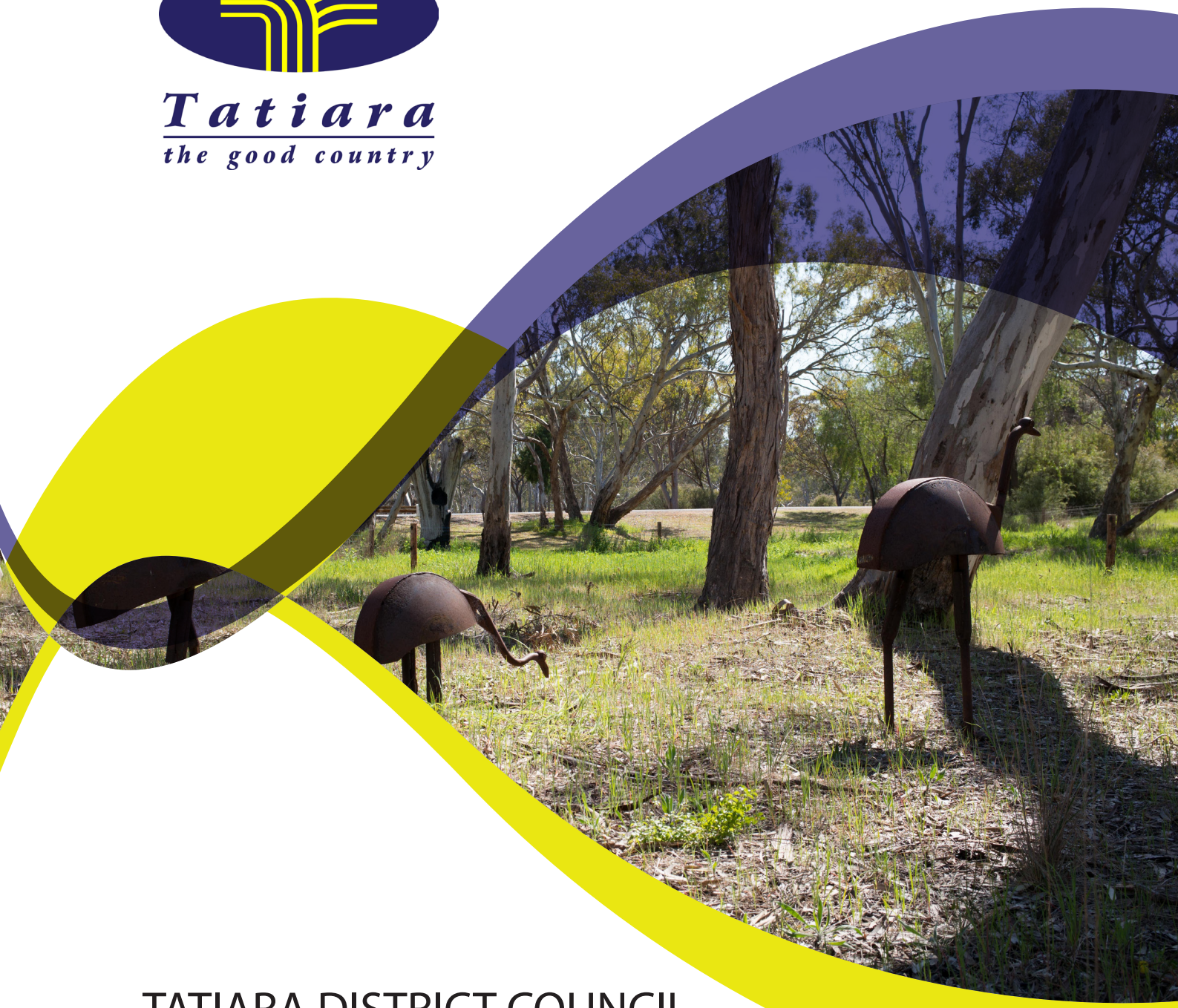
Tatiara
the good country



TATIARA DISTRICT COUNCIL

AUDITED FINANCIAL STATEMENTS

2025-2026

Tatiara District Council

General Purpose Financial Statements

for the year ended 30 June 2026

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Tatiara District Council

General Purpose Financial Statements

for the year ended 30 June 2026

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 2026* and Australian Accounting Standards,
- the financial statements present a true and fair view of the Council's financial position at 30 June 2026 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.



Kingsley Green
Chief Executive Officer

13 October 2026



Liz Goossens
Mayor

13 October 2026

Tatiara District Council

Statement of Comprehensive Income

for the year ended 30 June 2026

$ '000	Notes	2026	2025
Income			
Rates	4a	12,741	12,320
Statutory charges	4b	131	180
User charges	4c	1,502	1,488
Grants, subsidies and contributions - operating	4g	6,440	6,322
Grants, subsidies and contributions - capital	4g	102	1,378
Investment income	4d	1,120	1,227
Reimbursements	4e	149	489
Other income	4f	409	387
Total income		22,594	23,791
Expenses			
Employee costs	5a	6,606	6,283
Materials, contracts and other expenses	5b	7,888	7,327
Depreciation, amortisation and impairment	5c	6,537	6,262
Finance costs	5d	31	39
Total expenses		21,062	19,911
Operating surplus / (deficit)		1,532	3,880
Physical resources received free of charge	4h	571	–
Amounts received specifically for new or upgraded assets	4g	455	683
Asset disposal and fair value adjustments	6	(912)	(996)
Net surplus / (deficit)		1,646	3,567
Other comprehensive income			
Changes in revaluation surplus - I,PP&E	11a	26,518	2,883
Total amounts which will not be reclassified subsequently to operating result		26,518	2,883
Total other comprehensive income		26,518	2,883
Total comprehensive income		28,164	6,450

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

Tatiara District Council

Statement of Financial Position

as at 30 June 2026

$ '000	Notes	2026	2025
ASSETS			
Current assets			
Cash and cash equivalent assets	7a	28,650	26,390
Trade and other receivables	7b	915	1,050
Inventories	7c	1,109	1,179
Total current assets		30,674	28,619
Non-current assets			
Trade and other receivables	8	305	291
Infrastructure, property, plant and equipment	9	256,259	228,756
Total non-current assets		256,564	229,047
TOTAL ASSETS		287,238	257,666
LIABILITIES			
Current liabilities			
Trade and other payables	10a	1,756	737
Borrowings	10b	–	91
Provisions	10c	1,357	1,152
Total current liabilities		3,113	1,980
Non-current liabilities			
Provisions	10c	463	188
Total non-current liabilities		463	188
TOTAL LIABILITIES		3,576	2,168
Net assets		283,662	255,498
EQUITY			
Accumulated surplus		8,235	5,641
Asset revaluation reserves	11a	261,653	235,135
Other reserves	11b	13,774	14,722
Total equity		283,662	255,498

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

Tatiara District Council

Statement of Changes in Equity

for the year ended 30 June 2026

$ '000	Notes	Accumulated surplus	Asset revaluation reserve	Other reserves	Total equity
2026					
Balance as at 1 July		5,641	235,135	14,722	255,498
Net surplus / (deficit) for year		1,646	–	–	1,646
Other comprehensive income					
Gain (loss) on revaluation of IPP&E	9a	–	26,518	–	26,518
Other comprehensive income		–	26,518	–	26,518
Total comprehensive income		1,646	26,518	–	28,164
Transfers between reserves	11b	948	–	(948)	–
Balance at the end of period		8,235	261,653	13,774	283,662
2025					
Balance as at 1 July		3,220	232,252	13,576	249,048
Restated opening balance		3,220	232,252	13,576	249,048
Net surplus / (deficit) for year		3,567	–	–	3,567
Other comprehensive income					
Gain (loss) on revaluation of IPP&E	9a	–	2,883	–	2,883
Other comprehensive income		–	2,883	–	2,883
Total comprehensive income		3,567	2,883	–	6,450
Transfers between reserves	11b	(1,146)	–	1,146	–
Balance at the end of period		5,641	235,135	14,722	255,498

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

Tatiara District Council

Statement of Cash Flows

for the year ended 30 June 2026

$ '000	Notes	2026	2025
Cash flows from operating activities			
Receipts			
Rates receipts		12,731	12,287
Statutory charges		131	180
User charges		1,502	1,381
Grants, subsidies and contributions		6,440	6,322
Investment receipts		1,120	1,227
Reimbursements		149	489
Other receipts		2,612	1,330
Payments			
Payments to employees		(6,405)	(6,273)
Payments for materials, contracts and other expenses		(8,763)	(8,798)
Finance payments		(34)	(44)
Net cash provided by (or used in) operating activities	12b	9,483	8,101
Cash flows from investing activities			
Receipts			
Grants utilised for capital purposes		102	1,378
Amounts received specifically for new or upgraded assets		455	683
Sale of replaced assets		46	246
Repayments of loans by community groups		41	29
Payments			
Expenditure on renewal/replacement of assets		(2,714)	(3,766)
Expenditure on new/upgraded assets		(5,195)	(2,911)
Loans made to community groups		(55)	50
Net cash provided (or used in) investing activities		(7,320)	(4,291)
Cash flows from financing activities			
Receipts			
Proceeds from bonds and deposits		188	3
Payments			
Repayments of loans		(91)	(173)
Net cash provided by (or used in) financing activities		97	(170)
Net increase (decrease) in cash held		2,260	3,640
plus: cash & cash equivalents at beginning of period		26,390	22,750
Cash and cash equivalents held at end of period	12a	28,650	26,390

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

Tatiara District Council

Notes to and forming part of the Financial Statements

for the year ended 30 June 2026

Contents of the Notes accompanying the General Purpose Financial Statements

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Tatiara District Council

Notes to and forming part of the Financial Statements

for the year ended 30 June 2026

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 15 of the *Local Government (Financial Management) Regulations 2026.*

1.2 Historical cost convention

Except as stated below, these financial statements have been prepared in accordance with the historical cost convention.

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. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are specifically referred to 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

Tatiara District Council is incorporated under the SA *Local Government Act 1999* and has its principal place of business at 43 Woolshed Street, Bordertown. 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.

(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 (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 Council 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.

continued on next page ...

Tatiara District Council

Notes to and forming part of the Financial Statements
for the year ended 30 June 2026

Note 1. Summary of Material Accounting Policies (continued)

Year	Cash Payment Received	Annual Allocation	Difference
2022/23	$5,091,489	$3,992,427	+ $1,099,062
2023/24	$354,057	$4,303,374	- $3,949,317
2024/25	$5,967,497	$4,009,242	+ $1,958,255
2025/26	$5,163,615	$3,945,908	+ $ 1,217,707

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 amount of the distortion for 2025/26 is +$1,217,707 (2024/25 was +$1,958,255).

The Adjusted Operating Surplus Ratio disclosed in Note 13 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. A detailed statement of the accounting policies applied to financial instruments also form part of Note 13.

(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.

(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 an appropriate proportion of variable and fixed overhead.

Capital works still in progress at balance date are recognised as other non-current assets and transferred to infrastructure, property, plant & equipment when completed ready for use.

continued on next page ...

Tatiara District Council

Notes to and forming part of the Financial Statements

for the year ended 30 June 2026

Note 1. Summary of Material Accounting Policies (continued)

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 in Note 9. No capitalisation threshold is applied to the acquisition of land or interests in land.

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 9.

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.

Depreciation methods, useful lives and residual values of classes of assets are reviewed annually.

Major depreciation periods for each class of asset are shown in Note 9. 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.

(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 initially recognised at fair value, net of transaction costs incurred and are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the income statement over the period of the borrowings using the effective interest method.

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”. Interest free loans are initially recognised at fair value with any difference between fair value and proceeds recognised in the profit and loss. The loan is subsequently measured at amortised cost with interest being recognised using the effective interest rate method.

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Tatiara District Council

Notes to and forming part of the Financial Statements
for the year ended 30 June 2026

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 expected to be paid or settled within 12 months of reporting date are accrued at nominal amounts (including payroll based on costs) measured in accordance with AASB 119.

Liabilities for employee benefits not expected to be paid or settled within 12 months are measured as the present value of the estimated future cash outflows (including payroll based on costs) 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.

Weighted avg. discount rate 4.48% (2025, 3.93%)
Weighted avg. settlement period 1 year (2025, 1 year)

No accrual is made for sick leave as Council experience indicates that, on average, sick leave taken in each reporting period is less than the entitlement accruing in that period, and this experience is expected to recur in future reporting periods.

9.2 Superannuation

The Council makes employer superannuation contributions in respect of its employees to the Statewide 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 17.

(10) 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.

(11) New accounting standards and UIG interpretations

There were no relevant new accounting standards mandatorily effective for the year ended 30 June 2026.

The AASB has issued Australian Accounting Standards and Interpretations which are not mandatorily effective at 30 June 2026, these standards have not been adopted by Council and will be included in the financial statements on their effective date. Where the standard is expected to have a significant impact for Council then further information has been provided in this note.

The following list identifies all the new and amended Australian Accounting Standards, and Interpretation, that were issued but not yet effective at the time of compiling these statements that could be applicable to Councils.

Effective for NFP annual reporting periods beginning on or after 1 January 2026

- AASB 2025-2 Amendments to Australian Accounting Standards - Classification and Measurement of Financial Instruments

- AASB 2024-3 Amendments to Australian Accounting Standards – Annual Improvements Volume 11 [AASB 1, AASB 7, AASB 9, AASB 10 and AASB 107]

Effective for NFP annual reporting periods beginning on or after 1 July 2026 for public sector

- AASB 17 Insurance Contracts (amended by AASB 2020-5, AASB 2024-1, AASB 2024-8 and AASB 2024-9 Insurance Contracts in the Public Sector)

Effective for NFP annual reporting periods beginning on or after 1 January 2028

- AASB 2014-10 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (amended by AASB 2015-10, AASB 2017-5, AASB 2024-7 and AASB 2025-4)

- AASB 18 Presentation and Disclosure in Financial Statements

Tatiara District Council

Notes to and forming part of the Financial Statements

for the year ended 30 June 2026

Note 2. Financial indicators

$ '000	Amounts 2026	Indicator 2026	Indicators 2025	Indicators 2024
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	**1,532**	**6.8%**	16.3%	(14.4)%
Total operating income	**22,594**			
This ratio expresses the operating surplus as a percentage of total operating revenue.				
2. Net Financial Liabilities Ratio				
Net financial liabilities	**(26,294)**	**(116)%**	(107)%	(126)%
Total operating income	**22,594**			
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	**314**	**1.4%**	8.1%	6.6%
Total operating income	**22,594**			
Adjusted Net Financial Liabilities Ratio				
Net financial liabilities	**(26,294)**	**(116)%**	(108)%	(103)%
Total operating income	**22,594**			
3. Asset Renewal Funding Ratio				
Asset renewals	**2,714**	**53%**	85%	86%
Infrastructure and Asset Management Plan required expenditure	**5,087**			
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.				

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Tatiara District Council

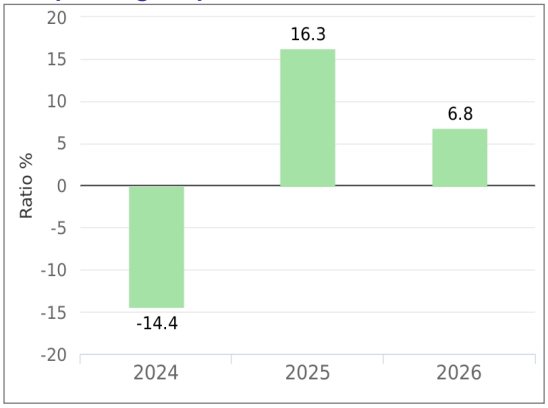
Notes to and forming part of the Financial Statements

for the year ended 30 June 2026

Note 2. Financial indicators (continued)

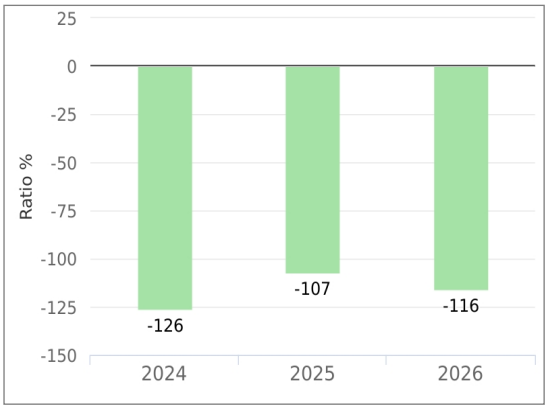
Financial indicators - graphs

1. Operating Surplus Ratio



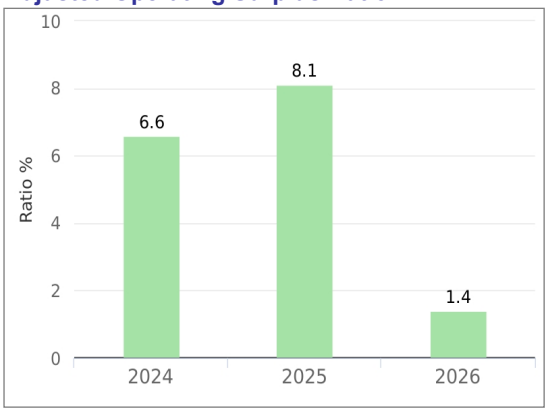
Purpose of operating surplus ratio	Commentary on 2025/26 result
This indicator is to determine the percentage the operating revenue varies from operating expenditure	2025/26 ratio 6.8% Council's operating position was above forecast expectation due to a combination of brought forward revenue and delayed expenditure. Council received an equivalent of 130% allocation of Federal Assistance Grant Funding in 2025/26, and delayed operating expenditure on the ICT project. This resulted in a favourable year end operating position, however the expenditure will present in the future. Long term modelling supports Council decision making with methodology to timing variability.

2. Net Financial Liabilities Ratio



Purpose of net financial liabilities ratio	Commentary on 2025/26 result
This indicator shows the significance of the net amount owed to others, compared to operating revenue	2025/26 ratio (116)% Council holds cash reserves for the renewal of long life assets, therefore our cash holdings exceed the current liability of Council significantly. While a negative number, the lower the number, the stronger the cash position of Council, reflecting a strong position.

Adjusted Operating Surplus Ratio



Purpose of adjusted operating surplus ratio	Commentary on 2025/26 result
This indicator is to determine the percentage the operating revenue (adjusted for timing differences in the Financial Assistance Grant) varies from operating expenditure	2025/26 ratio 1.4% As noted against the operating surplus ratio, delays in project expenditure have contributed to an operating surplus. These expenditure requirements will be realised in 2026/27 and forecasts indicate the surplus over a longer term will balance to within the target ratio.

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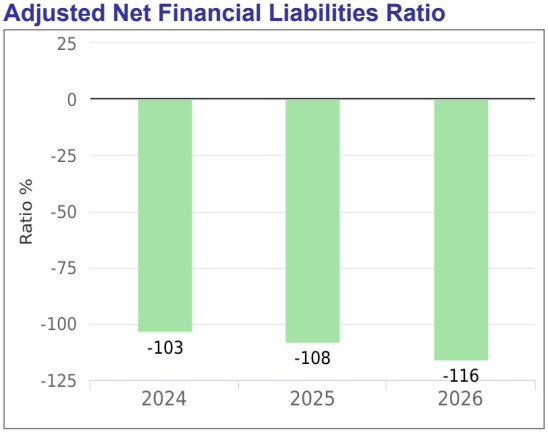
Tatiara District Council

Notes to and forming part of the Financial Statements

for the year ended 30 June 2026

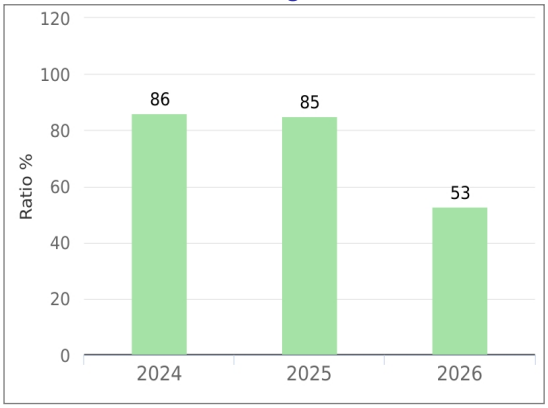
Note 2. Financial indicators (continued)

Adjusted Net Financial Liabilities Ratio



Purpose of adjusted net financial liabilities ratio	Commentary on 2025/26 result
This indicator is to determine the percentage the operating revenue (adjusted for timing differences in the Financial Assistance Grant) varies from operating expenditure	2025/26 ratio (116)%

3. Asset Renewal Funding Ratio



Purpose of asset renewal funding ratio	Commentary on 2025/26 result
This indicator aims to determine if assets are being renewed and replaced in an optimal way	2025/26 ratio 53% The Asset Renewal Funding ratio, is driven by expenditure forecasts. Council has conducted thorough condition assessments and prioritisation of work. Due to the global fuel crisis non-critical work was delayed. While the ratio is below the target, asset health remains on track. This is demonstrated by external revaluations consistently providing strong feedback on asset condition. Work is underway to review strategic forecasts to need.

Tatiara District Council

Notes to and forming part of the Financial Statements

for the year ended 30 June 2026

Note 3. Uniform presentation of finances

$ '000	2026	2025

The following is a high-level summary of both operating and capital investment activities of the Council prepared on a modified Uniform Presentation Framework basis, adjusted for timing differences associated with prepaid Federal assistance Grants required to be recognised as revenue on receipt in accordance with Australian Accounting Standards.

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	12,741	12,320
Statutory charges	131	180
User charges	1,502	1,488
Grants, subsidies and contributions - capital	102	1,378
Grants, subsidies and contributions - operating	6,440	6,322
Investment income	1,120	1,227
Reimbursements	149	489
Other income	409	387
Total Income	22,594	23,791
Expenses		
Employee costs	(6,606)	(6,283)
Materials, contracts and other expenses	(7,888)	(7,327)
Depreciation, amortisation and impairment	(6,537)	(6,262)
Finance costs	(31)	(39)
Total Expenses	(21,062)	(19,911)
Operating surplus / (deficit)	1,532	3,880
Less: grants, subsidies and contributions - capital	(102)	(1,378)
Adjusted Operating surplus / (deficit) before capital amounts	1,430	2,502
Net outlays on existing assets		
Capital expenditure on renewal and replacement of existing assets	(2,714)	(3,766)
Add back depreciation, amortisation and impairment	6,537	6,262
Add back proceeds from sale of replaced assets	46	246
	3,869	2,742
Net outlays on new and upgraded assets		
Capital expenditure on new and upgraded assets (including investment property and real estate developments)	(5,195)	(2,911)
Add back grants, subsidies and contributions - capital new/upgraded	102	1,378
Add back amounts received specifically for new and upgraded assets	455	683
	(4,638)	(850)
Adjusted annual net impact to financing activities (surplus/(deficit))	661	4,394

Tatiara District Council

Notes to and forming part of the Financial Statements

for the year ended 30 June 2026

Note 4. Income

$ '000	2026	2025
(a) Rates		
General rates		
General rates	10,084	9,749
Less: mandatory rebates	(87)	(87)
Less: discretionary rebates, remissions and write-offs	(57)	(47)
Total general rates	9,940	9,615
Other rates (including service charges)		
Landscape levy	617	584
Waste collection	1,127	1,126
Community wastewater management systems	1,004	944
Total other rates (including service charges)	2,748	2,654
Other charges		
Penalties for late payment	53	51
Total other charges	53	51
Total rates	12,741	12,320
(b) Statutory charges		
Planning, Development and Infrastructure Act fees	56	105
Health and septic tank inspection fees	7	8
Animal registration fees and fines	47	48
Other licences, fees and fines	21	19
Total statutory charges	131	180
(c) User charges		
Cemetery/crematoria fees	109	86
Hall and equipment hire	44	33
Sales - general	–	1
Sundry	22	26
Visitor Information Centre	16	13
Truck Wash Fees	79	95
Transfer Station Fees	96	135
Swimming Pool Revenue	110	125
Ticket Sales	17	20
Caravan Park Fees	1,009	954
Total user charges	1,502	1,488

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Notes to and forming part of the Financial Statements

for the year ended 30 June 2026

Note 4. Income (continued)

$ '000	2026	2025
(d) Investment income		
Interest on investments		
Local Government Finance Authority	948	1,005
Banks & Other	153	205
Loans to Community Groups	19	17
Total investment income	1,120	1,227
(e) Reimbursements		
Private works	23	47
Other	126	442
Total reimbursements	149	489
(f) Other income		
Insurance and other recoupments - infrastructure, property, plant and equipment	23	–
Rebates received	5	5
Sundry	141	133
Keith Service Income (Services SA, Centrelink)	171	158
Health Inspection Food Premises Audits	69	91
Total other income	409	387

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Tatiara District Council

Notes to and forming part of the Financial Statements
for the year ended 30 June 2026

Note 4. Income (continued)

$ '000	2026	2025
(g) Grants, subsidies and contributions		
Capital grants, subsidies and contributions		
Amounts received specifically for new or upgraded assets	455	683
Total amounts received for new or upgraded assets	455	683
Other grants, subsidies and contributions - capital		
Untied - Local roads and community	102	641
Roads to Recovery	–	737
Total Other grants, subsidies and contributions - capital	102	1,378
Operating grants, subsidies and contributions		
Untied - Financial Assistance Grant	5,164	5,967
Roads to Recovery	907	–
Library and communications	20	17
Sundry	349	338
Other grants, subsidies and contributions - operating		
Total other grants, subsidies and contributions - operating	6,440	6,322
Total grants, subsidies and contributions	6,997	8,383
(i) Sources of grants		
Commonwealth Government	1,763	1,886
State Government	5,234	6,497
Total	6,997	8,383
(h) Physical resources received free of charge		
Other	571	–
Total physical resources received free of charge	571	–

Tatiara District Council

Notes to and forming part of the Financial Statements
for the year ended 30 June 2026

Note 5. Expenses

$ '000	Notes	2026	2025
(a) Employee costs			
Salaries and wages		5,526	5,464
Employee leave expense		394	298
Superannuation - defined contribution plan contributions	15	596	557
Superannuation - defined benefit plan contributions	15	79	82
Workers' compensation insurance		235	212
Less: capitalised and distributed costs		(224)	(330)
Total operating employee costs		6,606	6,283
Total number of employees (full time equivalent at end of reporting period)		63	67
(b) Materials, contracts and other expenses			
(i) Prescribed expenses			
Auditor's remuneration			
- Auditing the financial reports		48	71
Elected members' expenses		266	257
Election expenses		2	31
Subtotal - prescribed expenses		316	359
(ii) Other materials, contracts and expenses			
Contractors		2,283	2,100
Maintenance		3,221	3,032
Legal expenses		89	36
Levies Paid to Government - RL levy		618	583
Grants to community groups		64	94
Sundry		274	197
Minor Capital Expenses		48	29
Caravan Park		503	479
Fuel and Oil		472	418
Subtotal - Other material, contracts and expenses		7,572	6,968
Total materials, contracts and other expenses		7,888	7,327

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Tatiara District Council

Notes to and forming part of the Financial Statements

for the year ended 30 June 2026

Note 5. Expenses (continued)

$ '000	2026	2025
(c) Depreciation, amortisation and impairment		
(i) Depreciation and amortisation		
Buildings and other structures	774	558
Infrastructure		
Stormwater Drainage	133	133
Roads	4,125	4,090
Bridges	92	86
Footpaths	152	141
Sewerage, Effluent Drainage	506	598
Plant and equipment	559	572
Wolseley Water	13	1
Parks and Garden	92	65
Aerodromes	91	18
Total depreciation, amortisation and impairment	6,537	6,262
(d) Finance costs		
Interest on loans	31	39
Total finance costs	31	39

Note 6. Asset disposal and fair value adjustments

$ '000	2026	2025
Infrastructure, property, plant and equipment		
(i) Assets renewed or directly replaced		
Proceeds from disposal	46	246
Less: carrying amount of assets sold	(958)	(1,242)
Gain (loss) on disposal	(912)	(996)
Net gain (loss) on disposal or revaluation of assets	(912)	(996)

Tatiara District Council

Notes to and forming part of the Financial Statements

for the year ended 30 June 2026

Note 7. Current assets

$ '000	2026	2025
(a) Cash and cash equivalent assets		
Cash on hand and at bank	394	356
Deposits at call	25,855	22,658
Short term deposits and bills, etc.	2,401	3,376
Total cash and cash equivalent assets	28,650	26,390
(b) Trade and other receivables		
Rates - general and other	470	460
Accrued revenues	154	293
Debtors - general	61	91
GST recoupment	96	170
Prepayments	99	–
Loans to community organisations	33	33
Sundry	8	9
Subtotal	921	1,056
Less: provision for expected credit losses	(6)	(6)
Total trade and other receivables	915	1,050
(c) Inventories		
Stores and materials	1,109	1,179
Total inventories	1,109	1,179

Aggregate write-downs and other losses recognised as an expense, and reversals of these, were not material in amount in either year. All such reversals occurred principally as a result of clerical inaccuracies during stores operations.

Note 8. Non-current assets

$ '000	2026	2025
Trade and other receivables		
Receivables		
Loans to community organisations	305	291
Total financial assets	305	291

Tatiara District Council

Notes to and forming part of the Financial Statements
for the year ended 30 June 2026

Note 9. Infrastructure, property, plant & equipment and investment property

Infrastructure, property, plant and equipment

		as at 30/06/25				Asset movements during the reporting period							as at 30/06/26			
$ '000	Fair Value Level	At Fair Value	At Cost	Accumulated Depreciation	Carrying amount	Asset Additions New / Upgrade	Asset Additions Renewals	WDV of Asset Disposals	Depreciation Expense (Note 5c)	WIP Transfers	Adjustments & Transfers	Revaluation Increments to Equity (ARR) (Note 11)	At Fair Value	At Cost	Accumulated Depreciation	Carrying amount
Capital work in progress	1	–	1,023	–	1,023	4,618	32	–	–	(521)	–	–	–	5,152	–	5,152
Land - community	3	4,273	–	–	4,273	–	–	–	–	–	–	518	4,791	–	–	4,791
Land - other	2	6,311	350	–	6,661	–	–	–	–	–	(10,681)	7,826	3,806	–	–	3,806
Land - other	3	–	–	–	–	–	–	–	–	–	10,681	–	10,681	–	–	10,681
Buildings and other structures	2	9,849	38	(7,128)	2,759	–	–	–	(8)	–	446	(2,883)	662	–	(348)	314
Buildings and other structures	3	24,522	1,150	(15,186)	10,486	42	181	(76)	(766)	26	(446)	10,868	44,548	223	(24,456)	20,315
Stormwater Drainage	3	12,093	16	(4,610)	7,499	4	4	–	(133)	–	–	742	12,943	8	(4,835)	8,116
Roads	3	226,530	3,104	(60,194)	169,440	90	2,289	(845)	(4,124)	26	57	(37)	224,872	5,483	(63,459)	166,896
Bridges	3	4,574	193	(1,820)	2,947	–	–	–	(92)	–	–	–	4,574	193	(1,912)	2,855
Footpaths	3	5,480	147	(1,398)	4,229	72	35	(4)	(152)	–	–	–	5,461	254	(1,535)	4,180
Sewerage, Effluent Drainage	3	35,383	46	(22,634)	12,795	20	–	–	(506)	–	–	6,549	40,214	20	(21,376)	18,858
Plant and equipment		–	8,550	(3,370)	5,180	300	160	(23)	(559)	–	130	–	–	9,016	(3,828)	5,188
Parks and Garden	3	1,889	458	(1,249)	1,098	433	13	(10)	(92)	469	–	–	1,873	1,373	(1,335)	1,911
Aerodromes	3	750	–	(426)	324	–	–	–	(91)	–	–	2,510	3,987	–	(1,244)	2,743
Wolseley Water	3	–	45	(3)	42	–	–	–	(14)	–	–	425	903	–	(450)	453
Total infrastructure, property, plant and equipment		331,654	15,120	(118,018)	228,756	5,579	2,714	(958)	(6,537)	–	187	26,518	359,315	21,722	(124,778)	256,259
Comparatives		324,837	11,674	(109,811)	226,700	2,910	3,796	(1,271)	(6,262)	–	–	2,883	331,654	15,120	(118,018)	228,756

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Notes to and forming part of the Financial Statements

for the year ended 30 June 2026

Note 9. Infrastructure, property, plant & equipment and investment property (continued)

Valuation of infrastructure, property, plant & equipment and investment property

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 9(a) for the disclosure of the Fair Value Levels of Infrastructure, Property, Plant and Equipment Assets.

Information on valuations

Fair value hierarchy level 2 valuations - Certain land, and the buildings and structures thereon, are shown above as being based on fair value hierarchy level 2 valuation inputs. They are based on prices for similar assets in an active market, with directly or indirectly observable adjustments for specific advantages or disadvantages attaching to the particular asset.

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.

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Tatiara District Council

Notes to and forming part of the Financial Statements

for the year ended 30 June 2026

Note 9. Infrastructure, property, plant & equipment and investment property (continued)

Highest and best use

Highest and best use - For land which Council has an unfettered right to sell, the “highest and best use” recognises the possibility of the demolition or substantial modification of some or all of the existing buildings and structures affixed to the land.

Much of the land under Council’s care and control is Crown land or has been declared as community land under the provisions of the Local Government Act 1999. Other types of restrictions also exist.

For land subject to these restrictions, the highest and best use is taken to be the "highest and best use" available to Council, with a rebuttable presumption that the current use is the "highest and best use". The reason for the current use of a large proportion of Council’s assets being other than the “highest and best use” relates to Council’s principal role as the provider of services to the community, rather than the use of those assets for the generation of revenue.

For buildings and other structures on and in the land, including infrastructure, “highest and best use” is determined in accordance with the land on and in which they are situated.

Transition to AASB 13 - Fair Value Measurement

The requirements of AASB 13 Fair Value Measurement have been applied to all valuations undertaken since 1 July 2013 as shown by the valuation dates by individual asset classes below.

Capitalisation Thresholds

Capitalisation thresholds used by Council for a representative range of assets are shown below. No capitalisation threshold is applied to the acquisition of land or interests in land.

- Buildings - new construction/extensions: $5,000
- Park & Playground Furniture & Equipment: $5,000
- Road construction & reconstruction: $10,000
- Paving & Footpaths, Kerb & Gutter: $5,000
- Drains & Culverts: $5,000
- Reticulation Extensions: $5,000
- Aerodromes: $5,000
- Wolseley Water: $5,000

Estimated Useful Lives

Useful lives are estimated for each individual asset. In estimating useful lives, regard is had to technical and commercial obsolescence, as well as legal and other limitations on continued use. The range of useful lives for a representative range of assets is shown below, although individual assets may have an estimated total useful life of greater or lesser amount:

Plant and Equipment
- Light Vehicles and Other Equipment 2 to 30 years
- Heavy Vehicles and Road Making Equipment 8 to 16 years
- Mowers: 5 to 10 years

Buildings and Other Structures
- Buildings: 30 to 180
- Public Toilets: 30 to 120
- Structures: 15 to 150 years

Parks and Gardens
- Playground Equipment: 1 to 50 years
- Park & Playground Other Structures: 1 to 100 years
- Park & Street Furniture: 1 to 75 years
- Cemetery Lawn Area: 100
- Cemetery Irrigation: 10 years
- Cemetery Signage: 40 to 80

Aerodromes
- Apron Parking – Sealed & Unsealed Surface: 20 years
- Fencing: 40 years
- Lighting: 20 years
- Runway – Sealed & Unsealed Surface: 20 years

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Note 9. Infrastructure, property, plant & equipment and investment property (continued)

Wolseley Water
- Pipework: 80 years
- Valves & Tanks: 30 to 40 years
- Water meters: 30 years

Infrastructure
- CWMS – Pipes: 70 to 100 years
- CWMS – Pump Stations: 10 to 80 years
- CWMS – Access Points: 80 years
- CWMS – Lagoons: 1000 years
- CWMS – Valves: 45 years
- Stormwater – Pipes: 80 to 100 years
- Stormwater – Pits & Junctions: 50 to 80 years
- Stormwater – Culverts: 20 to 100 years
- Bridges – Abutment: 80 to 100 years
- Bridges – Barrier: 20 to 60 years
- Bridges – Beam/Truss: 60 to 100 years
- Bridges – Deck/Floor: 30 to 80 years
- Bridges – Footing/Pier: 60 to 100 years
- Bridges – Head/Wing Wall: 50 years
- Carparks: 20 to 200 years
- Kerbing: 25 to 65 years
- Paths: 15 to 400 years
- Sealed Road – Formation: 1000 years
- Sealed Road – Surface: 15 to 80 years
- Sealed Road – Pavement: 20 to 400 years
- Unsealed Road – Formation: 1000 years
- Unsealed Road – Surface: 19 to 400 years

Land & Land Improvements

- Basis of valuation: Fair Value
- Date of desktop valuation: 01 July 2025
- Valuer: Valuer General

Council being of the opinion that it is not possible to attribute a value sufficiently reliably to qualify for recognition, land under roads has not been recognised in these 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.

Freehold land and land over which Council has control, but does not have title, is recognised on the site values as released by the Valuer General of South Australia. No capitalisation threshold is applied to the acquisition of land or interests in land.

Buildings & Other Structures

- Basis of valuation: Fair Value / Market Value
- Date of full valuation: 01July 2025
- Valuer: Regan Kenealy, B. Prop AAPI, AVR Consulting.

Buildings have been disclosed as either Fair Value Hierarchy Level 2 valuations or as Fair Value Hierarchy Level 3 valuations, in accordance with AASB 13 Fair Value Measurement.

Building valuations, disclosed as Level 2, are based on prices for similar assets in an active market, with directly or indirectly observable adjustments for specific advantages or disadvantages attaching to the particular asset.

Building valuations, disclosed as Level 3 have been determined to have no known market for these assets and they 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. This method has significant inherent uncertainties, relaying 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. All acquisitions made after the respective dates of valuation are recorded at cost.

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Tatiara District Council

Notes to and forming part of the Financial Statements

for the year ended 30 June 2026

Note 9. Infrastructure, property, plant & equipment and investment property (continued)

Infrastructure

Transportation assets

- Basis of Valuation: Fair Value
- Date of full valuation: 30 June 2024
- Valuer: Asset Valuer Pro

As at 30 June 2024 Council engaged a qualified valuer to undertake a full comprehensive revaluation of the transport assets including roads, paths, kerb & gutter. This included review and verification the accuracy of the latest condition assessment undertaken internally for each asset class, review and update the unit rates developed in 2022, review and update the useful lives and undertake a revaluation in accordance with the accounting standards.

Reconciliation of the 30 June 2024 external revaluation in to Councils asset accounting system, resulted in some variances. The adjustments required to reconcile and correct the data have been recognised as an additional revaluation in the 2024/25 financial period. All acquisitions made after the respective dates of valuation are recorded at cost.

Bridges assets

- Basis of Valuation: Fair Value
- Date of full valuation: 01 July 2024
- Valuer: Martin Burns Chartered Valuer, RICS, Certified Valuer, AAPI of Liquid Pacific.

As at 01 July 2024 Council engaged a qualified valuer to undertake a full comprehensive revaluation of the bridges asset class. This included condition assessments, review and update the unit rates, useful lives and a full revaluation in accordance with the accounting standards. All acquisitions made after the respective dates of valuation are recorded at cost.

Stormwater drainage infrastructure assets

- Basis of Valuation: Fair Value
- Date of full valuation: 1 July 2025
- Valuer: AVR Consulting.

All acquisitions made after the respective dates of valuation are recorded at cost.

Community wastewater management system infrastructure assets

- Basis of Valuation: Fair Value
- Date of full valuation: 1 July 2025
- Valuer: AVR Consulting.

All acquisitions made after the respective dates of valuation are recorded at cost.

Aerodrome assets

- Basis of Valuation: Fair Value
- Date of full valuation: 1 July 2025
- Valuer: AVR Consulting.

All acquisitions made after the respective dates of valuation are recorded at cost.

Wolseley Water

- Basis of Valuation: Fair Value
- Date of full valuation: 1 July 2025
- Valuer: AVR Consulting.

All acquisitions made after the respective dates of valuation are recorded at cost.

Parks & Gardens assets

- Basis of Valuation: Fair Value
- Date of full valuation: held at cost to date
- Date of desktop valuation: 1 July 2022
- Valuer: Council Officers

The desktop valuation incorporating update of unit rates occurred as at 1 July 2022. All acquisitions made after the respective dates of valuation are recorded at cost.

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Tatiara District Council

Notes to and forming part of the Financial Statements

for the year ended 30 June 2026

Note 9. Infrastructure, property, plant & equipment and investment property (continued)

Plant & Equipment

- Basis of Valuation: Deemed Cost
- Date of full valuation: 30 June 2016
- Date of desktop valuation: 1 July 2022
- Valuer: Council Officers

As at 1 July 2022, previously revalued Plant and Equipment has been rolled back to be recognised at deemed cost. Plant and Equipment will no longer be revalued in future years.

All other Assets

These assets are recognised on the cost basis.

Tatiara District Council

Notes to and forming part of the Financial Statements
for the year ended 30 June 2026

Note 10. Liabilities

$ '000	2026 Current	2026 Non Current	2025 Current	2025 Non Current
(a) Trade and other payables				
Goods and services	627	–	373	–
Payments received in advance	746	–	132	–
Accrued expenses - employee entitlements	175	–	182	–
Accrued expenses - finance costs	–	–	3	–
Accrued expenses - other	4	–	31	–
Deposits, retentions and bonds	204	–	16	–
Total trade and other payables	1,756	–	737	–
(b) Borrowings				
Loans	–	–	91	–
Total Borrowings	–	–	91	–

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

(c) Provisions				
Employee entitlements (including oncosts)	1,357	191	1,152	188
Future reinstatement / restoration of quarries	–	272	–	–
Total provisions	1,357	463	1,152	188

Tatiara District Council

Notes to and forming part of the Financial Statements

for the year ended 30 June 2026

Note 11. Reserves

$ '000	as at 30/06/25 Opening Balance	Increments (Decrements)	Transfers	as at 30/06/26 Closing Balance
(a) Asset revaluation reserve				
Land - community	63,761	518	–	64,279
Land - other	5,121	7,826	–	12,947
Buildings and other structures	77,210	7,985	–	85,195
Stormwater Drainage	6,047	742	–	6,789
Roads	65,391	(37)	–	65,354
Bridges	7,932	–	–	7,932
Footpaths	786	–	–	786
Sewerage, Effluent Drainage	8,592	6,549	–	15,141
Other Structures	273	–	–	273
Aerodromes	22	2,510	–	2,532
Wolseley Water	–	425	–	425
Total asset revaluation reserve	235,135	26,518	–	261,653
Comparatives	232,252	2,883	–	235,135

$ '000	as at 30/06/25 Opening Balance	Tfrs to Reserve	Tfrs from Reserve	as at 30/06/26 Closing Balance
(b) Other reserves				
Long Service Leave Reserve	471	20	–	491
Plant Replacement Reserve	404	17	–	421
Clayton Farm Reserve	31	2	–	33
CWMS Maintenance Reserve	11,505	1,139	–	12,644
Reserve Land Development	2,122	43	(2,165)	–
Reserve Keith Community Library	46	4	–	50
Future Road Renewal	128	5	–	133
Reserve Open Space	15	–	(13)	2
Total other reserves	14,722	1,230	(2,178)	13,774
Comparatives	13,576	1,282	(136)	14,722

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Tatiara District Council

Notes to and forming part of the Financial Statements

for the year ended 30 June 2026

Note 11. Reserves (continued)

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).

Other reserves
Council most recently considered the purpose and methodology of reserves held on 24 June 2025 and resolved to maintain the following:

Tatiara 04 Long Service Leave
The Long Service Leave Reserve is for the future cash requirements upon staff leaving Council.

Tatiara 20 Plant Replacement Reserve
The Plant Replacement Reserve is for urgent unbudgeted major plant and equipment replacement.

Tatiara 22 Clayton Farm Insurance
The Clayton Farm Insurance reserve is to be spent towards capital to maintain Clayton Farm's heritage.

Tatiara 05 CWMS Maintenance Reserve
The CWMS Maintenance Reserve is used for future asset replacement and capital maintenance of CWMS.

Tatiara 26 Land Development Reserve
The Land Development Reserve was established for Land Development in Keith Industrial Estate and is now expanded to fund land development across the Tatiara and recover proceeds from sale.

Tatiara 27 Keith Community Library
Council is acting as an agent and provided financial services for the library.

Tatiara 30 Open Space Reserve
Part of a development application legal requirement to put money into open space reserve.

Tatiara 31 Future Road Renewal
Money put aside for future road renewal works required.

Tatiara District Council

Notes to and forming part of the Financial Statements

for the year ended 30 June 2026

Note 12. Reconciliation to Statement of Cash Flows

$ '000	Notes	2026	2025
(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	7	28,650	26,390
Balances per Statement of Cash Flows		28,650	26,390
(b) Reconciliation of Operating Result			
Net surplus/(deficit)		1,646	3,567
Non-cash items in income statements			
Depreciation, amortisation and impairment		6,537	6,262
Non-cash asset acquisitions		(571)	–
Grants for capital acquisitions treated as investing activity		(557)	(2,061)
Net (gain)/loss on disposals		912	996
		7,967	8,764
Add (less): changes in net current assets			
Net (increase)/decrease in receivables		135	(200)
Change in allowances for under-recovery of receivables		–	1
Net (increase)/decrease in inventories		70	50
Net increase/(decrease) in trade and other payables		831	(516)
Net increase/(decrease) in unpaid employee benefits		208	2
Net increase/(decrease) in other provisions		272	–
Net cash provided by (or used in) operations		9,483	8,101
(c) Financing arrangements			
Unrestricted access was available at balance date to the following lines of credit:			
Bank overdrafts		350	350
Corporate credit cards		35	35

Tatiara District Council

Notes to and forming part of the Financial Statements

for the year ended 30 June 2026

Note 13. 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 3.80% and 5.19% (2025: 4.65% and 4.91%). Short term deposits have an average maturity of 197 days and an average interest rate of 4.50% (2025: 304 days and 4.77%).

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% (2025: 0.7625%). 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.

continued on next page ...

Tatiara District Council

Notes to and forming part of the Financial Statements

for the year ended 30 June 2026

Note 13. Financial instruments (continued)

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.

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:
Council has no current loans as at balance date. During the year loans completed had interest charged at a fixed rate of 6.80% (2025: 6.80%).

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					
2026					
Financial assets					
Cash and cash equivalents	28,650	–	–	28,650	28,650
Receivables	834	194	191	1,219	1,121
Total financial assets	29,484	194	191	29,869	29,771
Financial liabilities					
Payables	732	–	–	732	831
Current borrowings	–	–	–	–	–
Non-current borrowings	–	–	–	–	–
Total financial liabilities	732	–	–	732	831
2025					
Financial assets					
Cash and cash equivalents	26,390	–	–	26,390	26,390
Receivables	1,075	187	249	1,511	1,341
Total financial assets	27,465	187	249	27,901	27,731
Financial liabilities					
Payables	392	–	–	392	392
Current borrowings	91	–	–	91	91
Non-current borrowings	–	–	–	–	–
Total financial liabilities	483	–	–	483	483

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Tatiara District Council

Notes to and forming part of the Financial Statements
for the year ended 30 June 2026

Note 13. Financial instruments (continued)

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

	2026		2025	
$ '000	Weighted Avg Interest Rate	Carrying Value	Weighted Avg Interest Rate	Carrying Value
Fixed interest rates	0.00%	–	6.80%	91
		–		91

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 7 & 8 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.

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. After the assessment made by Council, there is no expected credited losses.

Tatiara District Council

Notes to and forming part of the Financial Statements

for the year ended 30 June 2026

Note 14. Capital expenditure and investment property commitments

$ '000	2026	2025

Capital commitments

Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:

Land	1,734	2,018
Infrastructure	90	779
Plant and equipment	248	247
	2,072	3,044

These expenditures are payable:

Not later than one year	2,072	3,044
	2,072	3,044

Tatiara District Council

Notes to and forming part of the Financial Statements

for the year ended 30 June 2026

Note 15. Superannuation

The Council makes employer superannuation contributions in respect of its employees to HostPlus Super (formerly 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 (12.00% in 2025/26; 11.50% in 2024/25). 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 2024/25) 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 2023. 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.

Tatiara District Council

Notes to and forming part of the Financial Statements

for the year ended 30 June 2026

Note 16. 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 deductible "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.

Tatiara District Council

Notes to and forming part of the Financial Statements

for the year ended 30 June 2026

Note 17. 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, 13 persons were paid the following total compensation.

$ '000	2026	2025
The compensation paid to key management personnel comprises:		
Salaries, allowances & other short term benefits	789	744
Post-employment benefits	56	52
Long-term benefits	15	15
Total	860	811

Receipts from key management personnel comprise:

KMP and relatives of KMPs own retail businesses from which various supplies were purchased as required either for cash or on 30 day account. Total purchases from any of these individual businesses did not exceed $17,500 during the year, with total accumulated spend of $26,105.

One Key management personnel have a total of two close family members employed by Council, in accordance with the terms of the Award, and as recorded in the public Register of Salaries maintained in accordance with section 105 of the *Local Government Act 1999*.

One Key Management Personnel is a member of the Tatiara Men's Shed Inc. In accordance with the *Local Government Act 1999*, the person declares an interest in matters relating to the Tatiara Men's Shed Inc. During the year the Tatiara Men's Shed Inc received a contribution from Council for $1,533 and payment of $150 for the purchase of goods.

Other than amounts paid as ratepayers or residents (e.g. rates, swimming pool entry fees, etc), Council received the following amounts in total from KMPs:

	$
Planning & building application fees	$748.00
Lease / rent fees for Council Property	$258.00
Reimbursements	$418.70
TOTAL	$1,424.70

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Independent Auditor's Report

To the members of the Tatiara District Council

Opinion

We have audited the accompanying financial report of the Tatiara District Council (the Council), which comprises the statement of financial position as at 30 June 2026, statement of comprehensive income, statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and the Certification of the Financial Statements.

In our opinion, the financial report presents fairly, in all material aspects, the financial position of the Council as at 30 June 2026, and its financial performance and its cash flows for the year then ended in accordance with the *Local Government Act 1999* and the *Local Government (Financial Management) Regulation 2011* and the Australian Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described as 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 auditor independence requirements of 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 other 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

The 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 to be 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 relating 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.

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

Liability limited by a scheme approved under Professional Standards Legislation

As part of an audit in accordance with the 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 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 Council.
- Conclude on the appropriateness of the 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.

DEAN NEWBERY



Samantha Creten
Director

21 October 2026

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INDEPENDENT ASSURANCE REPORT ON THE INTERNAL CONTROLS OF THE TATIARA DISTRICT COUNCIL

Opinion

In our opinion, the Tatiara District Council (the Council) has complied, in all material respects, with Section 125 of the *Local Government Act 1999* in relation to the Internal Controls established by the Council relating 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 2025 to 30 June 2026.

Basis for opinion

We have audited the Internal Controls of the Council under 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 2025 to 30 June 2026 have been conducted properly and in accordance with law.

We conducted our engagement in accordance with Standard on Assurance Engagements *ASAE 3000 Assurance Engagements Other than Audits or Reviews of Historical Financial Information* and *ASAE 3150 Assurance Engagements on Controls* issued by the Auditing and Assurance Standards Board.

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

The Council's Responsibility for the 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, the 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 applying Auditing Standard *ASQC 1 Quality Control for Firms that Perform Audits and Review of Financial Reports and Other Financial Information, and Other Assurance Engagements* in undertaking the assurance engagement.

Liability limited by a scheme approved under Professional Standards Legislation

Assurance Practitioner's Responsibilities

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 the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities, based on our procedures have been conducted properly and in accordance with law.

ASAE 3150 requires that we plan and performed our procedures to obtain reasonable assurance about whether, in all material respects, the controls are suitably designed to achieve the control objectives and the controls operating effectively through the period. ASAE 3000 also requires us to comply with the relevant ethical requirements for the Australian professional accounting bodies.

An assurance engagement to report on the designed and operating effectiveness of controls involves performing procedures to obtain evidence about the suitability of the design of the controls to achieve the control objectives and the operating effectiveness of the controls throughout the period. The procedures selected depend on our judgement, including the assessment of the risks that the controls are not suitably designed or the controls did not operate effectively. Our procedures included testing the operating effectiveness to the controls that we consider necessary to achieve the control objectives identified. An Assurance engagement of this type also includes evaluating the suitability of the control objectives.

Limitation on Use

This report has been prepared for the members of the Council in accordance with *Section 129(1)(b) 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.

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 operating effectiveness of 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.

DEAN NEWBERY



SAMANTHA CRETEN
Director

21 October 2026

Tatiara District Council

General Purpose Financial Statements

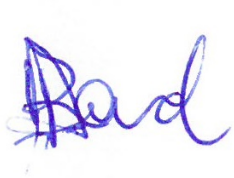
for the year ended 30 June 2026

Certification of Auditor Independence

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of Tatiara District Council for the year ended 30 June 2026, the Council's Auditor, Dean Newbery has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2026* made under that Act.

This statement is prepared in accordance with the requirements of Regulation 25(3) *Local Government (Financial Management) Regulations 2026.*





Kingsley Green
Chief Executive Officer

Brendan Dowd
Presiding Member, Audit and Risk Committee

Date: 08 October 2026

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Certification of Auditor's Independence

I confirm that, for the audit of the financial statements of the Tatiara District Council for the year ended 30 June 2026, I have maintained my independence in accordance with the requirements of APES 110 – Code of Ethics for Professional Accountants, 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) Regulations 2011.*

SAMANTHA CRETEN

Director

DEAN NEWBERY

21 October 2026