Alexandrina Council

GENERAL PURPOSE FINANCIAL STATEMENTS

for the year ended 30 June 2025

Connecting Communities

Alexandrina Council

General Purpose Financial Statements
for the year ended 30 June 2025

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Alexandrina Council

General Purpose Financial Statements
for the year ended 30 June 2025

Certification of Financial Statements

We have been authorised by the Council to certify the financial statements in their final form.

In our opinion:

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

Andrew McDonald
Chief Executive Officer

Date: 17/11/2025

Keith Parkes
Mayor

Date:

Alexandrina Council

Statement of Comprehensive Income

for the year ended 30 June 2025

$ '000	Notes	2025	2024
Income			
Rates	2a	57,056	51,706
Statutory charges	2b	1,692	1,536
User charges	2c	4,417	4,021
Grants, subsidies and contributions - capital	2g	1,205	1,440
Grants, subsidies and contributions - operating	2g	6,228	350
Investment income	2d	154	86
Reimbursements	2e	68	218
Other income	2f	661	343
Net gain - equity accounted council businesses	17	6	37
Total income		71,487	59,737
Expenses			
Employee costs	3a	24,679	21,447
Materials, contracts and other expenses	3b	25,140	23,645
Depreciation, amortisation and impairment	3c	19,872	18,450
Finance costs	3d	2,094	1,912
Net loss - equity accounted council businesses	17	936	1,350
Total expenses		72,721	66,804
Operating surplus / (deficit)		(1,234)	(7,067)
Asset disposal and fair value adjustments	4	(4,780)	(4,699)
Amounts received specifically for new or upgraded assets	2g	5,000	4,408
Net surplus / (deficit) [1]		(1,014)	(7,358)
Other comprehensive income			
Amounts which will not be reclassified subsequently to operating result			
Changes in revaluation surplus - I,PP&E	9a	84,272	1,000
Total amounts which will not be reclassified subsequently to operating result		84,272	1,000
Total other comprehensive income		84,272	1,000
Total comprehensive income		83,258	(6,358)

(1) Transfer to Statement of Changes in Equity

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

Alexandrina Council

Statement of Financial Position
as at 30 June 2025

$ '000	Notes	2025	2024
ASSETS			
Current assets			
Cash and cash equivalent assets	5a	1,051	1,446
Trade and other receivables	5b	4,847	5,162
Inventories	5c	19	32
Total current assets		5,917	6,640
Non-current assets			
Trade and other receivables	6a	41	70
Equity accounted investments in council businesses	6b	14,877	14,989
Other non-current assets	6c	3,877	3,319
Infrastructure, property, plant and equipment	7	754,203	675,290
Total non-current assets		772,998	693,668
TOTAL ASSETS		778,915	700,308
LIABILITIES			
Current liabilities			
Trade and other payables	8a	7,417	5,527
Borrowings	8b	20	11,943
Provisions	8c	4,888	4,553
Total current liabilities		12,325	22,023
Non-current liabilities			
Borrowings	8b	33,808	29,655
Provisions	8c	885	809
Liability - equity accounted council businesses	8d	6,048	5,230
Total non-current liabilities		40,741	35,694
TOTAL LIABILITIES		53,066	57,717
Net assets		725,849	642,591
EQUITY			
Accumulated surplus		179,577	180,591
Asset revaluation reserves	9a	545,301	461,029
Other reserves	9b	971	971
Total equity		725,849	642,591

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

Alexandrina Council

Statement of Changes in Equity

for the year ended 30 June 2025

$ '000	Notes	Accumulated surplus	Asset revaluation reserve	Other reserves	Total equity
2025					
Balance at the end of previous reporting period		180,591	461,029	971	642,591
Net surplus / (deficit) for year		(1,014)	–	–	(1,014)
Other comprehensive income					
Gain (Loss) on Revaluation of I,PP&E	7	–	84,272	–	84,272
Other Equity Adjustment - Equity Accounted Council Businesses		–	–	–	–
Other comprehensive income		–	84,272	–	84,272
Total comprehensive income		(1,014)	84,272	–	83,258
Transfers between reserves		–	–	–	–
Balance at the end of period		179,577	545,301	971	725,849
2024					
Balance at the end of previous reporting period		187,949	460,029	971	648,949
Restated opening balance		187,949	460,029	971	648,949
Net surplus / (deficit) for year		(7,358)	–	–	(7,358)
Other comprehensive income					
Gain (Loss) on Revaluation of I,PP&E	7	–	1,000	–	1,000
Other Equity Adjustment - Equity Accounted Council Businesses		–	–	–	–
Other comprehensive income		–	1,000	–	1,000
Total comprehensive income		(7,358)	1,000	–	(6,358)
Transfers between reserves		–	–	–	–
Balance at the end of period		180,591	461,029	971	642,591

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

Alexandrina Council

Statement of Cash Flows

for the year ended 30 June 2025

$ '000	Notes	2025	2024
Cash flows from operating activities			
Receipts			
Grants, subsidies and contributions		6,669	386
Investment receipts		154	86
Rates receipts		57,300	51,568
Statutory charges		1,692	1,536
User charges		4,417	4,021
Reimbursements		68	218
Other receipts		6,233	6,911
Payments			
Payments to employees		(24,206)	(21,165)
Payments for materials, contracts and other expenses		(29,220)	(31,385)
Finance payments		(2,183)	(1,645)
Net cash provided by (or used in) operating activities	10b	20,924	10,531
Cash flows from investing activities			
Receipts			
Grants utilised for capital purposes		1,205	1,440
Amounts received specifically for new or upgraded assets		5,000	2,159
Sale of replaced assets		390	523
Repayments of loans by community groups		13	10
Payments			
Expenditure on intangible assets		(937)	(1,167)
Expenditure on renewal/replacement of assets		(6,811)	(4,844)
Expenditure on new/upgraded assets		(12,402)	(27,531)
Net cash provided (or used in) investing activities		(13,542)	(29,410)
Cash flows from financing activities			
Receipts			
Proceeds from borrowings		–	19,163
Proceeds from bonds and deposits		35	–
Payments			
Repayments of borrowings		(7,812)	–
Repayment of bonds and deposits		–	(42)
Net cash provided by (or used in) financing activities		(7,777)	19,121
Net increase (decrease) in cash held		(395)	242
plus: cash & cash equivalents at beginning of period		1,446	1,204
Cash and cash equivalents held at end of period	10a	1,051	1,446

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

Alexandrina Council

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

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Alexandrina Council

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

Note 1. Summary of Material Accounting Policies

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

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

(1) Basis of preparation

1.1 Compliance with Australian Accounting Standards

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

The financial report was authorised for issue by certificate under regulation 14 of the *Local Government (Financial Management) Regulations 2011.*

1.2 Critical accounting estimates

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

Particular areas involving a high degree of judgement or complexity include the estimation of future payments and timing in relation to tip restoration liability. Further information in relation to the estimation of these liabilities are given in the relevant sections of these Notes.

1.3 Rounding

All amounts in the financial statements have been rounded to the nearest thousand dollars ($'000).

(2) The local government reporting entity

Alexandrina Council is incorporated under the South Australian Local Government Act 1999 and has its principal place of business at 11 Cadell Street, GOOLWA. These consolidated financial statements include the Council's direct operations and all entities through which Council controls resources to carry on its functions. In the process of reporting on the Council as a single unit, all transactions and balances between activity areas and controlled entities have been eliminated.

The principal activities and entities conducted other than in the Council's own name that have been included in these consolidated financial statements are:

1. Adelaide Hills Region Waste Management Authority
2. Fleurieu Regional Waste Authority
3. Fleurieu Regional Aquatic Centre

Council has elected to not include activities related to the Southern and Hills Local Government Association in these consolidated financial statements as they are deemed to be immaterial.

A change has been made to the accounting treatment of subsidiaries to separately classify Councils interests in entities as a net asset or net liability. Previously, interests in subsidiaries were consolidated into a single amount, either as a net asset or net liability, without distinguishing between individual entities based on their financial position. This adjustment aligns presentation with the model finanicial statements. Comparative figures have been restated to reflect the revised treatment.

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

(3) Income recognition

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

In cases where there is an 'enforceable' contract with a customer with 'sufficiently specific' performance obligations, the transaction is accounted for under AASB 15 where income is recognised when (or as) the performance obligations are satisfied

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Alexandrina Council

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

Note 1. Summary of Material Accounting Policies (continued)

(i.e. when it transfers control of a product or service to a customer). Revenue is measured based on the consideration to which the Council expects to be entitled in a contract with a customer.

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

In recent years the payment of untied grants (financial assistance grants / local roads / supplementary grants) has varied from the annual allocation as shown in the table below:

($,000)	Cash Payment Received	Annual Allocation	Difference
2021/22	$2,795	$1,215	+ $1,580
2022/23	$3,379	$2,371	+ $1,008
2023/24	$146	$2,733	- $2,587
2024/25	$ 4,957	$ 3,520	+$1,438

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

The Operating Surplus Ratio disclosed in Note 15 has also been calculated after adjusting for the distortions resulting from the differences between the actual grants received and the grants entitlements allocated.

(4) Cash, cash equivalents and other financial instruments

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

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

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

All financial instruments are recognised at fair value at the date of recognition, except for trade receivables from a contract with a customer, which are measured at the transaction price. A detailed statement of the accounting policies applied to financial instruments forms part of Note 12.

(5) Inventories

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

continued on next page ...

Alexandrina Council

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

Note 1. Summary of Material Accounting Policies (continued)

(6) Infrastructure, property, plant and equipment
6.1 Initial recognition

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

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

6.2 Materiality

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

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

Infrastructure	$10,000
Land Improvements	$20,000
Buildings	$15,000
Furniture & Fittings	$5,000
Operational Equipment	$5,000
IT Equipment	$3,000
Other	$5,000
Plant	$15,000
Software	$50,000

6.3 Subsequent recognition

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

6.4 Depreciation of non-current assets

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

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

Plant, Furniture & Equipment

Office Equipment	5	to	10	years
Office Furniture and Fittings	10	to	35	years
Office Electrical Equipment	4	to	10	years
Computer Equipment	3	to	10	years
Minor Equipment	5	to	25	years
Plant	3	to	15	years
Software			10	years

Building & Other Structures

continued on next page ...

Note 1. Summary of Material Accounting Policies (continued)

Sub structure			200	years
Super structure	50	to	200	years
Roofing	40	to	50	years
Fit out	15	to	25	years
Services	20	to	30	years
Infrastructure				
Bridges				
Sub structure	40	to	100	years
Super structure	40	to	100	years
Culverts	80	to	100	years
Guardrails	15	to	25	years
Surfaces	13	to	40	years
Sealed Road Pavement	40	to	90	years
Sealed Road Sub-Base			200	years
Unsealed Road Surfaces	12	to	35	years
Footpaths	20	to	70	years
Footpaths Sub-Base	60	to	280	years
Kerbing	50	to	70	years
Stormwater Drainage	10	to	100	years
Water	15	to	80	years
CWMS	15	to	80	years
Rec & Open Spaces	8	to	100	years

6.5 Impairment

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

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

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

(7) Payables

7.1 Goods & Services

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

7.2 Payments Received in Advance & Deposits

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

(8) Borrowings

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

continued on next page ...

Alexandrina Council

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

Note 1. Summary of Material Accounting Policies (continued)

(9) Employee benefits
9.1 Salaries, Wages & Compensated Absences

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

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

Council has recognised a provision for sick leave liabilities for the employees falling under the AWU enterprise bargaining agreement, in case where the liability has vested.

9.2 Superannuation

The Council makes employer superannuation contributions in respect of its employees to the Hostplus Superannuation Scheme. The Scheme has two types of membership, each of which is funded differently. Details of the accounting policies applied and Council's involvement with the schemes are reported in Note 16.

(10) Provisions for reinstatement, restoration and rehabilitation

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

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

(11) Leases

Accounting policy applicable from 01 July 2019

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

11.1 Council as a lessee

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

i) Right-of-Use-Assets

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

The right-of-use assets are also subject to impairment. Refer to the accounting policies above - Impairment of non-financial assets.

ii) Lease Liabilities

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

continued on next page ...

Note 1. Summary of Material Accounting Policies (continued)

iii) Short-term leases and leases of low-value assets

The Council applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date). It also applies the low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

(12) Equity accounted Council businesses

Council participates in cooperative arrangements with other Councils for the provision of services and facilities. Council's interests in cooperative arrangements, which are only recognised if material, are accounted for in accordance with AASB 128 and set out in detail in Note 17.

The Fleurieu Regional Aquatic Centre Authority was a Local Government subsidiary under the control of Alexandrina Council and City of Victor Harbor. The Authority ceased operating on 1 July 2024 and was wound up on 1 August 2024. It was replaced as a Joint Venture between Alexandrina Council and City of Victor Harbor.

(13) GST implications

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

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

(14) New accounting standards and UIG interpretations

New accounting standards, amendments to existing standards and UIG interpretations

Council applied for the first time certain new standards and amendments to existing standards, which are effective for annual periods beginning on or after 1 January 2024. Council has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

AASB 2020-1: Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current
AASB 2020-1 amends AASB 101 to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current. It also clarifies the meaning of 'settlement of a liability'.

AASB 2022-6: Amendments to Australian Accounting Standards – Non-current liabilities with Covenants
AASB 2022-6 amends AASB 101 to improve the information an entity provides in its financial statements about liabilities from loan arrangements for which the entity's right to defer settlement of those liabilities for at least 12 months after the reporting period is subject to the entity complying with conditions specified in the loan agreement.

AASB 2022-10: Amendments to Australian Accounting Standards – Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities.
AASB 2022-10 amends AASB 13 – Fair Value Measurement for the fair value measurements of non-financial assets of not-for-profit public sector entities not held primarily to generate net cash inflows.

Council has adopted all amendments mentioned above required for the year ended 30 June 2025. The adoption of these amendments did not have a material impact on the financial statements.

Standards issued by the AASB not yet effective

The AASB has issued new and amended Australian Accounting Standards and Interpretations that are not effective as of 30 June 2025. These standards have not yet been adopted by Council and will be incorporated into the financial statements upon their effective dates. The following list identifies all applicable new and amended Australian Accounting Standards and Interpretations that were issued but are not yet effective as of 30 June 2025.

AASB 2024-2: Amendments to the Classification and Measurement of Financial Instruments

continued on next page ...

Note 1. Summary of Material Accounting Policies (continued)

AASB 2024-2 amends AASB 9 Financial Instruments and AASB 7 Financial Instruments: Disclosures to clarify how the contractual cash flows from financial assets should be assessed when determining their classification. The amendment also clarifies the derecognition requirements of financial liabilities that are settled through electronic payment systems.

This standard is effective for annual reporting periods beginning on or after 1 January 2026.

The amendment is not expected to have a material impact on the financial statements once adopted.

AASB 18: Presentation and Disclosure in Financial Statements.
AASB 18 replaces AASB 101 as the standard describing the primary financial statements and sets out requirements for the presentation and disclosure of information in AASB-compliant financial statements. Amongst other changes, it introduces the concept of the 'management-defined performance measures' to financial statements and requires the classification of transactions presented within the statement of profit or loss within one of the five categories – operating, investing, financing, income taxes and discontinued operations. It also provides enhanced requirements for the aggregation and disaggregation of information.

This standard is effective for annual reporting periods beginning on or after 1 January 2028.

Council is currently assessing the impact the amendment will have on the financial statements once adopted.

(15) Comparative figures

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

(16) Disclaimer

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

Notes to and forming part of the Financial Statements

for the year ended 30 June 2025

Note 2. Income

$ '000	2025	2024
(a) Rates		
General rates		
General rates	48,868	44,323
Less: discretionary rebates, remissions and write-offs	(663)	(700)
Total general rates	48,205	43,623
Other rates (including service charges)		
Landscape levy	1,288	1,260
Water supply	7	6
Community wastewater management systems	7,250	6,534
Other	–	20
Less: discretionary rebates, remissions and write-offs	(8)	(20)
Total Other Rates	8,537	7,800
Other charges		
Penalties for late payment	314	283
Total other charges	314	283
Total rates	57,056	51,706
(b) Statutory charges		
Planning & Development Act Fees	787	687
Health and septic tank inspection fees	275	299
Animal registration fees and fines	456	378
Sundry	174	172
Total statutory charges	1,692	1,536
(c) User charges		
Cemetery Fees	222	187
Hall and equipment hire	115	118
Sundry	612	465
Community Wastewater Management Fees (CWMS)	2,188	1,815
Lease / Rental - Non-Investment Properties	1,252	1,403
Water Supply	28	33
Total user charges	4,417	4,021

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Alexandrina Council

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

Note 2. Income (continued)

$ '000	2025	2024
(d) Investment income		
- Local Government Finance Authority	99	33
- Banks and other	51	49
Other	4	4
Total investment income	154	86
(e) Reimbursements		
Private works	1	–
Insurance	–	25
Other	67	193
Total reimbursements	68	218
(f) Other income		
Sundry	661	343
Total other income	661	343
(g) Grants, subsidies and contributions		
Amounts received specifically for new or upgraded assets		
Amounts received specifically for new or upgraded assets	5,000	4,408
Total amounts received for new or upgraded assets	5,000	4,408
Other grants, subsidies and contributions - capital		
Roads to Recovery	785	807
Untied - Local roads and community	420	633
Total Other grants, subsidies and contributions - capital	1,205	1,440
Other grants, subsidies and contributions - operating		
Other grants, subsidies and contributions	6,228	350
Total other grants, subsidies and contributions - operating	6,228	350
Total grants, subsidies and contributions	12,433	6,198
(i) Sources of grants		
Commonwealth Government	6,233	2,153
State Government	5,990	3,843
Other	210	202
Total	12,433	6,198
(ii) Individually significant items		
Financial Assistance Grant (FAG) received in advance as at 30 June	1,438	–

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Notes to and forming part of the Financial Statements

for the year ended 30 June 2025

Note 2. Income (continued)

$ '000	2025	2024

(h) Conditions over grants and contributions

Grants and contributions which were obtained on the condition that they be expended for specified purposes or in a future period, but which are not yet expended in accordance with those conditions, and are required to be repaid to the funding body if not expended, are as follows:

Unexpended at the close of the previous reporting period	149	2,362
Less:		
Expended during the current period from revenues recognised in previous reporting periods		
Roads Infrastructure	–	–
Other	(99)	(2,362)
Subtotal	(99)	(2,362)
Plus:		
Amounts recognised as revenues in this reporting period but not yet expended in accordance with the conditions		
Roads infrastructure	466	–
Other	74	149
Subtotal	540	149
Unexpended at the close of this reporting period	590	149
Net increase (decrease) in assets subject to conditions in the current reporting period	441	(2,213)

Alexandrina Council

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

Note 3. Expenses

$ '000	Notes	2025	2024
(a) Employee costs			
Salaries and wages		19,294	17,596
Employee leave expense		2,888	2,205
Superannuation - defined contribution plan contributions	16	2,206	1,754
Superannuation - defined benefit plan contributions	16	160	181
Workers' compensation insurance		596	639
Accident & Sickness Insurance		384	287
Less: capitalised and distributed costs		(849)	(1,215)
Total operating employee costs		24,679	21,447
Total number of employees (full time equivalent at end of reporting period)		201	185
(b) Materials, contracts and other expenses			
(i) Prescribed expenses			
Auditor's remuneration			
- Auditing the financial reports		33	12
Bad and doubtful debts		22	173
Elected members' expenses		307	287
Election expenses		11	9
Subtotal - prescribed expenses		373	481
(ii) Other materials, contracts and expenses			
Contractors		6,732	6,323
Waste Management		3,867	4,217
Professional services		1,396	1,430
Legal expenses		151	328
Roadside Vegetation		268	242
Communications (Phone, Fax, Mobiles, Internet & Postage)		428	440
Energy		1,686	1,837
Levies paid to Government - Landscape levy		1,272	1,205
Levies - other		23	2
Sundry		5,418	4,425
Donations & Contributions		1,976	1,454
Insurance		982	860
Water		533	401
Other		35	–
Subtotal - Other material, contracts and expenses		24,767	23,164
Total materials, contracts and other expenses		25,140	23,645

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

Note 3. Expenses (continued)

$ '000	2025	2024
(c) Depreciation, amortisation and impairment		
(i) Depreciation and amortisation		
Buildings and other structures	2,135	2,143
Infrastructure		
- Sealed roads	6,721	6,449
- Unsealed roads	2,138	2,140
- Stormwater	876	826
- CWMS	1,736	1,574
- Footpaths	765	684
- Kerbs	1,016	1,001
- Bridges & Major Culverts	734	561
- Water	11	11
- Rec & Open Space	1,804	1,217
Furniture and fittings	67	62
Plant	1,068	1,000
Equipment	411	508
Other assets	11	11
Subtotal	19,493	18,187
Intangible Assets - Accumulated Amortisation	379	263
Subtotal	379	263
Total depreciation, amortisation and impairment	19,872	18,450
(d) Finance costs		
Interest on loans	2,094	1,912
Total finance costs	2,094	1,912

Note 4. Asset disposal and fair value adjustments

$ '000	2025	2024
Infrastructure, property, plant and equipment		
(i) Assets renewed or directly replaced		
Proceeds from disposal	390	523
Less: carrying amount of assets sold	(5,170)	(5,222)
Gain (loss) on disposal	(4,780)	(4,699)
Net gain (loss) on disposal or revaluation of assets	(4,780)	(4,699)

Notes to and forming part of the Financial Statements

for the year ended 30 June 2025

Note 5. Current assets

$ '000	2025	2024
(a) Cash and cash equivalent assets		
Cash on Hand & at Bank	385	414
Deposits at call	666	1,032
Total cash and cash equivalent assets	1,051	1,446
(b) Trade and other receivables		
Rates - general and other	2,917	1,705
Accrued revenues	2	4
Debtors - general	1,803	3,148
Prepayments	353	534
Loans to community organisations	14	13
Subtotal	5,089	5,404
Less: provision for expected credit losses	(242)	(242)
Total trade and other receivables	4,847	5,162
(c) Inventories		
Stores and materials	19	32
Total inventories	19	32

Alexandrina Council

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

Note 6. Non-current assets

$ '000		2025	2024
(a) Trade and other receivables			
Receivables			
Loans to community organisations		41	55
Other - Deferred Debtors		–	15
Total receivables		41	70
Total financial assets		41	70
(b) Equity accounted investments in council businesses			
Adelaide Hills Regional Waste Management Authority	17(a)i	386	380
Fleurieu Regional Aquatic Centre Authority	17(a)i	–	14,609
Fleurieu Regional Aquatic Centre	17(a)i	14,491	–
Total equity accounted investments in Council businesses		14,877	14,989
(c) Other non-current assets			
Intangible Assets - Software		4,732	3,794
Intangible Assets - Accumulated Amortisation		(855)	(475)
Total		3,877	3,319
Total other non-current assets		3,877	3,319

Alexandrina Council

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

Note 7. Infrastructure, Property, Plant & Equipment

Infrastructure, property, plant and equipment

		as at 30/06/24					Asset movements during the reporting period											as at 30/06/25				
$ '000	Fair Value Level	At Fair Value	At Cost	Accumulated Depreciation	Accumulated Impairment	Carrying amount	Asset Additions New / Upgrade	Asset Additions Renewals	WDV of Asset Disposals	Depreciation Expense (Note 3c)	WIP Transfers	Adjustments & Transfers	WIP Transfer New / Upgrade	WIP Transfer Renewal	Other Movements (Accumulated Depreciation)	Revaluation Decrements to Equity (ARR) (Note 9)	Revaluation Increments to Equity (ARR) (Note 9)	At Fair Value	At Cost	Accumulated Depreciation	Accumulated Impairment	Carrying amount
Capital work in progress		–	16,304	–	–	16,304	12,098	6,510	–	–	25,379	–	(42,020)	(13,409)	–	–	–	–	4,862	–	–	4,862
Land	3	134,844	–	–	–	134,844	–	–	–	–	–	(1)	–	–	–	–	46,183	181,026	–	–	–	181,026
Land improvements		–	7,528	–	–	7,528	–	–	–	–	–	–	–	–	–	–	–	–	7,528	–	–	7,528
Buildings and other structures	2	23,167	–	(15,809)	–	7,358	–	–	–	(361)	–	1	718	–	–	–	14,034	30,401	–	(8,651)	–	21,750
Buildings and other structures	3	104,301	–	(46,394)	–	57,907	–	–	(2,789)	(1,774)	(11,663)	3,371	3,990	1,424	(41)	–	24,198	106,300	–	(31,677)	–	74,623
Infrastructure																						
- Sealed roads	3	282,689	–	(89,301)	–	193,388	–	–	(866)	(6,721)	(5,110)	–	4,398	4,562	–	–	–	284,785	–	(95,134)	–	189,651
- Unsealed roads	3	41,028	–	(15,589)	–	25,439	–	–	(569)	(2,138)	–	1	–	1,088	–	–	–	40,541	–	(16,720)	–	23,821
- Stormwater drainage	3	66,085	–	(21,262)	–	44,823	–	–	(98)	(876)	(945)	(3)	2,194	129	–	–	–	67,267	–	(22,043)	–	45,224
- Community Wastewater Management Scheme (CWMS)	3	86,179	–	(33,830)	–	52,349	–	–	(28)	(1,736)	(1,372)	1	4,739	2,420	–	–	–	91,876	–	(35,503)	–	56,373
- Footpaths	3	24,873	–	(8,081)	–	16,792	–	–	(81)	(765)	–	2	2,665	347	–	–	–	27,665	–	(8,705)	–	18,960
- Kerbs	3	62,279	–	(20,841)	–	41,438	–	–	(24)	(1,016)	–	2	764	34	–	–	–	63,030	–	(21,832)	–	41,198
- Bridges & Major Culverts	3	63,284	–	(32,588)	–	30,696	–	–	(137)	(734)	–	2	217	987	–	–	–	64,090	–	(33,059)	–	31,031
- Water	3	1,534	–	(982)	–	552	–	–	(1)	(11)	–	–	–	–	–	(143)	–	1,648	–	(1,251)	–	397
- Rec & Open Space	3	48,955	–	(12,124)	–	36,831	–	–	(13)	(1,804)	(6,289)	(3,377)	22,157	389	41	–	–	61,817	–	(13,882)	–	47,935
Right-of-use assets		–	–	–	–	–	42	–	–	–	–	–	–	–	–	–	–	–	42	–	–	42
Furniture and fittings		–	1,127	(825)	–	302	–	–	–	(67)	–	–	–	–	–	–	–	–	1,127	(892)	–	235
Plant		–	10,618	(3,055)	–	7,563	–	–	(564)	(1,068)	–	2	178	2,029	–	–	–	–	11,895	(3,755)	–	8,140
Equipment		–	6,623	(5,605)	–	1,018	304	299	–	(411)	–	–	–	–	–	–	–	–	7,226	(6,016)	–	1,210
Capping & Reinstatement		–	856	(856)	–	–	–	–	–	–	–	50	–	–	–	–	–	–	906	(856)	–	50
Other assets		–	672	(514)	–	158	–	–	–	(11)	–	–	–	–	–	–	–	–	672	(525)	–	147
Total infrastructure, property, plant and equipment		939,218	43,728	(307,656)	–	675,290	12,444	6,809	(5,170)	(19,493)	–	51	–	–	–	(143)	84,415	1,020,446	34,258	(300,501)	–	754,203
Comparatives		893,991	53,809	(282,350)	–	665,450	27,531	4,844	(5,222)	(18,187)	–	(126)	–	–	–	(7,891)	8,891	939,218	43,728	(307,656)	–	675,290

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Note 7. Infrastructure, Property, Plant & Equipment (continued)

Valuation of Infrastructure, Property, Plant & Equipment

Valuation of assets

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

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

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

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

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

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

Information on valuations

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

Fair value hierarchy level 3 valuations of buildings, infrastructure and other assets - There is no known market for buildings, infrastructure and other assets. These assets are valued at depreciated current replacement cost. This method involves:

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

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

Other information

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

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

Higher depreciation expense will begin to manifest in the financial statements from 2023/24 onwards.

Highest and best use

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

Land

- Basis of valuation: Fair Value. Additions at cost.
- The valuation was provided by the Office of the Valuer-General as at 1 January 2025.

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Alexandrina Council

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

Note 7. Infrastructure, Property, Plant & Equipment (continued)

Land recognised at fair value level 3 has been valued as at 1 January 2025 applying Site Values per the Valuer General's valuation. The Valuer General describes their valuation method as follows:

Statutory property valuations aim to reflect market value and are based on how the market has performed in the prior calendar year. The Date of Valuation is 1 January, and valuations come into effect on 1 July each year. Mass appraisal is the primary valuation methodology adopted in South Australia and is a widely accepted methodology, utilised across many parts of the world. Through the course of the year, Land Services SA collect data, undertake research and analysis with the aid of sales evidence and market reports on behalf of the Valuer-General. Properties that are similar in nature, possibly due to locality, land size, property type, vintage, size of equivalent main area and use are grouped into sub-market groups. The research and analysis is utilised to indicate how the market has performed relative to each of those sub-market groups. The result of such analysis is the adoption of an index which is applied to every property within that particular group.

The Valuer General further notes that statutory valuations are used solely for the purposes of rating and taxing.

Council considers the Valuer General's valuation to be an appropriately accurate approximation of fair value. The valuation of level 3 land involves significant unobservable inputs. For crown land, community land and other land subject to restrictions classified as level 3, whilst no discount rate has been applied, a significant unobservable input is a discount that theoretically applies to these land values in recognition of the 'restrictions' associated with the land, in particular the lack of ability to sell the land or put it to an alternative use.

Land Improvements
- Basis of valuation: Recognised at Cost

Buildings & Other Structures
- Basis of valuation: Fair Value / Market Value / Written down current replacement cost
- The last external valuation was undertaken by Marsh as at 30 June 2025.
- A high-level condition assessment for financial accounting purposes was undertaken as part of this valuation.

Infrastructure

Roads
- Basis of valuation: Depreciated Replacement Cost - comprised by gross replacement cost (based on estimated unit costs for which a substitute asset with similar service potential, physical characteristics, dimensions, depth and environmental parameters could be constructed) and accumulated depreciation (estimated total and remaining useful lives informed by the condition assessment of the asset, and the planned asset management strategy applicable to the asset). Additions are recorded at cost.
- The last external valuation was undertaken by Sproutt as at 30 June 2023.
- The last condition assessment was undertaken by Sproutt as at 30 June 2023.

Stormwater Drainage
- Basis of valuation: Depreciated Replacement Cost - comprised by gross replacement cost (based on estimated unit costs for which a substitute asset with similar service potential, physical characteristics, dimensions, depth and environmental parameters could be constructed) and accumulated depreciation (estimated total and remaining useful lives informed by the condition assessment of the asset, and the planned asset management strategy applicable to the asset). Additions are recorded at cost.
- The last external valuation was undertaken by Public Private Property as at 30 June 2023.
- The last condition assessment was undertaken by Public Private Property as at 30 June 2023.

Community Wastewater Management Scheme (CWMS)
- Basis of valuation: Fair Value. Additions at cost.
- The last external valuation was undertaken by Wallbridge Gilbert Aztec as at 30 June 2024.
- The last condition assessment was undertaken by Wallbridge Gilbert Aztec as at 30 June 2024.

Footpaths
- Basis of valuation: Depreciated Replacement Cost - comprised by gross replacement cost (based on estimated unit costs for which a substitute asset with similar service potential, physical characteristics, dimensions, depth and environmental parameters could be constructed) and accumulated depreciation (estimated total and remaining useful lives informed by the condition assessment of the asset, and the planned asset management strategy applicable to the asset). Additions are recorded at cost.
- The last external valuation was undertaken by Sproutt as at 30 June 2023.

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Note 7. Infrastructure, Property, Plant & Equipment (continued)

- The last condition assessment was undertaken by Sproutt as at 30 June 2023.

Kerbs
- Basis of valuation: Depreciated Replacement Cost - comprised by gross replacement cost (based on estimated unit costs for which a substitute asset with similar service potential, physical characteristics, dimensions, depth and environmental parameters could be constructed) and accumulated depreciation (estimated total and remaining useful lives informed by the condition assessment of the asset, and the planned asset management strategy applicable to the asset). Additions are recorded at cost.
- The last external valuation was undertaken by Sproutt as at 30 June 2023.
- The last condition assessment was undertaken by Sproutt as at 30 June 2023.

Bridges and Major Culverts
- Basis of valuation: Fair Value. Additions at cost.
- The last external valuation was undertaken by Public Private Property as at 30 June 2024.
- The last condition assessment was undertaken by Sproutt as at 30 June 2024.

Water
- Basis of valuation: Fair Value. Additions at cost.
- The last condition assessment was undertaken by BDO as at 30 June 2025.
- The last external valuation was undertaken by BDO as at 30 June 2025.

Recreation & Open Space
- Basis of valuation: Fair Value. Additions at cost.
- The last external valuation was undertaken by Public Private Property as at 30 June 2024.
- The last condition assessment was undertaken by Sproutt as at 30 June 2024.

Plant
- Basis of valuation: Recognised at cost.
- Depreciation using straight line method utilising ATO useful lives.

Equipment
- Basis of valuation: Recognised at cost.

Furniture & Fittings
- Basis of valuation: Recognised at cost.

Capping & Reinstatement
- Basis of valuation: Recognised at cost.

Other Assets
- Basis of valuation: Recognised at cost.

Alexandrina Council

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

Note 8. Liabilities

$ '000	2025 Current	2025 Non Current	2024 Current	2024 Non Current
(a) Trade and other payables				
Goods and services	4,467	–	4,510	–
Rates and other income	1,498	–	42	–
Grants, subsidies, contributions - operating	590	–	149	–
Accrued expenses - employee entitlements	322	–	232	–
Accrued expenses - finance costs	505	–	594	–
Deposits, retentions and bonds	35	–	–	–
Total trade and other payables	7,417	–	5,527	–

$ '000	Notes	2025 Current	2025 Non Current	2024 Current	2024 Non Current
(b) Borrowings					
Loans		–	33,786	11,943	29,655
Lease liabilities	15b	20	22	–	–
Total Borrowings		20	33,808	11,943	29,655

All interest bearing liabilities are secured over the future revenues of the Council

(c) Provisions					
Employee Entitlements (including oncosts)					
Long Service Leave (including oncosts)		2,655	539	2,373	488
Annual, Sick & Other Leave (including oncosts)		2,203	–	2,153	–
Future Reinstatement / Restoration1		30	346	27	321
Total provisions		4,888	885	4,553	809

$ '000	Notes	2025 Current	2025 Non Current	2024 Current	2024 Non Current
(d) Liability accounted investments in Council businesses					
Fleurieu Regional Waste Authority	17(a)i	–	6,048	–	5,230
Total liability accounted investments in Council businesses		–	6,048	–	5,230

Notes to and forming part of the Financial Statements

for the year ended 30 June 2025

Note 9. Reserves

$ '000	as at 30/06/24 Opening Balance	Increments (Decrements)	Transfers	Impairments	as at 30/06/25 Closing Balance
(a) Asset revaluation reserve					
Land - community	109,798	46,183	–	–	155,981
Buildings and other structures	25,390	38,232	–	–	63,622
Infrastructure					
- Sealed roads	159,819	–	–	–	159,819
- Stormwater	35,697	–	–	–	35,697
- CWMS	19,113	–	–	–	19,113
- Unsealed roads	21,902	–	–	–	21,902
- Footpaths	7,484	–	–	–	7,484
- Kerbs	36,928	–	–	–	36,928
- Bridges & Major Culverts	29,488	–	–	–	29,488
- Water	676	(143)	–	–	533
- Rec & Open Space	14,734	–	–	–	14,734
Total asset revaluation reserve	461,029	84,272	–	–	545,301
Comparatives	460,029	1,000	–	–	461,029

$ '000	as at 30/06/24 Opening Balance	Tfrs to Reserve	Tfrs from Reserve	Other Movements	as at 30/06/25 Closing Balance
(b) Other reserves					
Open Space	884	–	–	–	884
Car Parking	87	–	–	–	87
Total other reserves	971	–	–	–	971
Comparatives	971	–	–	–	971

Purposes of reserves

Asset revaluation reserves
The asset revaluation reserve is used to record increments and decrements arising from changes in fair value of non current assets (less any subsequent impairment losses, where applicable).

Open Space
In compliance with Div 4 s50(10)(a) of the Development Act 1993, Council has created a reserve for Open Space Contributions.

Car Parking
In compliance with Div 4 s50A(1) of the Development Act 1993, Council has created a reserve for Car Parking Contributions.

Alexandrina Council

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

Note 10. Reconciliation to Statement of Cash Flows

$ '000	Notes	2025	2024
(a) Reconciliation of cash			
Cash assets comprise highly liquid investments with short periods to maturity subject to insignificant risk of changes of value. Cash at the end of the reporting period as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:			
Total cash and equivalent assets	5	1,051	1,446
Balances per Statement of Cash Flows		1,051	1,446
(b) Reconciliation of Operating Result			
Net surplus/(deficit)		(1,014)	(7,358)
Non-cash items in income statements			
Depreciation, amortisation and impairment		19,872	18,450
Equity movements in equity accounted investments (increase)/decrease		930	1,313
Grants for capital acquisitions treated as investing activity		(6,205)	(5,848)
Net (gain)/loss on disposals		4,780	4,699
Non-cash expense		(49)	126
		18,314	11,382
Add (less): changes in net current assets			
Net (increase)/decrease in receivables		316	2,048
Change in allowances for under-recovery of receivables		–	(815)
Net (increase)/decrease in inventories		13	6
Net (increase)/decrease in other assets		15	–
Net increase/(decrease) in trade and other payables		1,855	(2,106)
Net increase/(decrease) in other provisions		411	16
Net cash provided by (or used in) operations		20,924	10,531
(c) Financing arrangements			
Unrestricted access was available at balance date to the following lines of credit:			
Bank overdrafts		1,200	1,200
Corporate credit cards		40	40
LGFA cash advance debenture facility		16,214	8,402

Alexandrina Council

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

Note 11. Financial instruments

Recognised financial instruments

Bank, deposits at call, short term deposits

Accounting Policy:
Initially recognised at fair value and subsequently measured at amortised cost; interest is recognised when earned.

Terms & Conditions:
Deposits are returning fixed interest rates between 0.04% and 4.65% (2024: between 0.04% and 4.55%).

Carrying Amount:
Approximates fair value due to the short term to maturity.

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

Accounting Policy:
Initially recognised at fair value and subsequently measured at amortised cost. An impairment provision is recognised using the expected credit loss method.

Terms & Conditions:
Secured over the subject land, arrears attract interest of 0.7083% (2024: 0.7541%). Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries in the State.

Carrying Amount:
Approximates fair value (after deduction of any allowance).

Receivables - fees and other charges

Accounting policy:
Initially recognised at fair value and subsequently measured at amortised cost. An impairment provision is recognised using the expected credit loss method.

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

Carrying amount:
Approximates fair value (after deduction of any allowance).

Receivables - other levels of government

Accounting policy:
Initially recognised at fair value and subsequently measured at amortised cost. An impairment provision is recognised using the expected credit loss method.

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

Carrying amount:
Approximates fair value.

Liabilities - creditors and accruals

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

continued on next page ...

Notes to and forming part of the Financial Statements

for the year ended 30 June 2025

Note 11. Financial instruments (continued)

Terms and conditions:
Liabilities are normally settled on 30 day terms.

Carrying amount:
Approximates fair value.

Liabilities - interest bearing borrowings

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

Terms & Conditions:
Secured over future revenues, borrowings are repayable; interest is charged at fixed or variable rates between 4.87% and 5.50% (2024: 5.15% and 6.15%).

Carrying Amount:
Approximates fair value.

$ '000	Due < 1 year	Due > 1 year and ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
Financial assets and liabilities					
2025					
Financial assets					
Cash and cash equivalents	1,051	–	–	1,051	1,051
Receivables	4,164	41	330	4,535	4,535
Total financial assets	5,215	41	330	5,586	5,586
Financial liabilities					
Payables	5,329	–	–	5,329	5,329
Current borrowings	–	–	–	–	–
Non-current borrowings	–	10,786	23,000	33,786	33,786
Lease liabilities	20	22	–	42	42
Total financial liabilities	5,349	10,808	23,000	39,157	39,157
Total financial assets and liabilities	10,564	10,849	23,330	44,743	44,743
2024					
Financial assets					
Cash and cash equivalents	1,446	–	–	1,446	1,446
Receivables	4,643	55	–	4,698	4,698
Total financial assets	6,089	55	–	6,144	6,144
Financial liabilities					
Payables	5,336	–	–	5,336	5,336
Current borrowings	11,943	–	–	11,943	11,943
Non-current borrowings	–	4,640	25,015	29,655	29,655
Total financial liabilities	17,279	4,640	25,015	46,934	46,934
Total financial assets and liabilities	23,368	4,695	25,015	53,078	53,078

continued on next page ...

Alexandrina Council

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

Note 11. Financial instruments (continued)

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

	2025		2024	
$ '000	Weighted Avg Interest Rate	Carrying Value	Weighted Avg Interest Rate	Carrying Value
Other variable rates	5.50%	21,786	6.15%	29,598
Fixed interest rates	4.87%	12,042	5.42%	12,000
		33,828		41,598

Net fair value

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

Risk exposures

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

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

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

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

At 30 June 2025 Council had access to Cash Advance Debentures (CADs), with the following limits and End Dates:

Loan Number	Limit	End Date
CAD 80	$5,000,000	15/05/2027
CAD 77	$7,000,000	15/03/2028
CAD 81	$12,000,000	15/03/2030
CAD 78	$15,000,000	15/08/2032
CAD 79	$11,000,000	15/02/2033

CADs are at call loans approved by Council that operate in a similar fashion to an overdraft facility.

Expected credit losses (ECL)

Council uses an allowance matrix to measure expected credit losses for receivables from individual customers, which comprise a large number of small balances. As rates and annual charges are secured over subject land no allowance for such receivables is made.

Notes to and forming part of the Financial Statements

for the year ended 30 June 2025

Note 12. Capital expenditure and investment property commitments

$ '000	2025	2024
(a) Capital commitments		
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:		
Plant and equipment	4,708	2,516
Infrastructure	8,023	10,479
	12,731	12,995
These expenditures are payable:		
Not later than one year	12,731	12,995
	12,731	12,995
(b) Other expenditure commitments		
Other non-capital expenditure commitments in relation to investment properties at the reporting date but not recognised in the financial statements as liabilities:		
Audit Services	–	–
Waste Management	–	–
Other Expenditure	2,266	3,106
	2,266	3,106
These expenditures are payable:		
Not later than one year	1,294	2,665
Later than one year and not later than 5 years	972	441
	2,266	3,106

Alexandrina Council

Notes to and forming part of the Financial Statements

for the year ended 30 June 2025

Note 13. Financial indicators

$ '000	Amounts 2025	Indicator 2025	Indicators 2024	Indicators 2023
Financial Indicators overview *These Financial Indicators have been calculated in accordance with Information paper 9 - Local Government Financial Indicators prepared as part of the LGA Financial Sustainability Program for the Local Government Association of South Australia.*				
1. Operating Surplus Ratio				
Operating surplus / Total operating income	**(1,234) / 71,487**	**(1.7)%**	(11.8)%	0.0%
This ratio expresses the operating surplus as a percentage of total operating revenue.				
2. Net Financial Liabilities Ratio				
Net financial liabilities / Total operating income	**41,079 / 71,487**	**57%**	77%	51%
Net Financial Liabilities are defined as total liabilities less financial assets (excluding equity accounted investments in Council businesses). These are expressed as a percentage of total operating revenue.				
Adjustments to Ratios *In recent years the Federal Government has made advance payments prior to 30th June from future year allocations of financial assistance grants, as explained in Note 1. These Adjusted Ratios correct for the resulting distortion in key ratios for each year and provide a more accurate basis for comparison.*				
Adjusted Operating Surplus Ratio				
Operating surplus / Total operating income	**(2,672) / 70,049**	**(3.8)%**	(7.2)%	(1.7)%
Adjusted Net Financial Liabilities Ratio				
Net financial liabilities / Total operating income	**42,517 / 70,049**	**61%**	74%	56%
3. Asset Renewal Funding Ratio				
Asset renewals / Infrastructure and Asset Management Plan required expenditure	**6,421 / 7,747**	**83%**	74%	116%
Asset renewals expenditure is defined as capital expenditure on the renewal and replacement of existing assets relative to the optimal level planned, and excludes new capital expenditure on the acquisition of additional assets.				

Alexandrina Council

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

Note 14. Uniform presentation of finances

$ '000	2025	2024
The following is a high level summary of both operating and capital investment activities of the Council prepared on a simplified Uniform Presentation Framework basis.		
All Councils in South Australia have agreed to summarise annual budgets and long-term financial plans on the same basis.		
The arrangements ensure that all Councils provide a common 'core' of financial information, which enables meaningful comparisons of each Council's finances.		
Income		
Rates	57,056	51,706
Statutory charges	1,692	1,536
User charges	4,417	4,021
Grants, subsidies and contributions - capital	1,205	1,440
Grants, subsidies and contributions - operating	6,228	350
Investment income	154	86
Reimbursements	68	218
Other income	661	343
Net gain - equity accounted council businesses	6	37
Total Income	71,487	59,737
Expenses		
Employee costs	(24,679)	(21,447)
Materials, contracts and other expenses	(25,140)	(23,645)
Depreciation, amortisation and impairment	(19,872)	(18,450)
Finance costs	(2,094)	(1,912)
Net loss - equity accounted council businesses	(936)	(1,350)
Total Expenses	(72,721)	(66,804)
Operating surplus / (deficit)	(1,234)	(7,067)
Less: grants, subsidies and contributions - capital	(1,205)	(1,440)
Adjusted Operating surplus / (deficit)	(2,439)	(8,507)
Net outlays on existing assets		
Capital expenditure on renewal and replacement of existing assets	(6,811)	(4,844)
Add back depreciation, amortisation and impairment	19,872	18,450
Add back proceeds from sale of replaced assets	390	523
	13,451	14,129
Net outlays on new and upgraded assets		
Capital expenditure on new and upgraded assets (including investment property and real estate developments)	(12,402)	(27,531)
Add back grants, subsidies and contributions - capital new/upgraded	1,205	1,440
Add back amounts received specifically for new and upgraded assets	5,000	2,159
	(6,197)	(23,932)
Annual net impact to financing activities (surplus/(deficit))	4,815	(18,310)

Alexandrina Council

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

Note 15. Leases

(a) Right of use assets

$ '000	Leased Motor Vehicle	Total
2025		
Opening balance	–	–
Additions to right-of-use assets	42	42
Depreciation charge	–	–
Other	–	–
Balance at 30 June	42	42
2024		
Opening balance	–	–
Additions to right-of-use assets	–	–
Depreciation charge	–	–
Other	–	–
Balance at 30 June	–	–

(b) Lease liabilities

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

$ '000	2025	2024
Balance at 1 July	–	–
Additions	42	–
Balance at 30 June	42	–
Classified as:		
Current	20	–
Non-current	22	–

Notes to and forming part of the Financial Statements

for the year ended 30 June 2025

Note 16. Superannuation

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

Accumulation only members

Accumulation only members receive both employer and employee contributions on a progressive basis. Employer contributions are based on a fixed percentage of ordinary time earnings in accordance with superannuation guarantee legislation (11.50% in 2024/25; 11.0% in 2023/24). No further liability accrues to the Council as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

Salarylink (Defined Benefit Fund) members

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

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

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

The most recent actuarial investigation was conducted by the Fund's actuary, Louise Campbell, FIAA, of Willis Towers Watson as at 30 June 2024. The Trustee has determined that the current funding arrangements are adequate for the expected Salarylink liabilities. However, future financial and economic circumstances may require changes to Council's contribution rates at some future time.

Contributions to other superannuation schemes

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

Alexandrina Council

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

Note 17. Interests in other entities

All joint ventures and associates are required to prepare Annual Financial Statements that comply with the SA Local Government Model Financial Statements.

	Council's Share of Net Income		Council's Share of Net Assets	
$ '000	2025	2024	2025	2024
Joint ventures - in loss	(936)	(1,350)	8,443	9,379
Joint ventures - in profit	6	37	386	380

(a) Joint ventures, associates and joint operations

(a) Carrying amounts

$ '000	Principal Activity	2025	2024
Adelaide Hills Regional Waste Management Authority	Waste Management	386	380
Fleurieu Regional Waste Authority	Waste Management	(6,048)	(5,230)
Fleurieu Regional Aquatic Centre Authority	Aquatic Centre	–	14,609
Fleurieu Regional Aquatic Centre	Aquatic Centre	14,491	–
Total carrying amounts - joint ventures and associates		8,829	9,759

Adelaide Hills Regional Waste Management Authority
The Authority is a Local Government Authority Section 43 Regional Subsidiary under the control of Adelaide Hills Council, Alexandrina Council, The District of Mount Barker and Rural City of Murray Bridge. This organisation operates as a regional waste management authority within the combined area.

Fleurieu Regional Waste Authority
The Authority is a Local Government Authority Section 43 Regional Subsidiary under the control of Victor Harbor, Alexandrina Council, Kangaroo Island Council and Yankalilla District Council. This organisation operates as a regional waste management authority within the combined area.

A provision for remediation costs has been recognised at 30 June 2021, with further provisions made in 2022/23, 2023/24 and 2024/25 which represents the Board's best estimate of the costs that may be incurred in relation to the coordination and removal of contaminating material from identified properties.

Remediation works commenced in July 2021, continued during 2024/25. The board estimates that the remediation works will be completed in the next 12 months.

Fleurieu Regional Aquatic Centre Authority
The Fleurieu Regional Aquatic Centre Authority was a Local Government Authority Section 43 Regional Subsidiary under the control of Alexandrina Council, and the City of Victor Harbor. This organisation operated an aquatic centre. The Authority ceased operating on 1 July 2024 and was wound up on 1 August 2024 following approval being granted from the Minister for Local Government and Member Councils decision to restructure the operations of the Authority to operate the facility under a joint venture arrangement. The final distribution of all assets and liabilities was prepared and audited as part of the 2024/25 financial year.

Southern and Hills Local Government Associations
The Southern and Hills Local Government Association is a regional subsidiary to represent the interests of all Councils in the Southern Hills, Fleurieu Peninsula and Kangaroo Island, within the Local Government in SA. The group meet on a monthly basis and discuss Local Government policy and procedures, and provide advice back to the LGA from a regional perspective.

Alexandrina councils interest in the Southern and Hills Local Government Association for 2024/25 is deemed to be immaterial in amount and has not been recognised, This will be reviewed annually.

Fleurieu Regional Aquatic Centre
The Fleurieu Regional Aquatic Centre is a Joint Ventre under the control of City of Victor Harbor and Alexandrina Council.

continued on next page ...

Alexandrina Council

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

Note 17. Interests in other entities (continued)

The Joint Ventre started operating on 1 July 2024 following approval from the Minister for Local Government and member councils to wind up the Fleurieu Regional Aquatic Centre Authority.

(b) Relevant interests

	Ownership Share of Equity		Proportion of Voting Power	
	2025	2024	2025	2024
Adelaide Hills Regional Waste Management Authority	8.80%	9.00%	25.00%	25.00%
Fleurieu Regional Aquatic Centre Authority	0.00%	50.00%	0.00%	50.00%
Fleurieu Regional Waste Authority	48.00%	48.00%	25.00%	25.00%
Fleurieu Regional Aquatic Centre	50.00%	0.00%	50.00%	0.00%
Southern and Hills Local Government Association	14.00%	14.00%	14.00%	14.00%

(c) Movement in investment in joint venture or associate

	Adelaide Hills Regional Waste Management Authority		Fleurieu Regional Aquatic Centre Authority		Fleurieu Regional Waste Authority		Fleurieu Regional Aquatic Centre		Southern and Hills Local Government Associations	
$ '000	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Opening Balance	380	344	14,609	14,977	(5,230)	(4,248)	–	–	–	–
Share in operating result	6	36	–	(368)	(818)	(982)	(118)	–	–	–
New capital contributions	–	–	(14,609)	–	–	–	14,609	–	–	–
Council's equity share in the joint venture or associate	386	380	–	14,609	(6,048)	(5,230)	14,491	–	–	–

(d) Transactions with Council

$ '000	2025	2024
Aggregate amount of transactions with Council		
- payments to Council	1,010	147
- receipts from Council	5,271	4,783
Aggregate amount owed to/owed by with Council		
- payments to Council	702	99
- receipts from Council	397	–

(e) Basham Beach Trust

Trust monies and property held by Council but subject to the control of other persons have been excluded from these reports. Council performs a custodial role in respect of Basham Beach Trust monies, and because the monies cannot be used for Council purposes, they are not brought to account in the financial report, but are disclosed for information purposes.

Opening Balance	585	460
Add Port Elliot Caravan Park Lease (55%)	164	100
Capital Grant	–	–
Interest	26	25
Less Reimbursed Expenditure	207	–

continued on next page ...

Notes to and forming part of the Financial Statements

for the year ended 30 June 2025

Note 17. Interests in other entities (continued)

$ '000	2025	2024
Add Outstanding Withdrawal	–	–
Closing LGFA Balance	568	585

Alexandrina Council

Notes to and forming part of the Financial Statements

for the year ended 30 June 2025

Note 18. Contingencies and assets/liabilities not recognised in the balance sheet

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

1. Land under roads

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

2. Potential insurance losses

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

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

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

3. Bank guarantees

Council has guaranteed certain loans and other banking facilities advanced to community organisations and sporting bodies, amounting to $120,000 (2024: $120,000) at reporting date.

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

4. Community waste infrastructure agreement

In accordance with the agreement there is an obligation to reimburse 50% of any excess augmentation fees received by Council to a third party for one of Council's schemes.

Council is of the opinion that it is not possible to attribute a value sufficiently reliably, due to the unknown timing of the augmentation fees and if excess augmentation connection fees are calculated as zero or a negative number in respect of a financial year; no amount is payable.

Council will therefore recognise any amount owed in the relevant year as it is incurred.

Notes to and forming part of the Financial Statements

for the year ended 30 June 2025

Note 19. Events after the balance sheet date

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

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

Note 20. Related party transactions

Key management personnel

Transactions with key management personnel

The Key Management Personnel of the Council include the Mayor, Councillors, CEO and certain prescribed officers under section 112 of the Local Government Act 1999. In all, 18 persons were paid the following total compensation.

$ '000	2025	2024
The compensation paid to key management personnel comprises:		
Short-term employee benefits	1,522	1,503
Post-employment benefits	131	128
Total	1,653	1,631

Amounts paid as direct reimbursements of expenses incurred on behalf of Council have not been included above.

A Key Management Personnel is on the board of a community group from which miscellanous items were procured as required on 14 day account. Total invoices amounting to $2,367.72 were processed during FY25 ($594 during FY24). $1,200 is outstanding at the end of the year. All purchases were conducted at an arm's length basis. Total contribution funding amounting to $104,984 was made during FY25 ($95,090 grant funding was provided during FY24). All grants were assessed and granted following Council's guidelines.

A Key Management Personnel is a committee member of a community group from which miscellanous items were procured as required on 14 day account. Total purchases amounting to $375 were made during FY25 ($475 were made during FY24). NIL balance is outstanding at the end of the year. All purchases were conducted at an arm's length basis.
The Key Management Personnel is a committee member of a second community group for which a grant was given. Total grants amounting to $6,212.50 were paid during FY25. All grants are assessed and granted following Council's guidelines.

A Key Management Personnel is a committee member of a community group to whom grant funding of $1,000 was provided. NIL balance is outstanding at the end of the year. Total grant funding amounting to $2,200 was made during FY24. All grants were assessed and granted following Council's guidelines.

A Key Management Personnel is a committee member of a community group from which miscellanous items were procured as required on 14 day account. Total purchases amounting to $13,612.50 were made during FY25 ($13,725 were made during FY24). NIL balance is outstanding at the end of the year. All purchases were conducted at an arm's length basis.
The Key Management Personnel is also a Council Liaison Officer for another community group for which Council made contributions to and passed on income recieved to Council for the community group. Total amount paid to/ passed on to of $103,065. NIL balance is outstanding at the end of the year.

A Key Management Personnel family member owns a business from which recruitment services were procured as required on 30 day account. Total purchases amounting to $880 outstanding at the end of FY24 were paid during FY25. No other purchases were made during FY25.

A Key Management Personnel family member owns a business for which an annual licence fee was charged. Total fees paid in FY25 were $2,640.00

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Notes to and forming part of the Financial Statements

for the year ended 30 June 2025

Note 20. Related party transactions (continued)

A Key Management Personnel a board member of a professional association which employee memberships, training courses, and events were paid as required on 30 day account. Total purchases amounting to $53,993.31 were paid during FY25, $629.75 relating to FY24 purchases. No amounts were outstanding at the end of FY25. No other purchases were made during FY25.

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INDEPENDENT AUDITOR'S REPORT

To the members of Alexandrina Council

Opinion

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

In our opinion, the financial report presents fairly, in all material respects, the financial position of the Council as at 30 June 2025, and its financial performance and its cash flows for the year then ended in accordance with the Australia Accounting Standards, *Local Government Act 1999* and *Local Government (Financial Management) Regulations 2011*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Council's responsibility for the financial report

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

In preparing the financial report, Council is responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Council either intends to liquidate the Council or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Council's financial reporting process.

Mount Gambier
233 Commercial Street West
PO Box 246, Mount Gambier SA 5290
P: (08) 8725 3068
F: (08) 8724 9553
E: admin@galpins.com.au

Stirling
Unit 4, 3-5 Mount Barker Road
PO Box 727, Stirling SA 5152
P: (08) 8339 1255
F: (08) 8339 1266
E: stirling@galpins.com.au

Norwood
3 Kensington Road, Norwood SA 5067
PO Box 4067, Norwood South SA 5067
P: (08) 8332 3433
E: norwood@galpins.com.au

W: www.galpins.com.au

Galpins Trading Pty Ltd
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Auditor's responsibility for the audit of the financial report

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

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

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

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

GALPINS ACCOUNTANTS, AUDITORS & BUSINESS CONSULTANTS



Tim Muhlhausler CA, Registered Company Auditor
Director

26 November 2025

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Accountants, Auditors
& Business Consultants

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AUSTRALIA + NEW ZEALAND

To the members of Alexandrina Council

Independent Assurance Report on the Internal Controls of Alexandrina Council

Opinion

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

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

Basis for opinion

We conducted our engagement in accordance with applicable Australian Standards on Assurance Engagement ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* and ASAE 3150 *Assurance Engagement on Controls*, issued by the Australian Auditing and Assurance Standards Board, in order to state whether, in all material respects, the Council has complied with Section 125 of the *Local Government Act 1999* in relation only to the internal controls specified above for the period 1 July 2024 to 30 June 2025. ASAE 3000 also requires us to comply with the relevant ethical requirements of the Australian professional accounting bodies.

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

The Council's responsibility for internal controls

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

Our independence and quality control

We have complied with the independence and other relevant ethical requirements relating to assurance engagements, and applied Auditing Standard ASQM 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements* in undertaking this assurance engagement.

Mount Gambier
233 Commercial Street West
PO Box 246, Mount Gambier SA 5290
P: (08) 8725 3068
F: (08) 8724 9553
E: admin@galpins.com.au

Stirling
Unit 4, 3-5 Mount Barker Road
PO Box 727, Stirling SA 5152
P: (08) 8339 1255
F: (08) 8339 1266
E: stirling@galpins.com.au

Norwood
3 Kensington Road, Norwood SA 5067
PO Box 4067, Norwood South SA 5067
P: (08) 8332 3433
E: norwood@galpins.com.au

W: www.galpins.com.au

Galpins Trading Pty Ltd
ABN: 89 656 702 886

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Auditor's responsibility

Our responsibility is to express an opinion on the Council's compliance with Section 125 of the *Local Government Act 1999* in relation only to the internal controls established by the Council to ensure that financial transactions relating to receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities have been conducted properly and in accordance with the law, based on our procedures. Our engagement has been conducted in accordance with applicable Australian Standards on Assurance Engagements ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Information* and ASAE 3150 *Assurance Engagements on Controls*, issued by the Australian Auditing and Assurance Standards Board, in order to state whether, in all material respects, the Council has complied with Section 125 of the *Local Government Act 1999* in relation only to the internal controls specified above for the period 1 July 2024 to 30 June 2025. ASAE 3000 also requires us to comply with the relevant ethical requirements for the Australian professional accounting bodies.

Limitations of controls

Because of the inherent limitations of any internal control structure it is possible that, even if the controls are suitably designed and operating effectively, the control objectives may not be achieved so that fraud, error, or non-compliance with laws and regulations may occur and not be detected.

An assurance engagement on controls is not designed to detect all instances of controls operating ineffectively as it is not performed continuously throughout the period and the tests performed are on a sample basis. Any projection of the outcome of the evaluation of controls to future periods is subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with them may deteriorate.

Limitation of use

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

GALPINS ACCOUNTANTS, AUDITORS & BUSINESS CONSULTANTS



Tim Muhlhausler CA, Registered Company Auditor
Director

26 November 2025

Alexandrina Council

General Purpose Financial Statements

for the year ended 30 June 2025

Certification of Auditor Independence

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Alexandrina Council for the year ended 30 June 2025, the Council's Auditor, Galpins Accountants, Auditors & Business Consultants has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

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

Andrew MacDonald
Chief Executive

Brendan Dowd
Presiding Member, Audit and Risk Committee

Date: 17/11/2025

Galpins
Accountants, Auditors
& Business Consultants

CHARTERED ACCOUNTANTS™
AUSTRALIA • NEW ZEALAND

ALEXANDRINA COUNCIL

GENERAL PURPOSE FINANCIAL STATEMENTS
For the year ended 30 June 2025

Statement by Auditor

I confirm that, for the audit of the financial statements of Alexandrina Council for the year ended 30 June 2025, I have maintained my independence in accordance with the requirements of APES 110 – *Code of Ethics for Professional Accountants (Including Independence Standards)*, Part 4A, published by the Accounting Professional and Ethical Standards Board, in accordance with the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

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

GALPINS ACCOUNTANTS, AUDITORS & BUSINESS CONSULTANTS



Tim Muhlhausler CA, Registered Company Auditor
Director

26 November 2025

Mount Gambier
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