

Annual Financial Statements

LOCAL GOVERNMENT ASSOCIATION OF TASMANIA

ABN 48 014 914 743

For the year ended 30 June 2025

Prepared by WLF Accounting & Advisory

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General Management Committee Report

LOCAL GOVERNMENT ASSOCIATION OF TASMANIA

For the year ended 30 June 2025

The General Management Committee submits the General Purpose - Simplified Disclosures Statements of the Local Government Association of Tasmania (the Association) for the year ended 30 June 2025.

General Management Committee

The names of the committee members in office during 2024/25 financial year are:

President	Mayor Mick Tucker	Elected July 2017 Re-elected July 2021 Appointed President July 2023
Vice President	Mayor Paula Wreidt	Elected July 2023 Appointed Vice President July 2023
	Councillor Danny Gibson	Elected August 2021 Re-elected July 2023 Resigned November 2024
	Mayor Wayne Johnston	Commenced Proxy November 2024
	Mayor Mary Knowles	Elected July 2023
	Mayor Cherly Fuller	Elected July 2023
	Mayor Mary Duniam	Elected July 2023
	Mayor Leigh Gray	Elected July 2023
	Lord Mayor Anna Reynolds	Right of position began July 2019

Principal Activity

The principal activities of the Association during the year were to undertake the responsibilities of the Association as described in the *Local Government Act 1993* and in the rules of the Association. This included participation in intergovernmental relations with the State and Commonwealth Governments to represent the views of Local Government, particularly in areas of structural and legislative reform. Additionally, the Association provided a range of services for Councils to facilitate access to services and achieve better economies of scale. The Association has provided these services at a discounted subscription as part of a fiscal strategy to reduce the Association's cash holdings.

Operating Result

The net deficit from general operations amounted to \$116,868 (2024 surplus: \$1,841,866).

Significant Changes in State of Affairs

No significant changes in the Association's state of affairs occurred during the financial year.

After Balance Day Events

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Association, the results of those operations, or the state of affairs of the association in the future financial years.

Environmental Issues

The Association's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

Proceedings on Behalf of Association

No person has applied for leave of Court to bring proceedings on behalf of the Association, or intervene in any proceedings to which the Association is a party for the purpose of taking responsibility on behalf of the Association for all or any part of those proceedings.

The Association was not a party to any such proceedings during the year.

General Management Committee Members' Benefits

No committee member has received or become entitled to receive, during or since the end of the financial period, a benefit because of a contract made by the Association, with a committee member, a firm of which a committee member is a member or an entity in which a committee member has a substantial financial interest.

Signed at Hobart, this 13th day of August 2025 in accordance with a Resolution of the General Management Committee.



Mayor Mick Tucker

President

Statement by the General Management Committee

LOCAL GOVERNMENT ASSOCIATION OF TASMANIA

For the year ended 30 June 2025

In the opinion of the members of the General Management Committee of the Association:

a) the financial statements and notes of the Association are in accordance with the *Local Government Act 1993*, including:

(i) giving a true and fair view of the association's financial position as at 30 June 2025 and of its performance for the year then ended on that date; and

(ii) complying with Australian Accounting Standards – Simplified Disclosures and in accordance with AASB 1060

b) There are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable

This statement is made in accordance with a resolution of the General Management Committee and is signed for and on behalf of the Committee.



Mayor Mick Tucker

President

Statement of Comprehensive Income

LOCAL GOVERNMENT ASSOCIATION OF TASMANIA

For the year ended 30 June 2025

	NOTES	2025	2024
Income			
Grants and contributions	2	2,575,184	3,857,639
Interest income		294,837	263,908
Fees and commissions		551,352	443,910
Other income		284,496	279,605
Profit/(loss) on disposal of equipment		(8,963)	10,457
Subscriptions		1,416,186	1,354,796
Total Income		5,113,092	6,210,315
Expenses			
Employee benefits		1,092,086	1,205,849
Depreciation and amortisation		67,567	73,002
Grant and contribution expenses		2,967,256	2,120,792
Other expenses		1,103,050	968,806
Total Expenses		5,229,960	4,368,449
Surplus/(Deficit)		(116,868)	1,841,866
Other Comprehensive Income			
Asset revaluation reserve		-	879,320
Total Other Comprehensive Income		-	879,320
Total Comprehensive Income for the Year		(116,868)	2,721,186

The accompanying notes form part of these financial statements.

Statement of Financial Position

LOCAL GOVERNMENT ASSOCIATION OF TASMANIA

As at 30 June 2025

	NOTES	30 JUNE 2025	30 JUNE 2024
Assets			
Current Assets			
Cash and cash equivalents	3	3,981,536	5,663,217
Trade and other receivables	4	69,053	94,269
Financial assets	5	7,584,228	6,410,957
Other assets	6	98,290	282,806
Total Current Assets		11,733,108	12,451,249
Non-Current Assets			
Property, plant and equipment	7	2,455,618	2,483,542
Intangible assets	8	185	503
Total Non-Current Assets		2,455,803	2,484,045
Total Assets		14,188,911	14,935,295
Liabilities			
Current Liabilities			
Trade and other payables	9	692,487	340,016
Other current liabilities	10	3,321,799	4,346,710
Contract liabilities	11	239,361	281,389
Provisions	12	375,831	317,119
Borrowings	13	15,549	8,227
Total Current Liabilities		4,645,028	5,293,461
Non-Current Liabilities			
Provisions	12	121,200	102,283
Total Non-Current Liabilities		121,200	102,283
Total Liabilities		4,766,228	5,395,744
Net Assets		9,422,683	9,539,550
Equity			
Accumulated Surplus		7,889,150	8,006,017
Asset revaluation reserves		1,533,533	1,533,533
Total Equity		9,422,683	9,539,550

The accompanying notes form part of these financial statements.

Statement of Changes in Equity

LOCAL GOVERNMENT ASSOCIATION OF TASMANIA

For the year ended 30 June 2025

	ACCUMULATED SURPLUS	ASSET REVALUATION RESERVE	TOTAL
Equity Change			
Current Year			
Balance at 1 July 2024	8,006,017	1,533,533	9,539,550
Surplus/(deficit) for the year	(116,868)	-	116,868
Total other comprehensive income for the year	-	-	-
Balance at 30 June 2025	7,889,150	1,533,533	9,422,683
Prior Year			
Balance at 1 July 2023	6,164,151	654,213	6,818,364
Surplus/(deficit) for the year	1,841,866	-	1,841,866
Total other comprehensive income for the year	-	879,320	879,320
Balance at 30 June 2024	8,006,017	1,533,533	9,539,550

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.

Statement of Cash Flows

LOCAL GOVERNMENT ASSOCIATION OF TASMANIA For the year ended 30 June 2025

	NOTES	2025	2024
Statement of Cashflows			
Cash flows from Operating Activities			
General receipts		2,504,500	2,230,592
Grants	2	1,515,295	3,204,355
Interest		447,499	75,546
Payments to suppliers and employees		(4,944,879)	(4,880,614)
Net cash provided by (used in) operating activities	14	(477,585)	629,879
Cash flows from Investing Activities			
Payments for plant and equipment	7	(73,743)	(64,178)
Proceeds from sale of plant and equipment		25,455	16,241
Payments for other financial assets		(1,283,780)	(2,328,590)
Loans advanced		-	(195,527)
Repayment of loans advanced		127,972	177,792
Net Cash flows provided by (used in) investing activities		(1,204,096)	(2,394,262)
	NOTES	2025	2024
Summary of cash flows			
Net increase (decrease in cash and cash equivalents)		(1,681,681)	(1,764,383)
Cash and cash equivalents at the beginning of the financial year		5,663,217	7,427,600
Cash and cash equivalents at the end of the financial year	3	3,981,536	5,663,217

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

LOCAL GOVERNMENT ASSOCIATION OF TASMANIA

For the year ended 30 June 2025

1. Statement of Material Accounting Policies

Australian Accounting Standards set out accounting policies that the Australian Accounting Standards Board has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Simplified Disclosures of the Australian Accounting Standards Board and the *Local Government Act 1993*. The Association is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards.

The financial statements, except for the cash flow information, have been prepared on an accrual basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements are in Australian Dollars and have been rounded to the nearest dollar.

The financial statements were authorised for issue on 13 August 2025 by the Management Committee.

(a) Entity Information

The financial statements of the Local Government Association of Tasmania for the year ended 30 June 2025 were authorised for issue in accordance with a resolution of the board on

The Local Government Association of Tasmania (Association or LGAT), originally established in 1911 as the Municipal Association of Tasmania, is an incorporated body under the *Local Government Act 1993 (as amended)*.

The purpose of the Association is to:

- Protect and represent the interests and rights of councils in Tasmania.
- Promote an efficient and effective system of local government in Tasmania.
- Provide services to members, councillors and employees of councils.

Local Government Association of Tasmania is a not-for-profit association, incorporated and domiciled in Australia.

The registered office is located in Hobart, Tasmania, Australia.

LGAT Assist

LGAT Assist is part of the Association, but is managed by a Board appointed by the Association's General Management Committee. LGAT Assist provides loans to employees of local government authorities at a competitive interest rate. The General Management Committee decided LGAT Assist will be wound up and no new loans issued. There will be a run out period for any existing loans and the Association will continue to provide administrative support during this period.

(b) Critical Accounting Estimates and Judgements

The Association make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

Key estimates

Employee provisions

Assumptions are utilised in the determination of employee entitlement provisions. These assumptions are discussed in note 1(i).

Useful life of assets

Details of assumptions utilised are discussed in note 1(d) and 1(j).

Key judgements

Provision for bad debts

The provision for bad debts is based on a calculation as the higher of two times the maximum LGAT Assist loan or 4% of the loan balance. As there have been no new loans issued in the 2025 year the face value of the maximum loan would be nil. The calculation has been reviewed in line with the upcoming wind up of LGAT Assist and adjusted to reflect 4% of the loan balance for the period ending 30 June 2025.

(c) Revenue Recognition

Grant revenue

When the association receives operating grant revenue, it assesses whether the contract is enforceable and has sufficiently specific performance obligations in accordance with AASB 15. Where grant agreements are not enforceable or the performance obligations are not sufficiently specific, this will result in immediate income recognition under AASB 1058.

Grant revenue received is deferred as contract liabilities and recognised when (or as) the performance obligations are satisfied. The performance obligations are varied based on the agreement, where some performance obligations may transfer control at a point in time and others have continuous transfer of control over the life of the agreement. Where control is transferred over time, generally the revenue is recognised based on either cost or time incurred which best reflects the transfer of control.

Disposal Proceeds

The gain or loss on disposal of all fixed assets is determined as the difference between the carrying amount of the asset at the time of disposal and the proceeds of disposal. The gross proceeds of asset sales are not recognised as revenue, rather a net gain on disposal is recognised in revenue and a net loss on disposal is recognised in expenditure.

(d) Depreciation and Amortisation of Property, Plant and Equipment and Intangibles

The depreciable amount of building and improvements is depreciated on a straight line basis over the useful lives of the assets commencing from the time the asset is held ready for use. Motor vehicles are depreciated on a diminishing value basis. Plant and equipment are depreciated using both straight line and diminishing value methods. Depreciation rates are reviewed annually to ensure they accurately reflect the consumption of the service potential embodied in the assets. Current rates of depreciation are:

	2025	2024
Property	2.50%	2.50%
Motor Vehicles	22.5%	22.5%
Office Furniture and Equipment	10-66%	10-66%

Intangible assets consist of computer software which is amortised on a straight line basis at the rate of 25-50% per annum.

(e) Taxation

The financial report has been prepared on the basis that the Association is a non-taxable entity. In the opinion of the General Management Committee, the Association is exempt from income tax because it is an Association of Local Governments which is exempt from income tax under the *Local Government Act 1993*. However, the Association is liable for Goods and Services Tax (GST) under the *A New Tax System (Goods and Services Tax) Act 1999* and for Fringe Benefits Tax (FBT) under the *Fringe Benefits Tax Assessment Act 1986*.

(f) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from or payable to the ATO is included as a current asset or liability in the Balance Sheet.

Cash flows are included in the Statement of Cash Flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from or payable to the ATO are classified as operating cash flows included as receipts from customers or payments to suppliers.

(g) Cash and Cash Equivalents

Cash and Cash Equivalents in the statement of financial position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents include cash on hand, deposits at call, and other highly liquid investments with original maturities of three months or less, net of outstanding bank overdrafts.

(h) Financial Assets

Term Deposits

The investments of the Association comprise term deposits at financial institutions. Term deposits held with financial institutions are stated at nominal value. Term deposits with maturity dates greater than 12 months are recognised as non-current investments. The carrying amount of investments is reviewed annually by the General Management Committee to ensure it is not in excess of the recoverable amount.

Financial Assets - LGAT Assist Loans

LGAT Assist loans were made only to local government employees and are repayable on demand. These loans are not secured. The term of the loan and the amount available are limited by the years of service of the employee. These loans are designated as financial assets held to maturity and are therefore brought to account at cost. Due to the wind up of LGAT Assist, there have been no new loans issued in the 2025 financial year. Therefore, the carrying value is reflecting the balance to be repaid of prior year loans.

As per AASB 9, an expected credit loss model is applied, not an incurred credit loss model as per the previous applicable (AASB 139). To reflect changes in credit risk, this expected credit loss model requires the Association to account for expected credit losses since initial recognition.

AASB 9 also determines that a loss allowance for expected credit loss be recognised on debt investments subsequently measured at amortised cost or fair value through other comprehensive income, lease receivables, contract assets, loan commitments and financial guarantee contracts as the impairment provision would apply to them.

If the credit risk on a financial instrument did not show significant change since initial recognition, an expected credit loss amount equal to the 12-month expected credit loss is used. However, a loss allowance is recognised at an amount equal to the lifetime expected credit loss if the credit risk on that financial instrument has increased significantly since initial recognition, or if the instrument is an acquired credit-impaired financial asset.

A simple approach is followed in relation to trade receivables, as the loss allowance is measured at lifetime expected credit loss.

The Association reviewed and assessed the existing financial assets on 1 July 2025. The assessment was done to test the impairment of these financial assets using reasonable and supportable information that was available to determine the credit risk of the respective items at the date they were initially recognised. The assessment was compared to the credit risk as at 1 July 2024 and 1 July 2025. The assessment was done without undue cost or effort in accordance with AASB 9.

(i) Trade and Other Receivables

Trade and other receivables are recognised and carried at original invoice amount. An estimate for impairment is made when the collection of the full amount is no longer probable. Receivables are written off when it is determined that repayment is no longer probable. Trade debtors and other receivables are non-interest bearing and generally on 30 day terms.

(j) Property, Plant and Equipment and Intangible Assets

Land and Building assets are recorded on a valuation basis, less accumulated depreciation and any impairment losses. The remaining items of property, plant and equipment, in addition to intangibles, are measured at cost less accumulated depreciation and any impairment losses.

The purchase method of accounting is used for all acquisitions of assets, being the fair value of assets provided as consideration at the date of acquisition plus any incidental costs attributable to the acquisition. Fair value is the amount for which the asset could be exchanged between knowledgeable willing parties in an arm's length transaction.

At each reporting date, the Association reviews the carrying values of its plant and equipment and intangible assets to determine whether there is any indication that those assets have been impaired. If any indication of impairment exists, an estimate of the asset's recoverable amount is calculated. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. Recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Land and Buildings assets are revalued in accordance with LGAT valuation policy, using an independent professional valuer. Between revaluations, the appropriateness of carrying values are checked and if required, indices are used between formal revaluations, supplied by qualified valuers. In the prior year a formal valuation was completed and issued by Valuations Tas on 29 May 2024. The value of the land and building assets have been reviewed and are reflected in the Property, Plant and Equipment Note 7.

(k) Trade and Other Payables

Trade and other payables represent liabilities for goods and services provided to the Association prior to the end of the financial year that are unpaid and arise when the entities become obliged to make future payment in respect of purchases of these goods and services. Payables also include liabilities for wages and salaries and associated employee expenses accrued at the end of the financial year.

Trade and sundry creditors are non-interest bearing and are normally settled on 30 day terms.

(l) Employee Benefits*Wages and salaries*

Liabilities for wages and salaries are recognised and measured as the amount unpaid at balance date and include appropriate oncosts such as workers compensation and payroll costs.

Annual leave

Annual leave entitlements are accrued on a pro rata basis in respect of services provided by employees up to balance date. Annual leave expected to be paid within 12 months is measured at nominal value based on the amount, including appropriate oncosts, expected to be paid when settled.

Annual leave expected to be paid later than one year has been measured at the present value of the estimated future cash outflows to be made for these accrued entitlements. Commonwealth bond rates are used for discounting future cash flows.

Sick leave

Expenses for non-accumulating sick leave are recognised when the leave is taken and are measured at the rates paid or payable. The Association does not accrue sick leave as experience indicates that, on average, sick leave taken in each reporting period is less than the entitlement accruing in that period, and this experience is expected to continue.

Employee Benefits (Continued)

Long service leave

Long service leave entitlements payable are assessed at balance date having regard to expected employee remuneration rates on settlement, employment related oncosts and other factors including accumulated years of employment, on settlement, and experience of employee departure per year of service. Entitlements have been calculated according to the *Tasmanian Long Service Leave Act 1976*.

Long service leave expected to be paid within 12 months is measured at nominal value based on the amount expected to be paid when settled. Long service leave expected to be paid later than one year has been measured at the present value of the estimated future cash outflows to be made for these accrued entitlements. Commonwealth bond rates are used for discounting future cash flows.

Classification of employee benefits

An employee benefit liability is classified as a current liability if the Association does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the period. This would include all annual leave and unconditional long service leave entitlements.

(m) Contingent Assets, Contingent Liabilities and Commitments

Contingent assets and liabilities are not recognised in the Statement of Financial Position, but are disclosed by way of a note and, if quantifiable, are measured at nominal value. Contingent assets and liabilities are presented inclusive of GST receivable or payable respectively.

Commitments are not recognised in the Statement of Financial Position. Commitments are disclosed at their nominal value and inclusive of the GST payable.

(n) Comparative figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year. It is to be noted that both Local Government Association of Tasmania and LGAT Assist figures have been consolidated for the purpose of these statements.

2. Grants and Contributions

Grants and contributions were received in respect of the following:

	2025	2024
Summary of grants received and receivable		
State funded grants	1,515,295	3,204,355
Total summary of grants received and receivable	1,515,295	3,204,355
	2025	2024
Grant and contributions recognised as revenue		
CCTV Implementation (a)	838,134	1,571,702
CCTV Program (a)	62,114	122,686
Climate Change ReCFIT (a)	120,000	360,000
Commission of Inquiry (a)	5,279	620,000
DHHS 3 - Health & Wellbeing (a)	-	201,880
DPAC - Communities of Practice (a)	23,578	70,000
DPAC - Development Standards (a)	102,850	3,611
DPAC - Open Spaces (a)	1,161,275	907,760
Natural Disaster Risk Management (a)	180,000	-
Population Planning & Regional Development (a)	71,154	-
Resilience Canopy (a)	10,800	-
Grant funds repurposed (previously recognised as revenue)		
DPAC - Work Health & Safety Review	(5,455)	-
Environmental Dispute Mediation	(11,616)	-
Lift the Tone	17,071	-
Total Grant funds repurposed (previously recognised as revenue)	-	-
Total Grant and contributions recognised as revenue	2,575,184	3,857,639

(a) Conditional grants/contributions recognised as revenue on satisfaction of prescribed conditions

	2025	2024
3. Cash and Cash Equivalents		
Current		
LGAT		
Petty Cash	400	400
CBA Cheque Account	566,437	1,341,634
Open Spaces Grant Account	3,249,379	4,176,561
Short term investments at call	93,092	92,842
Total LGAT	3,909,308	5,611,437

	2025	2024
Cash and Cash Equivalents (Continued)		
LGAT Assist		
CBA Cheque Account	68,921	48,481
Short term investments at call	3,307	3,299
Total LGAT Assist	72,229	51,780
Total Current	3,981,536	5,663,217
Total Cash and Cash Equivalents	3,981,536	5,663,217

	2025	2024
4. Trade and Other Receivables		
Trade Debtors	69,053	94,269
Total Trade and Other Receivables	69,053	94,269

	2025	2024
5. Financial Assets		
Fixed term investments		
LGAT Term Deposits	6,623,471	5,471,568
LGAT Assist Term Deposits	896,288	764,411
Total Fixed term investments	7,519,758	6,235,979
LGAT Assist loans	67,156	195,128
Provision for impairment	(2,686)	(20,150)
Total Financial Assets	7,584,228	6,410,957

	2025	2024
6. Other Assets		
Current		
Prepayments	31,925	63,156
Accrued interest	66,365	219,027
Other	-	624
Total Current	98,290	282,806
Total Other Assets	98,290	282,806

	2025	2024
7. Property, Plant and Equipment		
Buildings		
Buildings at valuation	550,000	550,000
Accumulated depreciation	(14,877)	(1,127)
Total Buildings	535,123	548,873
Land		
Land at valuation	1,750,000	1,750,000
Total Land	1,750,000	1,750,000

	2025	2024
Property, Plant and Equipment (Continued)		
Motor Vehicles		
Motor vehicles at cost	131,305	130,115
Accumulated depreciation	(33,816)	(37,700)
Total Motor Vehicles	97,489	92,415
Office Furniture and Equipment		
Office furniture and equipment at cost	185,955	223,154
Accumulated depreciation	(112,950)	(130,899)
Total Office Furniture and Equipment	73,006	92,255
Total Property, Plant and Equipment	2,455,618	2,483,542
	2025	2024

Property, Plant and Equipment

Building		
Carrying amount at the beginning of financial year	548,873	513,000
Gain/(loss) on revaluation	-	39,319
Improvements	-	10,074
Depreciation expense	(13,750)	(13,520)
Carrying amount at the end of financial year	535,123	548,873
Land		
Carrying amount at beginning of financial year	1,750,000	910,000
Gain/(loss) on revaluation	-	840,000
Carrying amount at end of financial year	1,750,000	1,750,000
Motor Vehicles		
Carrying amount at beginning of financial year	92,415	90,117
Acquisitions	58,709	33,216
Disposals	(32,404)	(5,456)
Depreciation expense	(21,231)	(25,462)
Carrying amount at end of financial year	97,489	92,415
Office Furniture and Equipment		
Carrying amount at beginning of financial year	92,255	105,396
Acquisitions	15,034	20,890
Disposals	(1,883)	(328)
Depreciation Expense	(32,400)	(33,703)
Total Office Furniture and Equipment	73,006	92,255
Total Property, Plant and Equipment		
Carrying amount at beginning of financial year	2,483,542	1,618,513
Gain/(loss) on revaluation	-	879,319
Acquisitions at cost	73,743	64,180
Disposals at carrying amount	(34,287)	(5,784)
Depreciation expense	(67,380)	(72,686)
Total Total Property, Plant and Equipment	2,455,618	2,483,542

	2025	2024
8. Intangible Assets		
Computer Software		
Computer software at cost	15,558	29,844
Accumulated amortisation	(15,373)	(29,341)
Total Computer Software	185	503
Intangibles		
Carrying amount at beginning of the financial year	503	819
Disposals at carrying amount	(131)	-
Amortisation expense	(187)	(316)
Total Intangibles	185	503
	2025	2024

9. Trade and Other Payables

Trade Creditors	512,475	55,916
Accrued Expenses	78,937	76,438
Payroll Tax Payable	3,429	4,140
Sundry Creditors	954	771
Net GST Payable	53,086	158,949
PAYG Tax Payable	43,605	43,802
Total Trade and Other Payables	692,487	340,016
	2025	2024

10. Other Liabilities

Current		
DPAC - Open Spaces	3,189,576	4,207,436
Unearned Revenue	132,224	139,274
Total Current	3,321,799	4,346,710
Total Other Liabilities	3,321,799	4,346,710
	2025	2024

11. Contract Liabilities

Current		
DPAC - Communities of Practice	16,422	30,000
DPAC - Development Standards	93,539	196,389
Natural Disaster Risk Management	-	55,000
Population Planning & Regional Development	129,400	-
Total Current	239,361	281,389
Total Contract Liabilities	239,361	281,389

2025

2024

12. Provisions**Current**

Annual Leave	244,150	189,628
Long Service Leave	131,681	127,491
Total Current	375,831	317,119

Non Current

Long Service Leave	121,200	102,283
Total Non Current	121,200	102,283

Total Provisions	497,031	419,402
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	Annual Leave \$	Long Service Leave \$	Total \$
30 June 2025			
Balance at beginning of the year	189,628	229,774	419,402
Additional provisions	191,982	33,235	225,217
Amounts used	(137,460)	(10,128)	(147,588)
Balance at the end of financial year	244,150	252,881	497,031
Current	244,150	131,681	375,831
Non-current	-	121,200	121,200
Total	244,150	252,881	497,031

	Annual Leave \$	Long Service Leave \$	Total \$
30 June 2024			
Balance at beginning of the year	151,939	154,981	306,920
Additional provisions	150,518	74,793	225,311
Amounts used	(112,829)	-	(112,829)
Balance at the end of financial year	189,628	229,774	419,402
Current	189,628	127,491	317,119
Non-current	-	102,283	102,283
Total	189,628	229,774	419,402

Provisions (Continued)**(a) Employee Benefits**

The following assumptions were adopted in measuring the present value of employee benefits:

	2025	2024
Weighted average increase in employee costs	4.00%	4.00%
Weighted average discount rates	4.54%	4.19%
On Costs (includes workers compensation, superannuation, etc)	15.11%	14.56%
Employee numbers	18	17

	2025	2024
13. Borrowings		
Credit Card	15,549	8,227
Total Borrowings	15,549	8,227
	2025	2024

14. Cash Flow Statement Reconciliation

Surplus/(Deficit)	(116,868)	2,721,186
Other adjustments		
Depreciation	67,567	73,002
(Profit)/ loss on disposal of plant and equipment	8,963	(10,457)
Total Other adjustments	76,530	62,545
Changes in assets and liabilities		
(Increase)/decrease in trade and other receivables	209,732	(257,006)
Increase/(Decrease) in provision for doubtful debts	(17,463)	-
Increase/(decrease) in trade and other payables	359,793	(521,222)
Increase/(decrease) in provisions	77,629	112,481
Increase/(decrease) in other liabilities	(1,066,939)	(1,488,105)
Total Changes in assets and liabilities	(437,247)	(2,153,852)
Total cash provided by/(used in) operating activities	(477,585)	629,879

15. Financial Risk Management Objectives and Policies

The Association's principal financial instruments comprise receivables, payables, cash and short and long term deposits, and financial assets.

The entity manages their exposure to key financial risks, including interest rate and credit risk, by adherence to management policy.

Financial Risk Management Objectives and Policies (Continued)

Credit Risk

Credit risk arises from the financial assets of the Association, which comprise cash, cash assets, trade and other receivables and LGAT Assist loans. The exposure to credit risk arises from potential default of the counter party, with a maximum exposure equal to the carrying amount of the financial assets.

The Association does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the Association.

There have been no new LGAT Assist loans issued since March 2024. The expected repayments of current loans will be substantial during the next financial year leaving a minimal balance past 30 June 2026.

Interest rates applied to existing LGAT Assist loans were made with reference to market rates.

The Association's exposure to interest rate risks is limited to the extent that interest revenue provides both operations with material revenue. The Association does not have any external lending.

Term deposits are managed to maximise the interest revenue to the Association within the confines of the cashflows of the organisation.

As at 30 June 2025 it is estimated that a decrease of one percentage point in interest rates would decrease the Associations General's interest received by approximately \$66,234 (2024 \$54,715). An increase in an interest rate of one percent would have the same but opposite impact.

Liquidity risk

Liquidity risk arises from the financial liabilities of the Association's ability to meet their obligations to repay their financial liabilities as and when they fall due.

The Association's liabilities are limited to normal trading and operational liabilities. The organisation is highly liquid and therefore has very limited liquidity risk exposure.

16. Superannuation

During the year the Association made the required superannuation contributions for all eligible employees to an appropriate complying superannuation fund as required by the Superannuation Guarantee (Administration) Act 1992.

17. Subsequent Events

No matters or circumstances have arisen since the end of the financial year which significantly affect the operations or the financial position of the organisation, the results of those operations, or the state of affairs of the organisation in future financial years.

18. Commitments & Contingencies

At 30 June 2025 the Association had no outstanding contingencies (2024: Nil)

Funding commitments include those outlined in note 2 as grant contributions and those outlined as contract liabilities in note 10 and 11. Requirements are set out in each individual grant deed.

It should be noted that whilst not reflected in the Statement of Financial Position, there are substantial grant funds that do not meet the recognition requirements for contract liabilities however in a practical sense will be spent in the future. As these funds have already been recognised as revenue and reflected as considerable surplus for the Association, there will come a time when these are spent and will likely result in sizable losses. As at 30 June 2025 the nominal value of the differences is \$3,506,152 (incl GST).

19. Fair Value Measurements

3AASB13: *Fair Value Measurement* requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurements into one of three possible levels based on the lowest level that an input that is significant to measure can be categorised into as follows:

Level 1	Measured based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
Level 2	Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3	Measurements based on unobservable inputs for the asset or liability.

The following table provides the fair value of the Association's assets and liabilities measured and recognised on a recurring basis after initial recognition and their categorisation within the fair value hierarchy:

	Level 1	Level 2	Level 3	Total
30 June 2024	\$	\$	\$	\$
Financial assets				
Other financial assets	6,235,979	195,128	-	6,431,107
Total financial assets recognised as fair value	6,235,979	195,128	-	6,431,107
Non-financial assets				
Freehold land	-	1,750,000	-	1,750,000
Freehold buildings	-	550,000	-	550,000
Total non-financial assets recognised at fair value	-	2,300,000	-	2,300,000
30 June 2025				
Financial assets				
Other financial assets	7,519,758	67,156	-	7,586,914
Total financial assets recognised as fair value	7,519,758	67,156	-	7,586,914
Non-financial assets				
Freehold land	-	1,750,000	-	1,750,000
Freehold buildings	-	550,000	-	550,000
Total non-financial assets recognised at fair value	-	2,300,000	-	2,300,000

Amounts disclosed do not include any amortisation, depreciation or impairment and are measured at gross fair value.

20. Key Management Personnel Compensation

The totals of remuneration paid to five key management personnel (KMP) of the Association during the year are as follows:

Dion Lester - CEO

Ben Morris - Policy Director

Georgia Palmer - Sector Services Director

Michael Tucker - President

Paula Wreidt - Vice President

	2025	2024
Remuneration of Key Management Personnel		
Aggregate key management personnel compensation	720,738	675,210
	2025	2024
Benefits		
Short-term employment benefits	612,990	560,433
Post-employment benefits	76,451	65,166
Other long-term benefits	31,297	49,611
Total Benefits	720,738	675,210

21. Related Party Transactions

The Association's related parties are as follows:

Key management personnel mentioned in note 20

General Committee Members as mentioned in General Committee Report

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the Association, directly or indirectly, excluding any committee member (whether executive or otherwise) of that entity, is considered key management personnel.

Related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

Transactions with related parties:

There were no transactions between related parties in the 2025 financial year.

22. Auditors Compensation

Remuneration of the auditor of the Association, Tasmanian Audit Office for:

	2025 \$	2024 \$
Auditing or reviewing the financial statements	21,000	20,000
Taxation services	N/A	N/A
Total	21,000	20,000

Taxation services relate to tax compliance work, including preparation of the tax return.

23. Financial Risk Management

Financial assets	2025 \$	2024 \$
<i>Held at amortised cost:</i>		
Cash & cash equivalents	3,981,536	5,663,217
Trade & other receivables	69,053	94,268
<i>Held at fair value through profit & loss:</i>		
Investment assets	7,519,758	6,235,979

Audit Report

LOCAL GOVERNMENT ASSOCIATION OF TASMANIA
For the year ended 30 June 2025