The Barossa Council

GENERAL PURPOSE FINANCIAL STATEMENTS

for the year ended 30 June 2025

General Purpose Financial Statements
for the year ended 30 June 2025

Contents

Financial Statements 2025

The Barossa Council

General Purpose Financial Statements
for the year ended 30 June 2025

Certification of Financial Statements

We have been authorised by the Barossa 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 Barossa 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 Barossa Council provide a reasonable assurance that the Barossa Council's financial records are complete, accurate and reliable and were effective throughout the financial year,
- the financial statements accurately reflect the Barossa Council's accounting and other records.

Martin McCarthy
Chief Executive Officer

~~3~~ December 2025
4

Michael (Bim) Lange OAM
Mayor

~~3~~ December 2025
4

Statement of Comprehensive Income

for the year ended 30 June 2025

$ '000	Notes	2025	2024
Income			
Rates	2a	39,947	37,956
Statutory charges	2b	923	830
User charges	2c	4,038	3,827
Grants, subsidies and contributions - capital	2g	1,028	483
Grants, subsidies and contributions - operating	2g	5,457	1,420
Investment income	2d	233	277
Reimbursements	2e	2	3
Other income	2f	973	1,243
Net gain - equity accounted council businesses	18	100	(47)
Total income		52,701	45,992
Expenses			
Employee costs	3a	18,798	17,817
Materials, contracts and other expenses	3b	20,223	17,533
Depreciation, amortisation and impairment	3c	11,643	11,010
Finance costs	3d	1,544	771
Total expenses		52,208	47,131
Operating surplus / (deficit)		493	(1,139)
Physical resources received free of charge	2i	7,268	2,832
Asset disposal and fair value adjustments	4	(973)	(2,497)
Amounts received specifically for new or upgraded assets	2g	26,031	2,339
Net surplus / (deficit)		32,819	1,535
Other comprehensive income			
Amounts which will not be reclassified subsequently to operating result			
Changes in revaluation surplus - infrastructure, property, plant and equipment	9a	16,753	469
Share of other comprehensive income - equity accounted council businesses	18	–	2,302
Total amounts which will not be reclassified subsequently to operating result		16,753	2,771
Total other comprehensive income		16,753	2,771
Total comprehensive income		49,572	4,306

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

The Barossa Council

Statement of Financial Position
as at 30 June 2025

$ '000	Notes	2025	2024
ASSETS			
Current assets			
Cash and cash equivalent assets	5a	844	3,153
Trade and other receivables	5b	2,970	3,248
Inventories	5c	233	123
Total current assets		4,047	6,524
Non-current assets			
Trade and other receivables	6a	2,087	1,228
Equity accounted investments in council businesses	6b	4,618	4,518
Other non-current assets	6c	37,258	5,724
Infrastructure, property, plant and equipment	7	452,571	414,613
Total non-current assets		496,534	426,083
TOTAL ASSETS		500,581	432,607
LIABILITIES			
Current liabilities			
Trade and other payables	8a	4,441	5,355
Borrowings	8b	698	3,558
Provisions	8c	3,376	3,292
Total current liabilities		8,515	12,205
Non-current liabilities			
Trade and other payables	8a	1,676	–
Borrowings	8b	32,304	11,871
Provisions	8c	791	722
Total non-current liabilities		34,771	12,593
TOTAL LIABILITIES		43,286	24,798
Net assets		457,295	407,809
EQUITY			
Accumulated surplus		137,824	106,561
Asset revaluation reserve	9a	302,429	285,676
Other reserves	9b	17,042	15,572
Total equity		457,295	407,809

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

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 as at 1 July		106,561	285,676	15,572	407,809
Net surplus / (deficit) for year		32,819	–	–	32,819
Other comprehensive income					
Gain (loss) on revaluation of infrastructure, property, plant and equipment	7	–	16,753	–	16,753
Other comprehensive income		–	16,753	–	16,753
Total comprehensive income		32,819	16,753	–	49,572
Transfers to reserves		(1,556)	–	1,470	(86)
Balance at the end of period		137,824	302,429	17,042	457,295
2024					
Balance as at 1 July		105,026	282,905	15,572	403,503
Net surplus / (deficit) for year		1,535	–	–	1,535
Other comprehensive income					
Gain (loss) on revaluation of infrastructure, property, plant and equipment	7	–	469	–	469
Share of other comprehensive income - equity accounted council businesses		–	2,302	–	2,302
Other comprehensive income		–	2,771	–	2,771
Total comprehensive income		1,535	2,771	–	4,306
Transfers to reserves		–	–	–	–
Balance at the end of period		106,561	285,676	15,572	407,809

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

Statement of Cash Flows
for the year ended 30 June 2025

$ '000	Notes	2025	2024
Cash flows from operating activities			
Receipts			
Rates receipts		40,180	37,609
Statutory charges		923	830
User charges		4,442	4,210
Grants, subsidies and contributions		5,457	1,903
Investment receipts		233	277
Reimbursements		2	3
Other receipts		8,504	5,872
Payments			
Payments to employees		(19,222)	(17,779)
Payments for materials, contracts and other expenses		(28,320)	(21,603)
Finance payments		(1,544)	(771)
Net cash provided by (or used in) operating activities	11b	10,655	10,551
Cash flows from investing activities			
Receipts			
Grants utilised for capital purposes		1,028	–
Amounts received specifically for new or upgraded assets		22,859	1,966
Sale of replaced assets		358	281
Repayments of loans by community groups		124	103
Payments			
Expenditure on renewal/replacement of assets		(9,826)	(6,940)
Expenditure on new/upgraded assets		(44,169)	(13,651)
Loans made to community groups		(1,035)	(16)
Net cash provided by (or used in) investing activities		(30,661)	(18,257)
Cash flows from financing activities			
Receipts			
Proceeds from loans		21,135	7,419
Proceeds from bonds and deposits		624	340
Payments			
Repayments of loans		(3,545)	(880)
Repayment of principal portion lease liabilities		(17)	(68)
Repayment of bonds and deposits		(500)	(570)
Net cash provided by (or used in) financing activities		17,697	6,241
Net increase (decrease) in cash held		(2,309)	(1,465)
plus: cash & cash equivalents at beginning of period		3,153	4,618
Cash and cash equivalents held at end of period	11a	844	3,153

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

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

Contents of the Notes accompanying the General Purpose Financial Statements

Note 1. Summary of Material Accounting Policies

The principal accounting policies adopted by the Barossa Council (the 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 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.

In the current year, Council adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for the current reporting period. The adoption of the new and revised Standards and Interpretations has not resulted in any material changes to Council's accounting policies.

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

1.2 Historical cost convention

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

1.3 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.

1.4 Rounding

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

(2) The local government reporting entity

The Council is incorporated under the *Local Government Act 1999* and has its principal place of business at 43-51 Tanunda Road, Nuriootpa. 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) Subsidiary Operation

Under the L*ocal Government Act 1999*, Section 42, the Council oversees the Nuriootpa Centennial Park Authority (the Authority) which is a subsidiary that operates and maintains both the Barossa Valley Tourist Park and its surrounding park lands. The Authority's information as at the reporting date has been consolidated within this report.

(4) Income recognition

Income is measured at the fair value of the consideration received or receivable. Income is recognised when the Council obtains control over the assets comprising the income, or when the amount due constitutes an enforceable debt, whichever occurs first.

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.

continued on next page ...

Note 1. Summary of Material Accounting Policies (continued)

In other cases, AASB 1058 applies when a not-for-profit 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.

Where grants, contributions and donations recognised as incomes during the reporting period were obtained on the condition that they be expended in a particular manner or used over a particular period, and those conditions were undischarged as at the reporting date, the amounts subject to those undischarged conditions are included in these notes.

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

Year	***Cash payment received***	***Annual allocation***	***Difference***
2019-20	$1,322,566	$1,555,963	($233,397)
2020-21	$1,536,605	$1,654,037	($117,432)
2021-22	$2,435,662	$1,894,550	$541,112
2022-23	$2,859,679	$2,078,321	$781,358
2023-24	$410,757	$2,400,108	($1,989,351)
2024-25	$3,831,376	$2,459,280	$1,372,096

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

The adjusted operating surplus ratio disclosed in Note 14 has also been calculated after adjusting for the distortions resulting from the differences between the actual grants received and the grant entitlements allocated.

(5) 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 (including community loans) are reviewed as at the reporting date and adequate allowance made for amounts the receipt of which is considered doubtful, where applicable.

All financial instruments are recognised at fair value at the date of recognition. A detailed statement of the accounting policies applied to financial instruments forms part of Note 12.

(6) Inventories

Inventories held in respect of depot stores (fuel and rubble) have been valued by using the weighted average cost on a continual basis or at cost for the Barossa Regional Gallery, Barossa Visitor Centre and the Authority, 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 ...

(7) Infrastructure, property, plant and equipment

7.1 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 architect 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 overheads.

Capital works still in progress at balance date are recognised as other non-current assets and are transferred to the relevant asset class when completed and ready for use.

7.2 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. Capitalisation thresholds applied during the year are as follows. No capitalisation threshold is applied to the acquisition of land or interests in land. Any new or upgrade work below these threshold amounts will be expensed as incurred.

	$
Buildings *	
- Buildings (including toilets)	$20,000
- Sheds, pergolas, cabins, carports and other structures	$10,000
- Buildings and componentisation	$50,000
Sealed Roads *	
- Reconstruction and renewal work	$20,000
Sheeted Roads	
- Resheeting, major patch repair and road shoulders	$15,000
Footpaths, Kerbs and Carpark Surfaces	$10,000
Community Wastewater Management Systems (CWMS)	$5,000
Stormwater and Drainage	$5,000
Bridges, Floodways and Major Culverts	$15,000
Parks and Reserves Development	$5,000
Plant and Equipment	$5,000
Furniture and Fittings	$5,000
Core Software Programs	$15,000
Right-of-Use Assets	$15,000
Leasehold Improvements	$20,000
All Other Assets	$5,000

* These assets are capitalised when replacing/renewing assets that are >10% of the depreciable replacement value

7.3 Subsequent Recognition

All material asset classes are revalued on a regular basis such that the carrying values are not materially different from fair value. For infrastructure and other asset classes where no active market exists, fair value is determined to be the current replacement cost of an asset less, where applicable, accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset. Further detail of existing valuations, methods and valuers are provided at Note 7.

7.4 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.

continued on next page ...

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

Note 1. Summary of Material Accounting Policies (continued)

Major depreciation periods for each class of asset are shown in the following table. 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.

Buildings	
Complete	20 to 100 years
Substructure	40 to 300 years
Superstructure	20 to 300 years
Roof structure	40 to 60 years
Internal fit out	20 to 25 years
Services	20 to 100 years
Town Hall solid flooring only	150 years
Transport	
Unformed roads (earthworks) *	Unlimited
Sheeted roads *	12 to 50 years
Sealed roads - pavement *	40 to 200 years
Sealed roads - surface *	10 to 50 years
Footpaths *	Up to 100 years
Kerb	50 to 100 years
Car park surfaces *	30 to 50 years
Bridges	
Bridges *	Up to 100 years
Major culverts *	Up to 130 years
Floodways *	Up to 130 years
Footbridges *	Up to 100 years
CWMS	
Pump stations - components	10 to 50 years
Lagoons - components	40 to 100 years
Wastewater treatment plant - components	5 to 50 years
Pipes	60 to 100 years
Recreation / Community Infrastructure	
Fences	40 years
Monuments	100 years
Other	10 to 100 years
Stormwater and Drainage	
Drainage channels	20 to 150 years
Other	150 years
Plant and Equipment	
Plant and machines	3 to 20 years
Vehicles	3 to 33 years
Computer equipment	5 to 33 years
Hill and Son historic pipe organ	300 years
Furniture and Fittings	10 to 25 years
Leasehold improvements	Term of Lease

continued on next page ...

Right-of-use assets	Term of Lease

* These asset types are made up of two components. The useful lives listed above are for the first component. The second component being a long life asset with lives ranging from 150 to 750 years. Please refer to Council's adopted Asset Accounting Policy for further information.

* Road earthworks should not be depreciated in line with AASB 1055 (Interpretation). Council policy shows an unlimited useful life for these assets and current practice is not to depreciate them.

7.5 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 of them, 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 the asset revaluation reserve, any excess being recognised as an expense.

(8) Payables

8.1 Goods and 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, or in accordance with the creditor's payment terms. No interest is payable on these amounts.

8.2 Payments received in advance and deposits

Amounts 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.

(9) Borrowings

Loans 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.

(10) Employee benefits

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

10.2 Superannuation

Council makes employer superannuation contributions in respect of its employees to schemes selected by employees under the choice of fund legislation. Council uses Hostplus as its default superannuation fund. This scheme has two types of membership, each of which is funded differently. Council's subsidiary, Nuriootpa Centennial Park Authority makes contributions to other superannuation schemes. No changes in accounting policy have occurred during either the current or previous

continued on next page ...

reporting periods. Details of the accounting policies applied and Council's involvement with the schemes are reported in Note 17.

(11) Leases

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 - refer to item 7.4 for details.

The right-of-use assets are also subject to impairment - refer to item 7.5 for details.

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.

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 plant 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 plant and 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.

Council is lessee for various peppercorn leases and licenses that have not been included for AASB 16. The function, period(s) to and potential costs are as follows:

Function/Purpose	Period to	$/pa each
Barossa Visitor Centre and Library - Tanunda	30/06/2026	$1 on demand
Kroemer Crossing, Tanunda - Reserve	30/03/2039	$1 on demand
Nuriootpa to Angaston (bike-walking path)	09/04/2035	$1 on demand
Barossa Trail (bike-walking path) - 2 licenses	2034	$1 on demand
Barossa Trail (bike-walking path) - 2 licenses	2035	$1 on demand
Barossa Trail (bike-walking path) - 1 license	31/07/2052	$1 on demand
Barossa Trail (bike-walking path) - numerous licenses	2062	$1 on demand
Barossa Trail (bike-walking path) - 1 license	26/04/2064	$1 on demand
Railway line Barossa Valley Way between Tanunda /Nuriootpa (Rose Hedge)	No lease	$201
Williamstown land used for car park	Lease under negotiation	$460

(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 18.

(13) GST implications

In accordance with AASB Interpretation UIG Abstract 1031 Accounting for the Goods and Services Tax:

- Receivables and creditors include GST receivable and payable.

continued on next page ...

Note 1. Summary of Material Accounting Policies (continued)

- 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

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.

continued on next page ...

Note 1. Summary of Material Accounting Policies (continued)

(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.

(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	33,007	31,332
Less: mandatory rebates	(574)	(562)
Less: Discretionary rebates, remissions and write offs	(208)	(174)
Total general rates	32,225	30,596
Other rates (including service charges)		
Landscape SA levy	852	822
Waste, recycling and green organics collection	3,145	3,004
Community wastewater management systems	3,452	3,316
Total other rates (including service charges)	7,449	7,142
Other charges		
Penalties for late payment	206	188
Legal and other costs recovered	67	30
Total other charges	273	218
Total rates	39,947	37,956

(b) Statutory charges

Development Act and town planning fees	492	447
Septic tank inspection fees	115	69
Animal registration fees and fines	282	281
Parking fines / expiation fees	1	7
Other licences, fees and fines	33	26
Total statutory charges	923	830

(c) User charges

Bushgarden seed/seedling sales	71	40
Caravan park fees	2,944	2,734
Cemetery fees	129	99
CWMS reuse water sales	183	261
Hall and equipment hire	33	26
Immunisation fees	28	31
Lease fees	60	61
Photocopying fees	21	21
Property search fees	53	48
Recreation park fees	41	51
Sundry	79	58
Tourism - souvenir and other sales	208	209
Transport scheme fees	139	126
Waste collection bins	19	34
Waste disposal/transfer station fees	30	28
Total user charges	4,038	3,827

continued on next page ...

Note 2. Income (continued)

$ '000	2025	2024
(d) Investment income		
Interest on investments		
- Local Government Finance Authority	66	82
- Banks and other	96	135
- Loans to community groups	71	60
Total investment income	233	277
(e) Reimbursements		
Other	2	3
Total reimbursements	2	3
(f) Other income		
Insurance and other recoupments	333	160
Rebates received	62	69
Donations received	68	18
Contributions	120	390
Sundry	390	606
Total other income	973	1,243
(g) Grants, subsidies and contributions		
Capital grants, subsidies and contributions		
Amounts received specifically for new or upgraded assets	26,031	2,339
Total amounts received for new or upgraded assets	26,031	2,339
Other grants, subsidies and contributions - capital		
Roads to Recovery	1,028	483
Total Other grants, subsidies and contributions - capital	1,028	483
Operating grants, subsidies and contributions		
Other grants, subsidies and contributions	5,457	1,420
Total other grants, subsidies and contributions - operating	5,457	1,420
Total grants, subsidies and contributions	32,516	4,242
(i) Sources of grants		
Commonwealth Government	6,945	1,124
State Government	22,606	1,742
Other	2,965	1,376
Total	32,516	4,242

continued on next page ...

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	60	877
Less:		
Expended during the current period from revenues recognised in previous reporting periods		
Recreation	(30)	(812)
Culture	(17)	(15)
Environment	(13)	(50)
Subtotal	(60)	(877)
Plus:		
Amounts recognised as revenues in this reporting period but not yet expended in accordance with the conditions		
Community Services	10	30
Culture	–	17
Environment	2	13
Subtotal	12	60
Unexpended at the close of this reporting period	12	60
Net increase (decrease) in assets subject to conditions in the current reporting period	(48)	(817)

(i) Physical resources received free of charge

Land and land improvements	1,742	173
Buildings	–	1
Transport	2,987	1,527
Community wastewater management system	493	405
Stormwater and drainage	2,046	674
Plant and equipment	–	48
Recreation	–	4
Total physical resources received free of charge	7,268	2,832

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		16,793	15,560
Employee leave expense movement		10	268
Superannuation - defined contribution plan contributions	17	1,521	1,533
Superannuation - defined benefit plan contributions	17	151	136
Workers compensation insurance		448	465
Less: capitalised and distributed costs		(125)	(145)
Total employee costs		**18,798**	**17,817**
Total number of employees (full time equivalent at end of reporting period)		175.3	173.0
(b) Materials, contracts and other expenses			
(i) Prescribed expenses			
Auditor's remuneration			
- Auditing the financial reports		28	39
Elected Member expenses		325	307
Lease expense - low value assets / short term leases		228	191
Other		9	–
Subtotal - prescribed expenses		**590**	**537**
(ii) Other materials, contracts and expenses			
Contractors		4,479	3,360
Bank charges		138	113
Energy (including fuel)		2,376	2,365
Maintenance		985	1,320
Legal expenses		286	159
Levies paid to Government - Landscape Levy		923	884
Levies - other		7	18
Parts, accessories and consumables		1,603	1,268
Professional services		635	403
Communications and information technology		1,389	1,146
Contributions and donations		753	530
Water		811	543
Advertising and printing		136	148
Insurance		1,112	1,014
Sundry		1,021	954
Waste services		3,062	2,876
Less: capitalised and distributed costs		(83)	(105)
Subtotal - Other materials, contracts and expenses		**19,633**	**16,996**
Total materials, contracts and other expenses		**20,223**	**17,533**

continued on next page ...

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	2,756	2,208
Infrastructure		
- Bridges, floodways and major culverts	544	563
- Stormwater drainage	446	422
- Community wastewater management system	1,525	1,480
- Transport	4,067	4,241
- Recreation	631	539
- Community infrastructure	45	45
Right-of-use assets	17	67
Plant and equipment	1,540	1,380
Furniture and fittings	68	61
Leasehold improvements	4	4
Total depreciation, amortisation and impairment	11,643	11,010

(d) Finance costs

Interest on loans	1,543	771
Interest on leases	1	–
Total finance costs	1,544	771

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	358	281
Less: carrying amount of assets sold	(1,331)	(2,523)
Gain (loss) on disposal	(973)	(2,242)
(ii) Assets surplus to requirements		
Carrying amount of assets sold	–	(255)
Gain (loss) on disposal	–	(255)
Net gain (loss) on disposal or revaluation of assets	(973)	(2,497)

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 and at bank	683	2,513
Deposits at call	161	640
Total cash and cash equivalent assets	844	3,153

(b) Trade and other receivables

Rates - general and other	1,604	1,863
Accrued revenues	316	362
Debtors - general	266	246
GST recoupment	170	298
Prepayments	417	360
Loans to community organisations	197	119
Subtotal	2,970	3,248
Total trade and other receivables	2,970	3,248

Amounts included in receivables that are not expected to be received within 12 months of reporting date are disclosed in Note 12.

(c) Inventories

Stores and materials	146	25
Trading stock	87	98
Total inventories	233	123

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

Note 6. Non-current assets

$ '000	Notes	2025	2024
(a) Trade and other receivables			
Receivables			
Council rates postponement scheme		201	175
Loans to community organisations		1,886	1,053
Total financial assets		**2,087**	**1,228**
(b) Equity accounted investments in council businesses			
Gawler River Floodplain Management Authority	18	4,585	4,488
Northern and Yorke Local Government Association	18	33	30
Total equity accounted investments in Council businesses		**4,618**	**4,518**
(c) Other non-current assets			
Capital work in progress		37,258	5,724
Total other non-current assets		**37,258**	**5,724**

Note 7. Infrastructure, property, plant and equipment

Infrastructure, property, plant and equipment

$ '000	Fair Value Level	as at 30/06/24 At Fair Value	At Cost	Accumulated Depreciation	Carrying amount	Asset movements during the reporting period Asset Additions New / Upgrade	Asset Additions Renewals	WDV of Asset Disposals	Depreciation Expense (Note 3c)	Adjustments & Transfers	Revaluation Decrements to Equity (ARR) (Note 9)	Revaluation Increments to Equity (ARR) (Note 9)	as at 30/06/25 At Fair Value	At Cost	Accumulated Depreciation	Carrying amount
Land - community	3	56,225	1,337	–	57,562	1,742	23	–	–	–	–	5,023	62,990	1,360	–	64,350
Land - other	2	4,162	228	–	4,390	–	–	–	–	–	–	340	4,502	228	–	4,730
Buildings and other structures	3	96,795	5,779	(53,786)	48,788	45	801	(133)	(2,744)	–	–	864	126,367	6,960	(85,706)	47,621
Buildings and other structures	2	9,813	524	(7,663)	2,674	3,387	–	–	(12)	–	–	176	2,674	3,596	(45)	6,225
Leasehold improvements	3	–	107	(53)	54	–	18	(9)	(4)	–	–	–	–	107	(48)	59
Infrastructure																
- Bridges, floodways and major culverts	3	53,202	472	(27,150)	26,524	–	8	(4)	(544)	–	–	902	55,020	479	(28,613)	26,886
- Stormwater and drainage	3	54,822	3,911	(11,844)	46,889	2,873	187	(47)	(446)	–	–	1,594	58,800	4,924	(12,674)	51,050
- Community wastewater management system	3	73,039	782	(31,952)	41,869	577	139	(51)	(1,525)	–	–	1,424	75,933	1,005	(34,505)	42,433
- Transport	3	272,297	8,997	(123,599)	157,695	4,909	4,132	(881)	(4,067)	–	–	5,827	283,035	15,049	(130,469)	167,615
- Recreation	3	18,847	7,327	(8,445)	17,729	9,905	228	(36)	(631)	–	–	603	19,606	17,461	(9,269)	27,798
- Community infrastructure	3	979	1,470	(657)	1,792	–	–	–	(45)	–	–	–	979	1,470	(702)	1,747
Right-of-use assets		–	315	(285)	30	–	–	–	(17)	–	–	–	–	291	(278)	13
Plant and equipment	3	–	16,576	(8,479)	8,097	4,809	110	(170)	(1,540)	–	–	–	–	20,442	(9,136)	11,306
Furniture and fittings	3	–	1,638	(1,118)	520	279	7	–	(68)	–	–	–	–	1,923	(1,185)	738
Total infrastructure, property, plant and equipment		640,181	49,463	(275,031)	414,613	28,526	5,653	(1,331)	(11,643)	–	–	16,753	689,906	75,295	(312,630)	452,571
Comparatives		619,384	46,967	(272,011)	394,340	23,649	9,919	(2,778)	(11,010)	24	(1,156)	1,625	640,181	49,463	(275,031)	414,613

continued on next page ...

The Barossa Council

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

Note 7. Infrastructure, property, plant and 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 for the disclosure of the fair value levels of Infrastructure, Property, Plant and Equipment assets.

Information on 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.

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 number and/or value of unobservable inputs into these valuations are of a magnitude such that the valuation is most fairly described as being based on level 3 valuation 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.

There is normally no known market for Council buildings, infrastructure and other assets (with the exception of properties at level 2 valued using market fair value inputs). 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 Council, or on industry construction guides where these are more appropriate.

Other information

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.

continued on next page ...

Note 7. Infrastructure, property, plant and equipment (continued)

Highest and best use

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

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 for individual asset classes below.

Land & Land Improvements

- Basis of valuation: Fair Value Level 3, Market Value Level 2, additions are recognised at cost
- Date of valuation: Level 3: 1 January 2025, Level 2: 1 July 2024
- Valuer: Level 3: desktop valuation using Valuer-General values, Level 2: Liquid Property Consultants

Buildings & Other Structures

- Basis of valuation: Fair Value Level 3, Market Value Level 2; additions are recognised at cost
- Date of valuation: 1 July 2024
- Valuer: Liquid Property Consultants

Transport

- Basis of valuation: Written down current replacement cost; additions are recognised at cost
- Date of valuation: 1 July 2024
- Valuer: Desktop valuation performed by Council staff using the indexation rate for capital from the Local Government Price Index as at 30 June 2024.

Bridges, Floodways and Major Culverts

- Basis of valuation: Written down current replacement cost; additions are recognised at cost
- Date of valuation: 1 July 2024
- Valuer: Desktop valuation performed by Council staff using the indexation rate for capital from the Local Government Price Index as at 30 June 2024.

Community Wastewater Management System

- Basis of valuation: Written down current replacement cost; additions are recognised at cost
- Date of valuation: 1 July 2024
- Valuer: Desktop valuation performed by Council staff using the indexation rate for capital from the Local Government Price Index as at 30 June 2024.

Stormwater

- Basis of valuation: Written down current replacement cost; additions are recognised at cost
- Date of valuation: 1 July 2024
- Valuer: Desktop valuation performed by Council staff using the indexation rate for capital from the Local Government Price Index as at 30 June 2024.

Recreation Infrastructure

- Basis of valuation: Written down current replacement cost; additions are recognised at cost
- Date of valuation: 1 July 2024
- Valuer: Desktop valuation performed by Council staff using the indexation rate for capital from the Local Government Price Index as at 30 June 2024.

Community Infrastructure

- Basis of valuation: Written down current replacement cost; additions are recognised at cost
- Date of valuation: 1 July 2010
- Valuer: Asset and Valuation Consulting Pty Ltd

The Community Infrastructure asset class is immaterial to the total asset value representing only 0.40% of the total written down value of Council's Infrastructure, Property, Plant and Equipment assets, so revaluations are not necessary and should not occur. Only periodic audits will be conducted to ensure the assets are required for Council business and in the condition needed.

Plant, Equipment, Furniture and Fittings

- Basis of valuation: Cost basis (deemed fair value)

continued on next page ...

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

Note 7. Infrastructure, property, plant and equipment (continued)

Leasehold Improvements
- Basis of valuation: Written down current replacement cost; additions are recognised at cost, based on term of lease (deemed fair value)

The Leasehold Improvements asset class is immaterial to the total asset value representing only 0.01% of the total written down value of Council's Infrastructure, Property, Plant and Equipment assets, so revaluations are not necessary and should not occur. Only periodic audits will be conducted to ensure the assets are required for Council business and in the condition needed.

Right-of-Use Assets
- Basis of valuation: Lease and associated costs basis per AASB 16

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		1,200	–	2,661	–
Payments received in advance					
- Other		65	–	504	–
- State's future use - Barossa Park		41	1,676	–	–
Accrued expenses - employee entitlements		152	–	720	–
Accrued expenses - other		2,323	–	934	–
Deposits, retentions and bonds		660	–	536	–
Total trade and other payables		4,441	1,676	5,355	–

Amounts included in trade and other payables that are not expected to be settled within 12 months of reporting date are disclosed in Note 12

$ '000		2025 Current	2025 Non Current	2024 Current	2024 Non Current
(b) Borrowings					
Loans		687	32,301	3,540	11,858
Lease liabilities	16b	11	3	18	13
Total Borrowings		698	32,304	3,558	11,871

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

$ '000		2025 Current	2025 Non Current	2024 Current	2024 Non Current
(c) Provisions					
Employee entitlements (including oncosts)		3,376	282	3,292	222
Future Reinstatement - Landfill		–	509	–	500
Total provisions		3,376	791	3,292	722

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)	as at 30/06/25 Closing Balance
(a) Asset revaluation reserve			
Land - community	44,599	5,023	49,622
Land - other	478	340	818
Buildings and other structures	22,113	1,040	23,153
Infrastructure			
- Bridges, floodways & major culverts	17,787	902	18,689
- Stormwater and drainage	32,998	1,594	34,592
- Community wastewater management system	33,047	1,424	34,471
- Transport	124,165	5,827	129,992
- Recreation	6,706	603	7,309
- Community infrastructure	647	–	647
Plant and equipment	(4)	–	(4)
JVs / associates - other comprehensive income	3,140	–	3,140
Total asset revaluation reserve	285,676	16,753	302,429
Comparatives	282,905	2,771	285,676

$ '000	as at 30/06/24 Opening Balance	Tfrs to Reserve	Tfrs from Reserve	as at 30/06/25 Closing Balance
(b) Other reserves				
Community wastewater management	13,706	1,573	–	15,279
Refuse, recycling and green waste	220	31	(44)	207
Recreation facilities	172	–	(162)	10
Cultural services	450	4	(369)	85
Caravan parks	63	–	(63)	–
Economic development	170	–	(71)	99
Plant and equipment replacement	140	–	(11)	129
Other reserves	651	592	(10)	1,233
Total other reserves	15,572	2,200	(730)	17,042
Comparatives	15,572	222	(222)	15,572

Purposes of reserves

Asset revaluation reserve
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).

Community wastewater management
Community wastewater management scheme service charges raised under Section 155 of the *Local Government Act 1999*.

Refuse, recycling and green waste
Collection of refuse, recycling and green waste service charges raised under Section 155 of the *Local Government Act 1999*.

Recreation facilities
Recreation facilities reserves are used to fund capital improvements at Council owned recreation parks.

continued on next page ...

Note 9. Reserves (continued)

Cultural services
Cultural services reserves are used to fund capital improvements at Council owned community halls.

Caravan parks
Caravan park reserves are used towards the upgrade of caravan park and surrounding recreation park facilities.

Economic development
Economic development reserves are used to fund specific initiatives including Council main streets.

Plant and equipment replacement
Plant and equipment replacement reserves are used to fund the replacement of Council's community transport cars and buses, funded by grants.

Other reserves
Other reserves are used to account for developer contributions received towards future capital works, funds held in trust and other minor reserves not elsewhere allocated.

Note 10. Assets subject to restrictions

$ '000	2025	2024
The uses of the following assets are restricted, wholly or partially, by legislation or other externally imposed requirements. The assets are required to be utilised for the purposes for which control was transferred to Council, or for which the revenues were originally obtained.		
Grant funding or contributions which were received during the year ended 30 June 2025 (or in previous years) but which remain unspent, are also subject to restrictions - these funds would need to be repaid if the required expenditure does not go ahead in the future.		
Cash and financial assets		
Open space contributions	–	1
Developer contributions	–	642
Grant Funding - Commonwealth	–	–
Grant Funding - State	64	503
Total cash and financial assets	64	1,146
Total assets subject to externally imposed restrictions	64	1,146

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

Note 11. 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	5a	844	3,153
Balances per Statement of Cash Flows		844	3,153
(b) Reconciliation of Operating Result			
Net surplus/(deficit)		32,819	1,535
Non-cash items in income statements			
Depreciation, amortisation and impairment		11,643	11,010
Movements in equity accounted investments (increase)/decrease		(100)	47
Physical resources received free of charge		(7,268)	(2,832)
Grants for capital acquisitions treated as investing activity		(28,337)	(1,966)
Net (gain)/loss on disposals		973	2,497
Amounts expensed directly out of Other Reserves throughout the year		(86)	–
		9,644	10,291
Add (less): changes in net current assets			
Net (increase)/decrease in receivables		330	(305)
Net (increase)/decrease in inventories		(110)	122
Net increase/(decrease) in trade and other payables		638	469
Net increase/(decrease) in unpaid employee benefits		144	(49)
Net increase/(decrease) in other provisions		9	23
Net cash provided by (or used in) operations		10,655	10,551
(c) Non-cash financing and investing activities			
Acquisition of assets by means of:			
Physical resources received free of charge	2i	7,268	2,832
Amounts recognised in income statement		7,268	2,832
Total non-cash financing and investing activities		7,268	2,832
(d) Financing arrangements			
Unrestricted access was available at balance date to the following lines of credit:			
Bank overdrafts		250	300
Corporate credit cards		75	79
LGFA cash advance debenture facility		11,750	10,700

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

Note 12. 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 with the Local Government Finance Authority returned interest rates between 4.15% and 4.55% (2024: 4.30% and 4.55%). Deposits with NAB returned interest rates between 3.95% and 4.70% (2024: 4.20% - 4.70%).

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 9.15% (2024: 9.05%). Seniors who postpone their rates pay 3% less per annum. 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 & 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 & 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 ...

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

Note 12. 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 & 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, fixed borrowings are repayable by equal half yearly instalments of principal and interest; interest is charged at fixed rates between 2.05% and 6.85% (2024: 2.05% and 7.02%). Variable borrowings accessed during 2024-25 from the Local Government Finance Authority cash advance debenture is charged at variable rates between 5.50% and 6.15% (2024: 5.30% and 6.15%).

Carrying Amount:
Approximates fair value.

Liabilities - leases

Accounting Policy:
Accounted for in accordance with AASB 16 as stated in Note 17.

continued on next page ...

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

Note 12. Financial instruments (continued)

$ '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	844	–	–	844	844
Receivables	2,660	–	–	2,660	2,553
Other financial assets	–	1,334	1,259	2,593	2,087
Total financial assets	3,504	1,334	1,259	6,097	5,484
Financial liabilities					
Payables	4,335	–	–	4,335	4,335
Current borrowings	855	–	–	855	687
Non-current borrowings	–	5,145	27,759	32,904	32,301
Lease liabilities	11	3	–	14	14
Total financial liabilities	5,201	5,148	27,759	38,108	37,337
Total financial assets and liabilities	8,705	6,482	29,018	44,205	42,821
2024					
Financial assets					
Cash and cash equivalents	3,153	–	–	3,153	3,153
Receivables	2,941	–	–	2,941	2,888
Other financial assets	–	772	600	1,372	1,228
Total financial assets	6,094	772	600	7,466	7,269
Financial liabilities					
Payables	4,851	–	–	4,851	4,347
Current borrowings	3,767	–	–	3,767	3,540
Non-current borrowings	–	2,044	10,158	12,202	11,858
Lease liabilities	18	13	–	31	31
Total financial liabilities	8,636	2,057	10,158	20,851	19,776
Total financial assets and liabilities	14,730	2,829	10,758	28,317	27,045

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

$ '000	2025 Weighted Avg Interest Rate	2025 Carrying Value	2024 Weighted Avg Interest Rate	2024 Carrying Value
Fixed interest rates	5.40%	32,988	5.94%	15,398
		32,988		15,398

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.

continued on next page ...

Note 12. Financial instruments (continued)

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 and 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.

Note 13. Capital expenditure commitments

$ '000	2025	2024
Capital commitments		
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:		
Buildings	7,709	437
Community Services	488	–
Community Wastewater Management Scheme	2,499	–
Environment	40	–
Information technology	601	429
Plant and equipment	540	386
Recreation	1,244	5,900
Roads	758	2,708
Stormwater and drainage	–	62
Tourism	–	938
	13,879	10,860
These expenditures are payable:		
Not later than one year	13,879	8,564
Later than one year and not later than 5 years	–	2,296
	13,879	10,860

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

Note 14. Financial indicators

$ '000	Amounts 2025	Indicator 2025	Indicators 2024	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	**493**	**0.9%**	(2.5)%	2.1%
Total operating income	**52,701**			
This ratio expresses the operating surplus as a percentage of total operating revenue.				
2. Net Financial Liabilities Ratio				
Net financial liabilities	**37,385**	**71%**	37%	20%
Total operating income	**52,701**			
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 30 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				
Adjusted operating surplus (deficit)	**(1,279)**	**(2.5)%**	2.0%	0.5%
Adjusted total operating income	**50,929**			
Adjusted Net Financial Liabilities Ratio				
Adjusted net financial liabilities	**38,958**	**76%**	36%	25%
Adjusted total operating income	**50,929**			
3. Asset Renewal Funding Ratio				
Asset renewals	**9,826**	**84%**	123%	113%
Infrastructure and Asset Management Plan required expenditure	**11,746**			

Net asset renewals expenditure is defined as net capital expenditure on the renewal and replacement of existing assets, and excludes new capital expenditure on the acquisition of additional assets.

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

Note 15. Uniform presentation of finances

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.

$ '000	2025	2024
Income		
Rates	39,947	37,956
Statutory charges	923	830
User charges	4,038	3,827
Grants, subsidies and contributions - capital	1,028	483
Grants, subsidies and contributions - operating	5,457	1,420
Investment income	233	277
Reimbursements	2	3
Other income	973	1,243
Net gain - equity accounted council businesses	100	(47)
Total Income	52,701	45,992
Expenses		
Employee costs	(18,798)	(17,817)
Materials, contracts and other expenses	(20,223)	(17,533)
Depreciation, amortisation and impairment	(11,643)	(11,010)
Finance costs	(1,544)	(771)
Total Expenses	(52,208)	(47,131)
Operating surplus / (deficit)	493	(1,139)
Net timing adjustment for general purpose grant funding	(1,372)	2,086
Less: grants, subsidies and contributions - capital	(1,028)	(483)
Add: Roads to Recovery funding	628	–
Adjusted Operating surplus / (deficit)	(1,279)	464
Net outlays on existing assets		
Capital expenditure on renewal and replacement of existing assets	(9,826)	(6,940)
Add back depreciation, amortisation and impairment	11,643	11,010
Add back proceeds from sale of replaced assets	358	281
	2,175	4,351
Net outlays on new and upgraded assets		
Capital expenditure on new and upgraded assets	(44,169)	(13,651)
Add back grants, subsidies and contributions - capital new/upgraded	1,028	483
Add back amounts received specifically for new and upgraded assets	22,859	1,966
	(20,282)	(11,202)
Annual net impact to financing activities (surplus/(deficit))	(19,386)	(6,387)

Note 16. Leases

(i) Council as a lessee

Terms and conditions of leases

Right-of-use assets - terms and conditions
Refer to Note 1 for further details.

Land
Right-of-use assets leased include land at Angaston for a radio transmission site.

Plant and Equipment
Right-of-use assets include photocopiers, a mower and computer servers.

(a) Right-of-use assets

$ '000	Land	Plant and Equipment	Total
2025			
Set out below are the carrying amounts of right-of-use assets recognised within the above asset categories and the movements during the period:			
Opening balance	–	30	30
Additions to right-of-use assets	–	–	–
Depreciation charge	–	(17)	(17)
Disposal carrying value	–	–	–
Balance at 30 June	–	13	13
2024			
Opening balance	1	97	98
Additions to right-of-use assets	–	–	–
Depreciation charge	(1)	(67)	(68)
Disposal carrying value	–	–	–
Balance at 30 June	–	30	30

(b) Lease liabilities

Set out below are the carrying amounts of lease liabilities (included under Borrowings) and the movements during the period:

$ '000	2025	2024
Balance at 1 July	31	99
Additions	–	–
Accretion of interest	–	1
Payments	(17)	(69)
Disposal liability due	–	–
Balance at 30 June	14	31
Classified as:		
Current	11	18
Non-current	3	13

The maturity analysis of lease liabilities is included in Note 12.

continued on next page ...

Note 16. Leases (continued)

$ '000	2025	2024
The Council had total cash outflows for leases of $245,000 (2024: $259,000).		
The following are the amounts recognised in profit or loss:		
Depreciation expense of right-of-use assets	17	67
Interest expense on lease liabilities	–	1
Expenses relating to leases of low-value assets/short-term leases	228	190
Total amount recognised in profit or loss	245	258

(ii) Council as a lessor

Council owns various buildings, plant and other facilities that are available for hire or lease (on a non-cancellable basis wherever practicable) in accordance with the published revenue policy. Rentals received from such leases are included in Note 2 as lease fees, hall or equipment hire and recreation park fees.

$ '000	2025	2024
Future minimum rentals receivable under non-cancellable operating leases as at 30 June, are as follows:		
Not later than one year	52	46
Later than one year and not later than 5 years	98	128
Later than 5 years	60	142
	210	316

Note 17. Superannuation

Council makes employer superannuation contributions in respect of its employees to schemes selected by employees under "choice of fund" legislation. Council uses Hostplus as its default superannuation fund. With Hostplus, 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 who are Hostplus members (including casuals) have all contributions allocated to the Accumulation section (Marketlink).

Council's subsidiary, Nuriootpa Centennial Park Authority, makes contributions to other superannuation schemes.

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; 11.00% 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 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 in the future.

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.

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

Note 18. 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.

$ '000	Council's Share of Net Income 2025	Council's Share of Net Income 2024	Council's Share of Net Assets 2025	Council's Share of Net Assets 2024
Council's share of net income				
Joint ventures	100	(47)	4,618	4,518
Total Council's share of net income	100	(47)	4,618	4,518

(a) Carrying amounts

$ '000	Principal Activity	2025	2024
Gawler River Floodplain Management Authority	Flood mitigation	4,585	4,488
Northern and Yorke Local Government Association	Local Government regional collaboration	33	30
Total carrying amounts - joint ventures and associates		4,618	4,518

Gawler River Floodplain Management Authority
Established in 2002, this organisation is responsible for the construction, operation and maintenance of flood mitigation infrastructure in the Gawler River area.

Northern and Yorke Local Government Association
Established in 1998, this organisation is formed under Section 43 of the *Local Government Act 1999* to allow membership Councils to approach regional issues in a collaborative manner.

(b) Relevant interests

	Interest in Operating Result		Ownership Share of Equity		Proportion of Voting Power	
	2025	2024	2025	2024	2025	2024
Gawler River Floodplain Management Authority	10.95%	10.61%	10.95%	10.61%	15.38%	15.38%
Northern and Yorke Local Government Association	6.67%	6.67%	6.67%	6.67%	6.67%	6.67%

(c) Movement in investment in joint venture or associate

$ '000	Gawler River Floodplain Management Authority 2025	Gawler River Floodplain Management Authority 2024	Northern and Yorke Local Government Association 2025	Northern and Yorke Local Government Association 2024
Opening balance	4,488	2,230	30	33
Share in operating result	(47)	(66)	3	(3)
Share in other comprehensive income	–	2,302	–	–
Adjustments to equity	144	22	–	–
Council's equity share in the joint venture or associate	4,585	4,488	33	30

continued on next page ...

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

Note 18. Interests in other entities (continued)

(d) Summarised financial information of the equity accounted business

$ '000	Gawler River Floodplain Management Authority 2025	Gawler River Floodplain Management Authority 2024	Northern and Yorke Local Government Association 2025	Northern and Yorke Local Government Association 2024
Statement of Financial Position				
Cash and cash equivalents	25	41	435	486
Other current assets	53	211	34	2
Non-current assets	41,901	42,607	44	10
Total assets	41,979	42,859	513	498
Current trade and other payables	100	202	9	8
Current financial liabilities	5	353	–	–
Current provisions	–	–	9	41
Total liabilities	105	555	18	49
Net Assets	41,874	42,304	495	449
Statement of Comprehensive Income				
Other income	–	271	252	245
Subscriptions, grants, subsidies and other contributions	502	289	70	107
Investment Income	1	1	26	28
Total income	503	561	348	380
Employee costs	–	–	186	239
Materials, contracts & other expenses	176	421	112	189
Depreciation, amortisation and impairment	706	706	4	3
Other	51	56	–	–
Total expenses	933	1,183	302	431
Operating result	(430)	(622)	46	(51)
Other comprehensive income	–	21,699	–	–
Total comprehensive income	(430)	21,077	46	(51)

Note 19. 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 of these items 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

Council has elected not to recognise land under roads as an asset in accordance with AASB 1051 Land Under Roads. 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 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.

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, if applicable, 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. Legal expenses

Council’s Assessment Panel is the planning consent authority for its area under the *Planning, Development and Infrastructure Act 2016*. Under the Act, certain persons aggrieved by a planning decision of the Assessment Panel may appeal. It is normal practice that parties bear their own legal costs. Appeals may be conducted as a result of decisions by the Assessment Panel, or by Council on behalf of residents in relation to enforcement of use conditions, or by Council acting on behalf of the community in relation to proposed development that would adversely affect the region. There were appeals against the Barossa Assessment Panel in 2024-25.

The Barossa Council is a party to a supreme court challenge seeking damages from Council under a contract with the company TTEG related to street lighting charges. Council's potential exposure is estimated to be $90,719.64 in damages plus costs and interest if the court rules against the Council's defence. This exposure is not disclosed in the financial accounts of Council as there is no liability that has or as at 30 June is likely to arise to any certainty that meets the relevant accounting standard.

Note 20. 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 Auditor's Report as the appropriate authorised for issue date relating to these General Purpose Financial Statements.

Council is unaware of any material or significant 'non-adjusting events' that require disclosure.

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

Note 21. Related party transactions

Key management personnel

Transactions with key management personnel

The key management personnel of the Council includes the Mayor, 11 Councillors, the CEO, 7 employees who were part of the Executive Leadership Team or who acted in positions which met the definition of a key management personnel throughout the year, and 8 Board Members and employees of the Nuriootpa Centennial Park Authority - Total 28 (2024: 28).

All close family members of key management personnel were employed through an arm's length process. They are paid in accordance with the Award for the job they perform. The Council employed 175.3 FTEs as at the end of the reporting period of which only 1 is a close family member of a key management personnel.

$'000	2025	2024
Key management personnel employee expenses for close family members	102	96
Total	102	96

Amounts paid as direct reimbursement of expenses incurred on behalf of the Council have not been included.

Payments to related party entities totalled $15,295 in 2024-25 (2024: Nil).

$ '000	2025	2024
The compensation paid to key management personnel comprises:		
Salaries, allowances and other short-term benefits	1,446	1,396
Post-employment benefits	125	111
Long-term benefits	25	–
Termination benefits	–	–
Total	1,596	1,507

Other related party transactions

Council provides work and support in-kind for accounting, governance, asset management and executive services, along with being the conduit for electricity, insurance, loans, CWMS and other services for its subsidiary Nuriootpa Centennial Park Authority. The Authority maintains a Council recreation park at Nuriootpa for community benefit purposes including various sporting activities. The Authority's information as at the reporting date has been included in the accounts within this report and any inter-company transactions have been eliminated on consolidation.

Galpins
Accountants, Auditors
& Business Consultants

CHARTERED ACCOUNTANTS™
AUSTRALIA • NEW ZEALAND

INDEPENDENT AUDITOR'S REPORT

To the members of the Barossa Council

Opinion

We have audited the accompanying financial report of the Barossa Council (the Council), which comprises the statement 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 the Barossa Council.

In our opinion, the accompanying financial report presents fairly, in all material aspects, the financial position of the Council as at 30 June 2025, and its financial performance and its cash flow 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.

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 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 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 decisions of users taken on the basis of this financial report.

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

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
Partner

8 December 2025

Galpins
Accountants, Auditors
& Business Consultants

CHARTERED ACCOUNTANTS™
AUSTRALIA • NEW ZEALAND

To the members of The Barossa Council

Opinion

We have audited the compliance of the Barossa 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 law.

In our opinion, the Barossa 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 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 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

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 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
Partner

8 December 2025

Financial Statements 2025

The Barossa 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 The Barossa Council for the year ended 30 June 2025, the Council's Auditor, Galpins Accountants, Auditors and 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*.

Martin McCarthy
Chief Executive Officer

Peter Brass
Presiding Member, Audit and Risk Committee

Date: 2 December 2025

Galpins

Accountants, Auditors
& Business Consultants

CHARTERED ACCOUNTANTS™
AUSTRALIA • NEW ZEALAND

THE BAROSSA 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 the Barossa 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

Partner

8 December 2025

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