 Results by fund

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

D1-1 Income Statement by fund

\$ '000	General 2025	Water 2025	Sewer 2025
Income from continuing operations			
Rates and annual charges	43,676	3,369	20,240
User charges and fees	20,766	10,265	4,106
Interest and investment revenue	5,342	138	618
Other revenues	3,001	—	—
Grants and contributions provided for operating purposes	12,612	67	64
Grants and contributions provided for capital purposes	38,557	775	3,096
Other income	2,251	—	—
Total income from continuing operations	126,205	14,614	28,124
Expenses from continuing operations			
Employee benefits and on-costs	33,725	1,658	3,036
Materials and services	53,843	10,947	10,367
Borrowing costs	1,643	—	1,245
Other expenses	2,883	—	—
Net losses from the disposal of assets	3,419	533	83
Share of interests in joint ventures and associates using the equity method	—	—	—
Total expenses from continuing operations excluding depreciation, amortisation and impairment of non-financial assets	95,513	13,138	14,731
Operating result from continuing operations excluding depreciation, amortisation and impairment of non-financial assets	30,692	1,476	13,393
Depreciation, amortisation and impairment of non-financial assets	20,362	1,693	3,757
Operating result from continuing operations	10,330	(217)	9,636
Net operating result for the year	10,330	(217)	9,636
Net operating result attributable to each council fund	10,330	(217)	9,636
Net operating result for the year before grants and contributions provided for capital purposes	(28,227)	(992)	6,540

D1-2 Statement of Financial Position by fund

\$ '000	General 2025	Water 2025	Sewer 2025
ASSETS			
Current assets			
Cash and cash equivalents	50,564	–	–
Investments	21,216	3,714	17,320
Receivables	9,929	3,780	4,335
Inventories	430	–	–
Contract assets and contract cost assets	1,948	–	–
Other	349	–	–
Total current assets	84,436	7,494	21,655
Non-current assets			
Investments	6,104	–	–
Receivables	1,925	–	–
Infrastructure, property, plant and equipment	1,240,923	95,687	199,964
Investments accounted for using the equity method	1,434	–	–
Total non-current assets	1,250,386	95,687	199,964
Total assets	1,334,822	103,181	221,619
LIABILITIES			
Current liabilities			
Payables	17,497	–	97
Contract liabilities	24,014	–	253
Borrowings	11,786	–	2,108
Employee benefit provision	8,570	–	–
Total current liabilities	61,867	–	2,458
Non-current liabilities			
Borrowings	16,246	–	20,902
Employee benefit provision	646	–	–
Provisions	13,223	–	–
Total non-current liabilities	30,115	–	20,902
Total liabilities	91,982	–	23,360
Net assets	1,242,840	103,181	198,259
EQUITY			
Accumulated surplus	576,110	41,999	124,762
IPPE revaluation surplus	666,730	61,182	73,497
Council equity interest	1,242,840	103,181	198,259
Total equity	1,242,840	103,181	198,259

D2 Interests in other entities

\$ '000	Council's share of net assets	
	2025	2024
Council's share of net assets		
Net share of interests in joint ventures and associates using the equity method – assets		
Associates	1,434	1,292
Total net share of interests in joint ventures and associates using the equity method – assets	1,434	1,292
Total Council's share of net assets	1,434	1,292

Interests in associates

The following information is provided for associates that are individually material to the Council. Included are the amounts as per the individual associates' financial statements, adjusted for fair-value adjustments at acquisition date and differences in accounting policies, rather than the Council's share.

Summarised financial information for individually immaterial associates

\$ '000	2025	2024
Individually immaterial associates		
Aggregate carrying amount of individually immaterial associates	1,434	1,292
Aggregate amounts of Council's share of individually immaterial:		
Profit/(loss) from continuing operations	142	(71)
Total comprehensive income – individually immaterial associates	142	(71)

E Risks and accounting uncertainties

E1-1 Risks relating to financial instruments held

Council's activities expose it to a variety of financial risks including **(1)** price risk, **(2)** credit risk, **(3)** liquidity risk and **(4)** interest rate risk.

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

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

Financial risk management is carried out by Council's finance section under policies approved by Council.

A comparison by category of the carrying amounts and fair values of Council's financial assets and financial liabilities recognised in the financial statements is presented below.

\$ '000	Carrying value 2025	Carrying value 2024	Fair value 2025	Fair value 2024
Financial assets				
Measured at amortised cost				
Cash and cash equivalents	50,564	75,090	50,564	75,090
Receivables	45,175	18,855	25,206	18,855
Investments				
– Debt securities at amortised cost	48,354	44,112	48,354	44,112
Total financial assets	144,093	138,057	124,124	138,057
Financial liabilities				
Payables	17,594	18,855	17,594	18,855
Loans/advances	51,042	55,905	48,010	46,631
Total financial liabilities	68,636	74,760	65,604	65,486

Fair value is determined as follows:

- **Cash and cash equivalents, receivables, payables** – are estimated to be the carrying value that approximates market value.
- **Borrowings and held-to-maturity investments** – are based upon estimated future cash flows discounted by the current mkt interest rates applicable to assets and liabilities with similar risk profiles, unless quoted market prices are available.
- Financial assets classified (i) **'at fair value through profit and loss'** or (ii) **'available-for-sale'** – are based upon quoted market prices (in active markets for identical investments) at the reporting date or independent valuation.

Council's objective is to maximise its return on cash and investments whilst maintaining an adequate level of liquidity and preserving capital.

Council's finance area manages the cash and Investments portfolio with the assistance of independent advisors.

Council has an investment policy which complies with the Local Government Act 1993 and Minister's investment order 625. This policy is regularly reviewed by Council and it's staff and an investment report is tabled before Council on a monthly basis setting out the portfolio breakup and its performance as required by Local Government regulations.

The risks associated with the instruments held are:

- **Market risk** – the risk that the capital value of Investments may fluctuate due to changes in market prices, whether these changes are caused by factors specific to individual financial instruments or their issuers or are caused by factors affecting similar instruments traded in a market.
- **Interest rate risk** – the risk that movements in interest rates could affect returns and income.
- **Liquidity risk** – the risk that Council will not be able to pay its debts as and when they fall due.
- **Credit risk** – the risk that the investment counterparty will not complete their obligations particular to a financial instrument, resulting in a financial loss to Council – be it of a capital or income nature.

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

Council manages these risks (amongst other measures) by diversifying its portfolio and only purchasing investments with high credit ratings or capital guarantees.

(a) Market risk – interest rate and price risk

\$ '000	2025	2024
The impact on result for the year and equity of a reasonably possible movement in the price of investments held and interest rates is shown below. The reasonably possible movements were determined based on historical movements and economic conditions in place at the reporting date.		
Impact of a 1% movement in interest rates		
– Equity / Income Statement	506	751
Impact of a 10% movement in price of investments		
– Equity / Income Statement	4,835	4,411

(b) Credit risk

Council's major receivables comprise (i) rates and annual charges and (ii) user charges and fees.

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

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

There are no significant concentrations of credit risk, whether through exposure to individual customers, specific industry sectors and/or regions.

The level of outstanding receivables is reported to Council monthly and benchmarks are set and monitored for acceptable collection performance.

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

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

Credit risk profile

Receivables – rates and annual charges

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

\$ '000	Not yet overdue rates and annual charges			Total
	Not yet overdue	< 5 years	≥ 5 years	
2025				
Gross carrying amount	5,629	250	3,832	9,711
2024				
Gross carrying amount	5,400	155	2,968	8,523

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

Receivables - non-rates and annual charges and contract assets

Council applies the simplified approach for non-rates and annual charges debtors to provide for expected credit losses prescribed by AASB 9, which permits the use of the lifetime expected loss provision. To measure the expected credit losses, non-rates and annual charges debtors have been grouped based on shared credit risk characteristics and the days past due.

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

\$ '000	Not yet overdue	Overdue debts				Total
		0 - 30 days	31 - 60 days	61 - 90 days	> 91 days	
2025						
Gross carrying amount	11,181	809	76	40	223	12,329
Expected loss rate (%)	0.03%	0.81%	3.72%	1.56%	7.18%	0.24%
ECL provision	3	7	3	1	16	30
2024						
Gross carrying amount	11,204	3,706	72	42	357	15,381
Expected loss rate (%)	0.07%	0.26%	3.72%	2.47%	1.32%	0.17%
ECL provision	8	10	3	1	5	27

(c) Liquidity risk

Payables and borrowings are both subject to liquidity risk – the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due.

Council manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer.

Payment terms can (in extenuating circumstances) also be extended and overdraft facilities utilised as required.

Borrowings are also subject to interest rate risk – the risk that movements in interest rates could adversely affect funding costs and debt servicing requirements. Council manages this risk through diversification of borrowing types, maturities and interest rate structures. The finance team regularly reviews interest rate movements to determine if it would be advantageous to refinance or renegotiate part or all of the loan portfolio.

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

The amounts disclosed in the table are the undiscounted contracted cash flows and therefore the balances in the table may not equal the balances in the statement of financial position due to the effect of discounting.

	Weighted average interest rate	Subject to no maturity	≤ 1 Year	payable in:		Total cash outflows	Actual carrying values
\$ '000				1 - 5 Years	> 5 Years		
2025							
Payables	0.00%	6,128	10,391	–	–	16,519	17,594
Borrowings	4.58%	–	13,914	15,921	21,216	51,051	51,042
Total financial liabilities		6,128	24,305	15,921	21,216	67,570	68,636
2024							
Payables	0.00%	7,400	10,522	–	–	17,922	18,855
Borrowings	4.96%	–	3,217	23,178	29,510	55,905	55,905
Total financial liabilities		7,400	13,739	23,178	29,510	73,827	74,760

E2-1 Fair value measurement

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

- Infrastructure, property, plant and equipment
- Financial assets

The fair value of assets and liabilities must be estimated in accordance with various accounting standards for either recognition and measurement requirements or for disclosure purposes. AASB 13 Fair Value Measurement requires all assets and liabilities measured at fair value to be assigned to a 'level' in the fair value hierarchy as follows:

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

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

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

Fair value measurement hierarchy							
\$ '000	Notes	Level 2 Significant observable inputs		Level 3 Significant unobservable inputs		Total	
		2025	2024	2025	2024	2025	2024
Infrastructure, property, plant and equipment	C1-7						
Plant and equipment		–	–	10,369	7,113	10,369	7,113
Office equipment		–	–	18	23	18	23
Furniture and fittings		–	–	4	9	4	9
Operational land		226,481	224,708	–	–	226,481	224,708
Community land		–	–	171,209	168,861	171,209	168,861
Crown Land		–	–	79,984	78,926	79,984	78,926
Land under roads (Post 30/6/08)		–	–	961	889	961	889
Land improvements – depreciable		–	–	1,139	1,165	1,139	1,165
Buildings specialised		–	–	99,329	89,298	99,329	89,298
Other structures		–	–	1,224	1,265	1,224	1,265
Roads		–	–	289,940	282,783	289,940	282,783
Bridges		–	–	63,473	62,191	63,473	62,191
Footpaths		–	–	18,012	16,041	18,012	16,041
Bulk earthworks		–	–	53,050	51,000	53,050	51,000
Stormwater drainage		–	–	172,934	167,493	172,934	167,493
Water supply network		–	–	78,710	76,104	78,710	76,104
Sewerage network		–	–	144,762	141,543	144,762	141,543
Swimming pools		–	–	2,095	2,163	2,095	2,163
Other open space and recreational assets		–	–	17,455	16,375	17,455	16,375
Other assets		–	–	546	635	546	635
Tip assets		–	–	10,819	11,674	10,819	11,674
Quarry assets		–	–	4,546	5,619	4,546	5,619
Total infrastructure, property, plant and equipment		226,481	224,708	1,220,579	1,181,170	1,447,060	1,405,878

Valuation techniques

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

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

Financial assets

Financial assets are exposed to financial risks such as price risk, credit risk, liquidity risk and interest rate risk surrounding the unpredictable nature of financial markets.

E2-1 Fair value measurement (continued)

The valuation technique for these assets is based on a market approach observing that the carrying value is a reasonable approximation of the fair value.

Infrastructure, property, plant and equipment (IPPE)

Plant and equipment, office equipment, furniture and fittings

Plant and equipment, office equipment and furniture & fittings assets are valued at cost, but are disclosed at fair value in the notes. The carrying amount of these assets is assumed to approximate fair value. The key observable inputs to the valuation are the remaining useful life and residual value.

Operational land

Operational Land was valued by APV, an external valuer utilised by Council at 30 June 2023. A desktop valuation was completed by APV in 2024, with no adjustment made in 2025.

Depending upon the unique circumstances of each lot, land has been valued using a range of approaches. Where there is an active market the 'market approach' has been adopted. If its value is primarily dependent on its income generating capability the income approach was used. For other types of land the 'cost approach' was adopted. Details of each approach are detailed below.

Level 3 inputs are unobservable inputs for the asset or liability

Unobservable inputs are to be used to measure fair value to the extent that relevant observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date. Therefore, unobservable inputs shall reflect the assumptions that market participants would use when pricing the asset or liability, including assumptions about risk.

There were no assets valued where it was assumed that the highest and best use was other than its current use and all assets have been valued at Level 2

Community and Crown land

Community Land has been valued using the Valuer Generals value of land. These rates are not considered to be observable market evidence and as such they have been classified as Level 3

Land under roads

Land under roads is valued using the 'Englobo' valuation method at 30 June 2025. The Englobo value of the land under the road is the proportional site value of the land at the time when the land is sold for subdivision. In prior years, this was valued through information provided by the Valuer General (VG). Information was received by the VG for each zone description and an applicable rate per square metre for rural and residential areas was applied to the land recognised under roads, post 30/6/08. These rates are not considered to be observable market evidence and as such they have been classified as Level 3.

Buildings – specialised

Buildings were valued by Assetic at 30 June 2021 using the cost approach plus indexation for 30 June 2022, 2023, 2024 and the 2025 financial year. This approach estimated the replacement cost for each building by componentising it into significant parts with different useful lives taking into account a range of factors. Some of these factors required extensive professional judgement and as such were classified as Level 3. All buildings were indexed at 30 June 2025.

Roads, bridges and footpaths

Valuations for these asset classes were undertaken by Assetic in 2020 using the replacement cost approach. No market based evidence (Level 2) inputs are available, therefore Level 3 valuation inputs were used for this asset class. As at 30 June 2025, all roads, bridges and footpaths were subject to indexation.

Water

Water Network assets were valued by Assetic at 30 June 2022. The replacement cost approach was used to value these assets. Some of the significant inputs considered in the valuation of those assets are remaining useful life, pattern of consumption, dimensions and asset components. Some of these inputs are unobservable and as such this asset class is classified as Level 3. Water assets have been indexed as per the NSW Rates Reference Manual.

Sewer

Sewer Network assets were valued by Assetic at 30 June 2022. The replacement cost approach was used to value these assets. Some of the significant inputs considered in the valuation of those assets are remaining useful life, pattern of consumption, dimensions and asset components. Some of these inputs are unobservable and as such this asset class is classified as Level 3. Sewer assets have been indexed as per the NSW Rates Reference Manual.

Stormwater drainage

E2-1 Fair value measurement (continued)

Valuation for this asset class was undertaken by Assetic in 2020 using the replacement cost approach. No market based evidence (Level 2) inputs are available, therefore Level 3 valuation inputs were used for this asset class. As at 30 June 2025 Stormwater assets were subject to indexation.

Swimming pools

This asset class is for the swimming pool shells only. This was valued externally by Assetic at 30 June 2021.

Other open space and recreational assets.

This asset class was valued by Assetic as at 30 June 2021 plus indexation. All assets within the revaluation identified the assets as Level 3, valued using the cost approach.

Other assets

Other assets are valued at cost. The carrying amount of these assets is assumed to approximate fair value.

Tip assets

Tip assets are valued at cost. The carrying amount of these assets is assumed to approximate fair value based on the cost estimate to remediate the tip provided by Councils engineering staff. The cost of the asset is influenced by change in cost factors measured by the consumer price index and the discounting to present value by the applicable Government bond rate.

Quarry assets

Quarry assets are valued at cost. The carrying amount of these assets is assumed to approximate fair value based on the cost estimate to remediate the quarry provided by Councils engineering staff. The cost of the asset is influenced by change in cost factors measured by the consumer price index and the discounting to present value by the applicable Government bond rate.

Fair value measurements using significant unobservable inputs (level 3)

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

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

\$ '000	Fair value 2025	Valuation technique/s	Unobservable inputs
Infrastructure, property, plant and equipment			
Plant, Equipment, Furniture, Fittings and Office Equipment	10,369	Cost used to approximate fair value	Asset Condition, remaining useful lives
Community Land	171,209	1 July 2024 Land values obtained from the NSW Valuer General	Land Value, land area
Crown Land	79,984	1 July 2024 Land values obtained from the NSW Valuer General	Land Value, land area
Land Under Roads	961	Square metre rate calculated from Land and Property information of LG area and applied to depending on zoning of the land	Land Value, land area
Land Improvements	1,139	Cost used to approximate fair value	Asset Condition, remaining useful lives
Buildings	99,329	Assetic valuation	Condition, remaining lives, valuers individual knowledge and skills.
Other Structures	1,224	Cost used to approximate fair value	Asset Condition, remaining useful lives
Roads, Bridges & Footpaths	396,641	Assetic Report - Independent valuation using depreciated replacement cost	Condition, remaining lives, valuers individual knowledge and skills.
Stormwater Drainage	172,934	Assetic Report - Independent valuation using depreciated replacement cost	Condition, remaining lives, valuers individual knowledge and skills.
Bulk Earthworks	53,050	Assetic Report - Independent valuation using depreciated replacement cost	Condition, remaining lives, valuers individual knowledge and skills.
Water	78,710	Independent valuation using depreciated replacement cost. Indexation applied annually since comprehensive revaluation	Condition, remaining lives, valuers individual knowledge and skills.

E2-1 Fair value measurement (continued)

\$ '000	Fair value 2025	Valuation technique/s	Unobservable inputs
Sewer	144,762	Independent valuation using depreciated replacement cost. Indexation applied annually since comprehensive revaluation	Condition, remaining lives, valuers individual knowledge and skills.
Swimming Pools	2,095	Independent valuation using depreciated replacement cost	Condition, remaining lives, valuers individual knowledge and skills.
Other Open Space & Recreation	17,455	Independent valuation using depreciated replacement cost	Condition, remaining lives, valuers individual knowledge and skills.
Other Assets	546	Cost used to approximate fair value	Asset Condition, remaining useful lives
Tip Assets	10,819	Cost used to approximate fair value	Asset Condition, remaining useful lives
Quarry Assets	4,546	Cost used to approximate fair value	Asset Condition, remaining useful lives

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

\$ '000	Plant and equipment		Office equipment		Furniture and fittings		Community & Crown Land	
	2025	2024	2025	2024	2025	2024	2025	2024
Opening balance	7,113	5,484	24	35	9	16	247,786	294,412
Total gains or losses for the period								
Other movements								
Purchases (GBV)	5,676	2,109	–	–	–	–	1,210	335
Disposals (WDV)	(288)	(141)	–	–	–	(2)	–	–
Depreciation and impairment	(2,268)	(1,358)	(6)	(11)	(5)	(5)	–	–
Other movement	–	–	–	–	–	–	–	–
WIP Transfers	135	–	–	–	–	–	–	–
Adjustments & Transfers	–	1,019	–	–	–	–	–	–
Reval Equity Movements	–	–	–	–	–	–	2,197	(46,961)
Closing balance	10,368	7,113	18	24	4	9	251,193	247,786

\$ '000	Land under Roads (post 30/6/08)		Land improv'mnt depreciable		Buildings		Other structures	
	2025	2024	2025	2024	2025	2024	2025	2024
Opening balance	888	846	1,164	1,190	89,296	82,988	1,264	1,305
Total gains or losses for the period								
Other movements								
Purchases (GBV)	64	42	–	–	1,455	1,015	–	–
Disposals (WDV)	–	–	–	–	(695)	–	–	–
Depreciation and impairment	–	–	(26)	(26)	(1,899)	(1,245)	(41)	(41)
Other movement	–	–	–	–	(112)	–	–	–
WIP Transfers	–	–	–	–	7,554	912	–	–
Adjustments & Transfers	–	–	–	–	–	–	–	–
Reval Equity Movements	8	–	–	–	3,730	5,626	–	–
Closing balance	960	888	1,138	1,164	99,329	89,296	1,223	1,264

\$ '000	Roads		Bridges		Footpaths		Bulk earthworks	
	2025	2024	2025	2024	2025	2024	2025	2024
Opening balance	282,783	269,175	62,189	59,474	16,041	14,788	51,000	48,237
Total gains or losses for the period								
Other movements								
Purchases (GBV)	7,802	6,827	58	41	1,319	356	329	217
Disposals (WDV)	(865)	(367)	(35)	–	(58)	(5)	(67)	(71)
Depreciation and impairment	(10,409)	(8,672)	(562)	(539)	(321)	(307)	–	–
Other movement	–	–	–	–	–	–	–	–

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E2-1 Fair value measurement (continued)

\$ '000	Roads		Bridges		Footpaths		Bulk earthworks	
	2025	2024	2025	2024	2025	2024	2025	2024
WIP Transfers	3,446	1,524	200	47	605	431	446	21
Adjustments & Transfers	(17)	–	–	–	–	–	–	–
Reval Equity Movements	18,906	14,296	1,621	3,166	13,936	778	1,342	2,596
Closing balance	301,646	282,783	63,471	62,189	31,522	16,041	53,050	51,000

\$ '000	Stormwater drainage		Water supply network		Sewerage network		Swimming pools	
	2025	2024	2025	2024	2025	2024	2025	2024
Opening balance	167,493	161,666	76,102	73,885	141,543	137,740	2,163	2,231
Total gains or losses for the period								
Other movements								
Purchases (GBV)	2,991	1,990	1,762	346	2,881	610	–	–
Disposals (WDV)	(575)	(145)	(465)	(38)	(73)	(46)	–	–
Depreciation and impairment	(2,322)	(2,227)	(3,380)	(1,967)	(3,718)	(3,602)	(68)	(68)
Other movement	–	–	–	–	–	–	–	–
WIP Transfers	2,308	770	2,624	136	761	21	–	–
Adjustments & Transfers	(88)	–	163	–	(162)	–	–	–
Reval Equity Movements	3,127	5,439	1,904	3,740	3,530	6,820	–	–
Closing balance	172,934	167,493	78,710	76,102	144,762	141,543	2,095	2,163

\$ '000	Other open space and recreation		Other		Tip assets		Quarry assets	
	2025	2024	2025	2024	2025	2024	2025	2024
Opening balance	16,374	13,562	635	725	11,675	10,708	5,620	2,764
Total gains or losses for the period								
Other movements								
Purchases (GBV)	1,096	883	–	–	–	–	–	–
Disposals (WDV)	(263)	(234)	–	–	–	–	–	–
Depreciation and impairment	(717)	(682)	(89)	(90)	(685)	(481)	(1,012)	(402)
Other movement	–	–	–	–	–	–	–	–
WIP Transfers	858	2,845	–	–	–	–	–	–
Adjustments & Transfers	–	–	–	–	(189)	1,369	(62)	3,242
Reval Equity Movements	105	–	–	–	20	79	–	16
Closing balance	17,453	16,374	546	635	10,821	11,675	4,546	5,620

\$ '000	Total	
	2025	2024
Opening balance	1,181,162	1,181,231
Purchases (GBV)	26,643	14,771
Disposals (WDV)	(3,384)	(1,049)
Depreciation and impairment	(27,528)	(21,723)
Other movement	(112)	–
WIP Transfers	18,937	6,707
Adjustments & Transfers	(355)	5,630
Reval Equity Movements	50,426	(4,405)
Closing balance	1,245,789	1,181,162

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

For the year ended 30 June 2025 there are no transfers into or out of the level 3 valuation hierarchy.

Highest and best use

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

E3-1 Contingencies

CONTINGENT LIABILITIES

1. Guarantees

(i) Defined benefit superannuation contribution plans

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

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

Given the factors above, each sponsoring employer is exposed to the actuarial risks associated with current and former employees of other sponsoring employers, and hence shares in the associated gains and losses (to the extent that they are not borne by members).

Description of the funding arrangements.

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

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

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

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

The past service contribution for each Pooled Employer is a share of the total past service contributions of \$20.0 million for 1 July 2022 to 31 December 2024, apportioned according to each employer's share of the accrued liabilities as at 30 June. Given the funding position of the Fund as at 30 June 2024, it was recommended to cease these past service contributions effective 1 July 2025.

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

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

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

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

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

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

E3-1 Contingencies (continued)

The amount of Council employer contributions to the defined benefit section of the Local Government Superannuation Scheme and recognised as an expense for the year ending 30 June 2025 was \$202,556.56. The last valuation of the Scheme was performed by fund actuary, Richard Boyfield, FIAA as at 30 June 2024.

Council's expected contribution to the plan for the next annual reporting period is \$45,676.67.

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

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

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

The share of any funding surplus or deficit that can be attributed to Council is 0.44%.

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

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

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

* Plus promotional increases

The contribution requirements may vary from the current rates if the overall sub-group experience is not in line with the actuarial assumptions in determining the funding program; however, any adjustment to the funding program would be the same for all sponsoring employers in the Pooled Employers group.

Please note that the estimated employer reserves financial position above is a preliminary calculation, and once all the relevant information has been received by the Funds Actuary, the final end of year review will be completed by December 2025.

(ii) Statewide Limited

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

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

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

(iii) StateCover Limited

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

StateCover is a company providing workers compensation insurance cover to the NSW local government industry and specifically Council. Council has a contingent liability to contribute further equity in the event of the erosion of the company's capital base as a result of the company's past performance and/or claims experience or as a result of any increased prudential requirements from APRA.

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

2. Other Contingent Liabilities

E3-1 Contingencies (continued)

(i) Third party claims

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

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

(ii) Section 7.11 Contributions (Previously S94 Plans)

Council levies Section 7.11 Contributions (previously Section 94/94A) upon various developments across the Council area through the required Contributions Plans.

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

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

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

(iii) Butler Street Byron Bay Contamination

Council continues to work with the NSW Environmental Protection Authority on identifying the extent and source of the contamination. Upon identification of the source of the pollution Council will work to with the Environmental Protection Authority to ensure the site is remediated to an appropriate standard for the future use of the site.

(iv) Unauthorised Sewerage Discharge

An unauthorised sewerage discharge in Byron Bay was self reported by Council to the Environmental Protection Authority. The Environmental Protection Authority is investigating the discharge for potential breaches of the Protection of the Environment Operations Act 1997. Council may be liable for penalties under the terms of the Act for the discharge.

(v) Native Title Compensation

Council may have a contingent liability arising from the operation of the Crown Land Management Act 2016 (NSW), for some compensation under the Native Title Act 1993 (Cth). The NSW State Government has an obligation to pay compensation to native title holders where the State, including via its delegates or appointees, commits an action that extinguishes or impairs the native title holders' rights. In the limited circumstances prescribed by Division 8.4 Compensation Responsibilities of the Crown Land Management Act 2016 (NSW), the State Government may in future seek to transfer some of that State liability onto local councils. The NSW Government financial statements note that is '*not possible to reliably estimate*' potential contingent liability for compensation under the Native Title Act 1993 (Cth) and, in addition it is not possible for Council to reliably estimate what proportion, if any, of any liability the State might seek indemnity from Council for.

F People and relationships

F1 Related party disclosures

F1-1 Key management personnel (KMP)

Key management personnel (KMP) of the council are those persons having the authority and responsibility for planning, directing and controlling the activities of the council, directly or indirectly.

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

\$ '000	2025	2024
Compensation:		
Short-term benefits	1,300	1,255
Post-employment benefits	144	135
Other long-term benefits	7	28
Total	1,451	1,418

F1-2 Councillor and Mayoral fees and associated expenses

\$ '000	2025	2024
The aggregate amount of Councillor and Mayoral fees and associated expenses included in materials and services expenses in the Income Statement are:		
Mayoral fee	67	64
Councillors' fees	233	235
Other Councillors' expenses (including Mayor)	179	146
Total	479	445

F2 Other relationships

F2-1 Audit fees

\$ '000	2025	2024
During the year, the following fees were incurred for services provided by the auditor of Council, related practices and non-related audit firms		
Auditors of the Council - NSW Auditor-General:		
(i) Audit and other assurance services		
Audit of financial statements	129	94
Remuneration for audit and other assurance services	129	94
Total Auditor-General remuneration	129	94
Non NSW Auditor-General audit firms		
(ii) Non-assurance services		
Internal audit services	43	133
Other audit and assurance services	—	—
Remuneration for non-assurance services	43	133
Total remuneration of non NSW Auditor-General audit firms	43	133
Total audit fees	172	227

G Other matters

G1-1 Statement of Cash Flows information

(a) Reconciliation of Operating Result

\$ '000	2025	2024
Net operating result from Income Statement	19,749	42,620
Add / (less) non-cash items:		
Depreciation and amortisation	25,812	21,878
(Gain) / loss on disposal of assets	4,035	1,017
Non-cash capital grants and contributions	(11,097)	(3,239)
Unwinding of discount rates on reinstatement provisions	451	294
Movements in operating assets and liabilities and other cash items:		
(Increase) / decrease of receivables	(1,039)	(2,979)
Increase / (decrease) in provision for impairment of receivables	(48)	90
(Increase) / decrease of inventories	(12)	46
(Increase) / decrease of other current assets	(332)	—
(Increase) / decrease of contract asset	2,935	3,536
Increase / (decrease) in payables	564	695
Increase / (decrease) in accrued interest payable	—	(9)
Increase / (decrease) in other accrued expenses payable	(695)	(834)
Increase / (decrease) in other liabilities	(1,130)	2,219
Increase / (decrease) in contract liabilities	(18,370)	34,440
Increase / (decrease) in employee benefit provision	674	524
Increase / (decrease) in other provisions	(252)	4,611
Net cash flows from operating activities	21,245	104,909

(b) Non-cash investing and financing activities

Developer dedications	10,621	2,220
Rural Fire Service Asset Recognition	476	1,019
Total non-cash investing and financing activities	11,097	3,239

G2-1 Commitments

Capital commitments (exclusive of GST)

\$ '000	2025	2024
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Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:

Property, plant and equipment

Plant and equipment	320	1,746
Roads	11,068	3,168
Sewer	–	306
Parks and Gardens	1,741	3,789
Total commitments	13,129	9,009

These expenditures are payable as follows:

Within the next year	13,029	9,009
Later than 1 year not later than 5 years	100	–
Total payable	13,129	9,009

Sources for funding of capital commitments:

Unrestricted general funds	505	1,861
Future grants and contributions	7,377	3,216
Section 7.11 and 64 funds/reserves	893	281
Internally restricted reserves	1,754	3,241
Loans	2,600	410
Total sources of funding	13,129	9,009

G3 Statement of developer contributions

G3-1 Summary of developer contributions

\$ '000	Opening balance at 1 July 2024	Contributions received during the year			Interest and investment income earned	Amounts expended	Internal borrowings	Held as restricted asset at 30 June 2025	Cumulative balance of internal borrowings (to)/from
		Cash	Non-cash Land	Non-cash Other					
Open space	5,523	599	–	–	277	(116)	–	6,283	–
Community facilities	1,594	271	–	–	58	(626)	–	1,297	–
Urban roads	3,088	246	–	–	128	(562)	–	2,900	–
Rural roads	1,933	656	–	–	140	–	–	2,729	–
Cycleways	1,346	147	–	–	57	(86)	–	1,465	–
Carparking	541	–	–	–	15	(200)	–	356	–
Civic and urban improvements	268	–	–	–	15	(4)	–	279	–
Shire support services	130	–	–	–	6	–	–	136	–
Administration	695	163	–	–	35	(98)	–	795	–
Section 7.12 levy	764	186	–	–	39	(100)	–	889	–
Public Art Voluntary Planning Contributions	–	80	–	–	4	–	–	84	–
S7.11 contributions – under a plan	15,882	2,348	–	–	774	(1,792)	–	17,213	–
Total S7.11 and S7.12 revenue under plans	15,882	2,348	–	–	774	(1,792)	–	17,213	–
S64 contributions	9,790	1,498	–	–	480	(873)	–	10,895	–
Total contributions	25,672	3,846	–	–	1,254	(2,665)	–	28,108	–

Under the *Environmental Planning and Assessment Act 1979*, Council has significant obligations to provide Section 7.11 (contributions towards provision or improvement of amenities or services) infrastructure in new release areas.

It is possible that the funds contributed may be less than the cost of this infrastructure, requiring Council to borrow or use general revenue to fund the difference.

G3-2 Developer contributions by plan

\$ '000	Opening balance at 1 July 2024	Contributions received during the year			Interest and investment income earned	Amounts expended	Internal borrowings	Held as restricted asset at 30 June 2025	Cumulative balance of internal borrowings (to)/from
		Cash	Non-cash	Land					
S7.11 contributions – under a plan									
CONTRIBUTION PLAN NUMBER 1 – OPEN SPACE									
Byron Bay	577	314	–	–	40	(32)	–	899	–
Mullumbimby	1,280	147	–	–	64	(44)	–	1,447	–
Bangalow	413	8	–	–	19	–	–	440	–
Suffolk Park	251	–	–	–	10	(40)	–	221	–
Brunswick Heads	109	5	–	–	5	–	–	119	–
Ocean Shores	294	19	–	–	14	–	–	327	–
Shire Wide	2,528	106	–	–	121	–	–	2,755	–
Rural North	52	–	–	–	3	–	–	55	–
Rural South	19	–	–	–	1	–	–	20	–
Total	5,523	599	–	–	277	(116)	–	6,283	–
CONTRIBUTION PLAN NUMBER 2 – COMMUNITY FACILITIES									
Byron Bay	218	93	–	–	14	–	–	325	–
Mullumbimby	53	2	–	–	3	–	–	58	–
Bangalow	235	1	–	–	11	–	–	247	–
Brunswick Heads	54	–	–	–	2	–	–	56	–
Ocean Shores	82	17	–	–	5	–	–	104	–
Shire Wide	851	158	–	–	18	(626)	–	401	–
Rural South	90	–	–	–	1	–	–	91	–
Rural North	11	–	–	–	4	–	–	15	–
Total	1,594	271	–	–	58	(626)	–	1,297	–
CONTRIBUTION PLAN NUMBER 3 – CYCLEWAYS									
Byron Bay	423	103	–	–	16	–	–	543	–
Mullumbimby	574	24	–	–	24	(75)	–	547	–
Bangalow	17	2	–	–	1	(11)	–	9	–
Brunswick Heads	68	1	–	–	3	–	–	72	–
Ocean Shores	92	5	–	–	5	–	–	102	–
Shire Wide	38	12	–	–	2	–	–	52	–
Rural North	20	–	–	–	1	–	–	21	–
Rural South	114	–	–	–	5	–	–	119	–
Total	1,346	147	–	–	57	(86)	–	1,465	–
CONTRIBUTION PLAN NUMBER 4 – SHIRE SUPPORT SERVICES									
Byron Bay	23	–	–	–	1	–	–	24	–
Mullumbimby	15	–	–	–	1	–	–	16	–
Bangalow	4	–	–	–	–	–	–	4	–
Ocean Shores	6	–	–	–	–	–	–	6	–

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G3-2 Developer contributions by plan (continued)

\$ '000	Opening balance at 1 July 2024	Contributions received during the year			Interest and investment income earned	Amounts expended	Internal borrowings	Held as restricted asset at 30 June 2025	Cumulative balance of internal borrowings (to)/from
		Cash	Non-cash Land	Non-cash Other					
Rural North	36	-	-	-	2	-	-	38	-
Rural South	(2)	-	-	-	-	-	-	(2)	-
Shire Rural	47	-	-	-	2	-	-	49	-
Brunswick Heads	1	-	-	-	-	-	-	1	-
Total	130	-	-	-	6	-	-	136	-
CONTRIBUTION PLAN NUMBER 5 – CARPARKING									
Byron Bay	67	-	-	-	3	-	-	70	-
Mullumbimby	205	-	-	-	9	(1)	-	213	-
Bangalow	69	-	-	-	3	(199)	-	(127)	-
Brunswick Heads	200	-	-	-	-	-	-	200	-
Total	541	-	-	-	15	(200)	-	356	-
CONTRIBUTION PLAN NUMBER 6 – URBAN ROADS									
Byron Bay	577	226	-	-	37	-	-	840	-
Mullumbimby	680	12	-	-	32	-	-	724	-
Bangalow	1,455	3	-	-	52	(326)	-	1,184	-
Brunswick Heads	288	5	-	-	3	(236)	-	60	-
Ocean Shores	87	-	-	-	4	-	-	91	-
Batson Quarry	1	-	-	-	-	-	-	1	-
Total	3,088	246	-	-	128	(562)	-	2,900	-
CONTRIBUTION PLAN NUMBER 7 – RURAL ROADS									
Shire Rural	(511)	47	-	-	-	-	-	(464)	-
Mudges Quarry	20	-	-	-	1	-	-	21	-
Leela Quarry	4	-	-	-	-	-	-	4	-
Myocum Quarry (Council)	22	-	-	-	1	-	-	23	-
Rural North	910	229	-	-	52	-	-	1,191	-
Rural South	1,488	380	-	-	86	-	-	1,954	-
Total	1,933	656	-	-	140	-	-	2,729	-
CONTRIBUTION PLAN NUMBER 8 – CIVIC AND URBAN IMPROVEMENTS									
Byron Bay	(19)	-	-	-	-	-	-	(19)	-
Mullumbimby	6	-	-	-	-	-	-	6	-
Bangalow	113	-	-	-	5	(4)	-	114	-
Brunswick Heads	3	-	-	-	-	-	-	3	-
Ocean Shores	153	-	-	-	7	-	-	160	-
Rural North	(53)	-	-	-	-	-	-	(53)	-
Rural South	65	-	-	-	3	-	-	68	-

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G3-2 Developer contributions by plan (continued)

\$ '000	Opening balance at 1 July 2024	Contributions received during the year			Interest and investment income earned	Amounts expended	Internal borrowings	Held as restricted asset at 30 June 2025	Cumulative balance of internal borrowings (to)/from
		Cash	Non-cash Land	Non-cash Other					
Total	268	–	–	–	15	(4)	–	279	–
CONTRIBUTION PLAN NUMBER 9 – ADMINISTRATION									
Shire Wide	695	163	–	–	35	(98)	–	795	–
Total	695	163	–	–	35	(98)	–	795	–
CONTRIBUTION PLAN NUMBER 10 – SECTION 7.12 LEVY									
Shire Wide	764	186	–	–	39	(100)	–	889	–
Total	764	186	–	–	39	(100)	–	889	–
CONTRIBUTION PLAN NUMBER 11 - PUBLIC ART VOLUNTARY PLANNING CONTRIBUTIONS									
Public Art Voluntary Planning Contributions	–	80	–	–	4	–	–	84	–
Total	–	80	–	–	4	–	–	84	–

G3-3 S64 contributions

CONTRIBUTION PLAN NUMBER 11 – WATER SUPPLY SERVICES

Byron, Bang, Burns, O/Shires	757	126	–	–	32	(85)	–	830	–
Mullumbimby	990	84	–	–	44	(220)	–	898	–
Total	1,747	210	–	–	76	(305)	–	1,728	–

CONTRIBUTION PLAN NUMBER 12 – SEWERAGE SERVICES

Bangalow	3,662	13	–	–	122	–	–	3,797	–
Byron Bay	4,381	1,276	–	–	282	(568)	–	5,371	–
Total	8,043	1,289	–	–	404	(568)	–	9,168	–

End of the audited financial statements

H Additional Council disclosures (unaudited)

H1-1 Council information and contact details

Principal place of business:

70 Station Street
MULLUMBIMBY NSW 2482

Contact details

Mailing Address:

PO Box 219
MULLUMBIMBY NSW 2482

Telephone: 02 6626 7000

Telephone: 1300 811 942 (Toll Free)

Opening hours:

8:30am - 4.30pm
Monday to Friday (except public holidays)

Internet: www.byron.nsw.gov.au

Email: council@byron.nsw.gov.au

Officers

General Manager

Mark Arnold

Responsible Accounting Officer

James Brickley

Public Officer

Esmeralda Davis

Auditors

Audit Office of New South Wales
Level 19, Darling Park Tower 2
201 Sussex Street
SYDNEY NSW 2000

Elected members

Mayor

Sarah Ndiaye

Councillors

Jack Dods
Elia Hauge
Delta Kay
Michelle Lowe
Michael Lyon
Asren Pugh
Janet Swain
David Warth

Other information

ABN: 14 472 131 473



INDEPENDENT AUDITOR'S REPORT

Report on the general purpose financial statements

Byron Shire Council

To the Councillors of Byron Shire Council

Opinion

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

In my opinion:

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

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

Basis for Opinion

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

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

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

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

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

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

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

Other Information

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

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

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

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

I have nothing to report in this regard.

The Councillors' Responsibilities for the Financial Statements

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

In preparing the financial statements, the Councillors are responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

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


Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements.

Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial statements.

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

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

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



Quentin Wong
Delegate of the Auditor-General for New South Wales

28 November 2025
SYDNEY



Cr Sarah Ndiaye
Mayor
Byron Shire Council
PO Box 219
MULLUMBIMBY NSW 2482

Contact: Quentin Wong
Phone no: 02 9275 7454
Our ref: R008-1981756498-8418

28 November 2025

Dear Mayor

**Report on the Conduct of the Audit
for the year ended 30 June 2025
Byron Shire Council**

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

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

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

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

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

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

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

INCOME STATEMENT

Financial performance

	2025	2024	Variance
	\$m	\$m	%
Rates and annual charges revenue	66.7	62.3	7.1
Grants and contributions provided for operating purposes revenue	9.9	14.1	29.8
Grants and contributions provided for capital purposes revenue	42.4	38.6	9.8
Operating result from continuing operations	19.7	42.6	53.8
Net operating result for the year before grants and contributions provided for capital purposes	-22.7	4.0	667.5

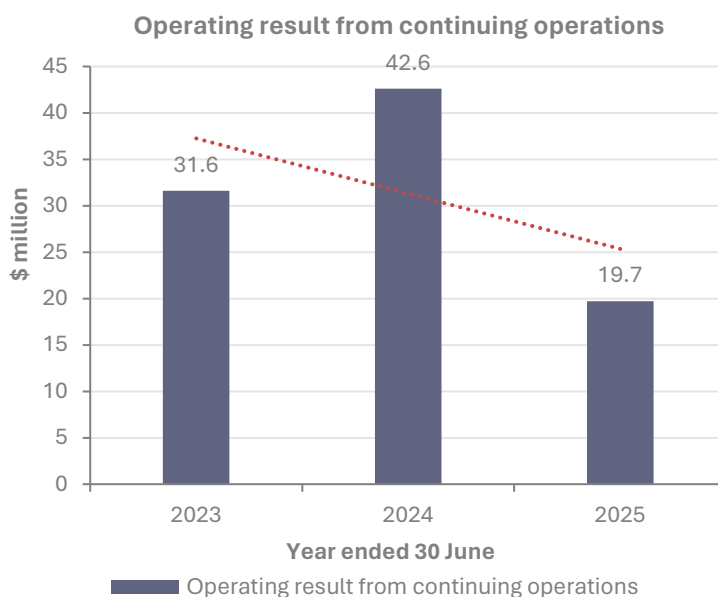
Operating result from continuing operations

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

Council's operating result from continuing operations for the year was \$22.9 million lower than the 2023–24 result. In 2024–25:

- materials and services expense of \$71.4 million increased by \$19.1 million (36.5 per cent) due to expenditure associated with natural disaster events
- depreciation, amortisation and impairment of non-financial assets expense (\$25.8 million) increased by \$3.9 million (17.8 per cent) due to an increase in the gross replacement cost of assets from indexation and additions
- employee benefits and on-costs expense (\$38.4 million) increased by \$3.3 million (9.4 per cent) due to higher salaries and wages.

The net operating result for the year before grants and contributions provided for capital purposes was a loss of \$22.7 million. Refer to 'Grants and contributions revenue' below for details.



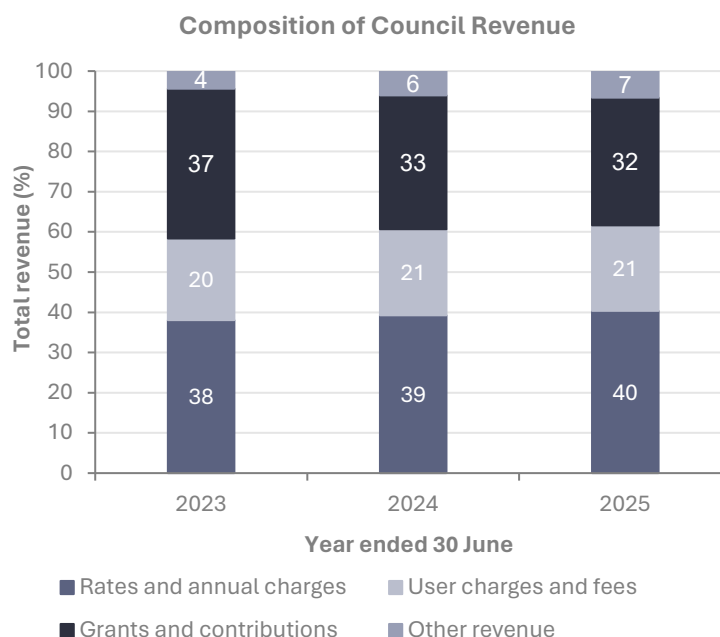
Income

Council revenue

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

Council revenue (\$165.1 million) increased by \$6.5 million (4.1 per cent) in 2024–25 due to:

- rates and annual charges revenue (\$66.7 million) which increased by \$4.4 million (7.1 per cent) due to rate peg increase of 4.8 per cent and increases to annual charges
- user charges and fees revenue (\$35.1 million) which increased by \$1.1 million (3.2 per cent).
- grants and contributions revenue (\$52.3 million) which decreased by \$0.4 million (0.8 per cent) – see additional details below

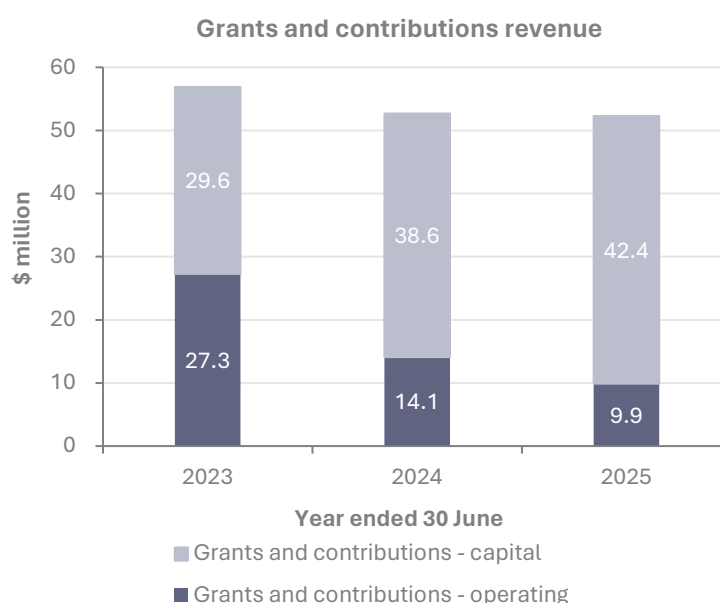


Grants and contributions revenue

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

Grants and contributions revenue (\$52.3 million) decreased by \$0.4 million (0.8 per cent) in 2024–25 due to:

- decrease of \$1.5 million of developer contributions recognised during the year
- increase of \$7.4 million of non-cash asset dedications
- decrease of \$2.1 million in capital grants
- receiving 50 per cent of the financial assistance grants for 2025–26 in advance.



CASH FLOWS

Statement of cash flows

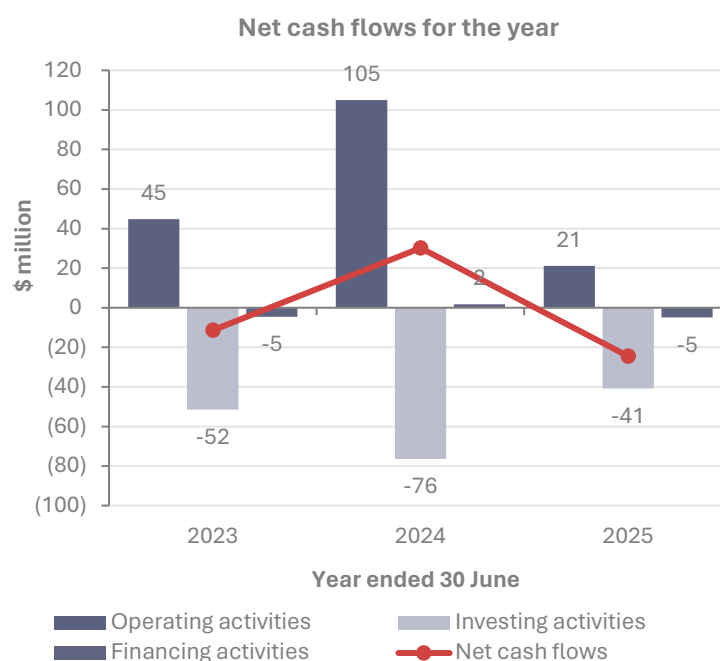
The Statement of Cash Flows details the Council's inflows and outflows of cash over a specific period. It helps in assessing the Council's ability to generate cash to fund its operations, pay off debts, and support future projects. It also aids in identifying any pressures or issues in the Council operating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

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

The net cash flows for the year were negative \$24.5 million (positive \$30.2 million in 2023–24).

In 2024–25 the net cashflows:

- from operating activities decreased by \$83.7 million, mainly due to a reduction in grants and contributions received
- used in investing activities decreased by \$35.5 million, mainly due to a reduction in capital works
- used in financing activities increased by \$6.6 million, mainly due to increased repayment of borrowings.



FINANCIAL POSITION

Cash, cash equivalents and investments

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

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

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

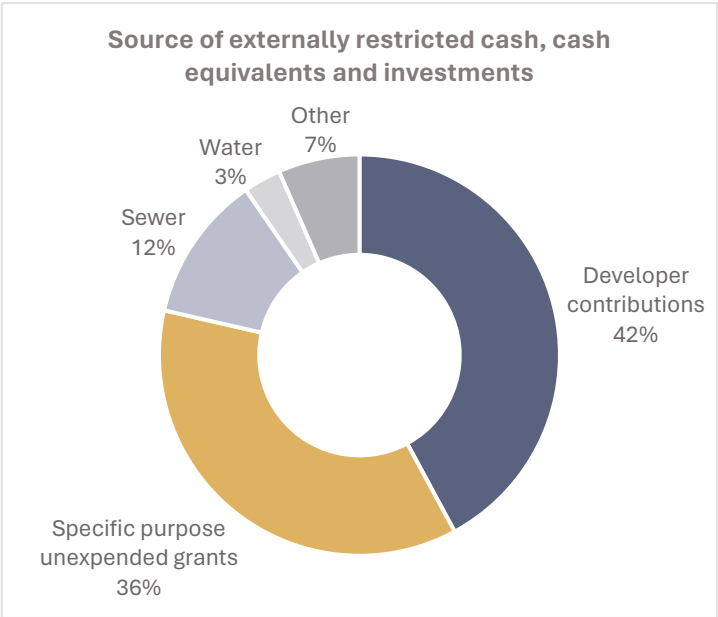
Cash, cash equivalents and investments	2025	2024	Percentage of total cash and investments 2025	Commentary
	\$m	\$m	%	
Total cash, cash equivalents and investments	98.9	119.2		Externally restricted balances are those which are only available for specific use due to a restriction placed by legislation or third-party contract. A breakdown of the sources of externally restricted balances is included in the graph below.
Restricted and allocated cash, cash equivalents and investments:				
• External restrictions	67.4	89.6	68.1	Internal allocations are determined by council policies or decisions, which are subject to change.
• Internal allocations	31.1	29.2	31.4	

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

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

- developer contributions of \$28.1 million which increased by \$2.5 million
- specific purpose unexpended grants of \$24.3 million which decreased by \$21.5 million, mainly due to capital works projects being completed
- sewer charges of \$7.9 million which decreased by \$0.7 million
- water charges of \$2.0 million which decreased by \$2.1 million.

Other externally restricted cash, cash equivalents largely comprise of bonds and deposits, domestic waste management and crown reserve restrictions. The balance has remained relatively consistent with the prior year.

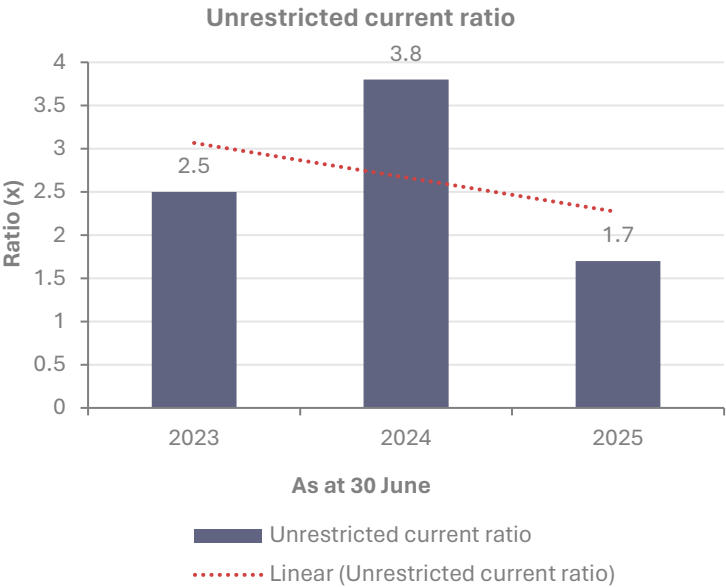


Council liquidity

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

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

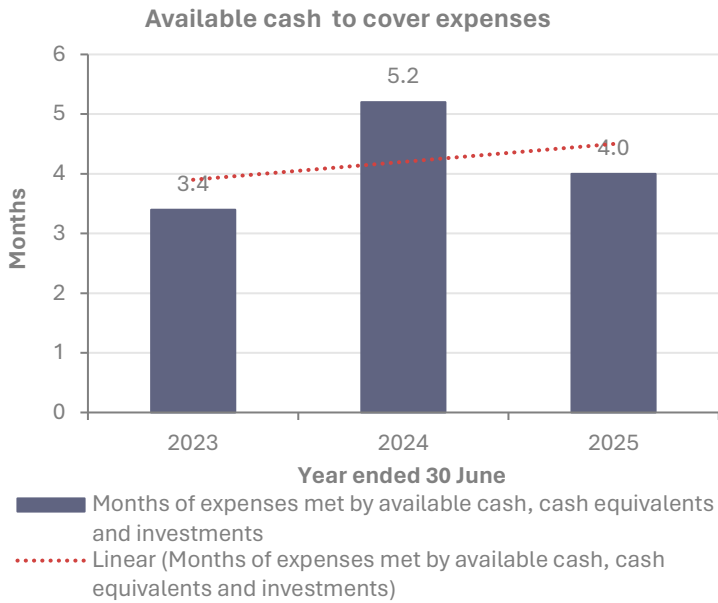
In 2023–24, the average unrestricted current ratio was an average of 3.1x for regional councils.



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

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

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

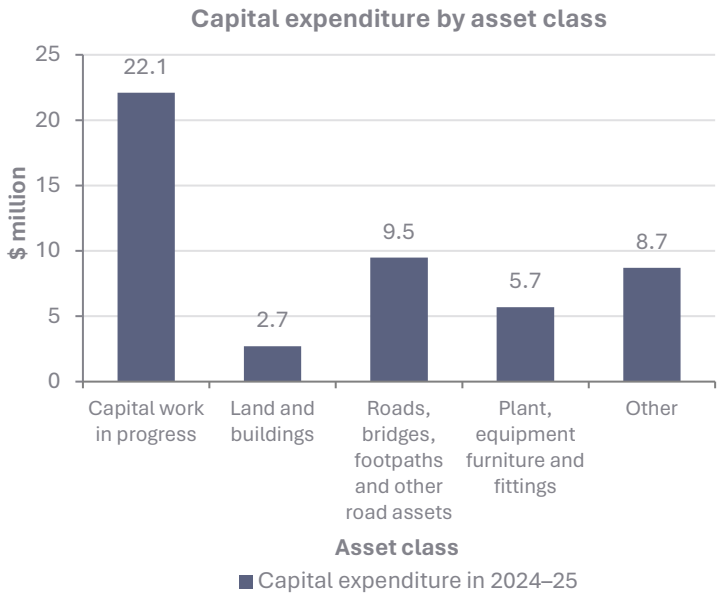


Infrastructure, property, plant and equipment

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

Council renewed \$26.5 million of infrastructure, property, plant and equipment during the 2024–25 financial year. This was mainly spent on infrastructure recovery, local roads and sewerage network programs.

A further \$22.3 million was spent on new assets including Bayshore Drive development and upgrade of Old Byron Hospital.



Debt

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

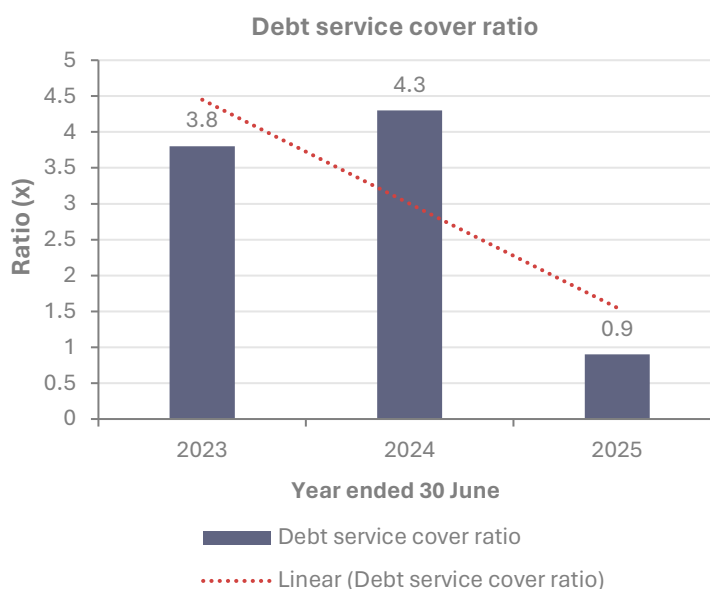
Debt	2025	2024	Commentary
	\$'000	\$'000	
Loans	51,042	55,905	Overall decrease of \$4.9 million due to: <ul style="list-style-type: none"> new borrowings of \$3.5 million repayment of \$8.4 million of borrowings during the year
Approved overdraft facility	1,000	1,000	The approved facility was not drawn down at 30 June 2025.
Amount drawn down	-	-	
Credit card facility	185	185	At 30 June 2025, Council owed \$44,000 on this facility.

Debt service cover

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

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

Council's debt service cover ratio has been negatively impacted by a reduced overall result and an increase in principal repayments on borrowings.



Quentin Wong
Delegate of the Auditor-General for NSW

Byron Shire Council

SPECIAL PURPOSE FINANCIAL STATEMENTS for the year ended 30 June 2025

*Byron Shire is a 'meeting place' - Where people can come
together to connect, share, grow, inspire, and create
positive change.*



Special Purpose Financial Statements

for the year ended 30 June 2025

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Income Statement of sewerage business activity	5
Income Statement of Holiday Parks Business Activity	6
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Statement of Financial Position of sewerage business activity	8
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Background

- i. These Special Purpose Financial Statements have been prepared for the use by both Council and the Office of Local Government in fulfilling their requirements under National Competition Policy.
- ii. The principle of competitive neutrality is based on the concept of a 'level playing field' between persons/entities competing in a market place, particularly between private and public sector competitors.

Essentially, the principle is that government businesses, whether Commonwealth, state or local, should operate without net competitive advantages over other businesses as a result of their public ownership.

- iii. For Council, the principle of competitive neutrality and public reporting applies only to declared business activities.

These include **(a)** those activities classified by the Australian Bureau of Statistics as business activities being water supply, sewerage services, abattoirs, gas production and reticulation, and **(b)** those activities with a turnover of more than \$2 million that Council has formally declared as a business activity (defined as Category 1 activities).

- iv. In preparing these financial statements for Council's self-classified Category 1 businesses and ABS-defined activities, councils must **(a)** adopt a corporatisation model and **(b)** apply full cost attribution including tax-equivalent regime payments and debt guarantee fees (where the business benefits from Council's borrowing position by comparison with commercial rates).

Byron Shire Council

Special Purpose Financial Statements

for the year ended 30 June 2025

Statement by Councillors and Management made pursuant to the Local Government Code of Accounting Practice and Financial Reporting

The attached special purpose financial statements have been prepared in accordance with:

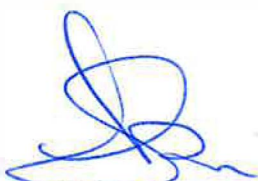
- NSW Government Policy Statement, *Application of National Competition Policy to Local Government*
- Division of Local Government Guidelines, *Pricing and Costing for Council Businesses: A Guide to Competitive Neutrality*
- The Local Government Code of Accounting Practice and Financial Reporting
- Sections 3 and 4 of the NSW Department of Climate Change, Energy, the Environment and Water's (DCCEEW) *Regulatory and assurance framework for local water utilities, July 2022*

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

- present fairly the operating result and financial position for each of Council's declared business activities for the year,
- accord with Council's accounting and other records; and
- present overhead reallocation charges to the water and sewerage businesses as fair and reasonable.

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

Signed in accordance with a resolution of Council made on 27 November 2025.



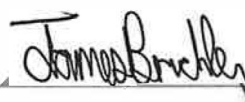
Sarah Ndiaye
Mayor
27 November 2025



Jack Dods
Deputy Mayor
27 November 2025



Mark Arnold
General Manager
27 November 2025



James Brickley
Responsible Accounting Officer
27 November 2025

Byron Shire Council

Income Statement of water supply business activity

for the year ended 30 June 2025

\$ '000	2025	2024
Income from continuing operations		
Access charges	3,369	3,031
User charges	9,828	9,356
Fees	437	336
Interest and investment income	138	176
Grants and contributions provided for operating purposes	67	67
Total income from continuing operations	13,839	12,966
Expenses from continuing operations		
Employee benefits and on-costs	1,658	1,622
Materials and services	4,573	5,288
Depreciation, amortisation and impairment	1,693	1,679
Water purchase charges	6,374	5,572
Net loss on disposal of assets	533	40
Calculated taxation equivalents	209	209
Total expenses from continuing operations	15,040	14,410
Surplus (deficit) from continuing operations before capital amounts	(1,201)	(1,444)
Grants and contributions provided for capital purposes	775	1,025
Surplus (deficit) from continuing operations after capital amounts	(426)	(419)
Surplus (deficit) from all operations before tax	(426)	(419)
Surplus (deficit) after tax	(426)	(419)
Plus accumulated surplus	42,245	42,483
Plus adjustments for amounts unpaid:		
– Taxation equivalent payments	209	209
Less:		
– Tax equivalent dividend paid	(29)	(29)
Closing accumulated surplus	41,999	42,244
Return on capital %	(1.3)%	(1.5)%
Calculation of dividend payable:		
Surplus (deficit) after tax	(426)	(419)
Less: capital grants and contributions (excluding developer contributions)	(775)	(1,025)
Surplus for dividend calculation purposes	–	–
Potential dividend calculated from surplus	–	–

Byron Shire Council

Income Statement of sewerage business activity

for the year ended 30 June 2025

\$ '000	2025	2024
Income from continuing operations		
Access charges	20,240	18,315
User charges	2,540	2,250
Liquid trade waste charges	528	390
Fees	1,038	983
Interest and investment income	618	560
Grants and contributions provided for operating purposes	64	64
Total income from continuing operations	25,028	22,562
Expenses from continuing operations		
Employee benefits and on-costs	3,036	3,083
Borrowing costs	1,245	1,639
Materials and services	10,367	9,320
Depreciation, amortisation and impairment	3,757	3,640
Net loss on disposal of assets	83	140
Calculated taxation equivalents	808	808
Debt guarantee fee (if applicable)	1,009	741
Total expenses from continuing operations	20,305	19,371
Surplus (deficit) from continuing operations before capital amounts	4,723	3,191
Grants and contributions provided for capital purposes	3,096	2,883
Surplus (deficit) from continuing operations after capital amounts	7,819	6,074
Surplus (deficit) from all operations before tax	7,819	6,074
Less: corporate taxation equivalent (25%) [based on result before capital]	(1,181)	(798)
Surplus (deficit) after tax	6,638	5,276
Plus accumulated surplus	115,155	108,459
Plus/less: prior period adjustments	–	–
Plus adjustments for amounts unpaid:		
– Taxation equivalent payments	808	808
– Debt guarantee fees	1,009	741
– Corporate taxation equivalent	1,181	798
Less:		
– Tax equivalent dividend paid	(29)	(29)
Closing accumulated surplus	124,762	116,053
Return on capital %	3.0%	2.5%
Calculation of dividend payable:		
Surplus (deficit) after tax	6,638	5,276
Less: capital grants and contributions (excluding developer contributions)	(3,096)	(2,883)
Surplus for dividend calculation purposes	3,542	2,393
Potential dividend calculated from surplus	1,771	1,197

Byron Shire Council

Income Statement of Holiday Parks Business Activity

for the year ended 30 June 2025

\$ '000	2025 Category 1	2024 Category 1
Income from continuing operations		
Fees	4,870	4,486
Total income from continuing operations	4,870	4,486
Expenses from continuing operations		
Borrowing costs	14	—
Calculated taxation equivalents	682	682
Depreciation, amortisation and impairment	134	141
Materials and services	2,833	2,445
Other expenses	759	566
Total expenses from continuing operations	4,422	3,834
Surplus (deficit) from continuing operations before capital amounts	448	652
Grants and contributions provided for capital purposes	—	—
Surplus (deficit) from continuing operations after capital amounts	448	652
Surplus (deficit) from all operations before tax	448	652
Less: corporate taxation equivalent (25%) [based on result before capital]	(112)	(163)
Surplus (deficit) after tax	336	489
Plus accumulated surplus	5,501	5,965
Plus adjustments for amounts unpaid:		
– Taxation equivalent payments	682	682
– Corporate taxation equivalent	112	163
Less:		
– TER dividend paid	(1,007)	(1,007)
– Dividend paid	(496)	(791)
Closing accumulated surplus	5,128	5,501
Return on capital %	0.9%	1.2%
Subsidy from Council	1,795	1,656
Calculation of dividend payable:		
Surplus (deficit) after tax	336	489
Surplus for dividend calculation purposes	336	489
Potential dividend calculated from surplus	168	245

Byron Shire Council

Statement of Financial Position of water supply business activity

as at 30 June 2025

\$ '000	2025	2024
ASSETS		
Current assets		
Investments	3,714	5,858
Receivables	3,780	3,575
Total current assets	7,494	9,433
Non-current assets		
Infrastructure, property, plant and equipment	95,687	93,765
Total non-current assets	95,687	93,765
Total assets	103,181	103,198
Net assets	103,181	103,198
EQUITY		
Accumulated surplus	41,999	42,244
IPPE revaluation surplus	61,182	60,954
Total equity	103,181	103,198

Byron Shire Council

Statement of Financial Position of sewerage business activity

as at 30 June 2025

\$ '000	2025	2024
ASSETS		
Current assets		
Investments	17,320	16,906
Receivables	4,335	3,530
Total current assets	21,655	20,436
Non-current assets		
Infrastructure, property, plant and equipment	199,964	196,201
Total non-current assets	199,964	196,201
Total assets	221,619	216,637
LIABILITIES		
Current liabilities		
Contract liabilities	253	253
Payables	97	97
Borrowings	2,108	2,113
Total current liabilities	2,458	2,463
Non-current liabilities		
Borrowings	20,902	28,154
Total non-current liabilities	20,902	28,154
Total liabilities	23,360	30,617
Net assets	198,259	186,020
EQUITY		
Accumulated surplus	124,762	116,053
IPPE revaluation surplus	73,497	69,967
Total equity	198,259	186,020

Byron Shire Council

Statement of Financial Position of Holiday Parks Business Activity

as at 30 June 2025

\$ '000	2025 Category 1	2024 Category 1
ASSETS		
Non-current assets		
Investments	850	1,388
Infrastructure, property, plant and equipment	54,262	53,678
Total non-current assets	55,112	55,066
Total assets	55,112	55,066
LIABILITIES		
Current liabilities		
Payables	1,920	1,770
Borrowings	540	–
Total current liabilities	2,460	1,770
Non-current liabilities		
Borrowings	–	540
Total non-current liabilities	–	540
Total liabilities	2,460	2,310
Net assets	52,652	52,756
EQUITY		
Accumulated surplus	5,128	5,501
Revaluation reserves	47,524	47,255
Total equity	52,652	52,756

Note – Material accounting policy information

A statement summarising the supplemental accounting policies adopted in the preparation of the Special Purpose Financial Statements (SPFS) for National Competition Policy (NCP) reporting purposes follows.

These financial statements are SPFS prepared for use by Council and the Office of Local Government. For the purposes of these statements, the Council is a non-reporting not-for-profit entity.

The figures presented in these Special Purpose Financial Statements have been prepared in accordance with the recognition and measurement criteria of relevant Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and Australian Accounting Interpretations.

The disclosures in these Special Purpose Financial Statements have been prepared in accordance with the *Local Government Act 1993 (NSW)*, the *Local Government (General) Regulation 2021*, and the Local Government Code of Accounting Practice and Financial Reporting.

The statements are prepared on an accruals basis. They are based on historic costs and do not take into account changing money values or, except where specifically stated, current values of non-current assets. Certain taxes and other costs, appropriately described, have been imputed for the purposes of the National Competition Policy.

The Statement of Finance Position includes notional assets/liabilities receivable from/payable to Council's General Fund. These balances reflect the notional inter-entity funding arrangement with the declared business activities.

National Competition Policy

Council has adopted the principle of 'competitive neutrality' in its business activities as part of the National Competition Policy which is being applied throughout Australia at all levels of government.

The framework for its application is set out in the June 1996 NSW government policy statement titled 'Application of National Competition Policy to Local Government'.

The *Pricing and Costing for Council Businesses, A Guide to Competitive Neutrality* issued by the Office of Local Government in July 1997 has also been adopted.

The pricing and costing guidelines outline the process for identifying and allocating costs to activities and provide a standard for disclosure requirements.

These disclosures are reflected in Council's pricing and/or financial reporting systems and include taxation equivalents, Council subsidies, return on investments (rate of return), and dividends paid.

Declared business activities

In accordance with Pricing and Costing for Council Businesses – A Guide to Competitive Neutrality, Council has declared that the following are to be considered as business activities:

Category 1

(where gross operating turnover is over \$2 million)

a. Byron Shire Council Water Supplies

Water supply operations servicing the towns of Byron Bay, Mullumbimby, Bangalow, Suffolk Park, Brunswick Heads and Ocean Shores.

b. Byron Shire Council Sewerage Service

Sewerage reticulation and treatment operations servicing the towns of Byron Bay, Mullumbimby, Bangalow, Suffolk Park, Brunswick Heads and Ocean Shores.

c. Byron Shire Council Holiday Parks

Council owned Holiday Parks operated in the Shire. The holiday parks include First Sun and Suffolk Beachfront.

Category 2

(where gross operating turnover is less than \$2 million)

Nil

Taxation equivalent charges

Council is liable to pay various taxes and financial duties. Where this is the case, they are disclosed as a cost of operations just like all other costs.

Note – Material accounting policy information (continued)

However, where Council does not pay some taxes which are generally paid by private sector businesses, such as income tax, these equivalent tax payments have been applied to all Council-nominated business activities and are reflected in Special Purpose Financial Statements.

For the purposes of disclosing comparative information relevant to the private sector equivalent, the following taxation equivalents have been applied to all Council-nominated business activities (this does not include Council's non-business activities):

Notional rate applied (%)

Corporate income tax rate – **25%** (LY 25%)

Land tax – the first \$1,075,000 of combined land values attracts **0%**. For the combined land values in excess of \$1,075,000 up to \$6,571,000 the rate is **\$100 + 1.6%**. For the remaining combined land value that exceeds \$6,571,000 a premium marginal rate of **2.0%** applies.

Payroll tax – 5.45% on the value of taxable salaries and wages in excess of \$1,200,000.

In accordance with DCCEEW's regulatory and assurance framework, a payment for the amount calculated as the annual tax equivalent charges (excluding income tax) must be paid from water supply and sewerage business activities.

The payment of taxation equivalent charges, referred to in the regulatory and assurance framework as a 'dividend for taxation equivalent', may be applied for any purpose allowed under the *Local Government Act, 1993*.

Achievement of substantial compliance to DCCEEW's regulatory and assurance framework is not a prerequisite for the payment of the tax equivalent charges, however the payment must not exceed \$3 per assessment.

Income tax

An income tax equivalent has been applied on the profits of the business activities.

Whilst income tax is not a specific cost for the purpose of pricing a good or service, it needs to be taken into account in terms of assessing the rate of return required on capital invested.

Accordingly, the return on capital invested is set at a pre-tax level - gain/(loss) from ordinary activities before capital amounts, as would be applied by a private sector competitor. That is, it should include a provision equivalent to the relevant corporate income tax rate, currently 25% (LY 25%).

Income tax is only applied where a gain/ (loss) from ordinary activities before capital amounts has been achieved.

Since the taxation equivalent is notional – that is, it is payable to Council as the 'owner' of business operations - it represents an internal payment and has no effect on the operations of the Council. Accordingly, there is no need for disclosure of internal charges in the SPFS.

The rate applied of 25% is the equivalent company tax rate prevalent at reporting date.

Local government rates and charges

A calculation of the equivalent rates and charges payable on all category 1 businesses has been applied to all land assets owned or exclusively used by the business activity.

Loan and debt guarantee fees

The debt guarantee fee is designed to ensure that council business activities face 'true' commercial borrowing costs in line with private sector competitors.

In order to calculate a debt guarantee fee, Council has determined what the differential borrowing rate would have been between the commercial rate and Council's borrowing rate for its business activities.

(i) Subsidies

Government policy requires that subsidies provided to customers, and the funding of those subsidies, must be explicitly disclosed.

Subsidies occur when Council provides services on a less-than-cost-recovery basis. This option is exercised on a range of services in order for Council to meet its community service obligations.

Note – Material accounting policy information (continued)

The overall effect of subsidies is contained within the Income Statement of each reported business activity.

(ii) Return on investments (rate of return)

The NCP policy statement requires that councils with Category 1 businesses 'would be expected to generate a return on capital funds employed that is comparable to rates of return for private businesses operating in a similar field'.

Funds are subsequently available for meeting commitments or financing future investment strategies. The rate of return is disclosed for each of Council's business activities on the Income Statement.

The rate of return is calculated as follows:

Operating result before capital income + interest expense

Written down value of I,PP&E as at 30 June

As a minimum, business activities should generate a return equal to the Commonwealth 10 year bond rate which is 4.16% at 30/6/25.

(iii) Dividends

Council is not required to pay dividends to either itself (as owner of a range of businesses) or to any external entities.

Local government water supply and sewerage businesses are permitted to pay an annual dividend from its water supply or sewerage business surplus.

Each dividend must be calculated and approved in accordance with DCCEE's regulatory and assurance framework and must not exceed:

- 50% of this surplus in any one year, or
- the number of water supply or sewerage assessments at 30 June 2025 multiplied by \$30 (less the payment for tax equivalent charges, not exceeding \$3 per assessment).

In accordance with DCCEE's regulatory and assurance framework, statement of compliance, and statement of dividend payment, dividend payment form and unqualified independent financial audit report are submitted to DCCEE.



INDEPENDENT AUDITOR'S REPORT

Report on the special purpose financial statements

Byron Shire Council

To the Councillors of Byron Shire Council

Opinion

I have audited the accompanying special purpose financial statements (the financial statements) of Byron Shire Council's (the Council) Declared Business Activities, which comprise the Statement by Councillors and Management, the Income Statement of each Declared Business Activity for the year ended 30 June 2025, the Statement of Financial Position of each Declared Business Activity as at 30 June 2025 and the Material accounting policy information note.

The Declared Business Activities of the Council are:

- water supply
- sewerage
- holiday parks.

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Council's declared Business Activities as at 30 June 2025, and their financial performance for the year then ended, in accordance with the Australian Accounting Standards described in the Material accounting policy information note and the Local Government Code of Accounting Practice and Financial Reporting 2024–25 (LG Code).

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

Basis for Opinion

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

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

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

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

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

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

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

Emphasis of Matter - Basis of Accounting

Without modifying my opinion, I draw attention to the Material accounting policy information note to the financial statements which describes the basis of accounting. The financial statements have been prepared for the purpose of fulfilling the Council's financial reporting responsibilities under the LG Code. As a result, the financial statements may not be suitable for another purpose.

Other Information

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

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

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

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

I have nothing to report in this regard.

The Councillors' Responsibilities for the Financial Statements

The Councillors are responsible for the preparation and fair presentation of the financial statements and for determining that the accounting policies, described in the Material accounting policy information note to the financial statements, are appropriate to meet the requirements in the LG Code. The Councillors' responsibility also includes such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Councillors are responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

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

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements.

Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial statements.

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

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

- that the Council carried out its activities effectively, efficiently and economically
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.

A handwritten signature in black ink, appearing to read 'Quentin Wong', with a stylized, flowing script.

Quentin Wong
Delegate of the Auditor-General for New South Wales

28 November 2025
SYDNEY

Byron Shire Council

SPECIAL SCHEDULES
for the year ended 30 June 2025

*Byron Shire is a 'meeting place' - Where people can come
together to connect, share, grow, inspire, and create
positive change.*



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Byron Shire Council

Permissible income for general rates

\$ '000	Notes	Calculation 2024/25	Calculation 2025/26
Notional general income calculation ¹			
Last year notional general income yield	a	29,535	31,065
Plus or minus adjustments ²	b	83	213
Notional general income	c = a + b	29,618	31,278
Permissible income calculation			
Percentage increase	d	4.80%	5.00%
Plus percentage increase amount ³	f = d x (c + e)	1,422	1,564
Sub-total	g = (c + e + f)	31,040	32,842
Plus (or minus) last year's carry forward total	h	28	51
Less valuation objections claimed in the previous year	i	(2)	(50)
Sub-total	j = (h + i)	26	1
Total permissible income	k = g + j	31,066	32,843
Less notional general income yield	l	31,065	32,878
Catch-up or (excess) result	m = k - l	1	(35)
Plus income lost due to valuation objections claimed ⁴	n	50	17
Carry forward to next year ⁶	p = m + n + o	51	(18)

Notes

- (1) The notional general income will not reconcile with rate income in the financial statements in the corresponding year. The statements are reported on an accrual accounting basis which include amounts that relate to prior years' rates income.
- (2) Adjustments account for changes in the number of assessments and any increase or decrease in land value occurring during the year. The adjustments are called 'supplementary valuations' as defined in the *Valuation of Land Act 1916 (NSW)*.
- (3) The 'percentage increase' is inclusive of the rate-peg percentage, and/or special variation and/or Crown land adjustment (where applicable).
- (4) Valuation objections are unexpected changes in land values as a result of land owners successfully objecting to the land value issued by the Valuer General. Councils can claim the value of the income lost due to valuation objections in any single year.
- (6) Carry-forward amounts which are in excess (an amount that exceeds the permissible income) require Ministerial approval by order published in the *NSW Government Gazette* in accordance with section 512 of the Act. The OLG will extract these amounts from Council's Permissible income for general rates Statement in the financial data return (FDR) to administer this process.



INDEPENDENT AUDITOR'S REPORT

Special Schedule – Permissible income for general rates

Byron Shire Council

To the Councillors of Byron Shire Council

Opinion

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

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

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

Basis for Opinion

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

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

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

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

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

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

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

Emphasis of Matter - Basis of Accounting

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

Other Information

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

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

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

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

I have nothing to report in this regard.

The Councillors' Responsibilities for the Schedule

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

In preparing the Schedule, the Councillors are responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

Auditor's Responsibilities for the Audit of the Schedule

My objectives are to:

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

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

A description of my responsibilities for the audit of the Schedule is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar8.pdf. The description forms part of my auditor's report.

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

- that the Council carried out its activities effectively, efficiently and economically
- about the security and controls over the electronic publication of the audited Schedule on any website where it may be presented
- about any other information which may have been hyperlinked to/from the Schedule.

A handwritten signature in black ink, appearing to read 'Quentin Wong', with a stylized flourish at the end.

Quentin Wong
Delegate of the Auditor-General for New South Wales

28 November 2025
SYDNEY

Byron Shire Council

Report on infrastructure assets as at 30 June 2025

Asset Class	Asset Category	Estimated cost to bring assets to satisfactory standard	Estimated cost to bring to the agreed level of service set by Council	2024/25 Required maintenance ^a	2024/25 Actual maintenance	Net carrying amount	Gross replacement cost (GRC)	Assets in condition as a percentage of gross replacement cost				
		\$ '000	\$ '000	\$ '000	\$ '000			1	2	3	4	5
Buildings	Other	211	211	281	80	17,178	20,641	77.9%	15.6%	5.5%	1.0%	0.1%
	Council Operations	89	89	242	547	7,561	9,767	48.2%	42.8%	8.1%	0.8%	0.1%
	Swimming Pool Buildings	22	22	50	29	1,708	2,163	54.8%	37.8%	6.4%	1.0%	0.0%
	Recreation Buildings	133	133	640	44	20,564	25,686	68.6%	29.4%	1.5%	0.5%	0.0%
	Libraries	58	58	191	–	5,996	7,779	67.1%	24.8%	7.4%	0.8%	0.0%
	Public Amenities	22	22	206	1,134	7,134	9,156	65.8%	30.3%	3.7%	0.1%	0.1%
	Emergency Services	1	1	38	15	1,258	1,535	62.3%	37.4%	0.2%	0.0%	0.0%
	Community Buildings	332	332	478	535	15,160	20,463	48.1%	42.9%	7.5%	1.6%	0.1%
	Holiday Parks	847	847	197	101	6,320	11,178	7.7%	40.0%	44.8%	7.6%	0.0%
	Childcare	102	102	209	98	6,456	8,762	46.7%	47.6%	4.6%	1.1%	0.1%
	Cultural Facilities	22	22	23	1	702	909	73.6%	11.8%	12.2%	2.4%	0.0%
	Surf Clubs	30	30	63	–	1,970	2,877	37.3%	46.9%	14.8%	0.0%	1.0%
	Council Works Depot	49	49	203	64	7,322	9,428	61.4%	31.1%	6.9%	0.4%	0.1%
	Sub-total	1,918	1,918	2,821	2,648	99,329	130,344	56.8%	32.9%	8.8%	1.4%	0.1%
Other structures	Other structures	–	–	–	–	1,224	4,488	11.5%	19.1%	30.3%	36.9%	2.2%
	Sub-total	–	–	–	–	1,224	4,488	11.5%	19.1%	30.3%	36.9%	2.2%
Roads	Roads	–	–	–	–	–	–	0.0%	0.0%	0.0%	0.0%	0.0%
	Sealed roads	50,620	50,620	12,909	3,090	262,292	415,612	38.8%	29.1%	19.9%	10.6%	1.6%
	Unsealed roads	3,736	3,736	328	252	8,799	15,090	19.1%	36.2%	19.9%	19.9%	4.8%
	Bridges	19	19	2,261	18	63,473	72,187	98.6%	1.2%	0.2%	0.0%	0.0%
	Footpaths	1,070	1,070	712	120	18,012	24,481	65.8%	27.0%	2.8%	4.3%	0.1%
	Kerb and gutter	739	739	1,167	14	24,908	37,838	9.5%	61.4%	27.1%	2.0%	0.0%
	Traffic Control Devices	405	405	766	9	16,896	24,159	35.8%	51.0%	11.6%	1.6%	0.0%
	Carparks	1,257	1,257	171	19	3,267	5,482	45.2%	23.2%	8.6%	21.0%	1.9%
	Roadside Barriers	3,792	3,792	664	257	10,935	21,117	37.5%	39.1%	5.4%	16.7%	1.3%
	Roadside Furniture	2	2	38	–	910	1,247	12.6%	74.2%	13.1%	0.0%	0.2%
	Walls	415	415	552	8	12,906	18,011	22.9%	64.1%	10.8%	2.3%	0.0%
	Signs	–	–	65	282	2,077	2,077	0.0%	0.0%	100.0%	0.0%	0.0%
	Sub-total	62,055	62,055	19,633	4,069	449,691	637,301	43.7%	30.0%	16.6%	8.5%	1.2%

Byron Shire Council

Report on infrastructure assets as at 30 June 2025 (continued)

Asset Class	Asset Category	Estimated cost to bring assets to satisfactory standard	Estimated cost to bring to the agreed level of service set by Council	2024/25 Required maintenance ^a	2024/25 Actual maintenance	Net carrying amount	Gross replacement cost (GRC)	Assets in condition as a percentage of gross replacement cost				
		\$ '000	\$ '000	\$ '000	\$ '000			1	2	3	4	5
Water supply network	Other	—	—	—	—	—	—	0.0%	0.0%	0.0%	0.0%	0.0%
	Mains	8,113	8,113	1,550	1,639	55,478	94,135	32.3%	33.6%	25.5%	8.2%	0.4%
	Reservoirs	—	—	260	6,946	14,641	23,408	40.4%	51.3%	8.3%	0.0%	0.0%
	Pumping Stations	53	53	—	10	387	797	8.4%	50.2%	34.7%	5.6%	1.1%
	Treatment	—	—	683	351	3,548	6,513	0.0%	0.0%	100.0%	0.0%	0.0%
	Hydrants	1,939	1,939	—	—	2,544	6,359	29.8%	11.7%	28.0%	23.9%	6.6%
	Dam Weirs	2,661	2,661	—	—	120	3,228	0.0%	0.0%	17.6%	0.0%	82.5%
	Valves	1,021	1,021	—	—	1,943	5,193	52.3%	12.1%	16.0%	13.8%	5.8%
	Water Reuse Access Points	—	—	—	—	34	40	71.6%	28.4%	0.0%	0.0%	0.0%
	Water Reuse Filling Station	—	—	—	—	15	21	100.0%	0.0%	0.0%	0.0%	0.0%
	Sub-total	13,787	13,787	2,493	8,946	78,710	139,694	31.9%	32.5%	25.7%	7.2%	2.7%
Sewerage network	Pumping Stations	—	—	—	2,362	25,646	36,901	14.5%	84.9%	0.7%	0.0%	0.0%
	Treatment	—	—	—	4,680	64,650	92,173	48.0%	47.4%	4.6%	0.0%	0.0%
	Mains	16,986	16,986	16,986	1,739	40,395	89,222	42.1%	22.7%	16.2%	12.4%	6.6%
	Valves	74	74	74	—	1,115	1,784	32.4%	36.7%	26.7%	4.1%	0.0%
	Manholes	719	719	719	—	12,412	21,999	21.5%	31.7%	43.6%	3.3%	0.0%
	Vacuum Pods	—	—	—	—	248	450	0.0%	0.0%	100.0%	0.0%	0.0%
	Shelters	1,249	1,249	1,249	—	296	1,249	0.0%	0.0%	0.0%	91.0%	9.0%
	Sub-total	19,028	19,028	19,028	8,781	144,762	243,778	37.9%	42.2%	12.1%	5.3%	2.5%
Stormwater drainage	Stormwater drainage	3,749	3,749	1,055	432	172,934	243,885	74.4%	3.4%	20.2%	2.0%	0.0%
	Sub-total	3,749	3,749	1,055	432	172,934	243,885	74.4%	3.4%	20.2%	2.0%	0.0%

Byron Shire Council

Report on infrastructure assets as at 30 June 2025 (continued)

Asset Class	Asset Category	Estimated cost to bring assets to satisfactory standard	Estimated cost to bring to the agreed level of service set by Council	2024/25 Required maintenance ^a	2024/25 Actual maintenance	Net carrying amount	Gross replacement cost (GRC)	Assets in condition as a percentage of gross replacement cost				
		\$ '000	\$ '000	\$ '000	\$ '000			1	2	3	4	5
Open space / recreational assets	Swimming pools	41	41	224	160	2,094	3,404	0.0%	98.8%	0.0%	1.2%	0.0%
	Fences	603	603	170	117	2,028	3,729	58.0%	8.6%	7.2%	13.6%	12.6%
	Lighting	249	249	69	96	3,062	4,419	51.2%	18.7%	24.4%	5.4%	0.2%
	Open Space Furniture	348	348	43	28	1,187	2,443	29.6%	22.4%	33.8%	13.5%	0.8%
	Shelters	258	258	12	5	1,512	2,532	44.6%	45.0%	0.2%	8.3%	1.9%
	Hardscapes	111	111	38	25	1,484	2,169	76.0%	15.3%	3.6%	3.0%	2.2%
	Park Equipment	20	20	161	39	1,985	2,999	37.8%	43.6%	17.9%	0.0%	0.6%
	Park Services	10	10	—	—	75	112	77.2%	2.9%	11.4%	8.5%	0.0%
	Recreation Facilities	394	394	91	34	3,742	5,358	20.5%	72.1%	0.0%	7.3%	0.1%
	Softfall	7	7	50	32	216	368	40.0%	12.0%	46.0%	0.4%	1.6%
	Public Artwork	68	68	—	—	159	317	0.8%	22.5%	55.2%	15.1%	6.5%
	Irrigation	64	64	66	62	1,391	2,142	0.0%	42.5%	54.5%	3.0%	0.0%
	Grandstands	73	73	21	29	186	386	0.0%	31.6%	49.4%	14.9%	4.1%
	Sports Equipment	53	53	82	42	164	333	0.0%	30.4%	53.9%	12.2%	3.6%
	Retaining Walls	25	25	—	—	264	403	72.6%	21.3%	0.0%	6.1%	0.0%
	Sub-total	2,324	2,324	1,027	669	19,549	31,114	34.4%	41.9%	15.1%	6.5%	2.1%
	Total – all assets	102,861	102,861	46,057	25,545	966,199	1,430,604	47.7%	28.3%	16.6%	6.1%	1.3%

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

Infrastructure asset condition assessment 'key'

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

Byron Shire Council

Report on infrastructure assets as at 30 June 2025

Infrastructure asset performance indicators (consolidated) *

\$ '000	Amounts 2025	Indicator 2025	Indicators 2024 2023		Benchmark
Buildings and infrastructure renewals ratio					
Asset renewals ¹	26,520	112.64%	210.90%	233.48%	> 100.00%
Depreciation, amortisation and impairment	23,545				
Infrastructure backlog ratio					
Estimated cost to bring assets to a satisfactory standard	102,861	9.98%	9.27%	8.66%	< 2.00%
Net carrying amount of infrastructure assets	1,030,496				
Asset maintenance ratio					
Actual asset maintenance	25,545	55.46%	85.27%	63.80%	> 100.00%
Required asset maintenance	46,057				
Cost to bring assets to agreed service level					
Estimated cost to bring assets to an agreed service level set by Council	102,861	7.19%	6.62%	6.04%	
Gross replacement cost	1,430,604				

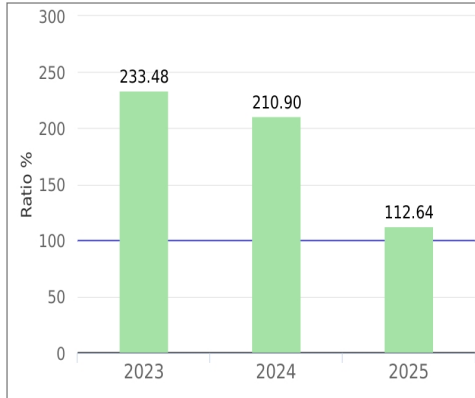
(*) All asset performance indicators are calculated using classes identified in the previous table.

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

Byron Shire Council

Report on infrastructure assets as at 30 June 2025

Buildings and infrastructure renewals ratio



Buildings and infrastructure renewals ratio

To assess the rate at which these assets are being renewed relative to the rate at which they are depreciating.

Commentary on result

24/25 ratio 112.64%

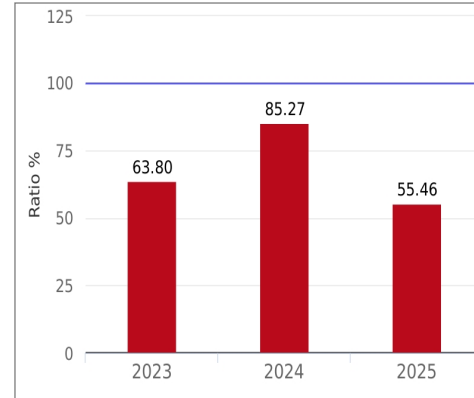
Benchmark: — > 100.00%

Ratio achieves benchmark

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio is outside benchmark

Asset maintenance ratio



Asset maintenance ratio

Compares actual vs. required annual asset maintenance. A ratio above 1.0 indicates Council is investing enough funds to stop the infrastructure backlog growing.

Commentary on result

24/25 ratio 55.46%

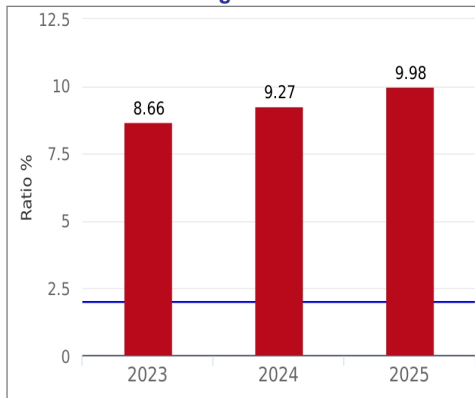
Benchmark: — > 100.00%

Ratio achieves benchmark

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio is outside benchmark

Infrastructure backlog ratio



Infrastructure backlog ratio

This ratio shows what proportion the backlog is against the total value of a Council's infrastructure.

Commentary on result

24/25 ratio 9.98%

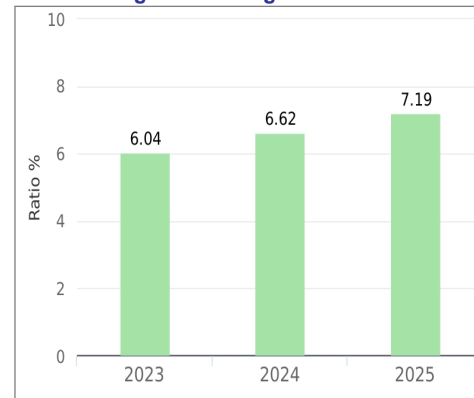
Benchmark: — < 2.00%

Ratio achieves benchmark

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio is outside benchmark

Cost to bring assets to agreed service level



Cost to bring assets to agreed service level

This ratio provides a snapshot of the proportion of outstanding renewal works compared to the total value of assets under Council's care and stewardship.

Commentary on result

24/25 ratio 7.19%

Byron Shire Council

Report on infrastructure assets as at 30 June 2025

Infrastructure asset performance indicators (by fund)

\$ '000	General fund		Water fund		Sewer fund		Benchmark
	2025	2024	2025	2024	2025	2024	
Buildings and infrastructure renewals ratio							
Asset renewals ¹	137.45%	563.52%	43.96%	120.95%	65.27%	43.98%	> 100.00%
Depreciation, amortisation and impairment							
Infrastructure backlog ratio							
Estimated cost to bring assets to a satisfactory standard	8.68%	7.76%	17.52%	17.48%	13.14%	12.34%	< 2.00%
Net carrying amount of infrastructure assets							
Asset maintenance ratio							
Actual asset maintenance	31.86%	28.26%	358.84%	334.46%	46.15%	∞	> 100.00%
Required asset maintenance							
Cost to bring assets to agreed service level							
Estimated cost to bring assets to an agreed service level set by Council	6.69%	5.78%	9.87%	10.50%	7.81%	8.01%	
Gross replacement cost							

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