

A scenic landscape at sunset. In the foreground, a white horse with a dark mane is grazing in a lush green field. A wooden fence runs across the middle ground. In the background, a line of trees is silhouetted against the bright sun, which is low on the horizon, creating a lens flare effect. The sky is a mix of blue and orange, with wispy clouds. A large yellow circle is overlaid on the upper part of the image, containing the text 'ANNUAL REPORT' and '2024/25'.

ANNUAL REPORT

2024/25



**TOOWOOMBA
REGION**

ABOUT THIS REPORT

Our Annual Report provides a snapshot of Council's performance for 2024/25 outlining our many achievements and our challenges for the financial year.

Council measures its performance against the 2024 - 2029 Corporate Plan.

We view our Annual Report as one of the key accountability mechanisms between Council and our community and it is developed in compliance with the *Local Government Act 2009 and Local Government Regulation 2012*.

This report is also available in full on our website at: www.tr.qld.gov.au/annualreport

ACKNOWLEDGEMENT

We acknowledge the Traditional Custodians of the Toowoomba Region whose songlines traverse our lands and pay our respect to Elders past, present and emerging, for they hold the knowledge, rich traditions and bold ambitions of Australia's first peoples.

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**YEAR IN
REVIEW**

Mayor's report

Toowoomba Regional Council is committed to delivering community-building projects while lending its voice to advocacy work helping local governments across Australia fight for, and receive, a fairer share of vital infrastructure funding.

We are determined to seize on the opportunities that will help us deliver essential services and lifestyle features across our towns, our city and our Region.

Gaining a fairer portion of the financial pie will ensure our communities continue to be places where ambition meets opportunity.

Council is responsible for managing an asset base of more than \$7 billion, which highlights the extent of the financial task before us.

Our financial management will continue to focus on balancing affordability for residents while delivering essential services. Council's current credit rating of Sound with a Neutral outlook is assessed by Queensland Treasury Corporation, with the annual review currently in progress. The 2024-2025 results place Council in a strong position to maintain this rating.

After becoming the first local authority in Queensland to implement the new State financial sustainability framework in September 2023, it is pleasing to report that we received an unmodified audit on our current year financial sustainability ratios from the Queensland Audit Office. Council's long term sustainability statement indicates we remain sustainable as we plan for the future.

Council recorded a \$639,000 net operating surplus, partly due to the pre-payment of half of the 2025-2026 Financial Assistance Grant from the Australian Government, in addition to achieving a raft of savings across the organisation.

Despite many competing demands, this achievement ensures Council retains a long-term financially sustainable outlook which gives business and industry the confidence to invest in our diverse Regional economy and support our jobs market into the future.

While recording a surplus was a welcome result, it again showed how reliant local authorities are on inconsistent grant payments to fund vital projects.

It reinforces our call for fair, timely and untied funding from the State and Australian Governments to help us deliver the services and facilities that our growing communities demand and deserve.

Local governments across Australia face immense pressures to balance growth with liveability, while managing ageing infrastructure across vast road, wastewater and water networks.

We are no different in this regard, as we look to manage similar demands across our infrastructure networks, including a Council network of nearly 6,700km of sealed and unsealed roads.

The requirement to complete the Cressbrook Dam Safety Improvement Project places additional pressures on our capacity to upgrade existing, ageing infrastructure.

We've always said we can afford to complete the Cressbrook Dam Safety Improvement Project, however, without significant state and federal government funding it is having a detrimental effect on our ability to deliver other important community projects.

This situation highlights that a review of funding for local government is needed urgently. The infrastructure funding cliff that has been mentioned for some time is here.

One of the most significant milestones in the reporting period was the announcement that our Region will play a pivotal role in the Brisbane 2032 Olympic and Paralympic Games. We are incredibly excited to be chosen as the official host of the equestrian events at the Toowoomba Showgrounds.

This opportunity not only places our Region on the global stage, but promises to bring substantial economic, social, and cultural benefits to our community. Our teams are already working hard to prepare, ensuring that our infrastructure and services are ready to welcome the world's best athletes and visitors.

“ One of the most significant milestones in the reporting period was the announcement that our Region will play a pivotal role in the Brisbane 2032 Olympic and Paralympic Games. We are incredibly excited to be chosen as the official host of the equestrian events at the Toowoomba Showgrounds. ”

While we are excited to be a Brisbane 2032 venue, we must never forget that this dream began when the South East Queensland Council of Mayors came together with a vision to fast track the infrastructure our growing communities need. That vision still drives us today as we advocate for better transport connections, including future passenger rail between Toowoomba and Brisbane.

Our signature tourism event, the Toowoomba Carnival of Flowers continues to prosper. In 2024, the event drew a record 470,000 visitors (which was up 12% on the 2023 figures) and injected more than \$29 million into our state's economy (a 19% increase on the 2023 figures). The 2024 event also achieved 149,538 visitor nights, which was a 9% increase on the 2023 figures.

In other positive economic news, our Region's employment figures increased by 11,700 people in the reporting period, representing a 14.3% increase over the year, compared with 3.1% annual employment growth for Queensland. Our Region's unemployment rate decreased to 2.7%, the third lowest in Queensland (down 1.1 percentage points), compared with Queensland's annual unemployment rate of 4%.

This was complemented by a net increase of 545 registered businesses.

Council highlighted its support for local businesses and job creation by spending \$194.3 million with Toowoomba Region suppliers in 2024-2025.

Council substantially completed its 2022 Flood Recovery Program, at a cost of approximately \$300 million, which was jointly funded by the Australian and Queensland Governments' Disaster Recovery Funding Arrangements (DRFA). The Program delivered repairs to more than 1,500 roads and replaced 119 damaged culverts and floodways across the Toowoomba Region.

We allocated \$159 million to local suppliers and contractors as part of our 2022 Flood Recovery Program, highlighting our commitment to support our business community.

Along with much of southern Queensland, our disaster preparedness was tested in March 2025 by ex-Tropical Cyclone Alfred, which affected parts of our Region. While the storm brought significant wind, rainfall and disruption, I am proud of the way our community and Council staff responded.

Through the combined efforts of emergency services, local businesses and volunteers, we have been able to recover quickly. The resilience of our community continues to shine brightly in the face of adversity, and I extend my gratitude to everyone who played a role in our recovery efforts.



I convey my thanks to Councillors for their dedication and passion with which they serve our community.

I also thank all staff who delivered essential services right across our Region despite uncertainty relating to changes in leadership.

This dedication was epitomised by the fact that staff completed 93% of actions that were required under our Operational Plan. This is a commendable achievement.

I acknowledge the service of former CEO Brian Pidgeon who retired in January 2025 after more than 12 years in the role and 46 years in local government.

I also acknowledge Council's Executive Leadership Team who served in the Acting CEO role before the appointment of our Interim CEO, former Brisbane City Council CEO, Colin Jensen.

Mr Jensen guided the organisation across four months in readiness for the arrival of our new CEO, Sal Petrocetto OAM, who has more than 30 years' executive leadership experience across public and private sectors with a focus on delivering cultural transformation and strategic outcomes in complex environments.

We live in an amazing place where we celebrate 36 towns and Australia's largest inland city apart from Canberra, all of which contribute to a diverse, productive and attractive Region where ambition meets opportunity.

Geoff McDonald







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GOVERNANCE



Councillors and their portfolios



Cr Geoff McDonald

MAYOR

Portfolios:

- Business Transformation & Strategy Portfolio
- Major Projects Portfolio
- Planning & Development Portfolio.



Cr Rebecca Vonhoff

DEPUTY MAYOR

Portfolios:

- Business Transformation & Strategy Portfolio
- Major Projects Portfolio
- Water & Waste Portfolio.



Cr Bill Cahill

Portfolios:

- Business Transformation & Strategy Portfolio
- Environment & Community Portfolio
- Infrastructure Services Portfolio
- Water & Waste Portfolio.



Cr Edwina Farquhar

Portfolios:

- Business Transformation & Strategy Portfolio
- Corporate Services Portfolio
- Planning & Development Portfolio.



Cr Gary Gardner

Portfolios:

- Corporate Services Portfolio
- Infrastructure Services Portfolio
- Major Projects Portfolio
- Planning & Development Portfolio.



Cr Trevor Manteufel

Portfolios:

- Environment & Community Portfolio
- Infrastructure Services Portfolio
- Planning & Development Portfolio.



Cr Tim McMahon

Portfolios:

- Environment & Community Portfolio
- Planning & Development Portfolio
- Corporate Services Portfolio.



Cr James O'Shea

Portfolios:

- Environment & Community Portfolio
- Corporate Services Portfolio.



Cr Kerry Shine

Portfolios:

- Planning & Development Portfolio
- Water & Waste Portfolio.



Cr Carol Taylor

Portfolios:

- Infrastructure Services Portfolio
- Major Projects Portfolio.



Cr Melissa Taylor

Portfolios:

- Environment & Community Portfolio
- Corporate Services Portfolio
- Water & Waste Portfolio.



Advisory committees

Advisory committees have been established by Council to provide a formal process to engage with members of the community in providing guidance and assistance to Council in accordance with sections 264 and 265 of the *Local Government Regulation 2012*. Council has the following advisory committees:

- Multicultural Advisory Committee
- Regional Active and Public Transport Advisory Committee
- Regional Arts Development Fund Advisory Committee
- Regional Youth Advisory Committee
- Toowoomba Region Aerodromes Advisory Committee
- Toowoomba Region Biosecurity Advisory Committee.

Councillor meeting attendance

The number of local government meetings that each Councillor attended during the financial year:

Councillor	Attended			Absent	
	Committee meetings	Ordinary meetings of Council	Special meetings of Council	Official Council business	Personal reasons or unwell
Total meetings held	66	12	10		
McDonald, Geoff	62	12	10	4	-
Cahill, Bill	54	11	9	-	14
Farquhar, Edwina	62	11	9	-	6
Gardner, Gary	54	11	8	-	15
Manteufel, Trevor	66	12	10	-	-
McMahon, Tim	66	12	8	2	-
O'Shea, James	60	12	10	-	6
Shine, Kerry	60	12	9	-	7
Taylor, Carol	48	11	7	-	22
Taylor, Melissa	59	11	10	1	7
Vonhoff, Rebecca	63	10	9	3	3

Councillor remuneration

The total remuneration including superannuation contributions, paid to each Councillor during the financial year:

Councillor	Salary (\$)	Council superannuation contributions (\$)	Total (\$)
McDonald, Geoff	198,070.88	23,768.37	221,839.25
Cahill, Bill	117,043.35	14,045.13	131,088.48
Farquhar, Edwina	117,043.35	14,045.13	131,088.48
Gardner, Gary	117,043.35	13,459.94	130,503.29
Manteufel, Trevor	117,043.35	13,459.94	130,503.29
McMahon, Tim	117,043.35	14,045.13	131,088.48
O'Shea, James	117,043.35	14,045.13	131,088.48
Shine, Kerry	117,043.35	14,045.13	131,088.48
Taylor, Carol	117,043.35	14,045.13	131,088.48
Taylor, Melissa	117,043.35	14,045.13	131,088.48
Vonhoff, Rebecca	135,047.35	16,205.82	151,253.17
Total	\$1,386,508.38	\$165,209.98	\$1,551,718.36

Councillor expenses and facilities provided

Councillor expenses

The expenses incurred by each Councillor during the financial year in accordance with 2.53 Expenses Reimbursement and Provision of Facilities – Councillors Policy:

Councillor	Accommodation (\$)	Professional development (\$)	Travel & transfers (\$)	Council vehicle		Meals (\$)	Community engagement (\$)	Hospitality (\$)	Legal (\$)	Total (\$)
				Councillor payment (\$)	Cost (\$)					
McDonald, Geoff	6,722.61	2,925.22	6,013.94	(4,543.50)	13,714.80	967.79	2,798.52	156.87	-	28,756.25
Cahill, Bill	2,466.83	10,748.86	1,602.29	(4,334.46)	16,916.40	568.69	296.72	-	-	28,265.33
Farquhar, Edwina	1,992.58	12,962.86	348.55	(5,500.04)	16,273.56	332.55	1,121.37	-	-	27,531.43
Gardner, Gary	-	-	-	-	-	-	81.82	-	-	81.82
Manteufel, Trevor	2,244.48	3,675.22	3,489.42	(5,556.20)	19,530.24	315.97	1,056.61	-	-	24,755.74
McMahon, Tim	1,944.33	10,562.50	2,404.56	(5,281.12)	16,643.04	402.75	771.82	-	-	27,447.88
O'Shea, James	720.85	-	2,409.76	(3,778.58)	11,402.28	163.03	62.50	-	-	10,979.84
Shine, Kerry	1,414.46	3,675.22	1,494.25	(4,639.96)	13,471.44	132.88	1,268.89	-	-	16,817.18
Taylor, Carol	5,500.39	4,758.77	4,430.09	(4,321.98)	12,664.32	294.29	735.69	-	7,000.00	31,061.57
Taylor, Melissa	2,524.70	3,625.14	5,079.22	(4,234.88)	14,964.48	117.24	934.55	-	-	23,010.45
Vonhoff, Rebecca	3,360.58	3,246.27	2,928.55	(4,639.96)	13,471.44	215.50	1,307.81	-	-	19,890.19
Total	28,891.81	56,180.06	30,200.63	(46,830.68)	149,052.00	3,510.69	10,436.30	156.87	7,000.00	238,597.68

Councillor facilities

The facilities provided to each Councillor during the financial year in accordance with 2.53 Expenses Reimbursement and Provision of Facilities – Councillors Policy:

Councillor	Laptop	Phone	Tablet	Motor vehicle
McDonald, Geoff	✓	✓	✓	✓
Cahill, Bill	✓	✓	✓	✓
Farquhar, Edwina	✓	✓	✓	✓
Gardner, Gary	✓	✓	✓	-
Manteufel, Trevor	✓	✓	✓	✓
McMahon, Tim	✓	✓	✓	✓

Councillor	Laptop	Phone	Tablet	Motor vehicle
O'Shea, James	✓	✓	✓	✓
Shine, Kerry	✓	✓	✓	✓
Taylor, Carol	✓	✓	✓	✓
Taylor, Melissa	✓	✓	✓	✓
Vonhoff, Rebecca	✓	✓	✓	✓

Councillor travel

Councillors travelled overseas in an official capacity during 2024/25:

Councillor	Position	Destination	Purpose	Cost (\$)
McDonald, Geoff	Mayor	Singapore	Gardens by the Bay Carnival of Flowers Display Opening	2,987.89
O'Shea, James	Councillor	Singapore	Gardens by the Bay Carnival of Flowers Display Opening	3,330.94
McMahon, Tim	Councillor	Singapore	Gardens by the Bay Carnival of Flowers Display Opening	3,112.64
Cahill, Bill	Councillor	Whanganui, New Zealand	Council Delegation	2,329.50
Manteufel, Trevor	Councillor	Whanganui, New Zealand	Council Delegation	2,855.19
Taylor, Melissa	Councillor	Whanganui, New Zealand	Council Delegation	2,805.85

Councillor tickets

Complimentary tickets provided to Councillors for Council organised events during the financial year under the 2.53 Expenses Reimbursement and Provision of Facilities - Councillors Policy:

Councillor	Council Event			
	TCOF* Parade Seating	TCOF* Festival of Food & Wine	Symphony Under the Stars	Taste Toowoomba Reception
McDonald, Geoff	20	2	2	2
Cahill, Bill	12	2	-	2
Farquhar, Edwina	12	2	2	2
Gardner, Gary	-	2	2	-
Manteufel, Trevor	12	2	2	2
McMahon, Tim	12	2	2	2
O'Shea, James	12	2	1	2
Shine, Kerry	12	2	2	2
Taylor, Carol	-	2	2	-
Taylor, Melissa	12	2	2	2
Vonhoff, Rebecca	12	-	2	-
Total	116	20	19	16

*Toowoomba Carnival of Flowers (TCOF)

Resolutions made

Expenses reimbursement

Section 250(1) of the *Local Government Regulation 2012* requires Council to adopt an expenses reimbursement policy. Council last adopted the 2.53 Expenses Reimbursement and Provision of Facilities - Councillors Policy at its Ordinary Meeting of Council on 15 April 2025.

Valuation of non-current physical assets

Section 206(2) of the *Local Government Regulation 2012* requires Council by resolution to set an amount for each different type of non-current physical asset below which the value of an asset of the same type must be treated as an expense. The last resolution was made at the Ordinary Meeting of Council on 19 August 2025 in adopting the 2.51 Non-Current Asset Policy.

Councillor conduct (complaints)

The *Local Government Act 2009* provides a framework for assessing complaints about the conduct or performance of Councillors. The 2.72 Investigation Policy - Councillors, details how complaints about the conduct of a Councillor will be dealt with as required under the Act. It is a requirement under the *Local Government Regulation 2012* that the Annual Report contains details of complaints received about Councillor's conduct or performance.

Section of LGA*	Type of order/complaint	Number
150I(2)	Orders made about unsuitable meeting conduct	-
150IA(2)(b)	Orders made about unsuitable meeting conduct of chairperson	-
150AH(1)	Orders made about conduct breaches	-
150AR(1)	Decisions, orders and recommendations made by the Conduct Tribunal	-
150P(2)(a)	Complaints referred to the assessor	2
150P(3)	Complaints referred to the Crime and Corruption Commission	-
150R(2)	Conduct notifications to the assessor	1
150S(2)(a)	Misconduct notifications to the assessor	-
150AC(1)	Suspected conduct breaches referred from the assessor to Council	-
150AEA	Suspected conduct breaches for which an investigation was not started or was discontinued by Council	-
150AF(3)(a)	Misconduct notifications reported to the assessor during an investigation	-
150AG(1)	Decisions made about a conduct breach	-
150AG(1)	Conduct breach matters not decided by the end of financial year	-
150AG(1)	Average time taken to make a decision about a conduct breach	-
Chapter 5A, part 3, division 5	Occasions another entity was asked to investigate a suspected conduct breach	-
Chapter 5A, part 3, division 6	Applications heard by the conduct tribunal about an alleged misconduct or conduct breach	-

* Local Government Act 2009

Discretionary funds

Council does not allocate discretionary funds to Councillors.

Financial contributions under the *Planning Act 2016*

Section 189A of the *Local Government Regulation 2012* requires Council to report on particular financial contributions received under the *Planning Act 2016* during the financial year. Council did not receive any financial contributions related to this legislative requirement for this financial year.

Grants to community organisations

Total grants funded - \$572,165.28

Community economic development grants

Total funded in this category - \$29,804.03

Crows Nest Community Arts and Crafts: \$4,804.03
 Gummingurru Aboriginal Corporation: \$5,000.00
 Millmerran Commerce and Progress Inc: \$5,000.00
 Oakey Chamber of Commerce Inc: \$10,000.00
 Southern Queensland Cycle Trails Inc: \$5,000.00

Community support grants

Total funded in this category - \$39,693.69

Cambooya Landcare Association Inc: \$2,498.23
 Clifton and District Progress Association Inc: \$1,737.00
 Darling Downs Historical Railway Society Ltd: \$1,236.00
 Darling Downs Sailing Club Inc: \$2,369.38
 Days for Girls Toowoomba Inc: \$1,914.90
 Help a Friend Club Toowoomba Inc: \$1,918.18
 Hope for our Children Ltd: \$2,000.00
 inCommunity Inc: \$2,500.00
 Palliative Care Queensland Inc: \$1,800.00
 Pittsworth and District Campdraft Assn Inc: \$2,172.00
 Rosies Youth Mission Inc: \$1,859.28
 Southbrook Central Primary P&C Assn: \$1,199.00
 Southbrook Sports Club Inc: \$2,019.00

St Ursula's College Toowoomba P&F Assn: \$2,315.50
Sunrise Way Rehabilitation Ltd: \$2,496.58
The Kooroongarra SSS&A Sport and Recreation Club Inc: \$1,886.00
Tony's Community Ltd: \$2,480.65
Toowoomba Choral Society Inc: \$1,888.99
Yarraman and District Historical Society Inc: \$2,475.00
Yarraman and District Progress Assn Inc: \$928.00

Cultural & arts support grants

Total funded in this category - \$18,421.48

Curious Arts Inc: \$4,000.00
Emu Creek Primary P&C Assn: \$4,000.00
Map Cap Twirling: \$2,548.00
Network for Regional Performing Arts: \$4,000.00
The Child Writes Fund Ltd: \$3,873.48

Environment grants

Total funded in this category - \$34,737.46

Cambooya Landcare Assn Inc: \$7,500.00
Crows Nest Community Solutions Ltd: \$7,500.00
Crows Nest Environmental Ltd: \$3,818.19
Emu Creek Catchment Landcare Group Inc: \$7,500.00
High Country Koala Action Group Inc: \$1,697.00
Little Country Kids Club Inc: \$5,182.27
North East Downs Landcare Group Inc: \$1,540.00

Event support grants

Total funded in this category - \$47,167.38

Boodua Public Hall Assn Inc: \$3,000.00
Cambooya Campdraft Assn: \$1,500.00
Cambooya Landcare Assn Inc: \$1,000.00
Cambooya Public Hall Committee: \$1,500.00
Clifton and District Progress Assn Inc: \$1,000.00
Cooyar & District Progress Assn Inc: \$1,500.00
Crows Nest Agricultural Horticultural & Industrial Society Inc: \$1,500.00
Emu Creek Primary P&C Assn: \$1,500.00
Felton Hall Assn Inc: \$997.00
Gowrie Little Plain Community Centre Inc: \$4,025.00
Haden Public Hall Inc: \$1,500.00
Highfields District Kindergarten Assn Inc: \$3,000.00
Leafmore Garden Society Inc: \$600.00
Lions Club of Crows Nest Inc: \$1,500.00
Lions Club of Westbrook and Districts: \$1,500.00
Living Grace Church: \$1,500.00
Millmerran Academy of Performing Arts: \$1,439.50
Millmerran Commerce & Progress Inc: \$1,500.00

The Child Writes Fund Ltd: \$748.50
The Corporation of the Synod of the Diocese of Brisbane – Pittsworth: \$1,500.00
The Ethnic Communities Council of Queensland Ltd: \$1,500.00
The Royal Society for the Prevention of Cruelty to Animals (Queensland) Ltd: \$1,407.38
Toowoomba Bonsai Group Inc: \$300.00
Toowoomba Jump Club Inc: \$1,500.00
Toowoomba Lapidary Club Inc: \$1,500.00
Toowoomba Malayalee Assn Inc: \$1,500.00
Toowoomba Orchid Society Inc: \$1,500.00
Toowoomba Senior Citizens Club Inc: \$800.00
Treasure Island Clifton Community Childcare Assn Inc: \$1,500.00
Vera Lacaze Memorial Community Kindergarten Inc: \$850.00
Wesleyan Methodist Church of Australia in Queensland Toowoomba: \$1,000.00
West Toowoomba Pony Club Inc: \$1,500.00

Floral parade grants (TCOF 2024)

Total funded in this category - \$13,599.00

Bhakti Centre Gold Coast Pty Ltd: \$1,000.00
Breakaway Toowoomba Inc: \$1,000.00
Darling Downs Irish Club Inc: \$600.00
Endeavour Foundation: \$985.00
Girls' Brigade Queensland Inc: \$600.00
Harlaxton Neighbourhood Centre Inc: \$1,000.00
Living Grace Church: \$1,000.00
Queensland AIDS Council (trading as Queensland Council for LGBTI Health): \$1,000.00
Rotary Club of Toowoomba Inc: \$1,000.00
RSL Care RDNS Ltd (trading as Bolton Clarke): \$750.00
The Child Writes Fund Ltd: \$664.00
Tony's Community Ltd: \$1,000.00
Toowoomba Malayalee Assn Inc: \$1,000.00
Toowoomba Tamil Assn Inc: \$1,000.00
Victory Life Toowoomba Inc: \$1,000.00

Major event support grants

Total funded in this category - \$2,082.00

Peranga Community Assn Inc: \$2,082.00

Regional event support grants

Total funded in this category - \$62,068.29

Clifton and District Progress Assn Inc: \$2,602.80
Darling Downs Region Scouts - The Scout Association of Australia Queensland Branch Inc: \$5,323.50
Goombungee - Haden A.H. & P. Society Inc: \$2,555.00

High Country Festivals Inc: \$10,000.00
 Pittsworth District Alliance Inc: \$11,526.20
 Rosalie Shire Historical Society: \$10,000.00
 Rotary Club of Toowoomba North Inc: \$5,044.99
 The Corporation of the Synod of the Diocese of Brisbane – Toowoomba: \$6,034.00
 The Toowoomba and District Old Machinery Society Inc: \$3,351.60
 Wild Horse FM Inc: \$3,640.20
 Youth With A Mission Toowoomba Inc: \$1,990.00

Sport and recreation support grants

Total funded in this category - \$252,218.00

Clifton Bowls Club Inc: \$8,863.64
 Clifton Golf Club Inc: \$21,954.55
 Cooyar Campdraft Assn Inc: \$2,352.27
 Crows Nest - Goombungee & Districts Rifle Club Inc: \$2,037.24
 Highfields F.C. Inc: \$31,718.57
 Oakey Golf Club Inc: \$11,573.00
 Pittsworth Vikings Soccer Club Inc: \$4,453.00
 RM Equestrian Centre Inc: \$11,115.00
 St Mary's Old Boy's Assn Inc: \$52,285.50
 Toowoomba Tennis Assn Inc: \$24,250.85
 Wattles Rugby League Football Club Inc: \$81,614.38

Sports tourism event grants

Total funded in this category - \$66,000.00

Downs Rugby Ltd: \$10,000.00
 Equestrian Queensland Inc: \$5,000.00
 Garden City Backyard Ultra: \$5,000.00
 Softball Queensland Inc: \$5,000.00
 Southern Suburbs Junior Rugby League Club Toowoomba Inc: \$5,000.00
 Toowoomba Basketball Assn Inc: \$10,000.00
 Toowoomba Hockey Assn: \$7,500.00
 Toowoomba Malayali Assn: \$3,000.00
 Toowoomba Mountain Bike Club Inc: \$8,000.00
 Toowoomba Nepalese Football Club (TNFC) Inc: \$2,500.00
 Toruk Makto Sports Club: \$5,000.00

Youth support grants

Total funded in this category - \$6,373.95

Downs Industry Schools Co-operation Inc: \$2,000.00
 Wesleyan Methodist Church of Australia in Queensland Toowoomba: \$2,498.70
 Youturn Ltd: \$1,875.25.

Beneficial enterprises

The following beneficial enterprises were conducted by Toowoomba Regional Council during the financial year (section 41, *Local Government Act 2009*). A beneficial enterprise is an enterprise that a local government considers to benefit, and/or can reasonably be expected to benefit, the whole or part of its local government area. As a result of feedback from the Queensland Audit Office, Council has reported on enterprises conducted by Council and not payments to third parties for help or a particular cause.

The beneficial enterprises are limited to the controlled entities, which are as follows:

- Empire Theatres Pty Ltd
- Empire Theatres Foundation Ltd
- Toowoomba and Surat Basin Enterprises Pty Ltd
- Toowoomba and Surat Basin Enterprise Development Fund Limited.

Summary of concessions for rates and charges

Pensioner rate concession

A rebate of general rates is granted by Council if the owner of the land is a pensioner or, in some circumstances, if the land is occupied but not owned by a pensioner. In addition, a rebate of water infrastructure charges is also granted if the owner of the land is a pensioner. The rebates are subject to the conditions set out in the 2.30 Pensioner Rate Concession Policy. The Policy sets out the eligibility criteria and the calculation of the rebates (noting for lands owned by pensioners, the rebates are determined annually by Council).

Water charges concession (unapparent plumbing failure)

Part rebate of water consumption charges is granted to owners of land who incur water consumption charges because of an unapparent plumbing failure and who satisfy the criteria set down in the 2.28 Water Charges Concession Policy. The Policy sets out the eligibility criteria to be satisfied and the manner of calculation of the rebate.

Water charges concession (home haemodialysis)

Part rebate of water consumption charges is granted to owners of land where the occupier is receiving home haemodialysis and who satisfy the criteria set down in the 2.39 Water Charges Concession (Home Haemodialysis) Policy. The Policy sets out the eligibility criteria to be satisfied and the manner of calculation of the rebate.

Rates and charges hardship concession

Part rebate of rates or charges interest is granted to owners of land who incur serious financial hardship and who satisfy the criteria set down in the 2.65 Rates and Charges Hardship Concession Policy. The Policy sets out the eligibility criteria to be satisfied and the manner of calculation of the rebate.

Water charges concession for community sporting organisations

Part rebate of water consumption charges is granted to owners of land (community sporting organisations) who incur water consumption charges maintaining soft playing fields and who satisfy the criteria set down in the 2.74 Water Charges Concession for Community Sporting Organisations Policy. The Policy sets out the eligibility criteria to be satisfied and the manner of calculation of the rebate.

Report on the internal audit for the financial year

Council's Audit Committee has the prime objective to assist Council to fulfil its corporate governance role and oversight responsibility relating to accounting and reporting practices.

Council's internal audit function is established through a 'co-sourced' service delivery arrangement with an external agency to provide an independent and objective assessment and evaluation of control measures to manage Council's operational risks. This arrangement provides us with access to extensive expertise and skills, seamless service delivery and an opportunity to mentor, build capacity and drive performance.

A risk-based approach was used when developing our Internal Audit Plan to direct internal audit focus to areas of higher risk. Six internal audits were undertaken during the financial year:

- Information and Records Management,
- Payroll,
- Road Infrastructure Review (Flood Recovery Program),
- Revenue,
- Major Projects, and
- Incoming Grants Management.

Council's Audit Committee is responsible for monitoring and reviewing the integrity of financial reporting, overseeing the internal audit function, and assessing the effectiveness and objectivity of internal auditors. The Committee also provides recommendations on matters it identifies as requiring action or improvement.



3

ORGANISATION





Executive leadership team



Sal Petrocitto OAM
CHIEF EXECUTIVE OFFICER*
 (Commenced 14 July 2025)

- Branches:
- Business Transformation & Strategy
 - Governance & Legal Services.

**Brian Pidgeon – Chief Executive Officer, resignation effective 10 January 2025
 Colin Jensen – Interim Chief Executive Officer from 24 February 2025 to 13 June 2025*



Mike Brady
GENERAL MANAGER
INFRASTRUCTURE SERVICES

- Branches:
- Construction & Maintenance
 - Fleet & Logistics
 - Project Services
 - Transport & Drainage Planning.



Nick Hauser
GENERAL MANAGER
ENVIRONMENT & COMMUNITY SERVICES

- Branches:
- Community Development, Facilities & Tourism
 - Environmental & Regulatory Services
 - Library & Cultural Services
 - Parks & Recreation Services
 - Property Services.



Ed Johnson
GENERAL MANAGER
PLANNING & DEVELOPMENT*
 (Commenced 30 June 2025)

- Branches:
- Development Infrastructure & Growth
 - Economic Development
 - Place
 - Planning.

**Nikola Stepanov – General Manager, resignation effective 17 January 2025*



Ann-Marie Johnston
GENERAL MANAGER
CORPORATE SERVICES

- Branches:
- Customer Communication & Engagement
 - Financial Services
 - Information, Communication & Technology
 - People & Culture.



Jaek Passier
GENERAL MANAGER
WATER & WASTE SERVICES

- Branches:
- Water Infrastructure Services
 - Water Operations
 - Water Project Services
 - Waste Services.



Executive remuneration

The total remuneration for senior management staff came to \$1,897,458.82

Number of senior management staff	Total remuneration range*
1	\$0 - \$100,000
2	\$100,000 - \$200,000
1	\$200,000 - \$300,000
4	\$300,000 - \$400,000

*The total remuneration includes annual salary, superannuation and non-cash benefits.

Employee overseas travel

Local government employees travelled overseas in an official capacity during 2024/25.

Employee	Position	Destination	Purpose	Cost (\$)
Jane Morey	International Relations Officer	Singapore	Gardens by the Bay Carnival of Flowers Display Opening	3,143.83
Kate Scott	Principal Tourism & Events	Singapore	Gardens by the Bay Carnival of Flowers Display Opening	2,959.81
Julie Stoddart	Horticulturists (Gardens)	Singapore	Staff Exchange with Gardens by the Bay	7,060.94
Margot Ross	Volunteer Management Officer	Paju City, South Korea	Paju Staff Exchange Program	2,175.56
Tahnee Pearse	Manager Library & Cultural Services	Whanganui, New Zealand	Council Delegation	2,805.32

Administrative action complaints

Council is committed to effective management of administrative complaints.

Council seeks to perform this function in an accountable, timely and fair manner in accordance with its Complaints Management Framework. All administrative review complaints are treated seriously and are considered to provide Council with an opportunity to identify and implement business improvements in addition to correcting operational and administrative errors and/or omissions.

Unresolved complaints (brought forward from previous year) - 18

Complaints received - 56

Complaints resolved - 68

Unresolved complaints (carried forward to next year) - 6

Penalty Infringement Notice

A Penalty Infringement Notice (PIN) may have been issued for non-compliance with state or local laws such as parking regulations, licensing, keeping and control of animals.

All requests received to review PINs are assessed and decided having consideration to principals of natural justice, procedural fairness, and confidentiality. Each review is considered objectively and reasons for the review decision is provided in a formal response to the requests.

This year the following PIN review requests were completed:

Type of PIN	Number of PINs issued	PIN review requests	Total number of PINs		Total number of PINs waived/withdrawn	
			Resolved	Unresolved (carried forward to next financial year)	Errors	Other reasons
Parking	17,302	925	919	6	245	669
Animal Management	1,797	84	84	-	55	29
Environmental Health Compliance	39	4	4	-	1	3
Development Compliance	30	11	30	-	4	4
Total number of PINs	19,168	1,024	1,037	6	305	705

Business activities

Council undertook the following business activities to which it applied the Code of Competitive Conduct:

- Aerodromes
- Building certification
- Cemeteries
- Fleet and logistics services
- Highfields Cultural Centre
- Laboratory services
- Other roads
- Private works
- Waste services
- Water and wastewater.

The following activities were identified as significant business activities:

- Fleet and plant services
- Waste services
- Water and wastewater.

Council applies the competitive neutrality principles to all significant business activities.

Competitive neutrality complaints

Council did not receive any competitive neutrality complaints in 2024/25 and did not respond to any recommendations from the Queensland Competition Authority on any competitive neutrality complaints during this year.

Registers kept

- Asset Register
- Councillor Conduct Register
- Local Laws Register
- Register of Cost Recovery Fees and Charges
- Register of Delegations - Chief Executive Officer to Employees and Contractors
- Register of Delegations - Council to the Chief Executive Officer
- Register of Delegations - Council to the Mayor
- Register of Delegations - Mayor to Councillors
- Register of Interests
- Road Asset Register.

Services, facility or activity provided by another local government

There are no details to report under this section for the 2024/25 financial year.

Invitations to change tenders

Council issued zero invitations to change tenders during the 2024/25 financial year.

ORGANISATIONAL DIVERSITY

Toowoomba Regional Council is committed to fostering a workplace that embraces diversity and inclusion. Diversity refers to the many characteristics that make people unique such as age, culture, gender, ability, background, identity and work styles. Inclusion is how our culture and behaviours ensure everyone feels respected, valued and has fair access to opportunities.

Council recognises that a diverse workforce brings a range of perspectives, experiences and ideas that strengthen decision-making and enrich our organisational culture. When people feel included and valued, they are more engaged, motivated and empowered to contribute to their full potential. This in turn helps to create a more resilient and adaptable organisation, capable of better serving our community.

To demonstrate this commitment, Council continues to be a proud corporate member of Diversity Council Australia (DCA), the nation's peak body for workplace diversity and inclusion. This membership provides all employees with access to national research, best practice resources and professional development across the full spectrum of diversity.

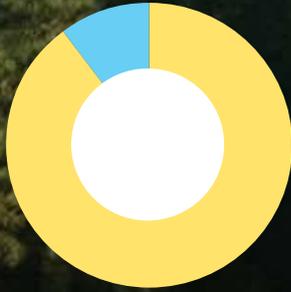
In 2024/25, Council continued to progress its diversity and inclusion work. We monitor diversity and inclusion data year-on-year to enable us to track trends, measure progress and identify areas for further focus. This evidence-based approach ensures that our actions remain relevant and meaningful.

Progress has also continued with the development of Council's first Reconciliation Action Plan (RAP). The RAP will provide a framework for strengthening relationships with First Nations peoples and embedding reconciliation into the way we work. This complements Council's broader diversity and inclusion priorities.



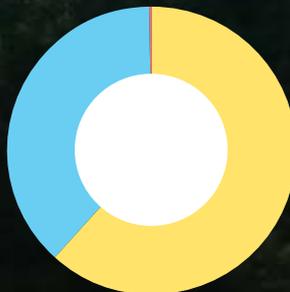
Diversity statistics

1566
Total headcount



Disability (871 disclosed)

- No - 782 (89.78%)
- Yes - 89 (10.22%)



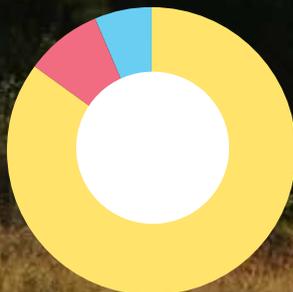
Gender (1,547 disclosed)

- Male - 954 (61.67%)
- Female - 590 (38.14%)
- Intersex or indeterminate - 3 (0.19%)



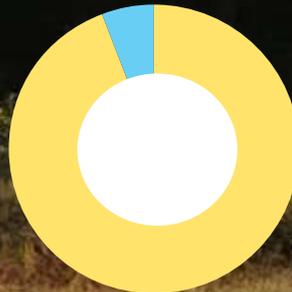
Veteran (892 disclosed)

- No - 874 (97.98%)
- Yes - 18 (2.02%)



Country of birth (900 disclosed)

- Australia - 766 (85.11%)
- Overseas non-English - 77 (8.56%)
- Overseas English - 57 (6.33%)



Aboriginal and Torres Strait Islander people (892 disclosed)

- No - 846 (94.84%)
- Yes - 46 (5.16%)



Australian South Sea Islander people (875 disclosed)

- No - 872 (99.66%)
- Yes - 3 (0.34%)



Linguistic diversity (886 disclosed)

- No - 801 (90.41%)
- Yes - 85 (9.59%)



LGBTIAQ+ (714 disclosed)

- No - 684 (95.79%)
- Yes - 30 (4.20%)



3

PERFORMANCE

Council goal performance

The scorecard provides measures of Council's performance and progress against the key priorities, key services and key performance indicators as set out in the 2024 - 2029 Corporate Plan. This is the first year of reporting under Council's 2024- 2029 Corporate Plan, which was restructured to focus on goals, goal statements, key priorities, and services rather than organisational structure. Accordingly, results from this year cannot be directly compared with previous years; however, details of the previous reporting approach can be found in Council's 2023/24 Annual Report. Key Priorities are designed to be progressed across the life of the 2024 - 2029 Corporate Plan, with some achieved within a single year and others advanced over multiple years. Our figures are based on the following status:

 On target  Monitor  Delayed  Future dated



PEOPLE

Community and wellbeing

Council promotes a vibrant, safe, healthy, and engaged Region, creating opportunities for people to connect and belong. We are proud of our unique and diverse communities.

GOAL 1: PEOPLE - SCORECARDS

Corporate Plan Key Priorities		2024/25 Status
1.1	Encourage initiatives that address community health and wellbeing.	▲
1.2	Identify, promote and grow opportunities for arts, cultural expression and the development of the creative industry.	●
1.3	Investigate ways to further encourage and support volunteerism.	▲
1.4	Improve community safety through effective design, information and programs.	●
1.5	Enhance disaster management preparedness, capability and resilience through response and recovery in collaboration with the community and agencies.	●
1.6	Deliver effective community information and education programs to encourage participation in Council business and to enhance the Region's liveability.	■
1.7	Encourage connection, resilience, equality and inclusion in the community.	●



GOAL 1: PEOPLE - SCORECARDS

Corporate Plan Key Services	2024/25 Status
Aquatics and Indoor Sports	●
Art Galleries	●
Community Development	●
Community Facilities	●
Community Safety and Asset Security	●
Community Support	●
Cultural Development	●
Digital and Creative Services	●
Disaster Management	●
Environmental Health	▲
Events and Festivals	●
International Relations	●
Library Services	●
Laboratory Services (Water)	●
Museums	●
Sports and Recreation	●
Stakeholder Engagement.	●

24/25 KPI Description	2024/25 Status
% Live monitoring of City Safe cameras as per agreed service standards	●
% Increase in new registered participants in Your Say	●
% Increase in visits to Your Say (online consultation site)	●
% Grant funds allocated under the Community Grant Program	▲
Estimated # total hours volunteered to Council programs, activations	▲
% Positions in the Local Recovery Group structure that are occupied with trained personnel	●
# Scheduled maintenance interventions performed on dam and city firebreaks and buffer zones	●

● On target
 ▲ Monitor
 ◆ Delayed
 ■ Future dated

* Key Priorities are designed to be progressed across the life of the 2024–2029 Corporate Plan, with some achieved within a single year and others advanced over multiple years.

* Further information in relation to performance against Key Priorities, Services & Key Performance Indicators is available through Council's 2024-25 Operational Plan Progress Report Quarter 4.

GOAL 1: PEOPLE - HIGHLIGHTS

Highlight 1

Flood Recovery Program

The \$300M 2022 DRFA Flood Recovery Program (FRP) achieved substantial completion in the 2024/25 financial year. This included \$11M 'betterment' funding to nine vulnerable projects improving their disaster resilience. The FRP has included repairs to 2,420km of unsealed roads, 100km of sealed roads, 119 culvert replacements, rehabilitation of 11 landslips, and 2,000 miscellaneous repairs, with 70% of the contractors spend going directly to local industry. The FRP was recognised for outstanding collaboration and was awarded the QMCA 'Ian Harrington Award'.

The Perth Street Culvert is 50% through the design development phase. Construction is planned to commence in the final quarter of 2025/26 and will continue into 2026/27.



Highlight 2

Toowoomba Region Youth Strategy 2025–2030

The Toowoomba Region Youth Strategy 2025 - 2030, which was adopted by Council in October 2024, is our five-year plan to engage young people aged 12–24 who live, learn, work and play in our communities. Young people are at the heart of the Toowoomba Region’s future. This strategy provides a framework for how Council will support young people to actively shape the development of our communities, achieve their aspirations and enrich the civic, economic, cultural and social life of the Region.

Highlight 3

Enhancing Safety in the Toowoomba CBD

Council has achieved 100% live monitoring of City Safe cameras in 2024/25, boosting safety in the Toowoomba CBD. Through the City Safe Program, a network of CCTV cameras is actively operated across the Toowoomba CBD to help deter, detect and respond to anti-social and illegal behaviour, creating a safer, more welcoming environment for the community. While prioritising public safety, the system is managed in line with the *Information Privacy Act 2009* and *Right to Information Act 2009* to ensure individual privacy is respected.





PLACE

Infrastructure and environment

Council plans, builds, and maintains the infrastructure needed to sustainably support lifestyle and growth. We value our environments, our natural assets, and our rich agricultural land. Council promotes sustainable and innovative place management practices.

GOAL 2: PLACE - SCORECARDS

Corporate Plan Key Priorities		2024/25 Status
2.1	Ensure dam safety compliance upgrades.	▲
2.2	Implement road and water infrastructure maintenance and capital programs.	●
2.3	Plan for and manage infrastructure assets sustainably.	●
2.4	Continue to pursue active and equitable transport initiatives.	●
2.5	Investigate and report to Council on opportunities to use technology and innovation to improve the liveability of our Region.	●
2.6	Continue to prioritise water security.	●
2.7	Ongoing advancement and promotion of the Toowoomba Region.	▲
2.8	The Uniqueness of our townships and villages throughout the region is understood and valued.	■
2.9	Adopt the Toowoomba Region Futures program, providing a roadmap for managing sustainable growth.	▲
2.10	Pursue options for a greener Toowoomba Region and Council.	▲
2.11	Protection of high-quality agricultural land.	■
2.12	Preserve, protect and improve our environments.	●
2.13	Proactively managing risk, responding to, and enhancing climate change resilience.	■
2.14	Investigate the setting of Toowoomba Regional Council carbon emission reduction targets.	■

GOAL 2: PLACE - SCORECARDS

Corporate Plan Key Services	2024/25 Status	Corporate Plan Key Services	2024/25 Status
Aerodromes	●	Parks and Open Space	●
Animal Management	●	Plumbing Services	●
Building and Facilities	●	Property Trade Services	●
Building Certification	●	Quarries	●
Building Compliance	●	Refuse Collection	●
Cemeteries	●	Regional Architecture and Heritage	▲
Conservation and Pest Management	●	Regulated Parking	●
Construction and Maintenance	●	Roads Operations	●
Development Assessment Compliance	●	Strategic Infrastructure Planning	●
Development Engineering	●	Street Lighting	●
Development Services Planning	●	Transport and Drainage	●
Drainage Operations	●	Urban Design and Placemaking	▲
Flood Recovery	●	Waste Management	●
Footpaths and Bikeways Operations	●	Water and Wastewater Infrastructure Services	●
Infrastructure Charges	●	Water and Wastewater Operations	●

24/25 KPI Description	2024/25 Status
% Overall waste diversion from landfill	●
% Physical completion of the adopted original Capital Works Program for Water and Waste Services Group	●
% Physical completion of the adopted original Capital Works Program for Infrastructure Services Group	●
% Physical completion of the adopted original Capital Works Program for Environment and Community Services Group	▲
# Asset management maturity score as assessed against the National Assessment Framework (NAF) Target represents Council's Asset Management processes, systems and practices complying with the NAF (A score of 3 equates to 'core maturity' in terms of Asset Management)	▲

● On target
 ▲ Monitor
 ◆ Delayed
 ■ Future dated

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* Further information in relation to performance against Key Priorities, Services & Key Performance Indicators is available through Council's 2024-25 Operational Plan Progress Report Quarter 4.

GOAL 2: PLACE - HIGHLIGHTS

Highlight 1

Strengthening Cressbrook Dam for the Future

We're building a safer, stronger future at Cressbrook Dam through Queensland's largest local government-led dam safety improvement project. While the project isn't increasing water storage capacity, the safety improvements - including widening the spillway and raising the crest - will ensure the dam can pass larger volumes of water in a major flood event. This State Government-mandated upgrade is essential to meeting modern safety and engineering standards.





Share your thoughts
on our draft parking
strategy

Visit yoursay.tr.qld.gov.au/parking-strategy

Highlight 2

Toowoomba Region Parking Strategy 2025

The Toowoomba Region Parking Strategy (2025) represents a revision of the previous 2019 Toowoomba City Centre Car Parking Strategy, including an expanded scope to incorporate the needs of the whole Toowoomba Regional Council area. The strategy is intended to be implemented over the next five years. Community input to the 2025 Toowoomba Region Parking Strategy was gathered through an online engagement platform, receiving 824 responses from shoppers, workers, and residents of the Toowoomba City Centre and an additional 66 responses from people who park in regional towns.

Highlight 3

Zero-Waste Future

Working towards a zero-waste future, Council is actively pursuing innovative strategies and community partnerships to reduce waste and promote sustainable resource use. In line with the Queensland Government's waste reduction targets, we are committed to significantly reducing landfill use. By 2050, our goals include a 25% reduction in household waste, recovering 90% of all waste from landfill and achieving a 75% recycling rate across all waste streams. In 2024/25, we diverted 57% from landfill against a target of 30%.





PROSPERITY

Economic, social advancement and advocacy

Our Region has a strong and diverse economy. Thriving businesses and industries attract and retain employment opportunities.

GOAL 3: PROSPERITY - SCORECARDS

Corporate Plan Key Priorities		2024/25 Status
3.1	Support for businesses through local procurement.	●
3.2	Work with peak bodies and representative groups to action initiatives that foster local businesses and generate local jobs.	●
3.3	Pursue grants consistent with Council's priorities and consider commercial partnerships and private sector funding opportunities.	●
3.4	Proactively pursue opportunities presented for our Region by the 2032 Olympics.	●
3.5	Proactively advocate on behalf of the Toowoomba Region for a greater share of Federal and State Government funding consistent with Councils priorities.	●
3.6	Building stronger State and Federal Government relations.	●



GOAL 3: PROSPERITY - SCORECARDS

Corporate Plan Key Services	2024/25 Status
Economic Development	●
International Relations	●
Media relations	●
Strategy and Policy	●
Tourism	●

24/25 KPI Description	2024/25 Status
% Local Spend of invoice payments	▲
% Invoices paid within Council payment terms	▲
Estimated # Toowoomba Carnival of Flowers total attendance	●
# Total visitor nights in the Toowoomba Region associated with the Toowoomba Carnival of Flowers	●
% Development applications assessed within statutory timeframes	▲
% Successful grant applications to external funding bodies	▲

● On target
 ▲ Monitor
 ◆ Delayed
 ■ Future dated

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GOAL 3: PROSPERITY - HIGHLIGHTS



Highlight 1

Showgrounds Secured for 2032 Olympics & Paralympics

A major milestone for the Region was the Queensland Government announcement of the Toowoomba Showgrounds as the venue for Equestrian events during the Brisbane 2032 Olympic and Paralympic Games.

Highlight 2

Supporting Local Suppliers

Toowoomba Regional Council has reinvested nearly \$200M into the local business community during the 2024/25 financial year. Under its current Procurement Policy, Council aims for a 60% local supplier spend and has achieved 57%, equating to \$194.35M. Local supplier spend was impacted by the delivery of major projects, including the DRFA and Cressbrook Dam Safety Improvement Projects.

We aim to pay local suppliers within 14 days to support their cashflow and contribute to a dynamic local business community.



Highlight 3

Toowoomba Carnival of Flowers

The 2024 Toowoomba Carnival of Flowers marked its 75th anniversary in style, living up to its reputation as the Region's premier event. Direct and incremental spending contributed more than \$29.43M to the Queensland economy. The 25-day program attracted a total attendance of 470,608, up 12% on 2023 figures and generated 149,538 visitor nights, a 9% increase on the previous year.



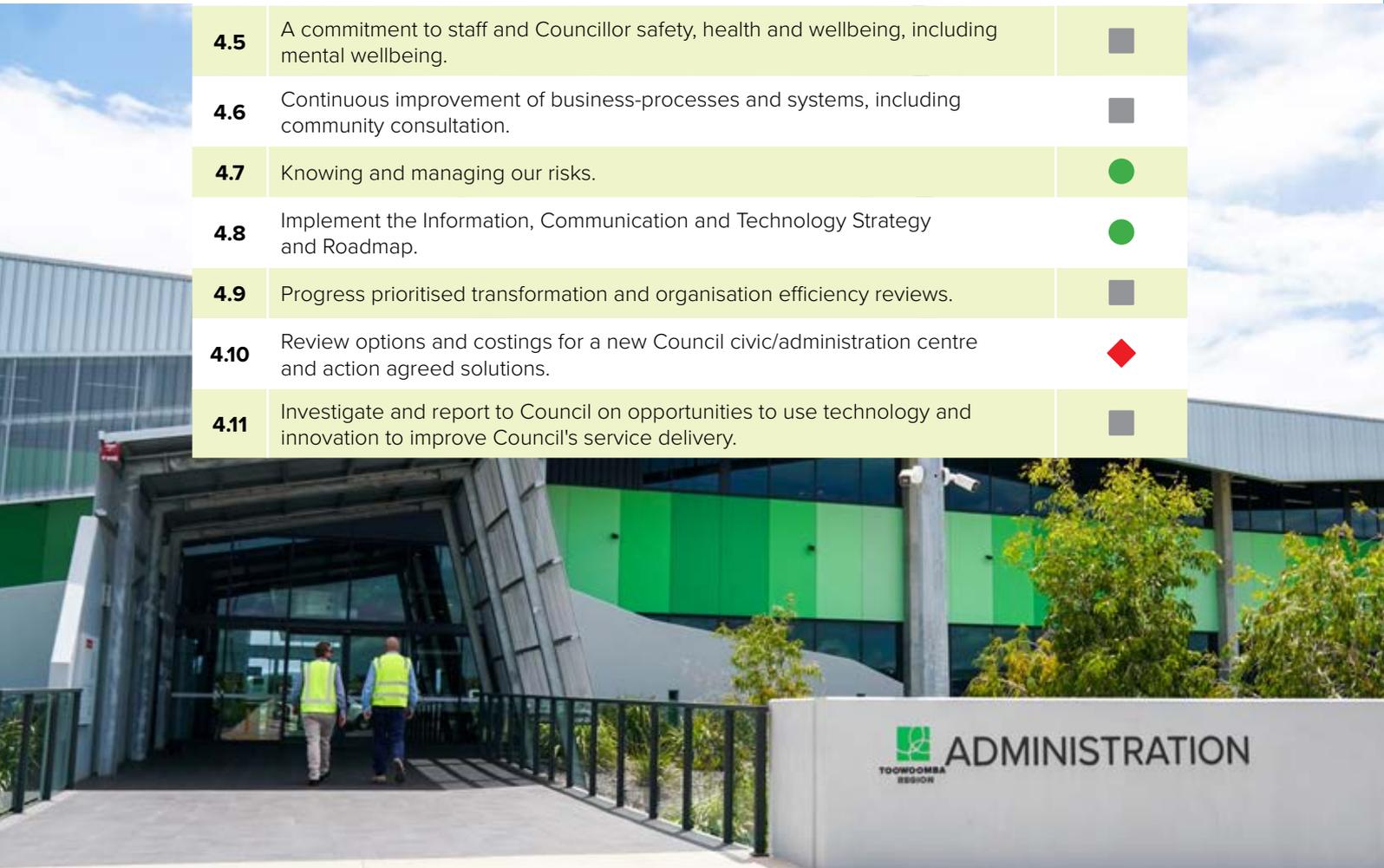
PERFORMANCE

Council workforce

Our Council delivers sustainable, quality services with a community focus, where our people enjoy their work, are empowered to undertake their roles, and are valued for their contributions.

GOAL 4: PERFORMANCE - SCORECARDS

Corporate Plan Key Priorities		2024/25 Status
4.1	Deliver the Corporate Plan, Operational Plan and budget.	●
4.2	Continue to pursue prudent financial management and sustainability.	●
4.3	Delivery of community and customer-focused service.	●
4.4	Enhance Council's reputation as an employer of choice through values based leadership, fostering collaboration, engagement and trust and nurturing staff.	●
4.5	A commitment to staff and Councillor safety, health and wellbeing, including mental wellbeing.	■
4.6	Continuous improvement of business-processes and systems, including community consultation.	■
4.7	Knowing and managing our risks.	●
4.8	Implement the Information, Communication and Technology Strategy and Roadmap.	●
4.9	Progress prioritised transformation and organisation efficiency reviews.	■
4.10	Review options and costings for a new Council civic/administration centre and action agreed solutions.	◆
4.11	Investigate and report to Council on opportunities to use technology and innovation to improve Council's service delivery.	■



GOAL 4: PERFORMANCE - SCORECARDS

Corporate Plan Key Services	2024/25 Status	Corporate Plan Key Services	2024/25 Status
Business Transformation and Strategy	●	People and Culture	●
Customer Service	●	Project Services	●
Financial Services	●	Property Acquisitions and Leasing	●
Fleet and Logistics	●	Private Works	▲
Governance and Legal Services	●	Workplace, Health Safety and Wellness	●
Information, Communication and Technology			●

24/25 KPI Description	2024/25 Status
% Completed Customer Service Requests within agreed response timeframes assessed against Pathway Priority	▲
% Quality of Customer Experience based on an 'effective' outcome measured against various touch points across the organisation, ensuring customer interactions are handled in line with Customer Experience Policy & Procedures	▲
% Annual Financial Statements developed and delivered for Council and its controlled entities in both accordance and compliance with relevant Accounting Standards and Legislation	●
% Council's Long-Term Financial Forecast prepared, developed, monitored and submitted to ensure compliance with all statutory requirements and budget timelines	●
% Business continuity plans reviewed by the business in line with scheduled timeframes	●
% Corporate Risk (Corporate and Operational Risk Registers, Project Risks, Risk Assessments) reviewed within scheduled timeframes	●
% Completion of internal audits in accordance with approved internal audit plan	●
% Improvement in engagement results as shown in the biennial staff survey	◆
% Improvement in net promoter score as shown in the biennial staff survey	◆
% Staff turnover rate (Annualised - Permanent Staff Only)	●
# Leadership engagements undertaken to positively influence organisational culture including the promotion of diversity and inclusion	●
% Achievement of the Annual Operational Plan	▲
% Performance against original adopted annual budget	●
% Annual measured gender pay gap	●
% Annually measured operating surplus ratio	●

● On target
 ▲ Monitor
 ◆ Delayed
 ■ Future dated

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* Further information in relation to performance against Key Priorities, Services & Key Performance Indicators is available through Council's 2024-25 Operational Plan Progress Report Quarter 4.

GOAL 4: PERFORMANCE - HIGHLIGHTS

Highlight 1

Customer Experience Strategy

The Customer Experience Strategy (CX Strategy) is a framework that guides how Council works together to build trust, strengthen connections with the community and deliver consistent, high-quality customer experiences. It supports customers, empowers employees and enhances the organisation's reputation, efficiency and long-term sustainability.





Highlight 2

A Stable and Engaged Workforce

In recent years, like many organisations, Council has struggled with staff turnover rates. Positively in the 2024/25 year, Council has achieved a staff turnover rate of less than 12%. This speaks to our desire to have an engaged workforce providing a range of services to the community.

Highlight 3

Operating Within Budget

Council seeks to manage its resources accountability and sustainability, despite many challenges, including the impact of inflation in the price of goods and services. Council was able to operate with a small financial surplus of 0.80% for the financial year. The operational expenditure was within 1% of the original adopted annual expenditure budget.







4

FINANCES

COMMUNITY FINANCIAL REPORT

The purpose of the Community Financial Report is to give community members an easy-to-follow summary of Council's financial statements in accordance with Section 179 of *Local Government Regulation 2012*.

Council's financial statements are prepared on an accrual basis, meaning that most transactions are recognised when the event, or performance obligation, occurs, rather than when cash is physically received or paid.

Council's financial statements must be certified by both the Mayor and the Chief Executive Officer as "presenting fairly" Council's financial results for the year. They are also required to be adopted by Council – ensuring both responsibility for, and ownership of, the financial statements by management and elected representatives.

In addition, Council's financial statements are audited by the Queensland Audit Office. The auditor provides an audit report which gives an opinion on whether the financial statements are fairly presenting Council's financial performance and financial position.

This report focuses on:

- Statements of comprehensive income
- Statements of financial position
- Statements of changes in equity
- Statements of cash flows
- Financial sustainability measures.

Statements of comprehensive income

The statements of comprehensive income is often referred to as the profit and loss statement. This statement shows what Council has earned (revenue) and what costs Council has incurred (expenses) throughout the year.

In summary, Council's result for the reporting period was:

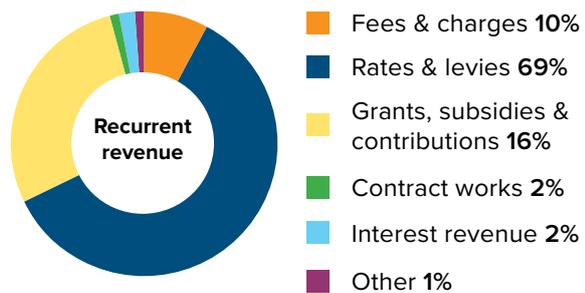
	\$'000s
What we have earned (revenue)	
Recurrent revenue	482,619
Capital revenue	90,435
Total revenue	573,054
What we have spent (expenses)	
Recurrent expenses	481,980
Capital expenses	18,444
Total expenses	500,424
Net result	72,630

The net result does not necessarily represent surplus cash funds available for general use as certain income items are restricted to specific use. For example, capital grants are generally allocated to maintain or expand Council's infrastructure.

Some revenue and expenses are of a non-cash nature. For example, contributed infrastructure assets (such as roads, sewerage and water mains) constructed by a developer on behalf of Council in conjunction with land sub-divisions or property developments are considered non-cash revenue. Likewise, depreciation expense on assets is considered a non-cash expense.

What we have earned

There are two main categories of revenue for the financial year – recurrent revenue and capital revenue.



Recurrent revenue

Council's recurrent revenue is money raised which is used to fund the day-to-day operations of Council. Recurrent revenue is the major source of revenue for Council and primarily earned from sources such as rates and fees and charges.

Council also aims to maximise its revenue from other sources by actively pursuing grants and subsidies from the State and Federal governments and investing surplus funds to earn interest.

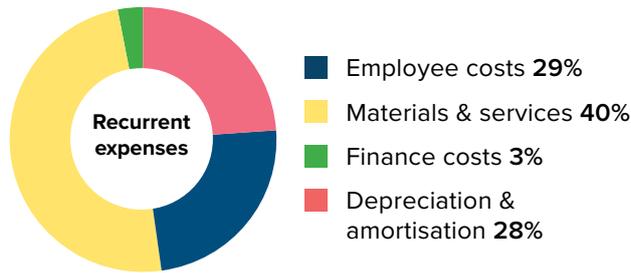
Capital revenue

Council's capital revenue is used to construct Council's assets now and in the future. Council's capital revenue consists of grants, contributions and subsidies, developer contributions and profits on the disposal of fixed assets. \$90 million was received in grants and contributions to fund capital projects this year.

What we have spent

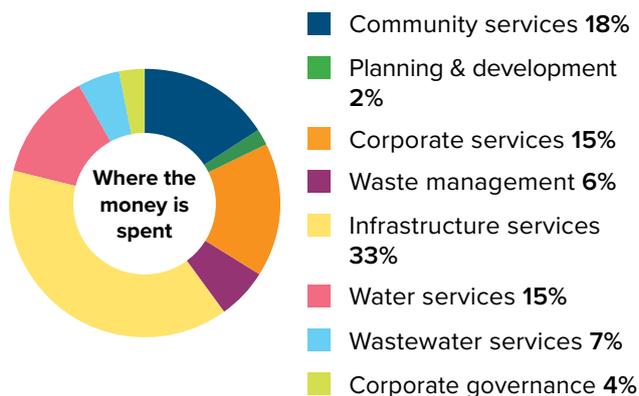
Council incurs both recurrent expenses and capital expenses. Capital expenditure is used to renew and expand our asset infrastructure and is therefore added to the carrying value of the assets.

Recurrent expenses are the main expense of Council and represent the day-to-day cost of providing services, operating facilities and maintaining assets. These include employee costs, materials and services, finance costs and depreciation.



Expenses are monitored constantly throughout the year. Detailed estimates are prepared at the beginning of each financial year and performance against these estimates is measured through regular budget reviews to ensure the most efficient use of Council's funds.

Depreciation and amortisation expenses make up nearly one-third of Council's operating expenses. This item represents an allocation of the use or deterioration of the community assets over the asset's expected life. How Council performs in managing its assets is explained in the Statements of Financial Position and Financial Sustainability Measures sections of this report.



Statements of financial position

The statements of financial position is often referred to as the balance sheet and is a snapshot of the financial position of Council at 30 June. The statement measures what Council owns (assets) and what Council owes (liabilities). The difference between these two components is the net wealth (equity) of Council and our community.

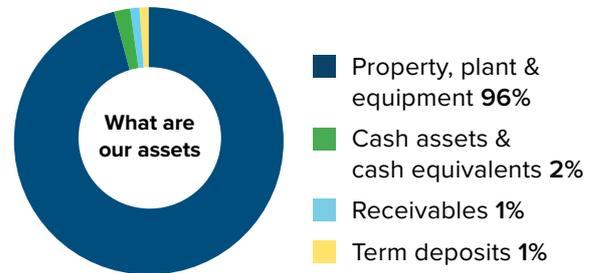
The notes that support this statement explain how Council's assets and liabilities are valued and how various values are determined.

In summary, Council's position at 30 June 2025 was:

	\$'000s
Assets (what we own)	7,318,262
Liabilities (what we owe)	427,525
Equity (community wealth)	6,890,737

What do we own?

Council's major asset class is 'property, plant and equipment'. These assets make up 96% of Council's assets. Road, drainage, water and wastewater infrastructure assets make up the bulk of the property, plant and equipment which provide direct benefit to the community.

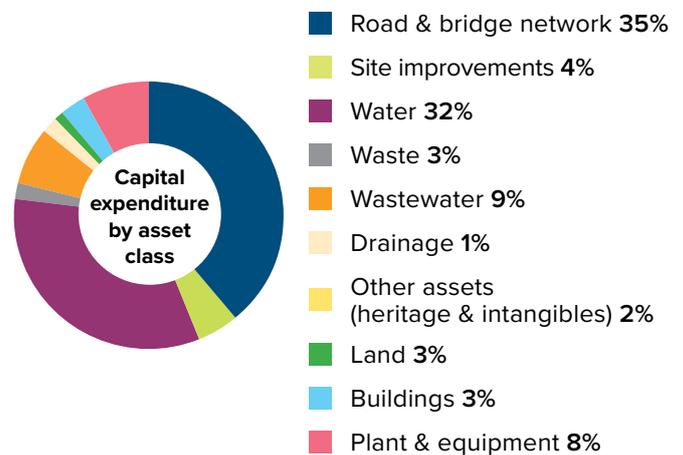


What did we spend on assets?

What we spend to build or enhance our assets is reflected in the statements of financial position as it increases the value of our assets.

A significant amount of Council's activities is focussed on the maintenance, upgrade and construction of fixed assets to ensure there are adequate infrastructure services for community use. These activities are undertaken in accordance with Council's long-term asset management plan which covers a period of 10 years.

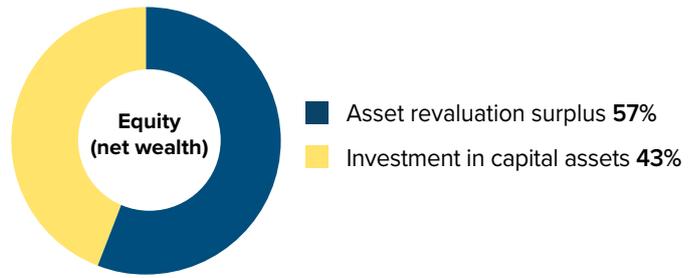
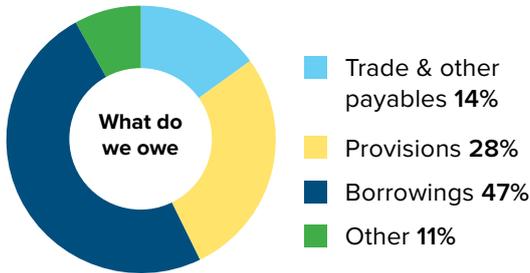
This year Council spent \$164 million to renew, upgrade and build new assets for the community. The graph below shows how the money was spent in different asset classes.



What do we owe?

Liabilities are the amounts Council owes to suppliers, employees and lenders both now and in the future. This also includes provisions for future entitlements which comprise of money we will pay our employees in the future (e.g. long service leave); and amounts set aside to fund the future rehabilitation of our waste management and quarry sites.

Long-term loans are taken out to undertake the construction and purchase of community assets. Council reviews its loan requirements on an annual basis. No new loans were drawn down during the year. Total liabilities as at 30 June 2025 were \$427 million.



Statements of changes in equity

The difference between assets and liabilities is the total community equity or the “net wealth” of the Council. The statements of changes in equity shows the overall change in Council’s net wealth over the year. At 30 June 2025 this was an amount of \$6,891 million (that is, assets of \$7,318 million less liabilities of \$427 million).

This community equity consists of an asset revaluation reserve and retained surpluses. The asset revaluation reserve increased this year by \$313 million (net of adjustment on reclassification of asset class) and the retained surplus increased by \$72.6 million.

The asset revaluation reserve comprises amounts representing the change in the value of Council’s assets over time. Asset revaluations are completed on a cyclical basis per asset class.

Council’s retained surplus represents amounts available to be invested into assets (now or in the future) to provide services to the community. With good planning, surpluses can be used to place less reliance on loans and withstand any unforeseen financial shocks or adverse changes to our business. A portion of our retained surplus is cash-backed by an appropriate level of internally imposed restrictions to limit amounts available for future use.

Statements of cash flows

The statements of cash flows shows where Council’s cash came from and how it was spent throughout the year. This differs from the earlier reports as non-cash items, such as depreciation and donated assets, are excluded.

The statements of cash flows categorises all cash payments made and received throughout the year into three groups:

- Operating activities – represent day-to-day cash flows.
- Investing activities – represent cash payments from movements in assets and liabilities, such as purchases and sales of assets and any capital income (grants, contributions) received.
- Financing activities – represent cash flows relating to how Council is financed, including new loans and loan repayments.

	\$'000s
Opening balance	126,781
Plus cash received	596,810
Less cash spent	(562,577)
Cash available at end of year	<u>161,014</u>

Cash available is used to invest and utilise for future outlays. Much of this is restricted for specific purposes, such as future infrastructure. Council’s cash is wisely invested in accordance with our investment policy and the interest earned contributes to the funding of operational expenses.

Financial sustainability measures

The financial sustainability statement and the associated measures (ratios) provide evidence of Council’s ability to continue operating and provide an acceptable level of service and infrastructure to the community, both now and into the future. The *Local Government Regulation 2012* outlines the requirements to present the relevant measures of financial sustainability for the financial year to which the statements relate to, and the following nine financial years. In addition, the Department of Housing, Local Government, Planning and Public Works sets target ranges for each of these measures.

As part of Council’s 2024 - 2029 Corporate Plan, we aim to implement sustainable financial management. Council’s performance in these three key measures is an indication of whether we are delivering on this goal.

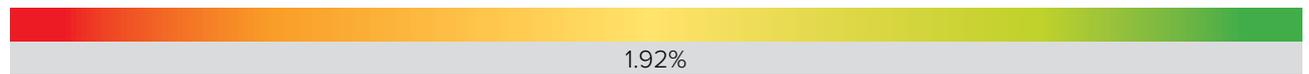
1. The risk assessment table for Council (Tier 2) for the year ending 30 June 2025

FINANCIAL CAPACITY

Council-controlled revenue*

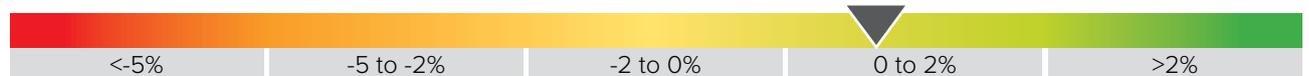


Population growth*



OPERATING PERFORMANCE

Operating surplus ratio



Operating cash ratio



LIQUIDITY

Unrestricted cash expense cover ratio



ASSET MANAGEMENT

Asset sustainability ratio



Asset consumption ratio



Asset renewal funding ratio*



DEBT SERVICING

Leverage ratio



* Contextual - not assessed.

2. The long-term financial sustainability statement

Type	Measure	Target (Tier 2)	Actuals as at 30 June 2025	30 June 2026	30 June 2027	30 June 2028	30 June 2029	30 June 2030	30 June 2031	30 June 2032	30 June 2033	30 June 2034
Financial capacity	Council-controlled revenue*	N/A	79.02%	91.6%	94.3%	91.0%	91.2%	91.4%	91.5%	91.6%	91.7%	91.8%
	Population growth*	N/A	1.92%	1.4%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%
Asset management	Asset renewal funding ratio*	N/A	N/A for long-term sustainability statement									
Operating performance	Operating surplus ratio	Greater than 0%	0.35%	0.32%	0.55%	0.88%	0.89%	0.93%	0.74%	0.76%	0.62%	0.62%
	Operating cash ratio	Greater than 0%	30.19%	33.1%	33.5%	33.6%	32.9%	32.6%	31.8%	31.3%	30.6%	30.7%
Liquidity	Unrestricted cash expense cover ratio	Greater than 2 months	N/A for long-term sustainability statement									
Asset management	Asset sustainability Ratio	Greater than 60%	32.10%	39.2%	43%	51.3%	53.4%	51.9%	54.1%	55.7%	58.7%	59.7%
	Asset consumption ratio	Greater than 60%	70.97%	68.5%	70.4%	71.6%	71.7%	73%	74.6%	75.3%	76.4%	77.4%
Debt servicing capacity	leverage ratio**	0 - 4 times	1.37	1.29	1.28	1.36	1.43	1.45	1.39	1.38	1.35	1.33

3. Sustainability measures explained

Type	Measure	Rationale
Financial capacity	Council controlled revenue ratio	Capacity to generate revenue internally.
Financial capacity	Population growth ratio	Population growth/decline pressures on council.
Operating performance	Operating surplus ratio	Holistic overview of council operating performance.
Operating performance	Operating cash ratio	Cash operating performance (less depreciation and other non-cash items).
Liquidity	Unrestricted cash expense cover ratio	Unconstrained liquidity available to council.
Asset management	Asset sustainability ratio	Capital renewals program performance.
Asset management	Asset consumption ratio	Extent to which assets are being consumed.
Asset management	Asset renewal funding	Asset replacement program performance.
Debt servicing capacity	Leverage ratio	Ability to repay existing debt.

Summary

Toowoomba Regional Council is in a sound financial position to deliver its budgeted projects and services for the 2025/26 financial year and beyond.



GENERAL PURPOSE FINANCIAL STATEMENTS

For the year ended 30 June 2025

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Toowoomba Regional Council

Statements of Comprehensive Income

For the year ended 30 June 2025

	Notes	Consolidated		Council	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
INCOME					
Revenue					
Recurrent Revenue					
Rates, Levies and Charges	3a	331,599	308,574	331,599	308,574
Fees and Charges	3b	55,767	47,997	49,746	42,086
Sales Revenue	3c	8,974	6,975	8,974	6,975
Grants, Subsidies, Contributions and Donations	3d(i)	78,335	144,984	76,354	142,691
Total Recurrent Revenue		474,675	508,530	466,673	500,326
Other Income		3,832	2,743	3,623	2,705
Interest Income	4	12,496	11,520	12,323	11,356
Total Operating Revenue		491,003	522,793	482,619	514,387
Capital Income					
Grants, Subsidies, Contributions and Donations	3d(ii)	90,435	95,302	90,435	95,302
Total Capital Income		90,435	95,302	90,435	95,302
Total Income		581,438	618,095	573,054	609,689
EXPENSES					
Recurrent Expenses					
Employee Benefits	5	146,196	136,337	140,193	130,174
Materials and Services	6	192,166	259,651	190,398	257,079
Depreciation and Amortisation					
Property, Plant and Equipment	12	135,662	124,165	135,629	124,122
Intangible Assets	14	385	496	385	496
Right of Use Assets	15	1,188	1,257	1,066	1,132
Finance Costs	7	14,462	13,551	14,309	13,512
Total Recurrent Expenses		490,059	535,457	481,980	526,515
Capital Income and Expenses	8	18,444	28,134	18,444	28,134
Total Expenses		508,503	563,591	500,424	554,649
Net Result		72,935	54,504	72,630	55,040
OTHER COMPREHENSIVE INCOME					
Items which will not be reclassified to Net Result					
Increase in Asset Revaluation Surplus	21	313,547	388,173	313,547	388,173
Total Other Comprehensive Income		313,547	388,173	313,547	388,173
Total Comprehensive Income		386,482	442,676	386,177	443,213

The above statements should be read in conjunction with the accompanying Notes and material accounting policy information.

Toowoomba Regional Council

Statements of Financial Position

As at 30 June 2025

	Notes	Consolidated		Council	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
ASSETS					
Current Assets					
Cash and Cash Equivalents	9	166,224	128,407	161,014	126,781
Investments	10	91,354	93,570	90,500	90,500
Receivables	11	52,433	42,535	51,984	42,060
Contract Assets		3,723	-	3,723	-
Non-Current Asset Classified as Held for Sale		159	734	159	652
Inventories		6,901	8,293	6,877	8,274
Total Current Assets		320,794	273,539	314,257	268,267
Non-Current Assets					
Property, Plant and Equipment	12	6,990,008	6,668,426	6,989,885	6,668,322
Intangible Assets	14	7,862	5,225	7,862	5,225
Other Financial Assets		20	20	20	20
Right of Use Assets	15	2,789	4,161	2,613	3,869
Investment Property		3,625	3,540	3,625	3,540
Total Non-Current Assets		7,004,304	6,681,372	7,004,005	6,680,976
Total Assets		7,325,098	6,954,911	7,318,262	6,949,243
LIABILITIES					
Current Liabilities					
Payables	16	62,208	69,936	60,659	69,176
Borrowings	17	18,875	18,054	18,796	18,021
Provisions	18	16,516	15,892	16,164	15,298
Lease Liabilities	15	1,198	1,411	1,072	1,290
Contract Liabilities	19	31,719	11,025	31,719	11,025
Other Liabilities	20	9,539	8,322	6,461	6,447
Total Current Liabilities		140,055	124,640	134,871	121,257
Non-Current Liabilities					
Borrowings	17	181,027	199,554	181,027	199,475
Lease Liabilities	15	1,891	3,128	1,828	2,945
Contract Liabilities	19	27	2,888	27	2,888
Provisions	18	105,336	108,876	105,248	108,788
Other Liabilities	20	4,524	9,330	4,524	9,330
Total Non-Current Liabilities		292,805	323,776	292,654	323,426
Total Liabilities		432,860	448,416	427,525	444,683
Net Community Assets		6,892,238	6,506,495	6,890,737	6,504,560
COMMUNITY EQUITY					
Asset Revaluation Surplus	21	3,940,765	3,627,218	3,940,765	3,627,218
Retained Surplus/(Deficiency)		2,951,473	2,879,277	2,949,972	2,877,342
Total Community Equity		6,892,238	6,506,495	6,890,737	6,504,560

Toowoomba Regional Council

Statements of Changes in Equity

For the year ended 30 June 2025

Consolidated	Notes	Asset Revaluation Surplus	Retained Surplus	Total Equity
		\$'000	\$'000	\$'000
2025				
OPENING BALANCE		3,627,218	2,879,277	6,506,495
Balance as at 1 July 2024		<u>3,627,218</u>	<u>2,879,277</u>	<u>6,506,495</u>
Net Result		-	72,935	72,935
Increase in Asset Revaluation Surplus	21	313,547	-	313,547
Total Comprehensive Income for the Year		<u>313,547</u>	<u>72,935</u>	<u>386,482</u>
Prior Year Adjustments		-	(739)	(739)
BALANCE AS AT 30 JUNE 2025		<u>3,940,765</u>	<u>2,951,473</u>	<u>6,892,238</u>
2024				
OPENING BALANCE		3,239,045	2,824,773	6,063,818
Prior Year Adjustments			-	
Balance as at 1 July 2023		<u>3,239,045</u>	<u>2,824,773</u>	<u>6,063,818</u>
Net Result		-	54,504	54,504
Increase Asset Revaluation Surplus	21	388,173	-	388,173
Total Comprehensive Income for the Year		<u>388,173</u>	<u>54,504</u>	<u>442,677</u>
BALANCE AS AT 30 JUNE 2024		<u>3,627,218</u>	<u>2,879,277</u>	<u>6,506,495</u>

Toowoomba Regional Council

Statements of Changes in Equity (Continued)

For the year ended 30 June 2025

Council		Asset Revaluation Surplus	Retained Surplus	Total Equity
		\$'000	\$'000	\$'000
2025				
OPENING BALANCE		3,627,218	2,877,342	6,504,560
Balance as at 1 July 2024		<u>3,627,218</u>	<u>2,877,342</u>	<u>6,504,560</u>
Net Result		-	72,630	72,630
Increase Asset Revaluation Surplus	21	313,547	-	313,547
Total Comprehensive Income for the Year		<u>313,547</u>	<u>72,630</u>	<u>386,177</u>
BALANCE AS AT 30 JUNE 2025		<u>3,940,765</u>	<u>2,949,972</u>	<u>6,890,737</u>
2024				
OPENING BALANCE		3,239,045	2,822,302	6,061,347
Balance as at 1 July 2023		<u>3,239,045</u>	<u>2,822,302</u>	<u>6,061,347</u>
Net Result		-	55,040	55,040
Increase in Asset Revaluation Surplus	21	388,173	-	388,173
Total Comprehensive Income for the Year		<u>388,173</u>	<u>55,040</u>	<u>443,213</u>
BALANCE AS AT 30 JUNE 2024		<u>3,627,218</u>	<u>2,877,342</u>	<u>6,504,560</u>

Toowoomba Regional Council

Statements of Cash Flows

For the year ended 30 June 2025

	Notes	Consolidated		Council	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from Customers		425,404	397,469	415,344	387,944
Payments to Suppliers and Employees		(380,028)	(402,683)	(370,834)	(392,874)
		<u>45,376</u>	<u>(5,214)</u>	<u>44,510</u>	<u>(4,930)</u>
Interest and Investment Revenue Received		12,697	10,775	12,524	10,611
Recurrent Grants, Subsidies, Contributions and Donations		83,331	149,800	83,562	149,898
Borrowing Costs		(9,687)	(8,291)	(9,687)	(8,291)
Net Cash Inflow/(Outflow) from Operating Activities	25	<u>131,717</u>	<u>147,070</u>	<u>130,909</u>	<u>147,289</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Proceeds from Sale of Property, Plant and Equipment	8	7,738	5,707	7,738	5,707
Government Subsidies and Grants		60,481	34,953	60,481	34,953
Contributions		186	1,616	186	1,616
Infrastructure Charges		16,975	18,681	16,975	18,681
Net Movement in Cash Investments		2,746	(25,125)	-	(25,075)
Payments for Property, Plant and Equipment		(160,401)	(175,784)	(160,398)	(175,777)
Payments for Intangible Assets		(2,714)	(1,148)	(2,714)	(1,148)
Net Cash Inflow/(Outflow) from Investing Activities		<u>(74,989)</u>	<u>(141,100)</u>	<u>(77,732)</u>	<u>(141,042)</u>
CASH FLOWS FROM FINANCING ACTIVITIES					
Proceeds from Borrowings	26	-	31,000	-	31,000
Repayment of Borrowings	26	(17,711)	(16,015)	(17,678)	(15,976)
Repayments made on Leases (Principal only)		(1,381)	(1,531)	(1,266)	(1,401)
Net Cash Inflow/(Outflow) from Financing Activities		<u>(19,092)</u>	<u>13,454</u>	<u>(18,944)</u>	<u>13,623</u>
Net Increase/(Decrease) in Cash and Cash Equivalents Held		<u>37,636</u>	<u>19,424</u>	<u>34,233</u>	<u>19,869</u>
Plus: Cash and Cash Equivalents at the Beginning of the Financial Year*		<u>128,588</u>	<u>108,983</u>	<u>126,781</u>	<u>106,912</u>
Cash and Cash Equivalents at the End of Financial Year	9	<u>166,224</u>	<u>128,407</u>	<u>161,014</u>	<u>126,781</u>

*Consolidated opening balance variance due to non-consolidation of Empire Theatre Foundation in 2024 financial year.

Toowoomba Regional Council

Notes to the Financial Statements

For the year ended 30 June 2025

Note 1. Information about these Financial Statements

(a) Basis of Preparation

The Toowoomba Regional Council is constituted under the Queensland *Local Government Act 2009* and is domiciled in Australia.

These general purpose financial statements are for the period 1 July 2024 to 30 June 2025. They are prepared in accordance with the *Local Government Act 2009* and the Local Government Regulation 2012.

Council is a not-for-profit entity for financial reporting purposes and these financial statements comply with Australian Accounting Standards and Interpretations as applicable to not-for-profit entities.

These financial statements have been prepared under the historical cost convention except for financial assets, certain classes of property, plant and equipment and investment property.

(b) Basis of Consolidation

Council and its controlled entities together form the consolidated entity. The financial statements of controlled entities are included in the consolidated financial statements where material by size or nature, from the date when control commences until the date when control ceases.

Transactions between Council and entities controlled by Council have been eliminated when preparing consolidated accounts. In addition, the accounting policies of controlled entities have been adjusted on consolidation where necessary, to ensure the financial statements of the consolidated entity are prepared using accounting policies that are consistent with those of the Council.

The following entities have been consolidated:

- Empire Theatres Pty Ltd
- Empire Theatres Foundation Ltd
- Toowoomba and Surat Basin Enterprise Pty Ltd

Empire Theatres Pty Ltd

Empire Theatres Pty Ltd is a wholly owned subsidiary of Council, enabling Council the right to direct the company's activities. Council uses these rights to provide cultural services to the community through the heritage listed, purpose built performing arts theatre. It stages a wide variety of theatre, music and entertainment performances and is also a venue for hire.

Empire Theatres Foundation Ltd

This entity was established to provide performing arts opportunities to young people in the Toowoomba region, to promote the performing arts for the benefit of the local community and preserve the cultural heritage associated with the Empire Theatre.

Toowoomba and Surat Basin Enterprise Pty Ltd

Toowoomba and Surat Basin Enterprise Pty Ltd (TSBE) is wholly owned by Council, enabling Council the right to direct the company's activities. Council uses this power to support TSBE in carrying out its objectives to focus on growing investment and business activity in the region.

Information on controlled entities that have not been consolidated because they are not considered material is included in Note 29.

(c) Adoption of New and Revised Accounting Standards

Council adopted all standards which became mandatorily effective for annual reporting period beginning on 1 July 2024. The relevant standards for Council were:

- AASB 101 *Presentation of Financial Statements* (amended by AASB 2020-1, AASB 2020-6, AASB 2022-6, AASB 2023-3) relating to current/non-current classification of liabilities.
- AASB 13 *Fair Value Measurement* (amended by AASB 2022-10)

None of these standards have had a material impact on Council.

Toowoomba Regional Council

Notes to the Financial Statements

For the year ended 30 June 2025

Note 1. Information about these Financial Statements (continued)

(d) Standards Issued by the AASB not yet Effective

The AASB has issued Australian Accounting Standards and Interpretations which are not mandatorily effective at 30 June 2025. These standards have not been adopted by Council and will be included in the financial statements on their effective date. Council does not consider these to have a material impact.

(e) Estimates and Judgements

Council has made a number of judgements, estimates and assumptions in preparing these financial statements. These are based on the best information available to Council at the time, however due to the passage of time, these assumptions may change and therefore the recorded balances may not reflect the final outcomes. The significant judgements, estimates and assumptions relate to the following items, and specific information is provided in the relevant note:

- Revenue Recognition – Note 3
- Receivables impairment/credit losses – Note 11
- Valuation and depreciation of Property, Plant and Equipment – Notes 12 and 13
- Amortisation of Intangible Assets – Note 14
- Provisions – Note 18
- Contingent Assets and Liabilities – Note 23
- Financial Instruments and Financial Liabilities – Note 27
- Valuation of Investment Property

(f) Rounding and Comparatives

The financial statements are in Australian dollars and have been rounded to the nearest \$1,000 or, where that amount is \$500 or less, to zero, unless otherwise stated.

Comparative information is generally restated for reclassifications, errors, and changes in accounting policies, unless permitted otherwise by transition rules in a new Accounting Standard.

(g) Volunteer Services

Council utilises volunteer services to assist in carrying out various activities. Council has not recognised these services as they would not be purchased if not donated.

(h) Taxation

Council is exempt from income tax, however Council is subject to Fringe Benefits Tax, Goods and Services Tax (GST) and payroll tax on certain activities. The net amount of GST recoverable from the Australian Taxation Office (ATO) or payable to the ATO is shown as an asset or liability respectively.

Toowoomba Regional Council

Notes to the Financial Statements

For the year ended 30 June 2025

Note 2. Analysis of Results by Function

(a) Components of Council Functions

The activities relating to the Council's components reported on in Note 2(b) are as follows:

Corporate Governance

The objective of Corporate Governance is to be a well governed, responsive Council, providing effective leadership and management, and respecting community values. This function includes strategic planning, risk management, legal and administrative support. The Mayor, Councillors and Chief Executive Officer are included in Corporate Governance.

Corporate Services

Corporate Services provides quality and dependable corporate and financial services across Council. This function includes customer service, human resources, information technology, stakeholder engagement and communication and financial services. Its goals are to provide service delivery in line with customer and community expectations, attract and retain a skilled workforce, implement reliable and contemporary information, knowledge and management systems, engage in continuous improvement and implement sustainable financial management and effective procurement practices.

Environment and Community Services

The goal of Environment and Community Services is to provide a safe, healthy and equitable community that celebrates diversity and enjoys a quality lifestyle. This function provides community, cultural and sporting facilities, as well as ensuring the effective delivery of health and environmental standards, community safety and disaster management capability.

Planning and Development

The goal of Planning and Development is to ensure regional growth and change is well managed, integrated and connected which respects community, environmental and heritage values as well as ensuring the region's environmental assets (including natural areas and resources, open space and agricultural land) are conserved and enhanced for future generations. This function includes strategic planning and economic development, regional planning scheme, priority infrastructure plan, development applications and certification and compliance for building, plumbing, drainage and development.

Infrastructure Services

Infrastructure Services is responsible for the integrated and timely provision and management of sustainable infrastructure for the region that facilitates the development of the region and maximises the utilisation of existing assets. Its goals include ensuring infrastructure meets the needs and priorities of Council, the community and industry; provide a safe, sustainable and efficient road network; plan and deliver stormwater management and flood resilience plans and implement urban improvement works that enhance local character and conserve and improve the region's streetscapes and parkland.

Waste Management

Waste Management incorporates the operation and management of Council's waste transfer and disposal facilities together with the management of Council's waste collection and recycling contracts. Its objective is to provide efficient and sustainable waste management infrastructure and services, as well as to minimise the impacts of waste generation and landfill emissions.

Water Services

Water Services delivers and manages efficient and sustainable, high quality, water supply systems throughout the region. It is responsible for the planning, co-ordination and maintenance of the water network, water treatment and dams as well as the provision of drinking water.

Wastewater Services

Wastewater Services is responsible for the planning, co-ordination and maintenance of the wastewater trunk, reticulation networks, related fixed plant and equipment and SCADA systems for wastewater infrastructure. Its aim is to deliver and manage a high quality sewerage network and treatment facilities and effective and efficient use of recycled water.

Toowoomba Regional Council

Notes to the Financial Statements

For the year ended 30 June 2025

Note 2. Analysis of Results by Function (continued)

(b) Income and Expenses defined between Recurring and Capital are attributed to the following:

Functions	Gross Program Income						Total Income	Gross Program Expenses		Total Expenses	Net Result from Recurring Operations	Net Result	Total Assets
	Recurring			Capital				Recurring	Capital				
	Grants	Other	\$'000	Grants	Other	\$'000							
2025													
Corporate Governance	-	1,065	\$'000	-	-	-	1,065	(17,945)	-	(17,945)	(16,880)	\$'000	-
Corporate Services	7,363	180,086		-	16,157		203,606	(55,777)	(18,955)	(74,732)	131,672		319,151
Environment and Community Services	2,391	15,258		1,325	-		18,974	(95,737)	3,687	(92,050)	(78,088)		1,125,572
Planning and Development	-	9,938		-	16,000		25,938	(12,355)	-	(12,355)	(2,417)		-
Infrastructure Services	65,709	12,045		43,536	186		121,476	(162,850)	158	(162,692)	(85,096)		3,602,642
Waste Management	891	36,993		232	-		38,116	(33,295)	3,154	(30,141)	4,589		102,800
Water Services	-	92,444		5,818	2,830		101,092	(73,165)	(2,028)	(75,193)	19,279		1,509,869
Wastewater Services	-	58,436		144	4,207		62,787	(30,856)	(4,460)	(35,316)	27,580		654,505
Total Council	76,354	406,265		51,055	39,380		573,054	(481,980)	(18,444)	(500,424)	639		7,314,539
Consolidated Entity Net of Eliminations	1,981	6,403		-	-		8,384	(8,079)	-	(8,079)	305		6,857
Total Consolidated	78,335	412,668		51,055	39,380		581,438	(490,059)	(18,444)	(508,503)	944		7,321,396
Functions	Gross Program Income						Total Income	Gross Program Expenses		Total Expenses	Net Result from Recurring Operations	Net Result	Total Assets
	Recurring			Capital				Recurring	Capital				
	Grants	Other	\$'000	Grants	Other	\$'000							
2024													
Corporate Governance	-	579	\$'000	-	-		579	(15,724)	-	(15,724)	(15,145)		-
Corporate Services	744	163,073		-	30,006		193,823	(69,196)	(18,420)	(87,616)	94,621		283,005
Environment and Community Services	2,415	14,255		1,228	717		18,615	(87,158)	-	(87,158)	(70,488)		1,091,806
Planning and Development	-	8,283		-	17,667		25,950	(11,295)	-	(11,296)	(3,012)		-
Infrastructure Services	138,795	9,441		35,328	1,151		184,716	(217,795)	1,753	(216,042)	(89,559)		3,459,355
Waste Management	737	33,405		99	-		34,242	(29,519)	(2,018)	(31,537)	4,623		101,017
Water Services	-	87,968		287	3,871		91,526	(67,785)	(6,797)	(74,581)	19,583		1,324,717
Wastewater Services	-	55,290		400	4,548		60,238	(28,043)	(2,652)	(30,695)	27,247		689,343
Total Council	142,691	371,895		37,342	57,960		609,889	(526,515)	(28,134)	(554,649)	(12,130)		6,949,243
Consolidated Entity Net of Eliminations	2,293	6,112		-	-		8,405	(8,942)	-	(8,942)	(536)		5,668
Total Consolidated	144,984	377,807		37,342	57,960		618,095	(535,457)	(28,134)	(563,591)	(12,665)		6,954,911

Consolidated figures are not split into functions because program results only apply to Council.

Toowoomba Regional Council

Notes to the Financial Statements

For the year ended 30 June 2025

Note 3. Revenue

	Consolidated		Council	
	2025	2024	2025	2024
Notes	\$'000	\$'000	\$'000	\$'000
(a) Rates, Levies and Charges				
Rates, levies and charges are recognised as revenue at the beginning of the rating period to which they relate. Prepaid rates are recognised as unearned revenue until the beginning of the rating period.				
General Rates	180,350	166,227	180,350	166,227
Separate Rates	3,570	8,811	3,570	8,811
Water	54,915	50,982	54,915	50,982
Water Consumption, Rental and Sundries	40,789	43,388	40,789	43,388
Sewerage	47,152	44,106	47,152	44,106
Sewerage Trade Waste	1,937	1,783	1,937	1,783
Garbage Charges	31,203	23,765	31,203	23,765
<i><u>Total Rates and Utility Charge Revenue</u></i>	<i>359,916</i>	<i>339,062</i>	<i>359,916</i>	<i>339,062</i>
Less: Rate Discounts	(25,355)	(27,386)	(25,355)	(27,386)
Less: Rate Concessions	(2,962)	(3,102)	(2,962)	(3,102)
Total Rates, Levies and Charges	331,599	308,574	331,599	308,574

Toowoomba Regional Council

Notes to the Financial Statements

For the year ended 30 June 2025

Note 3. Revenue (continued)

(b) Fees and Charges

Revenue arising from fees and charges are recognised at the point in time when the performance obligation is completed and the customer receives the benefit of the services being provided.

The performance obligation relates to the specific services which are provided to the customers and generally the payment terms are within 30 days of the provision of the service or in some cases, the customer is required to pay on arrival, for example swimming pools. There is no material obligation for Council in relation to refunds or returns.

Licences granted by Council are all either short-term or low value and all revenue from licences is recognised at the time the licence is granted rather than the term of the licence.

Revenue from infringements is recognised on issue of the infringement notice after applying the expected credit loss model relating to the impairment of receivables for initial recognition of statutory receivables.

	Consolidated		Council	
	2025	2024	2025	2024
Notes	\$'000	\$'000	\$'000	\$'000
Aquatic, Fitness and Leisure Fees	208	449	208	449
Hire/Rental Income	9,188	8,650	4,723	4,215
Fines and Penalties	836	703	836	703
Cemetery and Memorialisation Fees	4,156	1,014	4,156	1,014
Dog Registrations	1,121	1,317	1,121	1,317
Licences, Inspections and Applications Fees	3,310	3,135	3,310	3,135
Parking Fees and Penalties	3,693	3,501	3,693	3,501
Planning and Development Fees	7,851	6,500	7,851	6,500
Property Search Fees	2,717	2,288	2,717	2,288
Sale of Bulk Recycled Water	12,458	12,162	12,458	12,162
Waste Management Fees	3,825	2,453	3,825	2,453
Water Connection and Sales	1,448	1,355	1,448	1,355
Other Fees and Charges	4,956	4,470	3,400	2,994
Total Fees and Charges	55,767	47,997	49,746	42,086

(c) Sales Revenue

Sale of goods revenue is recognised at the point in time that the customer obtains control of the goods, generally at delivery. Revenue from services is recognised when the service is rendered.

Revenue from contracts and recoverable works generally comprises a recoupment of material costs together with an hourly charge for use of equipment and employees. This revenue and the associated costs are recognised by reference to the stage of completion of the contract activity based on costs incurred at the reporting date. Where consideration is received for the service in advance, it is included in other liabilities and is recognised as revenue in the period when the service is performed. There are 14 contracts in progress at the year end. The contract work carried out is not subject to retentions.

Other Contract and Recoverable Works	452	99	452	99
Department of Transport and Main Roads	6,016	5,298	6,016	5,298
Private Works provided to the Public	2,506	1,578	2,506	1,578
Total Sales Revenue	8,974	6,975	8,974	6,975

Toowoomba Regional Council

Notes to the Financial Statements

For the year ended 30 June 2025

Note 3. Revenue (continued)

(d) Grants, Subsidies, Contributions and Donations

Grant Income under AASB 15

Where grant income arises from an agreement which is enforceable and contains sufficiently specific performance obligations then the revenue is recognised when control of each performance obligation is satisfied.

Performance obligations vary in each agreement but include when the associated works detailed in the agreement has been completed. Payment terms vary depending on the terms of the grant, cash is received upfront for some grants and on the achievement of certain payment milestones for others. Each performance obligation is considered to ensure that the revenue recognition reflects the transfer of control and within grant agreements, there may be some performance obligations where control transfers at a point in time and others which have continuous transfer of control over the life of the contract. Where control is transferred over time, revenue is recognised using either cost or time incurred.

Grant Income under AASB 1058

Where Council receives an asset for significantly below fair value, the asset is recognised at fair value, and the related liability (or equity item) is recorded. Income is then recognised for any remaining asset value at the time that the asset is received.

Capital Grants

Where Council receives funding under an enforceable contract to acquire or construct a specified item of property, plant and equipment which will be under Council's control on completion, revenue is recognised as and when the obligation to construct or purchase is completed. For construction projects, this is generally as the construction progresses in accordance with costs incurred.

Donations and Contributions

Where assets are donated or purchased for significantly below fair value, the revenue is recognised when the asset is acquired and controlled by Council.

Donations and contributions are generally recognised on receipt of the asset since there are no enforceable performance obligations.

Physical assets contributed to Council by developers in the form of road works, stormwater, water and wastewater infrastructure and park equipment are recognised as revenue when Council obtains control of the asset and there is sufficient data in the form of drawings and plans to determine the approximate specifications and values of such assets. Non-cash contributions with a value above the property, plant and equipment recognition thresholds are recognised as non-current assets. Those below the thresholds are recorded as expenses.

(i) Recurrent (Operating)

	Consolidated		Council	
	2025	2024	2025	2024
Notes	\$'000	\$'000	\$'000	\$'000
General Purpose Grants	9,815	2,642	8,410	538
State Government Subsidies and Grants	65,883	139,607	65,462	139,607
Commonwealth Government Subsidies and Grants	1,614	1,612	1,614	1,612
Donations	136	290	100	100
Contributions	887	834	768	834
	<u>78,335</u>	<u>144,984</u>	<u>76,354</u>	<u>142,691</u>

Toowoomba Regional Council

Notes to the Financial Statements

For the year ended 30 June 2025

Note 3. Revenue (continued)

(d) Grants, Subsidies, Contributions and Donations (Continued)

(ii) Capital

Capital Revenue includes grants and subsidies received which are tied to specific projects for the replacement or upgrade of existing non-current assets and/or investment in new assets. It also includes non-cash contributions which are usually infrastructure assets received from developers.

	Notes	Consolidated		Council	
		2025	2024	2025	2024
		\$'000	\$'000	\$'000	\$'000
State Government Subsidies and Grants		10,319	7,412	10,319	7,412
Commonwealth Government Subsidies and Grants		40,736	29,929	40,736	29,929
Contributions		186	1,630	186	1,630
Infrastructure Charges		15,999	17,667	15,999	17,667
<u>Non-Monetary Revenue Received is Analysed as Follows:</u>					
Donations from Third Parties at Fair Value		23,195	38,664	23,195	38,664
Total Capital Grants, Subsidies, Contributions and Donations		90,435	95,302	90,435	95,302

(iii) Timing of Revenue Recognition for Grants, Subsidies, Contributions and Donations

Revenue Recognised At A Point In Time

Grants and Subsidies	77,634	145,135	75,486	141,758
Contributions	-	-	-	-
Donations	23,331	38,954	23,295	38,764
Infrastructure Charges	15,999	17,667	15,999	17,667
	116,964	201,756	114,780	198,189

Revenue Recognised Over Time

Grants and Subsidies	51,115	37,793	51,055	37,342
Contributions	953	2,463	953	2,463
	52,068	40,256	52,008	39,805

Toowoomba Regional Council

Notes to the Financial Statements

For the year ended 30 June 2025

Note 4. Interest

	Consolidated		Council	
	2025	2024	2025	2024
Notes	\$'000	\$'000	\$'000	\$'000
Interest Received from Investments	12,042	11,147	11,869	10,983
Interest from Overdue Rates and Utility Charges	454	373	454	373
	<u>12,496</u>	<u>11,520</u>	<u>12,323</u>	<u>11,356</u>

Note 5. Employee Benefits

	Consolidated		Council	
	2025	2024	2025	2024
Notes	\$'000	\$'000	\$'000	\$'000
Wages and Salaries	114,891	111,683	110,132	106,847
Annual, Sick and Long Service Leave Entitlements	24,154	20,443	23,888	20,171
Superannuation	16,620	15,184	16,103	14,531
Councillor Remuneration	1,532	1,485	1,532	1,485
	<u>157,197</u>	<u>148,795</u>	<u>151,655</u>	<u>143,034</u>
Other Employee Related Expenses	3,039	2,633	2,578	2,231
	<u>160,236</u>	<u>151,428</u>	<u>154,233</u>	<u>145,265</u>
Less: Capitalised Employee Expenses	(14,040)	(15,091)	(14,040)	(15,091)
Total Employee Benefits	<u>146,196</u>	<u>136,337</u>	<u>140,193</u>	<u>130,174</u>

Councillor remuneration represents salary and other allowances paid in respect of carrying out their duties.

	2025	2024	2025	2024
Total Employees at year end:				
Administration Staff	921	930	868	883
Depot and Outdoors Staff	551	558	551	558
TOTAL FULL TIME EQUIVALENT EMPLOYEES	<u>1,472</u>	<u>1,488</u>	<u>1,419</u>	<u>1,441</u>
TOTAL ELECTED MEMBERS	<u>11</u>	<u>11</u>	<u>11</u>	<u>11</u>

Toowoomba Regional Council

Notes to the Financial Statements

For the year ended 30 June 2025

Note 6. Materials and Services

Total audit fees quoted by Queensland Audit Office relating to the 2024/25 Financial Statements are \$298,750 (2023/2024: \$271,425) for Council and \$382,450 (2023/24: \$311,125) for the group.

	Consolidated		Council	
	2025	2024	2025	2024
Notes	\$'000	\$'000	\$'000	\$'000
Advertising	883	944	665	484
Administration Supplies and Consumables	2,141	1,900	1,552	1,267
Audit of Annual Financial Statements by the Auditor-General of Queensland	371	311	325	271
Bulk Road and Other Materials	4,377	11,256	4,377	11,256
Communications and IT	9,283	8,851	9,195	8,755
Conferences and Seminars	1,142	616	712	616
Consultants	24,713	24,343	24,680	24,343
Contractors	52,197	108,980	52,197	108,980
Councillors' Expenses (incl. Mayor) - Other	-	11	-	11
Donations Paid	1,538	2,207	3,758	4,024
Electricity	13,883	11,852	13,883	11,852
Equipment Hire	6,598	11,406	6,543	10,229
Fuel and Chemicals	7,836	8,852	7,836	8,827
Garbage Collection Services	19,512	17,066	19,512	17,066
Minor Equipment and Other Materials	4,272	3,281	2,944	3,115
Professional Services	17,253	13,961	16,559	13,601
Repairs and Maintenance	5,612	4,682	5,103	4,359
Operating Leases - Rentals	402	91	402	91
Other Utilities	6,738	7,239	6,738	7,191
Other Materials and Services	13,415	21,802	13,417	20,741
Total Materials and Services	192,166	259,651	190,398	257,079

Local government elections were held during the 2023/24 financial year. Election expenses totaling \$935K are included in Professional Services in 2023/24 financial year.

Note 7. Finance Costs

	Consolidated		Council	
	2025	2024	2025	2024
Notes	\$'000	\$'000	\$'000	\$'000
Finance Costs - Queensland Treasury Corporation	9,041	8,240	9,041	8,240
Bank Charges	779	763	645	736
Impairment of Receivables	203	73	203	73
Interest on Leases	181	222	162	210
Unwinding of Discount on Provisions	4,258	4,253	4,258	4,253
Total Finance Costs	14,462	13,551	14,309	13,512

Toowoomba Regional Council

Notes to the Financial Statements

For the year ended 30 June 2025

Note 8. Capital Income and Expenses

	Notes	Consolidated		Council	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
(a) Profit/(Loss) on Disposal of Non-Current Assets					
Proceeds from Disposal of Property, Plant and Equipment		(7,738)	(5,707)	(7,738)	(5,707)
Less: Book Value of Property, Plant and Equipment Disposed	12,14	7,849	4,260	7,849	4,260
Profit/(Loss) on Disposal of Non-Current Assets		111	(1,447)	111	(1,447)
(b) Provision for Restoration of Land					
Discount Rate Adjustment - Refuse Restoration		(2,734)	718	(2,734)	718
Discount Rate Adjustment - Quarry Rehabilitation		(416)	134	(416)	134
Escalation Rate Expenditure - Refuse Restoration		(1,290)	1,257	(1,290)	1,257
Escalation Rate Expenditure - Quarry Restoration		(355)	214	(355)	214
Increase in Rehabilitation Provision - Refuse Restoration		1,187	(661)	1,187	(661)
Increase in Rehabilitation Provision - Quarry Rehabilitation		(43)	431	(43)	431
	18	(3,651)	2,093	(3,651)	2,093
The discount rate, escalation expense, and increase in rehabilitation provision adjustment to the quarry rehabilitation liability is recorded in expenses for sites that are not classified as Council Owned Assets.					
(c) Revaluation Adjustment					
Downwards / (Upwards) Revaluation of Investment Property		(85)	(319)	(85)	(319)
		(85)	(319)	(85)	(319)
(d) Other Capital Expenses					
Loss on Write-off of Assets					
Land	12	603	-	603	-
Buildings	12	673	786	673	786
Plant and Equipment	12	9	117	9	117
Road and Bridge Network	12	12,725	16,912	12,725	16,912
Water Infrastructure	12	2,028	6,797	2,028	6,797
Wastewater Infrastructure	12	4,244	2,652	4,244	2,652
Drainage	12	152	153	152	153
Site Improvements	12	1,635	218	1,635	218
Aerodromes Infrastructure	12	-	172	-	172
		22,069	27,807	22,069	27,807
Total Capital Expenses		18,444	28,134	18,444	28,134

Toowoomba Regional Council

Notes to the Financial Statements

For the year ended 30 June 2025

Note 9. Cash and Cash Equivalents

Cash at bank is held in normal business accounts at the Commonwealth Bank of Australia. Deposits at call are held at the Commonwealth Bank of Australia and Queensland Treasury Corporation.

Council is exposed to credit risk through its investments in the QTC Cash Fund. The QTC Cash Fund is an asset management portfolio investing in a wide range of high credit rated counterparties. Deposits with the QTC Cash Fund are capital guaranteed. Other investments are held with financial institutions, which are rated A1+ and have long-term ratings of BBB+ based on Standard and Poor's ratings, and whilst not capital guaranteed, the likelihood of a credit failure is assessed as low.

	Notes	Consolidated		Council	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Cash and Cash Equivalents					
Cash at Bank and on Hand		9,312	3,928	4,102	2,302
Deposits on Call		156,912	124,479	156,912	124,479
Total Cash and Cash Equivalents		166,224	128,407	161,014	126,781
Unrestricted Cash					
Cash and Cash Equivalents		166,224	128,407	161,014	126,781
Less: Externally Imposed Restrictions on Cash	9 (i)	(39,206)	(25,091)	(39,206)	(25,091)
Unrestricted Cash		127,018	103,316	121,808	101,690

Council's Cash and Cash Equivalents are subject to a number of external restrictions that limit amounts available for discretionary or future use.

These include:

(i) Externally Imposed Expenditure Restrictions at the Reporting Date:

Unspent Loan Monies		-	1,896	-	1,896
State Waste Levy		9,330	14,700	9,330	14,700
Unspent Government Grants and Subsidies		29,876	8,495	29,876	8,495
Total Externally Imposed Restrictions on Cash Assets		39,206	25,091	39,206	25,091

Internal Allocations of Cash at the Reporting Date:

Funds set aside by Council and held for future projects		57,563	51,789	57,563	51,789
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Note: Internal allocations of cash may be lifted by Council with a resolution.

Trust Funds Held for Outside Parties

Monies collected or held on behalf of other entities yet to be paid out to or on behalf of those entities		11,645	7,421	11,645	7,421
Security Deposits		26,606	35,955	26,606	35,955
Total Trust Funds Held for Outside Parties		38,251	43,376	38,251	43,376

In accordance with the Local Government Regulation 2012, a separate trust bank account and separate accounting records are maintained for funds held on behalf of outside parties. Funds held in the trust accounts include, but not limited to, security deposits to guarantee performance, application deposits and bond payments for community hall hire. The Council performs only a custodian role in respect of these monies and because the monies cannot be held for Council purposes, they are not considered revenue nor brought to account in the financial statements since Council has no control over the assets.

Toowoomba Regional Council

Notes to the Financial Statements

For the year ended 30 June 2025

Note 10. Investments

Investments are term deposits invested by Council and are held at National Australia Bank, Bendigo Bank Limited, Suncorp Bank, Bank of Queensland and People First Bank, with original maturity periods of greater than 3 months. These financial institutions have short term credit ratings that range from A-1+ to A-2 and long-term credit ratings that range from AA- to BBB+. These investments are measured at amortised cost.

	Consolidated		Council	
	2025	2024	2025	2024
Notes	\$'000	\$'000	\$'000	\$'000
Investments				
Term Deposits	91,354	93,570	90,500	90,500
Total Investments	91,354	93,570	90,500	90,500

Note 11. Receivables

Settlement of receivables is required within 30 days from statement date.

	Consolidated		Council	
	2025	2024	2025	2024
Notes	\$'000	\$'000	\$'000	\$'000
Current				
Rateable Revenue and Utility Charges	12,829	11,484	12,829	11,484
Other Debtors	19,252	8,079	19,252	8,014
Accrued Revenues - Interest on Investments	986	1,187	986	1,187
Fees and Charges	14,212	16,858	13,877	16,451
Prepayments	5,333	5,013	5,205	5,010
Total	52,612	42,621	52,149	42,146
Less: Loss Allowance	(179)	(86)	(165)	(86)
Total Current Receivables	52,433	42,535	51,984	42,060

Receivables are measured at amortised cost which approximates fair value at reporting date.

Council assesses the credit risk before providing goods or services and applies normal business credit protection procedures to minimise the risk.

Council does not require collateral in respect of trade and other receivables.

Interest is charged on outstanding rates and charges at the rate of 8.5% per annum (2023/24: 8.5%). No interest is charged on other debtors.

When Council has no reasonable expectation of recovering an amount owed by a debtor, and has ceased enforcement activity, the debt is written-off by directly reducing the receivable against the loss allowance. If the amount of debt written off exceeds the loss allowance, the excess is recognised as an impairment loss.

Toowoomba Regional Council

Notes to the Financial Statements

For the year ended 30 June 2025

Note 11. Receivables (continued)

Council has identified four distinctive groupings of its receivables and relevant judgements in relation to expected credit loss has been made for each group:

1. Rates and Charges
2. Infrastructure Charges
3. Lease Receivables
4. Other Debtors

Rates and Charges

Council has the power under the provisions of the *Local Government Act 2009* to sell land to recover overdue rates and charges issued on a rate notice, and therefore the expected credit loss is immaterial. Impairment of rates and charges will occur only if arrears are deemed to be greater than the proceeds Council would receive from the sale of the respective properties. In the case of infrastructure charge receivables, Council registers a charge over the subject land once the receivable is considered overdue (generally over 90 days). This protects Council against credit risk in the case of defaults.

Infrastructure Charges

Council is empowered under the provisions of the *Local Government Act 2009* to register a charge over the land where there is an outstanding Infrastructure Charge and therefore the expected credit loss is immaterial. Impairment of infrastructure charges will occur only if arrears are deemed to be greater than the proceeds Council would receive upon the sale of the respective properties.

Lease Receivables

Council has elected to use the simplified approach for Lease Receivables. Internal historical data shows that over the last 7 financial years, Council has written off 0.11% of lease receivables due to impairment. Council has deemed the risk of impairment of lease receivables to be immaterial and accordingly has not calculated an expected credit loss.

Other Debtors

Council identifies other debtors as receivables which are not rates and charges, infrastructure charges or lease receivables.

The exposure to credit risk for receivables by type of counterparty was as follows:

	2025	2024
Notes	\$'000	\$'000
Rates and Charges	12,829	11,484
GST Recoverable	2,988	2,372
Infrastructure Charges	2,470	3,446
Other	33,697	24,758
	<u>51,984</u>	<u>42,060</u>

Council's accumulated impairment losses are immaterial and therefore not disclosed.

Expected Credit Loss Assessment

Council has power to sell land to cover rates arrears and some infrastructure charges debtors, therefore these debts are not expected to become 'impaired'. For all other accounts receivable, Council's current provision is not expected to be materially affected.

Loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency to write-off.

Loss rates are based on actual credit loss experience over the last four years. Council believes these rates to be an accurate depiction of the write off rates for future years due to the stable economy of the region.

After reviewing the macro economic conditions, Council reached the conclusion that forward looking conditions indicated no foreseeable expected deviations from historically calculated ratios, thus no forward looking adjustments were made.

Refer to Note 27 for further information about credit risk.

Toowoomba Regional Council

Notes to the Financial Statements

For the year ended 30 June 2025

Note 12. Property, Plant and Equipment

(a) Recognition

The asset capitalisation threshold for Council is:

Land	\$1
Plant and equipment	\$ 5,000
Infrastructure assets	\$10,000
Heritage assets	\$10,000

Expenditure incurred in accordance with Disaster Recovery Funding Arrangements (DRFA) on road assets is analysed to determine whether the expenditure is capital in nature. The analysis of the expenditure requires Council engineers to review the nature and extent of expenditure on a given asset. For example, expenditure that patches a road is generally maintenance in nature, whereas a kerb to kerb rebuild is treated as capital. Material expenditure that extends the useful life or renews the service potential of the asset is capitalised.

Land under Roads

Land under roads and reserve land under the *Land Act 1994* or *Land Title Act 1994* is controlled by the Queensland State Government and not recognised in the Council financial statements.

(b) Measurement

Property, plant and equipment assets are initially recorded at cost. Subsequently, each class of property, plant and equipment is stated at cost or fair value less, where applicable, any accumulated depreciation and accumulated impairment loss.

(c) Depreciation

Land, Work in Progress (WIP), certain cultural and heritage assets with heritage listing, road formations and formation work associated with the construction of dams, levee banks and reservoirs are not depreciated as they have unlimited useful lives or they are not ready for use (e.g WIP). Depreciation, where applicable, is calculated on a straight-line basis. Management believe that the straight-line basis appropriately reflects the pattern of consumption of Council assets.

Depreciation methods, estimated useful lives and residual values are reviewed at the end of each reporting period and adjusted where necessary to reflect any changes in the pattern of consumption, physical wear and tear, technical or commercial obsolescence, or management intentions. The condition assessments performed as part of the valuation process for assets measured at written down current replacement cost are used to estimate the useful lives of these assets at each reporting date.

(d) Impairment

Property, plant and equipment held at cost is assessed for indicators of impairment annually. If an indicator of possible impairment exists, the Council determines the asset's recoverable amount. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.

(e) Valuation

Non-current physical assets measured at fair value are re-valued, where required, so that the carrying amount of each class of asset does not materially differ from its fair value at the reporting date. This is achieved by engaging independent, professionally qualified valuers to determine the fair value for each class of non-current assets at least once every three years. This process includes a comprehensive assessment of the condition of the assets being valued, including physical inspections (where possible), analysis of existing condition data maintained by Council and making use of data relating to installation dates to determine the age and useful life of the various assets.

In the alternate years, Council uses internal engineers and asset custodians to assess the condition and cost assumptions associated with the asset classes not undergoing comprehensive valuations. These results determine whether the asset class undergoes a desktop valuation or indexation calculation. A desktop valuation involves management providing updated information to an independent, professionally qualified valuer regarding additions, disposals and changes in assumptions such as useful life, residual value and condition rating, where a suitable index is applied devoid of physical inspections. An indexation calculation involves communication with a valuer who advises an appropriate index that accurately reflects variations in the fair value of an asset class to be applied through Council's asset register.

Council assesses the appropriateness of the indices used to ensure that there is not a significant variance in valuation from a value determined by comprehensive valuation.

On revaluation, accumulated depreciation is restated proportionately with the change in the carrying amount of the asset and any change in the estimate of remaining useful life. Separately identified components of assets are measured on the same basis as the assets to which they relate.

Further details in relation to valuers, the methods of valuation and the key assumptions used are disclosed in Note 13.

Toowoomba Regional Council

Notes to the Financial Statements

For the year ended 30 June 2025

Note 12. Property, Plant and Equipment (continued)

Council 30 June 2025	Measurement Basis	Note	Land		Site Improvements		Buildings		Plant and Equipment		Road and Bridge Network		Water Infrastructure		Wastewater Infrastructure		Drainage		Aerodrome Infrastructure		Heritage Assets		Capital Work in Progress		Total	
			\$'000	Fair Value	\$'000	Fair Value	\$'000	Fair Value	\$'000	Fair Value	\$'000	Fair Value	\$'000	Fair Value	\$'000	Fair Value	\$'000	Fair Value	\$'000	Fair Value	\$'000	Fair Value	\$'000	Fair Value		\$'000
	Opening Gross Balance - at Cost		579,041	-	395,848	-	621,416	-	148,949	-	3,279,051	-	1,864,079	-	995,939	-	820,762	-	25,492	-	14,616	-	186,480	-	352,025	
	Opening Gross Balance - at Fair Value		579,041	-	395,848	-	621,416	-	148,949	-	3,279,051	-	1,864,079	-	995,939	-	820,762	-	25,492	-	14,616	-	186,480	-	8,581,628	
	Opening Gross Balance		579,041	-	395,848	-	621,416	-	148,949	-	3,279,051	-	1,864,079	-	995,939	-	820,762	-	25,492	-	14,616	-	186,480	-	8,833,663	
	Additions		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	163,546	
	Contributed Assets		2,194	-	-	-	-	-	-	-	7,399	2,831	4,207	6,563	4,207	6,563	4,207	6,563	-	-	-	-	-	-	23,194	
	Disposals	8	(4,059)	(1,386)	(2,818)	(12,846)	(1,386)	(17,060)	(18,187)	(11,123)	(18,187)	(17,060)	(11,123)	(182)	(11,123)	(182)	(182)	(182)	-	-	-	-	-	-	(67,662)	
	Revaluation Increments/(Decrements) to Equity (ARS)	21	23,042	24,883	(11,179)	-	24,883	-	-	-	132,941	270,928	37,561	33,142	37,561	33,142	33,142	33,142	1,020	1,020	-	-	-	-	512,338	
	Work in Progress Transfers		914	6,090	9,791	13,534	6,090	27,987	13,534	55,189	27,987	16,089	1,406	1,406	16,089	1,406	1,406	97	97	39	39	(131,136)	-	-	-	
	Adjustments and Other Transfers		-	(1,844)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(9,129)	
	Internal Transfers between Asset Classes		(6)	21	21	-	-	77	(6)	77	(6)	8	(6)	8	8	(6)	8	(6)	(97)	(97)	-	-	-	-	(5)	
	Transfers to Investment Property		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Expensed Capital Works - Prior Financial Years		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Revaluation Adjustment to Capital Loss		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(4,561)	
	Total Gross Value of Property, Plant and Equipment - at Cost		-	-	-	-	-	-	149,637	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	373,316	
	Total Gross Value of Property, Plant and Equipment - at Fair Value		601,126	651,003	389,819	651,003	651,003	651,003	651,003	3,456,470	2,148,757	1,042,681	861,691	26,512	26,512	26,512	26,512	26,512	26,512	26,512	14,655	209,024	-	-	9,176,059	
	Total Gross Value of Property, Plant and Equipment		601,126	651,003	389,819	651,003	651,003	651,003	651,003	3,456,470	2,148,757	1,042,681	861,691	26,512	26,512	26,512	26,512	26,512	26,512	26,512	14,655	209,024	-	-	9,651,375	
	Opening Accumulated Depreciation		-	-	165,287	206,979	206,979	206,979	69,480	-	656,005	620,527	323,745	214,884	323,745	323,745	323,745	323,745	323,745	323,745	8,463	-	-	-	2,265,330	
	Depreciation Expense		-	-	12,332	12,020	12,020	12,020	11,487	-	47,957	25,123	15,933	10,319	15,933	15,933	15,933	15,933	15,933	15,933	448	-	-	-	135,629	
	Disposals	8	-	-	(1,183)	(713)	(713)	(8,944)	(8,944)	(5,462)	(15,032)	(6,879)	(30)	(30)	(6,879)	(6,879)	(6,879)	(6,879)	(6,879)	(30)	-	-	-	-	(38,243)	
	Revaluation Increments/(Decrements) to Equity (ARS)	21	-	-	(18,980)	8,731	8,731	-	-	27,940	104,354	67,386	9,006	9,006	67,386	67,386	67,386	67,386	67,386	356	-	-	-	-	198,774	
	Internal Transfers between Asset Classes		-	-	-	-	-	-	-	2	(2)	2	(2)	2	(2)	2	(2)	2	(2)	(2)	-	-	-	-	-	
	Transfers to Investment Property		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Revaluation Adjustment to Capital Loss		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Total Accumulated Depreciation of Property, Plant and Equipment		-	-	157,436	227,017	227,017	72,033	72,033	726,442	734,970	400,167	234,159	9,285	9,285	9,285	9,285	9,285	9,285	9,285	9,285	-	-	-	2,561,490	
	Total Net Book Value of Property, Plant and Equipment		601,126	423,986	232,383	423,986	423,986	77,604	77,604	2,730,028	1,413,787	642,514	627,532	17,247	17,247	17,247	17,247	17,247	17,247	17,247	14,655	209,024	-	-	6,989,885	
	Other Information		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Range of Estimated Useful Life (years)		Not depreciated	10 - 200	10 - 200	15 - 200	2 - 15	12 - unlimited	10 - unlimited	10 - unlimited	10 - unlimited	10 - unlimited	10 - unlimited	12 - 150	10 - unlimited	10 - unlimited	10 - unlimited	10 - unlimited	10 - unlimited	12 - 150	10 - unlimited	10 - unlimited	10 - unlimited	10 - unlimited	-	
	Asset Additions Comprise		-	-	4,990	5,371	13,567	17,153	8,656	2,900	779	2,900	2,900	779	2,900	2,900	2,900	2,900	2,900	2,900	779	-	-	-	53,436	
	Asset Renewals		-	-	7,049	404	281	41,757	44,710	11,401	45	11,401	44,710	45	11,401	44,710	44,710	44,710	44,710	44,710	45	-	-	-	110,110	
	Other Additions		4,455	4,455	12,039	5,775	13,888	56,910	53,366	14,301	824	14,301	53,366	824	14,301	53,366	53,366	53,366	53,366	824	8	-	-	-	163,546	
	Total Additions		4,455	4,455	12,039	5,775	13,888	56,910	53,366	14,301	824	14,301	53,366	824	14,301	53,366	53,366	53,366	53,366	824	8	-	-	-	163,546	

Toowoomba Regional Council
Notes to the Financial Statements
 For the year ended 30 June 2025
Note 12. Property, Plant and Equipment (continued)

Council 30 June 2024	Measurement Basis	Note	Land		Site Improvements		Buildings		Plant and Equipment		Road and Bridge Network		Water Infrastructure		Wastewater Infrastructure		Drainage		Aerodrome Infrastructure		Heritage Assets		Capital Work in Progress		Total
			\$'000 Fair Value	\$'000 Cost	\$'000 Fair Value	\$'000 Cost	\$'000 Fair Value	\$'000 Cost	\$'000 Fair Value	\$'000 Cost	\$'000 Fair Value	\$'000 Cost	\$'000 Fair Value	\$'000 Cost	\$'000 Fair Value	\$'000 Cost	\$'000 Fair Value	\$'000 Cost							
	Opening Gross Balance - at Cost		556,535	-	364,644	586,726	143,106	-	3,237,151	1,664,291	895,344	548,373	23,456	14,596	221,741	-	-	-	-	-	-	221,741	-	379,442	
	Opening Gross Balance - at Fair Value		556,535	-	364,644	586,726	143,106	-	3,237,151	1,664,291	895,344	548,373	23,456	14,596	221,741	-	-	-	-	-	-	221,741	-	7,876,520	
	Opening Gross Balance		556,535	-	364,644	586,726	143,106	-	3,237,151	1,664,291	895,344	548,373	23,456	14,596	221,741	-	-	-	-	-	-	221,741	-	8,255,963	
	Additions		2,585	-	-	-	239	-	16,368	3,871	4,548	11,053	-	-	175,777	-	-	-	-	-	-	-	-	175,777	
	Disposals	8	(330)	-	(1,355)	(3,073)	(14,047)	-	(23,857)	(5,375)	(231)	(391)	-	-	-	-	-	-	-	-	-	-	-	38,664	
	Revaluation Increments/(Decrements) to Equity (ARS)	21	20,658	-	16,356	31,813	-	(1,828)	133,913	75,637	259,099	1,613	-	-	-	-	-	-	-	-	-	-	-	(66,671)	
	Work in Progress Transfers		245	-	16,350	5,899	19,497	-	51,053	80,094	25,861	2,467	882	20	(202,368)	-	-	-	-	-	-	-	-	537,263	
	Adjustments and Other Transfers		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Internal Transfers between Asset Classes		(652)	-	(147)	51	154	-	164	(76)	-	-	(69)	-	-	-	-	-	-	-	-	-	-	(652)	
	Transfers to Investment Property		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Expensed Capital Works - Prior Financial Years		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Revaluation Adjustment to Capital Loss		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(6,690)	
	Total Gross Value of Property, Plant and Equipment - at Cost		-	-	-	-	148,949	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	352,028	
	Total Gross Value of Property, Plant and Equipment - at Fair Value		579,041	-	395,848	621,416	148,949	-	3,279,051	1,864,079	995,939	820,762	25,492	14,616	188,460	-	-	-	-	-	-	-	-	8,581,628	
	Total Gross Value of Property, Plant and Equipment		579,041	-	395,848	621,416	148,949	-	3,279,051	1,864,079	995,939	820,762	25,492	14,616	188,460	-	-	-	-	-	-	-	-	-	8,933,654
	Opening Accumulated Depreciation		-	-	149,421	187,125	66,633	-	596,889	563,505	286,120	167,764	9,087	-	-	-	-	-	-	-	-	-	-	2,028,544	
	Depreciation Expense		-	-	11,543	11,496	10,847	-	45,151	21,512	14,638	8,514	421	-	-	-	-	-	-	-	-	-	-	124,122	
	Disposals	8	-	-	(1,137)	(2,287)	(10,000)	-	(6,945)	(11,216)	(2,724)	(79)	(219)	-	-	-	-	-	-	-	-	-	-	(34,606)	
	Revaluation Increments/(Decrements) to Equity (ARS)	21	-	-	5,517	10,645	-	20,833	46,726	25,711	38,665	826	-	-	-	-	-	-	-	-	-	-	-	147,271	
	Internal Transfers between Asset Classes		-	-	(77)	-	-	-	77	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Transfers to Investment Property		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Revaluation Adjustment to Capital Loss		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Total Accumulated Depreciation of Property, Plant and Equipment		-	-	165,267	206,979	69,480	-	656,005	620,527	323,745	214,864	8,463	-	-	-	-	-	-	-	-	-	-	2,265,331	
	Total Net Book Value of Property, Plant and Equipment		579,041	-	230,581	414,437	79,470	-	2,623,046	1,243,552	672,194	605,897	17,028	14,616	188,460	-	-	-	-	-	-	-	-	6,668,322	

Other Information		Not Depreciated	10 - 200	15 - 200	2 - 15	12 - unlimited	10 - unlimited	12 - 150	10 - unlimited	10 - unlimited	14,616	188,460	6,668,322					
Asset Additions Comprise		-	4,216	4,331	14,353	32,022	13,719	6,182	1,088	8	-	-	-	-	-	-	-	75,918
Asset Renewals		2,287	7,963	646	252	37,030	44,580	5,543	1,474	83	-	-	-	-	-	-	-	99,659
Other Additions		2,287	12,179	4,977	14,605	69,051	58,298	11,725	2,563	91	-	-	-	-	-	-	-	175,777
Total Additions		2,287	12,179	4,977	14,605	69,051	58,298	11,725	2,563	91	-	-	-	-	-	-	-	175,777

Toowoomba Regional Council

Notes to the Financial Statements

For the year ended 30 June 2025

Note 13. Fair Value Measurements

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

- Shares
- Land
- Buildings
- Site Improvements
- Road and Bridge Network
- Drainage
- Aerodrome Infrastructure
- Water and Wastewater Infrastructure
- Investment Property

In accordance with AASB 13 fair value measurements are categorised on the following basis:

- Level 1 – fair value based on quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 – fair value based on inputs that are directly or indirectly observable, such as prices for similar assets, for assets or liabilities
- Level 3 – fair value based on unobservable inputs for assets and liabilities

There were no transfers between levels during the year.

Council's policy is to recognise transfers in and out of the fair value hierarchy levels as at the end of the reporting period.

Valuation Techniques used to derive Fair Values

Where Council is unable to derive fair valuations using quoted market prices of identical assets (i.e. Level 1 inputs), Council instead utilises a combination of both observable inputs (Level 2 inputs) and unobservable inputs (Level 3 inputs).

When applying Level 2 inputs, the fair value is derived by reference to Level 2 market-based evidence including observable historical sales data for assets of a similar nature and specification within the Toowoomba Regional Council and surrounding areas. The most significant input into this valuation approach is price per square metre.

When applying Level 3 inputs, the fair value is determined using the Cost approach. This method is based on determining the asset's Replacement Cost of the modern equivalent (or cost of reproduction where relevant) and then adjusting for the level of consumed future economic benefit and impairment.

Shares

South Burnett Community Enterprises Limited (formerly known as Yarraman Financial Services) - fair value was derived by reference to Level 2 market-based evidence. These shares are not actively traded.

Toowoomba Regional Council
Notes to the Financial Statements
 For the year ended 30 June 2025

Note 13. Fair Value Measurements (continued)

The below table summarises the valuation techniques used to derive fair values for Toowoomba Regional Councils asset classes.

Asset class and fair value hierarchy	Valuation Approach	Last comprehensive valuation date	Valuer engaged	Key assumptions and estimates (related data sources)	Index applied (change in index recognised in the 2024/25 year)	Other interim revaluation adjustment
Land (Level 2)	Market value approach	31/12/2022	APV Valuers and Asset Management	<ul style="list-style-type: none"> Indexed for indicators of significant change to fair value of asset class Current zoning Sales price per square metre (database of recent sales of comparable properties, adjusted for differences in key attributes such as property size, topography and configuration) 	4.00%	Indexation applied at 30/06/2025
Site Improvements (Level 3)	Replacement cost approach	31/12/2022	APV Valuers and Asset Management	<ul style="list-style-type: none"> Indexed for subsequent changes in construction costs Unit rates for construction as at the comprehensive revaluation date (Industry standard cost guides, project costs from recently completed works) Fair value derived from asset consumption score and installation date Grouped assets are portfolios of homogenous-type assets that individually fall below the recognition threshold but when considered in combination are material in value 	4.00%	Indexation applied at 30/06/2025
Site Improvements - Rehabilitation Provision Offsets (Level 3)	Fair value	31/03/2025	Internal – using the AEC Rehabilitation Models	<ul style="list-style-type: none"> Revalued annually as at 31 March Values align to liability provision values calculated in the AEC Rehabilitation Models. Details of assumptions are contained in Note 18 Provisions 	Comprehensive revaluation applied in the current year.	Not Applicable
Buildings - Residential (Level 2)	Market value approach	31/12/2022	APV Valuers and Asset Management	<ul style="list-style-type: none"> Indexed for subsequent changes in construction costs Fair value derived from asset consumption score, installation date, supported by observable evidence obtained via inspection and market evidence 	4.00%	Indexation applied at 30/06/2025
Buildings - Specialised (Level 3)	Replacement cost approach	31/12/2022	APV Valuers and Asset Management	<ul style="list-style-type: none"> Indexed for subsequent changes in construction costs Unit rates for construction as at the comprehensive revaluation date (Industry standard cost guides, project costs from recently completed buildings) Fair value derived from asset consumption score and installation date 	4.00%	Indexation applied at 30/06/2025
Road and Bridge Network (Level 3)	Replacement cost approach	31/12/2023	APV Valuers and Asset Management	<ul style="list-style-type: none"> Uses unit rates derived from Council projects constructed in the past 12 months which are then compared to valuers databases being a collection of data from other Council valuations and industry cost modelling to ensure unit rates developed and applied are reasonable. Fair Value is derived by asset consumption score and installation date. 	4.00%	Indexation applied at 30/5/2025

Toowoomba Regional Council

Notes to the Financial Statements

For the year ended 30 June 2025

Note 13. Fair Value Measurements (continued)

Asset class and fair value hierarchy	Valuation Approach	Last comprehensive valuation date	Valuer engaged	Key assumptions and estimates (related data sources)	Index applied (change in index recognised in the 2024/25 year)	Other interim revaluation adjustment
Water Infrastructure (Level 3)	Replacement cost approach	31/12/2024	APV Valuers and Asset Management	<ul style="list-style-type: none"> Uses unit rates derived from Council projects constructed in the past 12 months which are then compared to valuers databases being a collection of data from other council valuations and industry cost modelling to ensure unit rates developed and applied are reasonable. Asset condition information, based on installation date, is then applied to determine fair value. 	1.60%	<p>Comprehensive valuation applied in current year to 31/12/2024</p> <p>Indexation applied at 30/6/2025</p>
Wastewater Infrastructure (Level 3)	Replacement cost approach	31/12/2024	APV Valuers and Asset Management	<ul style="list-style-type: none"> Uses unit rates derived from Council projects constructed in the past 12 months which are then compared to valuers databases being a collection of data from other council valuations and industry cost modelling to ensure unit rates developed and applied are reasonable. Asset condition information, based on installation date, is then applied to determine fair value. 	1.60%	<p>Comprehensive valuation applied in current year to 31/12/2024</p>
Drainage (Level 3)	Replacement Cost Approach	31/12/2023	APV Valuers and Asset Management	<ul style="list-style-type: none"> Uses unit rates derived from Council projects constructed in the past 12 months which are then compared to Valuers databases being a collection of data from other Council valuations and industry cost modelling to ensure unit rates developed and applied are reasonable. Fair Value is derived by asset consumption score and installation date. 	4.00%	<p>Indexation applied at 30/6/2025</p>
Aerodrome Infrastructure (Level 3)	Replacement Cost Approach	31/12/2023	APV Valuers and Asset Management	<ul style="list-style-type: none"> Uses unit rates derived from Council projects constructed in the past 12 months which are then compared to Valuers databases being a collection of data from other Council valuations and industry cost modelling to ensure unit rates developed and applied are reasonable. Fair Value is derived by asset consumption score and installation date. 	4.00%	<p>Indexation applied at 30/6/2025</p>

Toowoomba Regional Council

Notes to the Financial Statements

For the year ended 30 June 2025

Note 14. Intangible Assets

Intangible assets represent identifiable, non-monetary assets without physical substance. Intangible assets with a cost or other value exceeding \$5,000 are recognised as intangible assets in the financial statements, items with a lesser value are being expensed.

	Consolidated		Council	
	2025	2024	2025	2024
Notes	\$'000	\$'000	\$'000	\$'000
Intangible Assets				
Opening Gross Carrying Value	8,184	7,997	8,184	7,997
Additions	103	239	103	239
Transfers from other Asset Classes	-	-	-	-
Disposals	-	(52)	-	(52)
Closing Gross Carrying Value	8,287	8,184	8,287	8,184
Intangibles Work in Progress				
Opening Accumulated Amortisation and Impairment	(4,067)	(3,623)	(4,067)	(3,623)
Amortisation Charges	(385)	(496)	(385)	(496)
Transfers	-	-	-	-
Disposals	-	52	-	52
Closing Accumulated Amortisation and Impairment	(4,452)	(4,067)	(4,452)	(4,067)
Total Intangible Assets - Net Book Value				
	7,862	5,225	7,862	5,225

The majority of Council's intangible assets are software assets which have a finite useful life estimated at 10 years.

Straight line amortisation, with no residual value, has been used for these assets.

The remaining intangible assets are land easements which have indefinite useful lives. For that reason, these assets are not amortised.

Toowoomba Regional Council

Notes to the Financial Statements

For the year ended 30 June 2025

Note 15. Leases

Council as a Lessee

Council has leases in place over buildings and vehicles.

Council does not separate lease and non-lease components for any class of assets and has accounted for lease payments as a single component.

The right-of-use asset is measured using the cost model and is depreciated over the lease term on a straight-line basis and assessed for impairment in accordance with the impairment of asset accounting policy.

Exceptions to Lease Accounting

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

Leases as Significantly Below Market Value/Concessionary Leases

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

Terms and Conditions of Leases

Buildings and Land

Council has 11 leases over 9 buildings which are used for various operational reasons including offices and storage. In addition to leases over buildings, Council has 11 leases over land for purposes such as refuse sites and radio towers. The lease terms vary between 3 years and 99 years with 11 agreements containing an option for a further term. Upon expiry renewals are probable, however, renewals are determined by Council's continued requirement for the property and is assessed on a case-by-case basis.

The majority of the Council leases are indexed annually either by CPI or by an agreed percentage, however, some are on a fixed amount for the duration of the term or have a low nominal amount that is only payable if demanded.

Vehicles

Council leases a vehicle in return for advertising as part of commercial arrangement with suppliers. The short-term lease exemption has been applied to this agreement as the maximum term of the agreement is 12 months.

Toowoomba Regional Council
Notes to the Financial Statements
For the year ended 30 June 2025
Note 15. Leases (continued)

Right-of-Use Assets

Consolidated and Council

	Notes	Buildings and Land \$'000	Total \$'000
Consolidated			
Balance as at 1 July 2024		4,161	4,161
Additions to right-of-use assets		15	15
Adjustments to right-of-use assets due to re-measurement of lease liability		(92)	(92)
Less: Depreciation Charge		(1,188)	(1,188)
Impairment of right-of-use assets		(107)	(107)
Balance at 30 June 2025		2,789	2,789
Council			
Balance as at 1 July 2024		3,869	3,869
Additions to right-of-use assets		-	-
Adjustments to right-of-use assets due to re-measurement of lease liability		(83)	(83)
Less: Depreciation Charge		(1,066)	(1,066)
Impairment of right-of-use assets		(107)	(107)
Balance at 30 June 2025		2,613	2,613
Consolidated			
Balance as at 1 July 2023		4,086	4,086
Additions to right-of-use assets		10	10
Adjustments to right-of-use assets due to re-measurement of lease liability		1,324	1,324
Less: Depreciation Charge		(1,257)	(1,257)
Impairment of right-of-use assets		(2)	(2)
Balance at 30 June 2024		4,161	4,161
Council			
Balance as at 1 July 2023		3,673	3,673
Additions to right-of-use assets		-	-
Adjustments to right-of-use assets due to re-measurement of lease liability		1,330	1,330
Less: Depreciation Charge		(1,132)	(1,132)
Impairment of right-of-use assets		(2)	(2)
Balance at 30 June 2024		3,869	3,869

Toowoomba Regional Council

Notes to the Financial Statements

For the year ended 30 June 2025

Note 15. Leases (continued)

Lease Liabilities

The table below shows the maturity analysis of the lease liabilities based on contractual cashflows and therefore the amounts will not be the same as the recognised lease liability in the Statement of Financial Position.

Consolidated and Council

		<1 year	1-5 years	>5 years	Total	Total per Statement of Financial Position
	Notes	\$'000	\$'000	\$'000	\$'000	\$'000
Consolidated						
2025		1,198	2,129	23	3,350	3,089
2024		1,405	3,548	23	4,976	4,539
Council						
2025		1,072	2,067	23	3,162	2,900
2024		1,290	3,359	23	4,672	4,235

Liabilities not Recognised – Extension Options

For Building Leases, Council includes extension options which can be exercised at Council's discretion. At each reporting date, Council assesses whether it is reasonably certain that the extension options will be exercised based on current operations and Council strategy.

There are no potential future lease payments, which are not included in the lease liability, as the exercise of the option has been assessed as not reasonably certain.

Amounts Included in the Statement of Comprehensive Income Related to Leases

The following amounts have been recognised in the Statement of Comprehensive Income for leases where Council is the lessee.

Consolidated and Council	Consolidated		Council	
	2025	2024	2025	2024
Notes	\$'000	\$'000	\$'000	\$'000
Interest on Lease Liabilities	181	222	162	210
Depreciation of Right-of-Use Assets	1,188	1,257	1,066	1,132
Expenses Relating to Short Term Leases	146	46	146	46
Expenses Relating to Low-Value Assets	1	2	1	2
	<u>1,516</u>	<u>1,527</u>	<u>1,375</u>	<u>1,390</u>
Total Cash Outflows for Leases	1,652	1,531	1,537	1,401

Toowoomba Regional Council

Notes to the Financial Statements

For the year ended 30 June 2025

Note 15. Leases (continued)

Leases at Significantly Below Market Value – Concessionary/Peppercorn Leases

Council has a number of leases at significantly below market for land and buildings which are used for:

- Heritage Trails
- Digital Radio & Relay
- Water Towers

The leases are generally between 3 and 99 years and require payments between \$1 and \$25,000 per annum. The use of the right-of-use assets is restricted by the lessors to specified community services which Council must provide. These services are detailed in the leases.

Council does not believe that any of the leases in place are individually material.

Council as a Lessor

Council has not identified any finance leases.

Operating Leases

Where Council retains the risks and rewards relating to a lease, they are classified as operating leases and relate to the investment property in the Statement of Financial Position.

Rent from investment and other property is recognised as income on a periodic straight-line basis over the lease term.

There is nil unearned finance income, unguaranteed residual values accruing to the benefit of Council, accumulated allowance for uncollectible minimum lease payments receivable or contingent rents recognised as income applicable to the leases.

Council has entered into commercial property leases on its investment properties.

There are no restrictions on the realisability of investment property or remittance of income and proceeds of disposal. Council does not have any contractual obligations to purchase, construct or develop investment property.

Toowoomba Regional Council

Notes to the Financial Statements

For the year ended 30 June 2025

Note 16. Payables

Creditors are recognised when goods or services are received, at the amount owed. Amounts owing are unsecured and are generally settled on 30-day terms, except for local suppliers which have 14 day terms.

Liabilities are recognised for employee benefits, such as wages and salaries and annual leave, in respect of services provided by the employees up to the reporting date. The liability is calculated using the present value of remuneration rates that will be paid when the liability is expected to be settled and includes related on-costs.

As Council does not have an unconditional right to defer settlement of annual leave beyond twelve months after the reporting date, annual leave is classified as a current liability.

	Consolidated		Council	
	2025	2024	2025	2024
Notes	\$'000	\$'000	\$'000	\$'000
Current				
Creditors	31,677	40,948	30,462	40,188
Annual Leave and Other Entitlements	12,576	12,381	12,304	12,381
Prepaid Rates	11,565	11,300	11,565	11,300
Accrued Wages and Salaries	6,390	5,307	6,328	5,307
Total Current Payables	62,208	69,936	60,659	69,176

Toowoomba Regional Council

Notes to the Financial Statements

For the year ended 30 June 2025

Note 17. Borrowings

Interest is expensed as accrued, no interest has been capitalised during the current or comparative reporting period. Expected final repayment dates vary from 5 August 2025 to 15 June 2044.

Council adopts an annual debt policy that sets out Council's planned borrowings for the next nine years. Council's current policy is to only borrow for capital projects and for a term no longer than the expected life of the asset. Council also aims to comply with the Queensland Treasury Corporation's (QTC) borrowing guidelines and ensure that sustainability indicators remain within acceptable levels at all times.

	Consolidated		Council	
	2025	2024	2025	2024
Notes	\$'000	\$'000	\$'000	\$'000
Current				
Loans - Queensland Treasury Corporation	18,796	18,021	18,796	18,021
Loans - Other	79	33	-	-
Total Current Borrowings	18,875	18,054	18,796	18,021
Non-Current				
Loans - Queensland Treasury Corporation	181,027	199,475	181,027	199,475
Loans - Other	-	79	-	-
Total Non-Current Borrowings	181,027	199,554	181,027	199,475
Total Borrowings	199,902	217,608	199,823	217,496

The Queensland Treasury Corporation (QTC) loan market value at the reporting date was \$190.8M (2024: \$204.1M). This represents the value of the debt if Council repaid it at that date. As it is the intention of Council to hold the debt for its term, no provision is required to be made in these accounts.

No assets have been pledged as security by the Council for any liabilities, however, all loans are guaranteed by the Queensland Government. There have been no defaults or breaches of the loan agreement during the 2024 or 2025 financial years.

Toowoomba Regional Council

Notes to the Financial Statements

For the year ended 30 June 2025

Note 18. Provisions

(a) Long Service Leave

The provision for long service leave represents the present value of the estimated future cash outflows to be made in respect of services provided by employees up to the reporting date. The liability is calculated using current pay rates and projected future increases in those rates and includes related employee on-costs. The estimates are adjusted for the probability of the employee remaining in Council's employment or other associated employment which would result in Council being required to meet the liability. Adjustments are then made to allow for the proportion of the benefit earned to date, and the result is discounted to present value. The provision is discounted using the Commonwealth Bond yield rates published on the Yield Report website.

Where employees have met the prerequisite length of service and Council does not have an unconditional right to defer this liability beyond 12 months, long service leave is classified as a current liability. Otherwise, it is classified as non-current.

(b) Restoration Provisions

A provision is made for the cost of restoring refuse dumps and quarries where it is probable the Council will have an obligation to rehabilitate the site when the use of the facilities is complete. The provision is measured at the expected cost of the work required, discounted to present day values using the interest rates attached to Commonwealth Government guaranteed securities with a maturity date corresponding to the anticipated date of the restoration.

Within each restoration provision there may be many site locations, some of which can be on Council controlled land and some which are not. The following accounting treatments apply depending on the site location:

Restoration on Land not Controlled by Council

Where the restoration site is on land which Council does not control, the provision for restoration is treated as an expense in the year the provision is first recognised.

Restoration on Land Controlled by Council

Restoration sites that are situated on Council controlled land are classified as land and improvement assets. The provision for restoration is, therefore, included in the cost of the site improvements and amortised over the expected useful life.

Council has the following restoration provisions:

Quarry Sites

Quarry rehabilitation provision represents the present value of the anticipated future costs associated with the closure of the quarries, refilling the basin, and reclamation and rehabilitation of these sites.

The calculation of the provision uses assumptions including application of environmental legislation, site closure dates, available technologies, and engineering cost estimates. Because of the long-term nature of the liability, these uncertainties may result in future actual expenditure differing from amounts currently provided. The provision is reviewed at least annually and updated based on the facts and circumstances available at the time.

Refuse Sites

Refuse restoration provision represents the present value of the anticipated future costs associated with the closure of the dump sites, decontamination and monitoring of historical residues and leaching on these sites.

The calculation of the provision uses assumptions including application of environmental legislation, site closure dates, available technologies, and engineering cost estimates. Because of the long-term nature of the liability, these uncertainties may result in future actual expenditure differing from amounts currently provided. The provision is reviewed at least annually and updated based on the facts and circumstances available at the time.

Toowoomba Regional Council

Notes to the Financial Statements

For the year ended 30 June 2025

Note 18. Provisions (continued)

	Notes	Consolidated		Council	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Current					
Long Service Leave		14,430	14,691	14,078	14,097
Quarry Rehabilitation		218	68	218	68
Refuse Rehabilitation		1,161	1,133	1,161	1,133
Quarry Wastage		707	-	707	
Total Current Provisions		16,516	15,892	16,164	15,298
Non-Current					
Long Service Leave		1,086	1,019	998	931
Quarry Rehabilitation		9,343	10,180	9,343	10,180
Refuse Rehabilitation		94,907	97,677	94,907	97,677
Total Non-Current Provisions		105,336	108,876	105,248	108,788

Details of Movements in Provisions

Quarry Rehabilitation

Balance at Beginning of Financial Year		10,248	8,189	10,248	8,189
Increase/(decrease) due to Change in Escalation Rate		(515)	252	(515)	252
Increase/(decrease) due to Change of Discount Rate		(645)	142	(645)	142
Increase due to Unwinding of Discount		402	343	402	343
Increase/(decrease) due to Change in Forecast Capital Expense		172	1,573	172	1,573
Amount Used		(101)	(251)	(101)	(251)
Balance at End of Financial Year		9,561	10,248	9,561	10,248

This is the present value of the estimated cost of restoring Council's quarry sites to a useable state at the end of the useful life. These costs are expected to be incurred from 2025 until as late as 2113.

Refuse Rehabilitation

Balance at Beginning of Financial Year		98,810	96,182	98,810	96,182
Increase/(decrease) due to Change in Escalation Rate		(1,724)	1,783	(1,724)	1,783
Increase/(decrease) due to Change of Discount Rate		(3,689)	913	(3,689)	913
Increase due to Unwinding of Discount		3,856	3,910	3,856	3,910
Increase/(decrease) due to Change in Forecast Capital Expense		926	(749)	926	(749)
Amount Used		(2,111)	(3,229)	(2,111)	(3,229)
Balance at End of Financial Year		96,068	98,810	96,068	98,810

This is the present value of the estimated cost of restoring Council's refuse disposal sites to a useable state at the end of their useful life, which are expected to be incurred from 2025 until as late as 2069 and allowing a period of settlement.

Toowoomba Regional Council

Notes to the Financial Statements

For the year ended 30 June 2025

Note 19. Contract Liabilities

Where Council has invoiced the customer or the grantor amounts in excess of what it has incurred in relation to a contract, or in constructing an asset, or when performance obligations are not yet satisfied, this gives rise to a contract liability.

Satisfaction of contract liabilities:

The contract liabilities in relation to capital grants relate to funding received prior to the work being performed since revenue is recognised as Council constructs the assets. Council expects to recognise the contract liability as income in the next 3 years.

	Consolidated		Council	
	2025	2024	2025	2024
Notes	\$'000	\$'000	\$'000	\$'000
Contract Liabilities				
Current Contract Liabilities				
Funds Received Upfront to Construct Council Controlled Assets	25,059	8,496	25,059	8,496
Non-Capital Performance Obligations not yet Satisfied	6,660	2,529	6,660	2,529
	<u>31,719</u>	<u>11,025</u>	<u>31,719</u>	<u>11,025</u>
Non-Current Contract Liabilities				
Non-Capital Performance Obligations not yet Satisfied	27	2,888	27	2,888
	<u>27</u>	<u>2,888</u>	<u>27</u>	<u>2,888</u>
Total Contract Liabilities	<u>31,746</u>	<u>13,913</u>	<u>31,746</u>	<u>13,913</u>
Revenue Recognised that was Included in the Contract Liability Balance at the Beginning of the Year				
Funds to construct Council controlled Assets	5,843	10,444	5,843	10,444
Non-Capital Performance Obligations (including deposits received in advance)	4,341	414	4,341	414
	<u>10,184</u>	<u>10,858</u>	<u>10,184</u>	<u>10,858</u>

Note 20. Other Liabilities

Unearned revenue includes an advanced payment of \$9.3M (2024: \$14.7M) for the State Government's waste levy. The 4-year payment covering the years 2023/24 to 2026/27, was made in advance providing Council with a level of certainty for budget planning.

	Consolidated		Council	
	2025	2024	2025	2024
Notes	\$'000	\$'000	\$'000	\$'000
Other Liabilities				
Current Other Liabilities				
Unearned Revenue - State Waste Levy	4,807	5,370	4,807	5,370
Other	4,732	2,952	1,654	1,077
	<u>9,539</u>	<u>8,322</u>	<u>6,461</u>	<u>6,447</u>
Non-Current Other Liabilities				
Unearned Revenue - State Waste Levy	4,524	9,330	4,524	9,330
	<u>4,524</u>	<u>9,330</u>	<u>4,524</u>	<u>9,330</u>
Total Other Liabilities	<u>14,063</u>	<u>17,653</u>	<u>10,985</u>	<u>15,777</u>

Toowoomba Regional Council

Notes to the Financial Statements

For the year ended 30 June 2025

Note 21. Asset Revaluation Surplus

The Asset Revaluation Surplus comprises revaluation movements on property, plant and equipment.

Where a class of assets is decreased on revaluation, that decrease is offset first against the amount remaining in the asset revaluation surplus in respect of that class. Any excess is treated as an expense and disclosed accordingly.

	Consolidated		Council	
	2025	2024	2025	2024
Notes	\$'000	\$'000	\$'000	\$'000
Movements in the Asset Revaluation Surplus				
Balance at Beginning of Financial Year	3,627,218	3,239,045	3,627,218	3,239,045
<u>Net adjustment to non-current assets at end of period to reflect a change in current fair value:</u>				
Land	23,042	20,658	23,042	20,658
Site Improvements	7,801	10,839	7,801	10,839
Buildings	16,152	21,149	16,152	21,149
Road and Bridge Network	105,001	(22,661)	105,001	(22,661)
Water Infrastructure	166,575	87,188	166,575	87,188
Wastewater Infrastructure	(29,806)	49,926	(29,806)	49,926
Drainage	24,136	220,434	24,136	220,434
Aerodrome Infrastructure	664	2,459	664	2,459
	12	313,565	313,565	389,992
Adjustment to Rehabilitation Provision	(18)	(1,819)	(18)	(1,819)
Balance at End of Financial Year	3,940,766	3,627,218	3,940,765	3,627,218
Asset Revaluation Surplus Analysis				
<u>The closing balance of the Asset Revaluation Surplus comprises the following asset categories:</u>				
Land	396,389	373,347	396,389	373,347
Site Improvements	87,891	80,107	87,891	80,107
Buildings	214,374	198,222	214,374	198,222
Road and Bridge Network	1,487,483	1,382,482	1,487,482	1,382,482
Water Infrastructure	958,321	791,746	958,321	791,746
Wastewater Infrastructure	371,294	401,100	371,294	401,100
Drainage	419,191	395,055	419,191	395,055
Aerodrome Infrastructure	5,823	5,159	5,823	5,159
Balance at End of Financial Year	3,940,766	3,627,218	3,940,765	3,627,218

Toowoomba Regional Council
Notes to the Financial Statements
For the year ended 30 June 2025

Note 22. Commitments for Expenditure

	Consolidated		Council	
	2025	2024	2025	2024
Notes	\$'000	\$'000	\$'000	\$'000
Capital Commitments				
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:				
<u>Property, Plant and Equipment</u>				
Buildings	2,562	-	2,562	-
Infrastructure	166,258	140,155	166,258	140,155
Other	10,623	-	10,623	-
Total Commitments	179,443	140,155	179,443	140,155
<u>These Expenditures are Payable as Follows:</u>				
Within the Next Year	90,801	53,039	90,801	53,039
Later than 1 Year and Not Later than 5 Years	87,086	87,116	87,086	87,116
Later than 5 Years	1,556	-	1,556	-
Total Payable	179,443	140,155	179,443	140,155

Toowoomba Regional Council

Notes to the Financial Statements

For the year ended 30 June 2025

Note 23. Contingent Asset and Liabilities

Details and estimates of maximum amounts of contingent assets and liabilities are as follows:

Local Government Mutual

Council is a member of the Local Government mutual liability self-insurance pool, LGM Queensland. In the event of the pool being wound up or it is unable to meet its debts as they fall due, the trust deed and rules provide that any accumulated deficit will be met by the individual pool members in the same proportion as their contribution is to the total pool contributions in respect to any year that a deficit arises.

As at 30 June 2025 the financial statements reported an accumulated surplus and it is not anticipated any liability will arise.

Local Government Workcare

The Council is a member of the Queensland Local Government worker's compensation self-insurance scheme, Local Government Workcare. Under this scheme the Council has provided an indemnity towards a bank guarantee to cover bad debts which may remain should the self-insurance licence be cancelled and there was insufficient funds available to cover outstanding liabilities. Only the Queensland Government's workers compensation authority may call on any part of the guarantee should the above circumstances arise. The Council's maximum exposure to the bank guarantee is \$2,547,016.

Other Contingent Assets and Liabilities

Infrastructure charges are contractual commitments under infrastructure agreements that are contingent on a number of actions occurring outside of Council's direct control and relate to exercising development approvals and completing associated infrastructure works. Council has disclosed quantifiable infrastructure charges which are under an infrastructure agreement. Where Council has no infrastructure charges in place, this limits Council's ability to provide a reliable estimate and are not disclosed as a contingent liability.

	Consolidated		Council	
	2025	2024	2025	2024
Notes	\$'000	\$'000	\$'000	\$'000
Contingent Liabilities				
Details and estimates of maximum amounts of contingent liabilities are as follows:				
Developer delivery of Council infrastructure as per Infrastructure Agreement	14,152	190	14,152	190
Various claims are pending against Council. In the opinion of the Council's solicitors, the potential loss on all claims should not exceed:	441	604	441	604
Total Contingent Liabilities	14,593	794	14,593	794

Toowoomba Regional Council

Notes to the Financial Statements

For the year ended 30 June 2025

Note 24. Superannuation

Council contributes to the Brighter Super Regional Defined Benefits Fund (the scheme), at the rate of 12% for each permanent employee who is a defined benefit member. This rate is set in accordance with the Brighter Super trust deed and may be varied on the advice of an actuary. The Regional Defined Benefits Fund is a complying superannuation scheme for the purpose of the Commonwealth Superannuation Industry (Supervision) legislation and is also governed by the *Local Government Act 2009*. The scheme is managed by the Brighter Super trustee.

The scheme is a pooled defined benefit plan and is not in accordance with the deed to allocate obligations, plan assets and costs at the Council level. Any amount by which the scheme is over or under funded may affect future contribution rate obligations but has not been recognised as an asset or liability of Council.

Toowoomba Regional Council may be liable to the scheme for a portion of other local governments' obligations should that local government be unable to meet them. However, the risk of this occurring is extremely low and in accordance with the Brighter Super trust deed changes to Council's obligations will only be made on the advice of an actuary.

The last completed actuarial assessment of the scheme as required under Superannuation Prudential Standard 160 was undertaken as at 1 July 2024. The actuary indicated that "At the valuation date of 1 July 2024, the net assets of the scheme exceeded the vested benefits and the scheme was in a satisfactory financial position". The measure of vested benefits represents the value of benefit entitlements should all participating employees voluntarily exit the scheme. Council is not aware of anything that has happened since that time that indicates the assets of the scheme are not sufficient to meet the vested benefits, as at the reporting date.

No changes have been made to prescribed employer contributions which remain at 12% of employee salary or wages and there are no known requirements to change the rate of contributions.

The next triennial actuarial review is due on 1 July 2027.

The most significant risks that may result in Brighter Super increasing the contribution rate, on the advice of the actuary, are:

- Investment risk - The risk that the scheme's investment returns will be lower than assumed and additional contributions are needed to fund the shortfall.
- Salary growth risk - The risk that wages or salaries will rise more rapidly than assumed, increasing vested benefits to be funded.

	Consolidated		Council	
	2025	2024	2025	2024
Notes	\$'000	\$'000	\$'000	\$'000
Superannuation Contributions made to the Regional Defined Benefits Fund (RDBF)	347	417	347	417
Other Superannuation Contributions for Employees	15,755	14,918	15,238	14,265
The amount of Superannuation Contributions paid by Council in this period for the benefit of employees was:	16,102	15,335	15,585	14,682

Toowoomba Regional Council
Notes to the Financial Statements
For the year ended 30 June 2025

Note 25. Reconciliation of Net Result for the Year to Net Cash Inflow/(Outflow) from Operating Activities

	Notes	Consolidated		Council	
		2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Net Result from Income Statement		72,935	54,504	72,630	55,040
Non-Cash Items					
Depreciation and Amortisation	12,14,15	137,235	125,939	137,080	125,750
Accrued Interest Expense and Bad Debt Expense		390	230	369	230
Prior Year Capital Expenditure Expensed in Current Year	12	4,667	6,690	4,667	6,690
Unwinding of Discount on Provisions		4,257	4,253	4,257	4,253
Revaluation Adjustments		(85)	(319)	(85)	(319)
Non-Cash Capital Contributions	3d(ii)	(23,195)	(38,664)	(23,195)	(38,664)
Loss on Early Termination of Lease		(41)	(1)	(41)	(1)
Rehabilitation Expenses for Sites not Classified as Council Owned Assets	12	(3,651)	2,093	(3,651)	2,093
		<u>119,577</u>	<u>100,221</u>	<u>119,401</u>	<u>100,032</u>
Investing and Development Activities					
Net Losses/(Gains) on Disposal of Assets	8	111	(1,447)	111	(1,447)
Loss on Write-off of Assets	8	22,069	27,807	22,069	27,807
Capital Grants and Contributions		(63,517)	(56,642)	(63,517)	(56,642)
		<u>(41,337)</u>	<u>(30,282)</u>	<u>(41,337)</u>	<u>(30,282)</u>
Changes in Operating Assets and Liabilities					
(Increase)/Decrease in Receivables		(9,740)	(4,109)	(9,805)	(4,113)
(Increase)/Decrease in Contract Assets		(3,723)	-	(3,723)	-
Increase/(Decrease) in Loss Allowance		79	30	79	30
(Increase)/Decrease in Inventories and Other Assets		1,370	1,076	1,397	1,088
Increase/(Decrease) in Payables and Accruals		(7,954)	30,034	(7,552)	29,966
Increase/(Decrease) in Employee Leave Entitlements		78	(26)	48	60
Increase/(Decrease) in Other Liabilities		(4,131)	(4,694)	(4,792)	(4,848)
Increase/(Decrease) in Contract Liabilities		4,563	316	4,563	316
		<u>(19,458)</u>	<u>22,627</u>	<u>(19,785)</u>	<u>22,499</u>
Net Cash inflow from operating activities		<u>131,717</u>	<u>147,070</u>	<u>130,909</u>	<u>147,289</u>

Toowoomba Regional Council
Notes to the Financial Statements
For the year ended 30 June 2025

Note 26. Reconciliation of Liabilities Arising from Financing Activities

	2025 - Consolidation	As at 30 June 2024	Cash flows	Non-Cash Changes	As at 30 June 2025
	Notes	\$'000	\$'000	\$'000	\$'000
Borrowings	17	217,609	(17,711)	5	199,902
Lease Liability	15	4,539	(1,381)	(69)	3,089
		<u>222,148</u>	<u>(19,092)</u>	<u>(64)</u>	<u>202,991</u>

	2024 - Consolidation	As at 30 June 2023	Cash flows	Non-Cash Changes	As at 30 June 2024
	Notes	\$'000	\$'000	\$'000	\$'000
Borrowings	17	202,667	14,985	(43)	217,609
Lease Liability	15	4,516	(1,531)	1,554	4,539
		<u>207,183</u>	<u>13,454</u>	<u>1,511</u>	<u>222,148</u>

	2025 - Council	As at 30 June 2024	Cash flows	Non-Cash Changes	As at 30 June 2025
	Notes	\$'000	\$'000	\$'000	\$'000
Borrowings	17	217,496	(17,678)	5	199,823
Lease Liability	15	4,235	(1,266)	(69)	2,900
		<u>221,731</u>	<u>(18,944)</u>	<u>(64)</u>	<u>202,723</u>

	2024 - Council	As at 30 June 2023	Cash flows	Non-Cash Changes	As at 30 June 2024
	Notes	\$'000	\$'000	\$'000	\$'000
Borrowings	17	202,525	15,024	(52)	217,496
Lease Liability	15	4,099	(1,401)	1,537	4,235
		<u>206,624</u>	<u>13,623</u>	<u>1,485</u>	<u>221,731</u>

Toowoomba Regional Council

Notes to the Financial Statements

For the year ended 30 June 2025

Note 27. Financial Instruments and Financial Liabilities

Financial Assets and Financial Liabilities

Council has exposure to the following risks arising from financial instruments:

- Credit risk
- Liquidity risk
- Market risk
- Interest rate risk

Risk Management Framework

Council is responsible for the establishment and oversight of the risk management framework, together with developing and monitoring risk management policies. Council's management approves policies for overall risk management, as well as specifically for managing credit, liquidity and market risk. Council's risk management policies are established to identify and analyse the risks faced, to set appropriate limits and controls and to monitor these risks and adherence against limits. Council aims to manage volatility to minimise potential adverse effects on the financial performance of the Council.

Council's audit committee oversees how management monitors compliance with the Council's risk management policies and procedures and reviews the adequacy of the risk management's framework in relation to the risks faced by the Council. Council's audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee. Council does not enter into derivatives.

Credit Risk

Credit risk is the risk of financial loss if a counterparty to a financial instrument fails to meet its contractual obligations. These obligations arise principally from Council's investments and receivables. Exposure to credit risk is managed through regular analysis of counterparty ability to meet payment obligations.

Investments in financial instruments are required to be made with Queensland Treasury Corporation (QTC) or financial institutions in Australia, in line with the requirements for the *Statutory Bodies Financial Arrangements Act 1982* and Council's Investment Policy. No collateral is held as security relating to the financial assets held by Council.

The carrying amounts of financial assets at the end of the reporting period represent the maximum exposure to credit risk for the Council.

Liquidity Risk

Liquidity risk is the risk that Council will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. Council's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, both under normal and stressed conditions, without incurring unacceptable losses or risking damage to Council's reputation.

Exposure to Liquidity Risk

Council is exposed to liquidity risk through its normal course of business and through its borrowings with QTC. Council manages its exposure to liquidity risk by maintaining sufficient cash deposits, both short and long term, to cater for unexpected volatility in cash flows. These facilities are disclosed in Notes 9 and 10.

The following table sets out the liquidity risk in relation to financial liabilities (excluding lease liabilities) held by Council. It represents the remaining contractual cash flows (principal and interest) of financial liabilities at the end of the reporting period, excluding the impact of netting agreements:

Toowoomba Regional Council
Notes to the Financial Statements
For the year ended 30 June 2025

Note 27. Financial Instruments and Financial Liabilities (continued)

Consolidated	Notes	0 - 1 Year	1 - 5 Years	Over 5 Years	Total Contractual Cash Flows	Carrying Amount
		\$'000	\$'000	\$'000	\$'000	\$'000
2025						
Payables	16	62,208	-	-	62,208	62,208
Loans - QTC	17	26,622	90,908	139,901	257,431	199,823
Loans - Other		79	-	-	79	79
		<u>88,909</u>	<u>90,908</u>	<u>139,901</u>	<u>319,718</u>	<u>262,110</u>
2024						
Payables	16	69,936	-	-	69,936	69,936
Loans - QTC	17	26,714	97,617	159,815	284,146	217,496
Loans - Other		33	79	-	112	112
		<u>96,683</u>	<u>97,696</u>	<u>159,815</u>	<u>354,194</u>	<u>287,544</u>
Council	Notes	0 - 1 Year	1 - 5 Years	Over 5 Years	Total Contractual Cash Flows	Carrying Amount
		\$'000	\$'000	\$'000	\$'000	\$'000
2025						
Payables	16	60,659	-	-	60,659	60,659
Loans - QTC	17	26,622	90,908	139,901	257,431	199,823
		<u>87,281</u>	<u>90,908</u>	<u>139,901</u>	<u>318,090</u>	<u>260,482</u>
2024						
Payables	16	69,176	-	-	69,176	69,176
Loans - QTC	17	26,714	97,617	159,815	284,146	217,496
		<u>95,890</u>	<u>97,617</u>	<u>159,815</u>	<u>353,322</u>	<u>286,672</u>

QTC Fixed Rate Loan – financial instruments with fixed interest rates which are carried at amortised cost are not subject to interest rate sensitivity.

The outflows in the above table are not expected to occur significantly earlier or for significantly different amounts than indicated in the table.

Market Risk

Market risk is the risk that changes in market indices, such as interest rates, will affect Council's income or the value of its holdings of financial instruments.

Interest Rate Risk

Council is exposed to interest rate risk through investments and borrowings with QTC and other financial institutions. Council has access to a mix of variable and fixed rate funding options through QTC so that interest rate risk exposure can be minimised.

Sensitivity

Sensitivity to interest rate movements is shown for variable financial assets and liabilities based on the carrying amount at reporting date. Council does not account for any fixed-rate financial assets or financial liabilities at fair value through the statement of comprehensive income, therefore a change in interest rates at the reporting date would not affect profit or loss.

The following interest rate sensitivity analysis depicts what effect a reasonably possible change in interest rates (assumed to be 1%) would have on the profit and equity based on the carrying values at the end of the reporting date. The calculation assumes the change in interest rates would be held constant over the period.

Toowoomba Regional Council
Notes to the Financial Statements
For the year ended 30 June 2025

Note 27. Financial Instruments and Financial Liabilities (continued)

Consolidated	Notes	Net Carrying Amount \$'000	Effect on Net Result		Effect on Equity	
			1% Increase \$'000	1% Decrease \$'000	1% Increase \$'000	1% Decrease \$'000
2025						
At Call Funds	9	156,912	1,569	(1,569)	1,569	(1,569)
			<u>1,569</u>	<u>(1,569)</u>	<u>1,569</u>	<u>(1,569)</u>
2024						
At Call Funds	9	124,479	1,245	(1,245)	1,245	(1,245)
			<u>1,245</u>	<u>(1,245)</u>	<u>1,245</u>	<u>(1,245)</u>
Council						
Council	Notes	Net Carrying Amount \$'000	Effect on Net Result		Effect on Equity	
			1% Increase \$'000	1% Decrease \$'000	1% Increase \$'000	1% Decrease \$'000
2025						
At Call Funds	9	156,912	1,569	(1,569)	1,569	(1,569)
			<u>1,569</u>	<u>(1,569)</u>	<u>1,569</u>	<u>(1,569)</u>
2024						
At Call Funds	9	124,479	1,245	(1,245)	1,245	(1,245)
			<u>1,245</u>	<u>(1,245)</u>	<u>1,245</u>	<u>(1,245)</u>

Toowoomba Regional Council
Notes to the Financial Statements
For the year ended 30 June 2025

Note 28. National Competition Policy

Business Activities to which the Code of Competitive Conduct is Applied

Toowoomba Regional Council applies the competitive code of conduct to the following activities:

Water and Wastewater	Fleet and Logistics Services	Laboratory Services	Waste Services
Other Roads	Building Certification	Cemeteries	Aerodromes
Private Works	Highfields Cultural Centre		

This requires the application of full cost pricing, identifying the cost of community service obligations (CSO) and eliminating the advantages and disadvantages of public ownership within that activity.

The CSO value is determined by Council and represents the activity cost which would not be incurred if the primary objective of the activities was to make a profit. The Council provides funding from general revenue to the business activity to cover the cost of providing non-commercial community services or costs deemed to be CSO's by the Council.

The following Activity Statements are for Activities Subject to the Competitive Code of Conduct:

	Water and Wastewater	Other Roads	Cemeteries	Fleet and Logistics Services
	\$'000	\$'000	\$'000	\$'000
Revenue for Services Provided to the Council	1,147	53,936	-	38,729
Revenue for Services Provided to External Clients	149,833	3,334	4,156	990
Community Service Obligations	1,650	-	569	-
	152,630	57,270	4,725	39,719
Less: Expenditure	(108,381)	(54,573)	(1,679)	(34,870)
Surplus/(Deficit)	44,249	2,697	3,046	4,849

	Building Certification	Laboratory Services	Private Works	Highfields Cultural Centre
	\$'000	\$'000	\$'000	\$'000
Revenue for Services Provided to the Council	3	1,992	-	141
Revenue for Services Provided to External Clients	957	628	7,588	405
Community Service Obligations	-	-	-	615
	960	2,620	7,588	1,161
Less: Expenditure	(957)	(2,822)	(6,121)	(963)
Surplus/(Deficit)	3	(202)	1,467	198

	Waste Services	Aerodromes
	\$'000	\$'000
Revenue for Services Provided to the Council	12,289	20
Revenue for Services Provided to External Clients	37,842	884
Community Service Obligations	3,060	3,224
	53,191	4,128
Less: Expenditure	(47,648)	(2,175)
Less: Other FCP Allowances	(1,769)	-
Surplus/(Deficit)	3,774	1,953

Toowoomba Regional Council

Notes to the Financial Statements

For the year ended 30 June 2025

Note 28. National Competition Policy (continued)

Description of CSO's provided to business activities:

Activities	CSO Description	Actual \$'000
Water and Wastewater	To provide pensioner rebates on water and wastewater activities.	1,650
Waste Services	To provide public dumping facilities.	3,060
Highfields Cultural Centre	Provide recreational facilities to as wide as possible cross section of the community.	615
Cemetery Operations	To maintain historical headstone sections and to provide cemetery facilities to rural areas.	569
Aerodromes	To provide an economic benefit to the region and to provide airport facilities to rural areas.	3,224

Note 29. Controlled Entities that have not been Consolidated

Controlled Entities - Financial Results:

	Ownership Interest	
	Details	%
<u>2025</u>		
Toowoomba and Surat Basin Enterprise Development Fund Limited	1	100
<u>2024</u>		
Toowoomba and Surat Basin Enterprise Development Fund Limited	1	100

1. Toowoomba and Surat Basin Enterprise Development Fund Limited (ACN 636 675 173) was established in 2019 to facilitate the education, mentoring and leadership of local people in the Toowoomba and Surat Basin regions to help them gain the necessary skills to have career opportunities in their local communities, for the benefit of the greater community, with an emphasis on people who are disadvantaged or vulnerable.

Toowoomba Regional Council

Notes to the Financial Statements

For the year ended 30 June 2025

Note 30. Transactions with Related Parties

(a) Transactions with Controlled Entities

The group consists of Council and two controlled entities. From the 2025 financial year, Council consolidates all but one of the controlled entities. The details of this entity can be found in Note 29.

The following transactions occurred with subsidiaries:

Subsidiary	Operating Grants and Sponsorship provided by Council (Note 1)		Goods and Services provided by Council, on normal terms and conditions (Note 2)		Goods and Services provided to Council, on normal terms and conditions (Note 3)	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Empire Theatres Pty Ltd	1,768	970	36	41	145	39
Toowoomba and Surat Basin Enterprise	746	754	1	25	14	2
Total	2,514	1,724	37	66	159	41

Note 1 - Operating Grants and Sponsorship paid by Council to the controlled entity (GST exclusive)

Note 2 - Rental of Buildings, Plant and Equipment provided by Council to the controlled entity (GST exclusive)

Note 3 - Goods and Services provided by the controlled entity to Council (GST exclusive)

(b) Transactions with Associates

The Spring Bluff Railway Station Trust (Spring Bluff) is composed of representatives from Queensland Rail and Toowoomba Regional Council.

Council provides annual monetary support to Spring Bluff in the form of a contribution which has been disclosed below.

Associate	2025 \$'000	2024 \$'000
Spring Bluff Railway Station Trust (Contribution from Council)	90	90
Spring Bluff (Payment to Council)	-	69

(c) Transactions with Key Management Personnel (KMP)

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of Council, directly or indirectly. Key management personnel include the Mayor, Councillors, Council's Chief Executive and General Managers.

The compensation paid to key management personnel comprises:

Compensation Paid to Key Management Personnel	2025 \$'000	2024 \$'000
Short-Term Employee Benefits	3,248	3,164
Post-Employment Benefits	360	354
Long-Term Benefits	42	40
Termination Benefits	319	3
Total	3,969	3,561

Toowoomba Regional Council
Notes to the Financial Statements
For the year ended 30 June 2025

Note 30. Transactions with Related Parties (continued)

(d) Outstanding Balances

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties:

Receivables (owing from Controlled Entity or Related Party to Council)	2025 \$'000	2024 \$'000
Current (within 30 days)	-	34
Total	-	34

Payables (owing from Council to Controlled Entity or Related Party)	2025 \$'000	2024 \$'000
Current (within 30 days)	86	-
Total	86	-

All amounts owing from or owing to controlled entities and related parties are within normal terms and conditions.

(e) Transactions with Other Related Parties

Other related parties include the close family members of KMP or their close family members. Close family members include a spouse, child or dependent of a KMP or their spouse.

Details of transactions between Council and other related parties are disclosed below:

Details of Transactions	Additional Information	2025 \$'000	2024 \$'000
Purchase of materials and services from entities controlled by key management personnel	Note 1	3,368	495
Employee expenses for close family members of key management personnel	Note 2	294	41
Fees and charges charged to entities controlled by key management personnel	Note 3	-	4
Total		3,662	540

Note 1 - Toowoomba Regional Council purchased materials and services from other related parties. All purchases were at arm's length and on normal terms and conditions in the normal course of Council operations.

Note 2 - 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.

Note 3 - The fees and charges charged to entities controlled by key management personnel were on an arm's length basis in accordance with the schedule of fees and charges adopted by Council.

(f) Loans to/from Related Parties

Council does not make loans to or receive loans from related parties.

Toowoomba Regional Council

Notes to the Financial Statements for the year ended 30 June 2025

(g) Transactions with Related Parties that have not been disclosed

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

- Payment of rates and utility charges
- Fees and charges included in Council's Register of Fees and Charges
- Fines and penalties included in Council's Register of Local Laws and Subordinate Local Laws
- Attendance at Council functions which are open to the general public
- Visiting Council facilities which are open to the general public
- Transactions whose total dollar value is deemed immaterial

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

Note 31. Events After the Reporting Period

There were no material adjusting events after the balance date.

Toowoomba Regional Council

Management Certificate

For the year ended 30 June 2025

These General Purpose Financial Statements have been prepared pursuant to sections 176 and 177 of the *Local Government Regulation 2012* (the Regulation) and other prescribed requirements.

In accordance with Section 212(5) of the Regulation, we certify that:

- (i) the prescribed requirements of the *Local Government Act 2009* and *Local Government Regulation 2012* for the establishment and keeping of accounts have been complied with in all material respects; and
- (ii) the General Purpose Financial Statements, as set out on pages 1 to 51, present a true and fair view, in accordance with Australian Accounting Standards, of Council's and the consolidated entity's transactions for the financial year and financial position at the end of the year.



Cr Geoff McDonald

MAYOR

SIGNDATE 26/9/25



Salvatore Petrocitto OAM

CHIEF EXECUTIVE OFFICER

SIGNDATE 26/9/2025

INDEPENDENT AUDITOR'S REPORT

To the councillors of Toowoomba Regional Council

Report on the audit of the financial report

Opinion

I have audited the accompanying financial report of Toowoomba Regional Council (the council) and its controlled entities (the group).

The financial report comprises the statements of financial position as at 30 June 2025, the statements of comprehensive income, statements of changes in equity and statements of cash flows for the year then ended, notes to the financial statements including material accounting policy information and the certificate given by the Mayor and Chief Executive Officer.

In my opinion, the financial report:

- a) gives a true and fair view of the council's and group's financial position as at 30 June 2025, and of their financial performance for the year then ended; and
- b) complies with the *Local Government Act 2009*, the Local Government Regulation 2012 and Australian Accounting Standards.

Basis for opinion

I conducted my audit in accordance with the *Auditor-General Auditing Standards*, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of my report.

I am independent of the council and group in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General Auditing Standards*.

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

Other information

The councillors are responsible for the other information.

The other information comprises the information included in the entity's annual report for the year ended 30 June 2025, but does not include the financial report and our auditor's report thereon.

At the date of this auditor's report, the available other information in Toowoomba Regional Council's annual report for the year ended 30 June 2025 was the current year financial sustainability statement, current year financial sustainability statement – contextual ratios and long-term financial sustainability statement.

My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon. However, as required by the Local Government Regulation 2012, I have formed a separate opinion on the current year financial sustainability statement.

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

If, based on the work I have performed, I conclude that there is a material misstatement of this information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of the councillors for the financial report

The councillors are responsible for the preparation of the financial report that gives a true and fair view in accordance with *Local Government Act 2009*, the Local Government Regulation 2012 and Australian Accounting Standards, and for such internal control as the councillors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

The councillors are also responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless it is intended to abolish the council or to otherwise cease operations of the group.

Auditor's responsibilities for the audit of the financial report

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

A further description of my responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:

https://www.auasb.gov.au/auditors_responsibilities/ar3.pdf

This description forms part of my auditor's report.

Report on other legal and regulatory requirements

In accordance with s. 40 of the *Auditor-General Act 2009*, for the year ended 30 June 2025:

- a) I received all the information and explanations I required
- b) I consider that, the prescribed requirements in relation to the establishment and keeping of accounts were complied with in all material respects.

Prescribed requirements scope

The prescribed requirements for the establishment and keeping of accounts are contained in the *Local Government Act 2009*, any other Act and the Local Government Regulation 2012. The applicable requirements include those for keeping financial records that correctly record and explain the council and group's transactions and account balances to enable the preparation of a true and fair financial report.



Michael Claydon
as delegate of the Auditor-General

29 September 2025

Queensland Audit Office
Brisbane

Current Year Financial Sustainability Statement

For the year ended 30 June 2025

Type	Measure	Target (Tier 2)	Actual Current Year	5-Year Average	Actual Current Year	5-Year Average	Council Narrative
			Consolidated		Council		
Audited Ratios							
Liquidity	Unrestricted Cash Expense Cover Ratio	Greater than 2 months	7.60	N/A	7.56	N/A	
Operating Performance	Operating Surplus Ratio	Greater than 0%	0.41%	0.43%	0.35%	0.38%	The surplus position impacted by the part-payment of the Financial Assistance Grant for FY2026.
	Operating Cash Ratio	Greater than 0%	29.74%	29.33%	30.19%	29.80%	The positive ratio indicates that Council is able to fund its core operations.
Asset Management	Asset Sustainability Ratio	Greater than 60%	32.10%	61.23%	32.10%	61.23%	A lower ratio for the year due to the impact of upgrade expenditure incurred for the Cressbrook Dam Safety improvements.
	Asset Consumption Ratio	Greater than 60%	70.97%	73.11%	70.97%	73.11%	Ratio indicates that, over time, Council is meeting its asset needs.
Debt Servicing Capacity	Leverage Ratio	0 to 4 times	1.37	1.59	1.37	1.59	The ratio is above target range and when considered with the higher than target Unrestricted Cash Expense Cover Ratio, indicates Council is currently able to fund capital expenditure through working capital and / or borrowings without increasing sustainability and service delivery risks. It should be noted, however, that while the Asset Sustainability Ratio is lower than target, continued expenditure on upgrade and new capital projects may lead to increased sustainability pressures.

The current year financial sustainability statement is a special purpose statement prepared in accordance with the requirements of the Local Government Regulation 2012 and the Financial Management (Sustainability) Guideline 2024. The amounts used to calculate the 6 reported measures are prepared on an accrual basis and are drawn from the Councils audited general purpose financial statements for the year ended 30 June 2025.

Toowoomba Regional Council

Certificate of Accuracy – Current Year Financial Sustainability Statement For the year ended 30 June 2025

This Current Year Financial Sustainability Statement has been prepared pursuant to Section 178 of the *Local Government Regulation 2012* (the Regulation).

In accordance with Section 212(5) of the Regulation we certify that this Current Year Financial Sustainability Statement has been accurately calculated.



Cr Geoff McDonald

MAYOR

SIGNDATE 26/9/25



Salvatore Petrocchio OAM

CHIEF EXECUTIVE OFFICER

SIGNDATE 26/9/2025

INDEPENDENT AUDITOR'S REPORT

To the councillors of Toowoomba Regional Council

Report on the Current-Year Financial Sustainability Statement

Opinion

I have audited the accompanying current year financial sustainability statement of Toowoomba Regional Council for the year ended 30 June 2025, comprising the statement, explanatory notes, and the certificate of accuracy given by the Mayor and the Chief Executive Officer.

In accordance with s.212 of the Local Government Regulation 2012, in my opinion, in all material respects, the current year financial sustainability statement of Toowoomba Regional Council for the year ended 30 June 2025 has been accurately calculated.

Basis of opinion

I conducted my audit in accordance with the *Auditor-General Auditing Standards*, which incorporate the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the current year financial sustainability statement* section of my report.

I am independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to my audit of the statement in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General Auditing Standards*.

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

Emphasis of matter – basis of accounting

I draw attention to note to the current year sustainability statement which describes the basis of accounting. The current year financial sustainability statement has been prepared in accordance with the Financial Management (Sustainability) Guideline 2024 for the purpose of fulfilling the council's reporting responsibilities under the Local Government Regulation 2012. As a result, the statement may not be suitable for another purpose. My opinion is not modified in respect of this matter.

Other information

The councillors are responsible for the other information.

The other information comprises the information included in the entity's annual report for the year ended 30 June 2025, but does not include the financial sustainability statement and our auditor's report thereon.

At the date of this auditor's report, the available other information in Toowoomba Regional Council's annual report for the year ended 30 June 2025 was the general-purpose financial report, current-year financial sustainability statement – contextual ratios, and the long-term financial sustainability statement.

My opinion on the current year financial sustainability statement does not cover the other information and accordingly I do not express any form of assurance conclusion thereon. However, as required by the Local Government Regulation 2012, I have formed a separate opinion on the general-purpose financial report.

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

If, based on the work I have performed, I conclude that there is a material misstatement of this information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of the councillors for the current year financial sustainability statement

The councillors are responsible for the preparation and fair presentation of the current year financial sustainability statement in accordance with the Local Government Regulation 2012. The councillors responsibility also includes such internal control as the councillors determine is necessary to enable the preparation and fair presentation of the statement that is accurately calculated and is free from material misstatement, whether due to fraud or error.

Auditor's responsibilities for the audit of the current year financial sustainability statement

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

My responsibility does not extend to forming an opinion on the appropriateness or relevance of the reported ratios, nor on the council's future sustainability.

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

- Identify and assess the risks of material misstatement of the statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the council's internal control.
- Evaluate the appropriateness of material accounting policy information used and the reasonableness of accounting estimates and related disclosures made by the council.

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



Michael Claydon
as delegate of the Auditor-General

29 September 2025
Queensland Audit Office
Brisbane

Current Year Financial Sustainability Statement – Contextual Ratios

For the year ended 30 June 2025

Type	Measure	Target (Tier 2)	Consolidated		Council		Council Narrative
			Actual Current Year	5-Year Average	Actual Current Year	5-Year Average	
Contextual ratios (unaudited)							
Financial Capacity	Council-Controlled Revenue	N/A	78.89%	80.75%	79.02%	81.02%	This ratio indicates that Council's ability to control and generate own revenue is lower than the five-year average.
	Population Growth	N/A	1.92%	1.43%	1.92%	1.43%	The current year result is higher than the five-year average indicating increased pressure on future community needs.
Asset Management	Asset Renewal Funding Ratio	N/A	92.96%	N/A	92.96%	N/A	This ratio indicates a potential underfunded capital program which could lead to increasing infrastructure backlog and asset failures.

The Current Year Financial Sustainability Statement – Contextual Ratios is prepared in accordance with the requirements of the Local Government Regulation 2012 and the Financial Management (Sustainability) Guideline 2024. The amounts used to calculate the 3 reported measures are prepared on an accrual basis and are drawn from Council's audited general purpose financial statements for the year ended 30 June 2025.

Toowoomba Regional Council

Certificate of Accuracy – Current Year Financial Sustainability Statement – Contextual Ratios

For the year ended 30 June 2025

This Current Year Financial Sustainability Statement – Contextual Ratios has been prepared pursuant to Section 178 of the *Local Government Regulation 2012* (the Regulation).

In accordance with Section 212(5) of the Regulation we certify that this Current Year Financial Sustainability Statement – Contextual Ratios has been accurately calculated.



Cr Geoff McDonald

MAYOR

SIGNDATE

26/9/25



Salvatore Petrocchio OAM

CHIEF EXECUTIVE OFFICER

SIGNDATE

26/9/2025

Unaudited Long-Term Financial Sustainability Statement

Prepared as at 30 June 2025

Consolidated

Type	Measure	Target (Tier 2)	Actuals as at 30 June 2025	30 June 2026	30 June 2027	30 June 2028	30 June 2029	30 June 2030	30 June 2031	30 June 2032	30 June 2033	30 June 2034
Financial Capacity	Council-Controlled Revenue	N/A	78.9%	91.6%	94.3%	94.3%	94.5%	94.7%	94.9%	95.0%	95.1%	95.2%
	Population Growth	N/A	1.9%	1.4%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%
Asset Management	Asset Renewal Funding Ratio	N/A	N/A for long-term sustainability statement									
Operating Performance	Operating Surplus Ratio	Greater than 0%	0.41%	0.32%	0.55%	0.88%	0.89%	0.93%	0.74%	0.76%	0.62%	0.62%
	Operating Cash Ratio	Greater than 0%	29.7%	33.1%	33.5%	33.6%	32.9%	32.6%	31.8%	31.3%	30.6%	30.7%
Liquidity	Unrestricted Cash Expense Cover Ratio	Greater than 2 months	N/A for long-term sustainability statement									
Asset Management	Asset Sustainability	Greater than 60%	32.10%	39.2%	43.0%	51.3%	53.4%	51.9%	54.1%	55.7%	58.7%	59.7%
	Asset Consumption Ratio	Greater than 60%	71.0%	68.5%	70.4%	71.6%	71.7%	73.0%	74.6%	75.3%	76.4%	77.4%
Debt Servicing Capacity	Leverage Ratio	0 to 4 times	1.37%	1.29	1.28	1.36	1.43	1.45	1.39	1.38	1.35	1.33

Toowoomba Regional Council Unaudited Long-Term Financial Sustainability Statement (continued)

Prepared as at 30 June 2025

Council

Type	Measure	Target (Tier 2)	Actuals as at 30 June 2025	30 June 2026	30 June 2027	30 June 2028	30 June 2029	30 June 2030	30 June 2031	30 June 2032	30 June 2033	30 June 2034
Financial Capacity	Council-Controlled Revenue	N/A	79.02%	91.6%	94.3%	94.3%	94.5%	94.7%	94.9%	95.0%	95.1%	95.2%
	Population Growth	N/A	1.92%	1.4%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%	1.8%
Asset Management	Asset Renewal Funding Ratio	N/A	N/A for long-term sustainability statement									
Operating Performance	Operating Surplus Ratio	Greater than 0%	0.35%	0.32%	0.55%	0.88%	0.89%	0.93%	0.74%	0.76%	0.62%	0.62%
	Operating Cash Ratio	Greater than 0%	30.19%	33.1%	33.5%	33.6%	32.9%	32.6%	31.8%	31.3%	30.6%	30.7%
Liquidity	Unrestricted Cash Expense Cover Ratio	Greater than 2 months	N/A for long-term sustainability statement									
Asset Management	Asset Sustainability	Greater than 60%	32.10%	39.2%	43.0%	51.3%	53.4%	51.9%	54.1%	55.7%	58.7%	59.7%
	Asset Consumption Ratio	Greater than 60%	70.97%	68.5%	70.4%	71.6%	71.7%	73.0%	74.6%	75.3%	76.4%	77.4%
Debt Servicing Capacity	Leverage Ratio	0 to 4 times	1.37%	1.29	1.28	1.36	1.43	1.45	1.39	1.38	1.35	1.33

Toowoomba Regional Council Financial Management Strategy

Council measures revenue and expenditure trends over time as a guide to future requirements and to make decisions about the efficient allocation of resources to ensure the most effective provision of services. Council ensures that its financial management strategy is prudent and that its long-term financial forecast shows a sound financial position whilst also being able to meet the community's current and future needs.

Toowoomba Regional Council

Certificate of Accuracy – Long Term Financial Sustainability Statement
For the Long-Term Financial Sustainability Statement Prepared as at 30 June 2025

This Long-Term Financial Sustainability Statement has been prepared pursuant to Section 178 of the *Local Government Regulation 2012* (the Regulation).

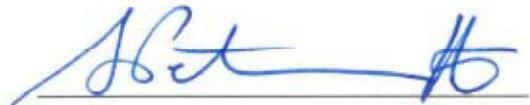
In accordance with Section 212(5) of the Regulation we certify that this Long-Term Financial Sustainability Statement has been accurately calculated.



Cr Geoff McDonald

MAYOR

SIGNDATE 26/9/25



Salvatore Petrocchio OAM

CHIEF EXECUTIVE OFFICER

SIGNDATE 26/9/2025



**TOOWOOMBA
REGION**

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