LOCKYER VALLEY REGIONAL COUNCIL

Annual Report 2025-2026



Welcome

Welcome to Lockyer Valley Regional Council's Annual Report for 1 July 2025 to 30 June 2026. This report celebrates what we have achieved together, the services that support our communities and the progress made in delivering the Corporate and Operational Plans.

It also provides transparent operational, financial and statutory information about Council's performance and commitments. We invite everyone who lives, works, visits and contributes to the Lockyer Valley to explore the report and share the story of our community's progress.

Who this Report is For

This report is for everyone with an interest in the Lockyer Valley and the work of Council. It is intended for residents, ratepayers, local businesses, community organisations, government agencies, partners, visitors, Councillors and employees. It provides clear and accessible information about Council's achievements, services, finances and progress in delivering its commitments to the community.

Where to Get a Copy

A copy of this Annual Report is available from Council's website (recommended). Printed copies (associated cost) and alternative accessible formats can also be requested by contacting Council or visiting a Council customer service centre.

Commitment to Human Rights

Council is committed to protecting and promoting human rights by ensuring that human rights are considered in all the work we do – from the decisions we make to the services we provide. This commitment is in accordance with Council's obligations under the *Human Rights Act 2019*.

Disclaimer - Use of Artificial Intelligence

Approved artificial intelligence (AI) tool (Microsoft Co-pilot) was used to support the drafting, editing and presentation of parts of this report. All AI-assisted content was reviewed, verified and approved by authorised Council employees. Council remains responsible for the accuracy, integrity and final content of this report.

Connect with Us

Acknowledgement of Country

Lockyer Valley Regional Council acknowledges the Traditional Custodians of the region, the Yuggera and Ugarapul people and pays its respects to their Elders, past and present, and the Aboriginal and Torres Strait Islander Elders of other communities who may live here.

Lockyer Valley Regional Council is committed to cultivating inclusive environments for all staff, customers, residents and visitors.



Contents

9 **Overview of the Lockyer Valley**
10 **Our History**
13 **Message from the Mayor**
14 **Message from the Acting CEO**
17 **Community and Council Publications**
19 **Monitoring Our Progress**
20 **Our Vision, Mission and Values**

22 Your Council
Councillors and Their Portfolios 22
Council and Committee Meeting Attendance 24
Councillor Remuneration 25
Councillor Expenses and Facilities 26
Particular Resolutions 27
Overseas Travel 27

28 Our Organisation
Organisational Structure 28
Senior Executives Remuneration 29

29 Our People
Our Culture 30
Our Safe Council 32
Our Performance 35

35 Our Achievements
Year in Review 36
Lockyer Community 40
Lockyer Business, Farming and Livelihood 44
Lockyer Nature 46
Lockyer Planned 48
Lockyer Leadership and Council 52

56 Grants
Community Grants and Assistance 56
Regional Arts Development Fund (RADF) 61
Fee Waivers - Council Facilities 61
Discretionary Funds 61

62 Complaints Management
Councillor Conduct Complaints 62
Complaints Management System 62
Administrative Action Complaints 63

64 Other Statutory Content
Audit and Risk Management Committee 64
Internal Audit 65
Particular Financial Contributions 66
Procurement 66
Registers Maintained 67
Special Rates and Charges 68
Beneficial Enterprises 71
Commercial Business Units 71

73 Our Financials
Community Financial Report 73
Financial Statements 90

162 Glossary

Region Highlights

Population and Miscellaneous



POPULATION DENSITY
20.27 persons per km²

RESIDENT POPULATION
46,058

AVERAGE ANNUAL GROWTH RATE
1.9% over five years

MEDIAN AGE	MEDIAN AGE PROJECTION	PEOPLE BORN OVERSEAS	PEOPLE WITH A DIFFERENT ADDRESS FROM 2021*
39	46 as at June 2046	14%	14.8%

Family and Household

12,010
FAMILIES*

70.1%
of total households were one family households

14,142
HOUSEHOLDS*

54.1%
of total families were couple families with children

4999
PEOPLE UNDERTOOK VOLUNTARY WORK*

Dwellings

14,648
occupied private dwellings*

33.4%
of private dwellings were fully owned*

340
approvals for new houses*

*Estimated figures calculated by applying growth between 2021 and 2025.

Overview of the Lockyer Valley

Spanning more than 2200 square kilometres, the picturesque Lockyer Valley sits less than an hour's drive west of Brisbane and is known for its expansive farmland, fertile plains, stunning mountain ranges and rolling hills.

With its combination of luscious dark alluvial soils and irrigable groundwater, the Lockyer Valley is rated as one of the most fertile and productive agricultural regions in the world and is fondly known as "Australia's Salad Bowl".

Home to 46,000 people, the region has experienced an average growth rate of 1.9 per cent over the past five years. The median age is currently 39 and is anticipated to be 46 by 2046.

The Lockyer Valley has a population density of 20.27 persons per square kilometre and is made up of 77 localities (suburbs), including a mix of smaller townships, quaint villages and the larger commercial hubs of Gatton, Laidley, Withcott and Plainland.

With a relaxed and friendly country lifestyle and easy access to Queensland's capital city, the Lockyer Valley continues to attract people seeking a better work-life balance and an affordable place to raise their family.

Population growth provides the region with exciting opportunities to create increased housing development for those wanting to call the Lockyer Valley home.

The region is bounded by the Toowoomba local government area (LGA) to the west, Somerset LGA to the north, Southern Downs LGA to the south and Ipswich City LGA and Scenic Rim LGA to the east. The Warrego Highway runs through the region, making it well connected to major transport routes.

Boasting a multicultural background, 14 per cent of residents were born overseas and almost 2100 identify as Aboriginal and/or Torres Strait Islander. The traditional custodians of the land are the Yuggera and Ugarapul people.

In addition to its expansive farmland, the Lockyer Valley's national parks and natural beauty makes it the perfect playground for bushwalking, birdwatching, mountain biking, water sports and caravan and camping stays.

The Lockyer Valley has a strong sense of community, and its toughness and resilience in the wake of natural disasters is well known.

Council continues to work with a wide range of stakeholders to attract millions of dollars' worth of trade opportunities and investment into the region – such as the Lockyer Valley and Somerset Water Security Scheme, new housing developments and the Lockyer Valley Equine Precinct.


Credit: Gatton District Historical Society


Credit: Laidley District Society



Credit: Laidley District Society

Our History

The Lockyer Valley's potential for farming and agriculture first caught the eye of colonial settlers in 1825 when British explorer Major Edmund Lockyer discovered Lockyer Creek and documented the region's large open country and rich soil.

Prior to this time, the Yuggera and Ugarapul First Nations people had inhabited the Lockyer Valley.

Word about the area slowly spread to prospective settlers and by the 1830s, pastoralist explorers set their sights on the region.

Up until the late 1860s, most of the settlers in the Lockyer Valley were British but this changed dramatically over the next two decades, with a huge influx of German and then Irish settlers.

Unlike the British, who mainly came from cities and towns in their native land, many of the Germans had been farmers, and armed with these skills, they formed some of the Lockyer Valley's first productive and sustainable operations.

Standard crops for the early settlers included maize, pumpkins, potatoes and cotton, while surviving place names such as 'Woolshed Creek' at Hatton Vale and 'Bullock Gully' and 'Stockyard Creek' at East Haldon are reminders of the region's sheep runs and cattle grazing past.

Dairying was also a growing industry from the late 1800s, and advanced with the opening of the Grantham Butter Factory in 1907. However, the industry suffered rapid decline following the end of WWII when European nations made a pact to only trade in dairy and pork between themselves and Australia lost its greatest customer, the United Kingdom.

Mining in the region dates back to the earliest day of white settlement and today, the reputation of Helidon sandstone is known across Australia and overseas. Many majestic buildings in Brisbane City, such as City Hall, were built with Helidon sandstone. Spa water from Helidon Springs, noted by Allan Cunningham during his explorations in 1829, was first bottled commercially in 1880, and the water won national and international acclaim putting Helidon Spa in the world spotlight.

As with other regions, townships flourished along the railway, which by 1866, included stations at Laidley and Gatton. The arrival of the motor vehicle after World War I led to the concentration of services in the larger towns.

Irrigation in the Lockyer Valley began as far back as 1877 when John Robinson flood irrigated his farm on Tenthill Creek using a steam-powered pump. Irrigation from ground wells gained favour in 1936 but it wasn't until 1939 that it was adopted on a larger scale with the arrival of electricity.

Both Gatton Shire and Laidley Shire had their beginnings as part of the Tarampa Divisional Board, which was created on January 15, 1880. Laidley broke away to form its own shire in 1888, and Tarampa Shire was renamed Gatton Shire in 1938.

After 120 years, the neighbouring farming shires were once again joined, following a recommendation by the Local Government Reform Commission. And on 15 March 2008, Gatton Shire and Laidley Shire formally amalgamated to form Lockyer Valley Regional Council.

Today, agriculture continues to thrive and remains the lifeblood of the region. In 2023-24, the total economic output for the Lockyer Valley was $4.15 billion. Of this, $767.8 million was from agriculture, with horticulture accounting for 92 per cent.

With its affordable land and property prices, coupled with its strategic proximity to Brisbane, Ipswich and Toowoomba, the Lockyer Valley is rapidly becoming a magnet for growth and investment. State government initiatives and private enterprises are drawn by its boundless opportunities. As the Lockyer Valley continues to flourish, its future shines brighter than ever, promising a vibrant and prosperous community for all.

Message from the Mayor

The Annual Report 2025-26 reflects on a year of achievement, resilience and growth and showcases the many ways Council has contributed to the success of the Lockyer Valley.

During 2025-26, Council remained dedicated to meeting the needs of our residents through the delivery of essential services, the upkeep of local infrastructure, and support for initiatives that strengthen our region.

Infrastructure and growth continued to be key priorities throughout the year. The completion of Mahon Bridge at Carpendale marked an important milestone, improving connectivity and safety for road users and workers at one of the region's largest employers, while Council's approval of a new over 50s lifestyle village will help meet increasing demand for diverse housing options in the Lockyer Valley. We also progressed the Lockyer Valley and Somerset Water Security Scheme, a game-changer for our local growers and Australia's food security.

While rising costs and growing demands presented challenges, we continued to prioritise projects that made a meaningful difference, improved the liveability of our region and supported our growing population.

We completed the new amenities block at Lake Dyer, enhancing facilities and accessibility for campers, visitors and local families, while also introducing changes to make dog registration easier and more affordable for residents. These initiatives reflect our commitment to providing quality services and facilities that deliver value for our community.

Building resilience to natural disasters remained a significant focus. Council completed major flood resilience works at Mount Sylvia and expanded the region's flood monitoring network through the installation of new flood cameras at key locations. These projects strengthened our ability to prepare for, respond to and recover from severe weather events, while providing residents with improved access to timely and reliable information when it matters most.

As this Annual Report demonstrates, our region has much to be proud of. We remain dedicated to operating with transparency and integrity while delivering meaningful outcomes for our residents. Council has continued to make steady progress towards its long-term goals while remaining accountable to the residents we serve. It reflects both the achievements of the past year and our ongoing commitment to building a prosperous and sustainable future for the region.

This Annual Report outlines our progress against key strategic objectives and provides a comprehensive overview of our performance, achievements and financial sustainability.

None of this would have been possible without the dedication, expertise and service of Council's staff and my fellow Councillors.

I also extend my appreciation to Acting CEO Dan McPherson and the staff involved in the recruitment of our new CEO. Through their leadership and adaptability over the past five months, our organisation has continued to achieve its goals and deliver for the community

On behalf of Council, I would like to thank our community for its ongoing support, engagement, and resilience. Your input and involvement are essential in helping us build a vibrant, inclusive, and sustainable future.



MAYOR TANYA MILLIGAN
Community Engagement and Development;
Media and Communications;
Disaster Management;
Economic Development

Message from the Acting Chief Executive Officer

Lockyer Valley Regional Council's 2025-26 Annual Report showcases the key achievements and outcomes delivered by our organisation over the past year.

The highlights that follow provide a snapshot of Council's progress against the strategic outcomes of the 2022-2027 Corporate Plan. These achievements highlight some of the major work undertaken but are only a snapshot of Council's broader contribution to the community. Please take a moment to read over the full report for a comprehensive overview of Council's performance and accomplishments throughout the year.

LOCKYER COMMUNITY

Council continued a focus on engaging with our community through a range of "Have Your Say" community pop-up consultations across the region. Held in Laidley, Gatton, Grantham, Plainland, Helidon, Preston and Hatton Vale, they provided an opportunity for residents to access information and gave residents the chance to discuss what matters most to them.

We have delivered several targeted programs and events for the region's minority groups, including seasonal workers, young people, older people, people with disabilities and multicultural communities. These initiatives work to form connections, both across and with our community and ensure all residents feel valued and supported.

We delivered the largest Laidley Spring Festival in the event's 62-year history, attracting almost 20,000 attendees. This event continues to grow in popularity and has firmly established itself as a major visitor attraction.

LOCKYER BUSINESS, FARMING AND LIVELIHOOD

As a Council, we continued to focus on our foundational role in projects that are major economic drivers for the region, including the Lockyer Valley and Somerset Water Security Scheme and the Lockyer Valley Racing Precinct. We have endorsed the Racing Precinct Masterplan Design Report, while also completing objectives for the Water Collaborative.

The Forest Hill Silos Mural Art Project reached several key milestones, including obtaining operational works approval, completing the artist procurement process, progressing agreements with the silos owner, GrainCorp and advancing rail access, power disconnection and site preparation requirements. Preliminary works on the viewing precinct also got underway.

Council continues to seek tourism marketing campaigns with Southern Queensland Country while also delivering major destination marketing initiatives, including Channel 7 Weekender, Feel the Freedom, Meet the Makers, SEQ Food Trails, EKKA promotion and representation at the National 4x4 Show.

LOCKYER NATURE

Council delivered key environmental initiatives, including the completion of leachate management infrastructure projects to reduce environmental risks at waste facilities, the planting of approximately 900 trees at Lockyer Waters to establish a koala fodder forest, and the installation of more than 2200 plants at Seven-Mile Lagoon to enhance local biodiversity and habitat restoration.

Council advanced planning for future waste management needs by commencing investigations for the next landfill cell at the Gatton Waste Facility and engaged a consultant to prepare the detailed design and site configuration. Efforts to increase the diversion of recyclable materials from landfill were also strengthened through improved waste management practices, investment in equipment and community education initiatives.

LOCKYER PLANNED

We continued implementing the Lockyer Valley Planning Scheme amendments and endorsed the Local Heritage Study. Council progressed key strategic planning initiatives and adopted the Growth Management Strategy Issues Paper for community and stakeholder consultation, including the launch of a community survey.

Council also endorsed the Grantham Structure Plan and authorised its use to advocate for the inclusion of identified land in the South East Queensland Regional Plan's urban footprint to support critical flood-resilient infrastructure.

We delivered and advocated for fit-for-purpose infrastructure that meets the current and future needs of the region. This included completing the upgrade of Mahon Bridge at Carpendale, providing a safer two-lane bridge and restoring heavy vehicle connectivity, securing $15 million through the Queensland Betterment Funding for the Laidley Flood Mitigation Project, and completing 40.94 kilometres of bitumen resealing and asphalt resurfacing on 73 of the region's roads.

LOCKYER LEADERSHIP AND COUNCIL

Our people remained central to Council's success throughout the year. We continued to invest in workforce capability, leadership development, employee wellbeing and organisational culture, recognising that strong community outcomes begin with an engaged and supported workforce.

More than 280 employees, or about 94 per cent of the organisation, participated in our One Team, One Council culture program, helping identify workforce priorities and shaping initiatives focused on recognition, development, communication and retention.

We improved customer interactions and streamlined service delivery through the staged implementation of new customer request management technology, and provided increased opportunities for residents to engage directly with Council.

A major workforce achievement this year was the successful progression of Enterprise Bargaining negotiations, underpinned by strong employee engagement, transparency and collaboration. The process resulted in overwhelming employee support.

We finalised the rationalisation of land project and completed land sales and amalgamations at Regency Downs, Laidley, Laidley Heights, Forest Hill and Grantham. Council also identified retention and disposal pathways for a further three parcels of land and approved the reconfiguration of the land formerly used as the Laidley Council Depot.

Council continued to strengthen its governance, cyber security, risk management and financial oversight, and we delivered a significant number of successful recruitment campaigns.

Council delivered 23 formal training sessions on procurement processes and requirements and managed our external funding programs, with more than $134 million in funded projects being actively monitored and reported.

ACKNOWLEDGEMENT

I extend my thanks and appreciation to our Mayor, Tanya Milligan, and Councillors for their continued leadership and community-driven work.

None of this would be possible without our dedicated Council employees, who work tirelessly to make our region a better place to live, work and play.



DAN MCPHERSON
Acting Chief Executive Officer

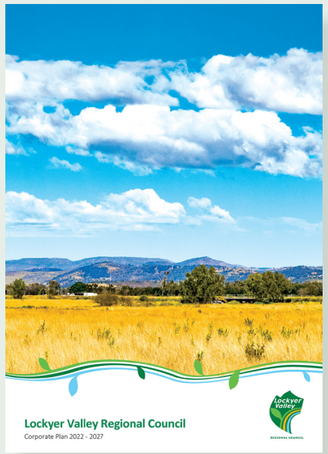
Community Publications



Lockyer – Our Valley, Our Vision Community Plan 2017-2027

‘Lockyer – Our Valley, Our Vision Community Plan 2017-27’ details the community’s vision through to the year 2027. The Community Plan establishes outcomes for the Lockyer Valley community that guide the priority actions to be undertaken by a wide range of stakeholders, including Council. The future directions identified in the Community Plan, along with its themes, formed the basis for the development of Council’s Corporate Plan 2022-27.

Our Council Plans



CORPORATE PLAN

The Corporate Plan guides the strategic direction for Council in delivering a sustainable future for the region. The Corporate Plan aims to achieve the vision and outcomes for the region and is informed by the Community Plan, Long Term Financial Plan and the Strategic Asset Management Plan.

The Outcomes and Commitments identified in the Corporate Plan serve to inform and guide Council's decision-making process when delivering its diverse range of services to the community. These Outcomes and Commitments are delivered through Council's annual operational plan, services and programs resourced by the annual capital and operational budgets.

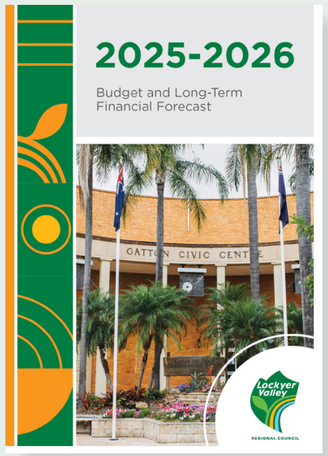


OPERATIONAL PLAN

The Operational Plan is the annual plan that progresses and achieves the Outcomes and Commitments of the Corporate Plan. The Operational Plan articulates Council's significant activities and deliverables, areas of responsibility, addresses Council's risks and monitors the overall annual performance of Council.

The detailed performance on these plans can be found at page 35.

To view all of Council's plans including quarterly performance reports, visit www.lockyervalley.qld.gov.au/our-council/publications



ANNUAL BUDGET 2025-2026

Each financial year, Council prepares an Annual Budget which is consistent with its Corporate and Operational Plans. The Budget includes Council's anticipated revenue and planned expenditure commitments for the 2025–2026 financial year. It also identifies the current and projected financial position of Council.

Monitoring Our Progress

MONTHLY FINANCIAL PERFORMANCE REPORT

Each month, a performance update is prepared and presented to Council summarising the progress of Council's actual financial performance against the budget it has committed to for the financial year.

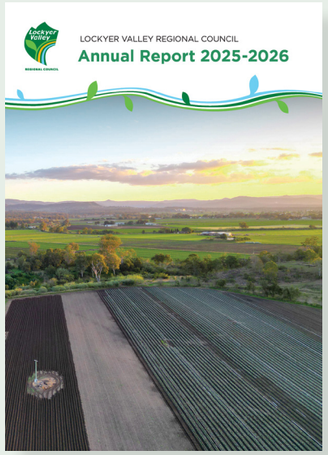
MONTHLY GROUP PROGRESS REPORTS

Monthly progress reports are provided to Council for each operational Group, outlining completed actions and deliverables associated with business-as-usual activities, including services delivered to the community.



QUARTERLY PERFORMANCE REPORT

Every quarter, a performance report is prepared and presented to Council by the Chief Executive Officer. This report outlines performance against the Outcomes and Commitments of the Corporate Plan and activities of the Annual Operational Plan.



ANNUAL REPORT (THIS REPORT)

At the conclusion of each financial year, Council prepares an Annual Report that reviews its performance. The report provides the community with operational and financial information on Council's performance against the outcomes and service delivery commitments outlined in the Corporate and Operational Plans and its Annual Budget.

To view all of Council's plans, visit www.lockyervalley.qld.gov.au/our-council/publications

Our Vision, Mission and Values

Vision

We will deliver sustainable services to enhance the liveability of our community while embracing our economic, cultural and natural diversity.

Mission

Lead, engage and empower.

Our Values

Values form the basis of our culture. They add meaning to work, and they provide a basis for consistent planning and decision making across the organisation. The desired values that every employee of Lockyer Valley Regional Council is expected to demonstrate in their daily activities, in the way they behave and in the way they make decisions are: >>



We lead through excellence and partner with the community to achieve Council's vision and mission.



We accept ownership of our role and take responsibility for our actions. We are results focused, take pride in our successes and efforts and learn from our mistakes.



We strive to be valued and trusted by the Lockyer Valley community. We are respectful, open, transparent and honest in our dealings with the community. At all times we act in the best interests of the community.



We embrace diversity and communicate openly and honestly. We listen actively, consider and value the views of others. Our communication is clear, concise and consistent.

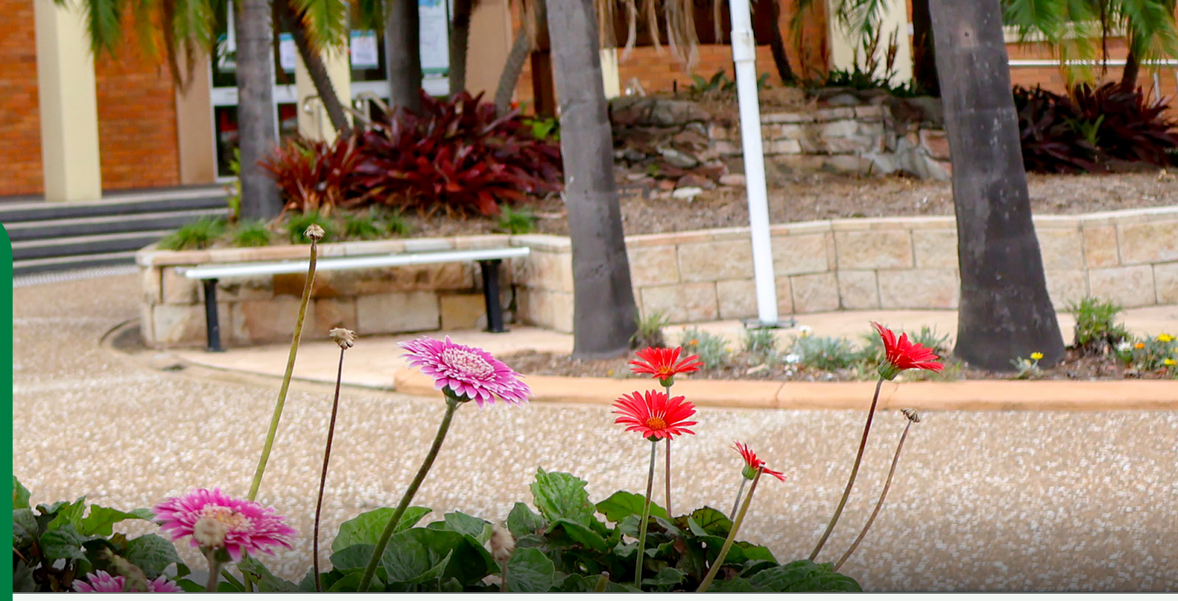


We strive to engage and communicate with our internal and external customers to meet agreed outcomes. We identify and aim to meet the needs of all customers in a responsive and equitable manner.



We value creative thinking and look for opportunities to collaborate and connect to deliver a better Lockyer Valley. We work together by recognising and sharing our talents, skills, experience and knowledge.





Your Council

Lockyer Valley Regional Council, comprising the Mayor and six Councillors, is the elected body responsible for the good governance of Lockyer Valley Regional Council. The elected body has legal obligations requiring members to represent the current and future interests of Lockyer Valley residents. Councillors are democratically elected and accountable to their communities for the decisions they make and the services they provide. Their role also includes other responsibilities such as providing high quality leadership to the community, participating in council meetings, developing policy and making decisions that are in the interest of the whole community.

Councillors and Their Portfolios

Councillors appointed for the 2024-28 term and the portfolios they oversee:



Councillor Tanya Milligan (Mayor)

Civic Leadership and Regional Development
Civic Leadership and Advocacy; Media and Communications; Disaster Management; Regional Economic Development; Ex-officio other portfolios and committees



Councillor Chris Wilson (Deputy Mayor)

Corporate Services
Governance, Legal and Property; Organisational Development; Work Health and Safety; Customer Experience; Information Communication and Technology; Corporate Strategic Planning; Finance and Procurement; Audit and Risk; Community Engagement (excl. Sport and Recreation)



Councillor Michael Hagan

Infrastructure
Infrastructure Maintenance and Operations; Infrastructure Planning; Infrastructure Construction; Infrastructure Design; Fleet; Asset Management



Councillor David Neuendorf

Planning and Development
Strategic Land Use Planning; Planning Scheme; Development Assessment; Flood Mitigation



Councillor Julie Reck

Liveability and the Circular Economy
Libraries and Galleries; Events; Tourism/Visitor Information Centre; Waste Management and the Circular Economy



Councillor Cheryl Steinhardt

Environment and Regulatory Services
Regulatory Services/Local Laws; Environmental Health; Building and Plumbing; Environment and Pest Management; Natural Resource Management



Councillor Anthony Wilson

Sport and Recreation
Parks and Gardens (incl. sporting fields); Cemeteries; Facilities (Council owned incl. sporting structures); Sport and Recreation (incl. Community Development)

Council and Committee Meeting Attendance

Council conducts its business through public meetings to support transparent decision-making, good governance and community participation. Meetings are generally held in the Council Chambers at the Gatton Administration Building and are open to the public. Meeting papers and the adopted monthly meeting calendar are published on Council's website. Council may also convene a special ordinary meeting when an urgent decision is required between scheduled meetings.

At these meetings, Councillors consider strategic matters and make informed decisions for the community. Decisions must be made by resolution at a properly convened meeting held in accordance with legislative requirements and Council's Code of Meeting Practice Policy.

The *Local Government Act 2009* also requires Council to establish an audit committee. Comprising Councillors and independent members, the committee provides independent assurance and oversight of statutory matters.

Council also holds informal workshops and site visits to share information. These sessions are closed to the public and do not serve as decision-making forums.

In accordance with section 186(c) of the *Local Government Regulation 2012*, the table below shows the number of local government meetings attended by each Councillor during the 2025–26 financial year.

12	3	4
ORDINARY MEETINGS IN 2025-26	**SPECIAL MEETINGS IN 2025-26**	**AUDIT AND RISK MANAGEMENT COMMITTEE MEETINGS**

NAME	ORDINARY MEETINGS	SPECIAL MEETINGS	AUDIT AND RISK MANAGEMENT COMMITTEE MEETINGS
Cr Tanya Milligan	11	2	0
Cr Chris Wilson	12	3	4
Cr Michael Hagan	12	3	0
Cr David Neuendorf	12	3	3
Cr Julie Reck	12	3	2
Cr Cheryl Steinhardt	12	3	2
Cr Anthony Wilson	12	3	0

Councillor Remuneration

The Queensland Local Government Remuneration Commission determines Councillor remuneration. Established as an independent body under the *Local Government Act 2009*, the Commission must set remuneration in accordance with the *Local Government Regulation 2012*.

The Commission does not determine Councillor superannuation contributions. Under section 226 of the *Local Government Act 2009*, Council may determine these contributions. On 24 April 2024, Council resolved to participate in a superannuation scheme and contribute 12 per cent of each Councillor's ordinary earnings to a complying fund of their choice. Councillors may also elect to salary sacrifice additional amounts from their remuneration into superannuation.

In accordance with section 186(a) of the *Local Government Regulation 2012*, the table below outlines the remuneration and Council-funded superannuation contributions for each Councillor in the 2025–26 financial year.

MAYOR	DEPUTY MAYOR	COUNCILLOR
$150,258.00	**$93,911.00**	**$79,823.00**

NAME	REMUNERATION	SUPERANNUATION
Cr Tanya Milligan	$150,258.00	$18,031.01
Cr Chris Wilson	$93,911.00	$11,269.44
Cr Michael Hagan	$79,823.00	$9,578.65
Cr David Neuendorf	$79,823.00	$9,578.65
Cr Julie Reck	$79,823.00	$9,578.65
Cr Cheryl Steinhardt	$79,823.00	$9,578.65
Cr Anthony Wilson	$79,823.00	$9,578.65

Councillor Expenses and Facilities

In accordance with section 250 of the *Local Government Regulation 2012,* Council must have an Expenses Reimbursement Policy for Councillors.

The objective of the Policy is to ensure the payment of legitimate and reasonable expenses incurred by Councillors for discharging their duties and responsibilities as Councillors; and to provide facilities to Councillors for those purposes. This is to ensure that Councillors are not financially disadvantaged as a result of carrying out their official duties.

This Policy does not deal with the provision of remuneration, nor does it cover non-business-related expenses or facilities incurred by other people, including a Councillor's partner. Council's Expenses Reimbursement and Provision of Facilities for Councillors Policy is available on Council's website.

As required under section 186(b) of the *Local Government Regulation 2012*, the table below outlines the expenses incurred by and the facilities provided to each Councillor during the 2025-26 financial year.

NAME	PHONE AND ICT COSTS	MOTOR VEHICLES	ALLOWANCES	TRAINING, CONFERENCES AND FUNCTIONS	TOTAL
Cr Tanya Milligan	$912.17	$11,165.56	$5000.00	$732.59	$17,810.32
Cr Chris Wilson	$657.71	$22,500.00	$1500.00	$0.00	$24,657.71
Cr Michael Hagan	$607.71	$20,000.00	$1500.00	$2606.30	$24,714.01
Cr David Neuendorf	$607.71	$20,000.00	$1500.00	$0.00	$22,107.71
Cr Julie Reck	$607.71	$20,000.00	$1500.00	$2417.68	$24,525.39
Cr Cheryl Steinhardt	$607.71	$20,000.00	$1500.00	$1091.66	$23,199.37
Cr Anthony Wilson	$607.71	$20,000.00	$1500.00	$0.00	$22,107.71

Particular Resolutions

As required under section 185 of the *Local Government Regulation 2012*. Council's Annual Report must include a copy or list of any particular resolutions made by Council associated with an expense.

For the 2025-26 financial year the resolutions were outlined below:

LOCAL GOVERNMENT REGULATION PROVISION	RESOLUTION MADE:
Section 206(2) – Threshold for non-current physical asset to be treated as an expense	Nil resolutions made.
Section 250(1)- requirement to adopt an expenses reimbursement policy	Nil resolutions made.

Overseas Travel

Section 188 of the *Local Government Regulation 2012* requires the disclosure of information relating to the overseas travel of both elected members and Council officers.

Mayor, Cr Tanya Milligan, travelled to Dubai, United Arab Emirates, as part of the Council of Mayors South East Queensland (SEQ) 2025 Asia Pacific Cities Summit and Mayors' Forum. The cost of this travel was covered by the Council of Mayors SEQ.

Craig Drew, Council's Manager People and Customer Experience, participated in the Local Government Management Association (LGMA) International Manager Exchange Programme 2025 and attended the Taituara Annual Local Government Conference in New Zealand. The Local Government Managers Association covered the travel costs.



Our Organisation

Organisational Structure



Office of the Chief Executive Officer

- Office of the Mayor and Councillors
- Office of the Chief Executive Officer
- Advocacy and Stakeholder Management
- Business Improvement
- Disaster Management
- Council Business
- Corporate Strategic Planning and Performance
- Audit and Risk (incl. Audit and Risk Management Committee)
- Engagement and Communications



People, Customer and Corporate Services

- Financial Operations (incl. Accounts Payable and Receivable)
- Rates Management
- Procurement and Stores
- Accounting Services (incl. budgeting and financial reporting)
- Customer Experience
- Organisational Development and Culture
- Payroll
- Work Health and Safety
- Governance
- Insurance
- Legal and Property
- Waste Management Operations and Collections
- Information Management
- Information Communication and Technology Operations, Systems and Projects



Infrastructure

- Roads, Drainage and Bridge Capital Works Construction and Maintenance
- Asset Management and Design
- Plant and Fleet Management and Operations
- External Works
- Facilities Management and Maintenance
- Parks, Gardens and Cemeteries



Community and Regional Prosperity

- Strategic Land Use Planning (Growth and Policy)
- Economic Development
- Development Assessment
- Plumbing and Building
- Environmental Health Regulatory Services
- Animal Management
- Environment and Pest Management
- Events and Tourism
- Visitor Information Centre
- Libraries (incl. Art Gallery)



Senior Executives Remuneration

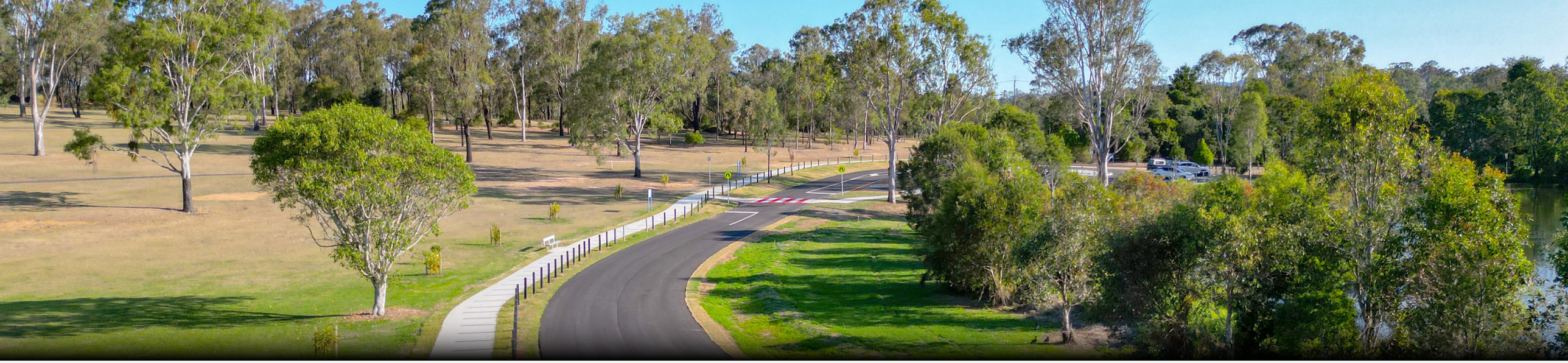
The total remuneration packages for senior executives for 2025-26, including base salary, vehicle allowance, professional memberships, telephone expenses, additional purchased leave and superannuation, was $1,658,991.

Remuneration Range	Number of Executive Leadership Team Paid
$100,000 - $199,999	1
$200,000 - $299,999	4
$300,000 - $400,000	1

Our People

As of 30 June 2026, Council employed a total of 318 employees. The following table identifies the breakdown of full time equivalent (FTE) positions by employment type as of 30 June 2026 (excl. vacant positions).

Employment Type	Headcount	FTE Number at 30 June 2026
Contract of Employment	18	18.0
Full Time (Permanent)	238	238.0
Full Time (Maximum Term)	18	18.0
Part Time (Permanent)	25	16.7
Part Time (Maximum Term)	0	0.0
Casual (Based on Hours Worked)	19	9.5
Total	**318**	**300.2**



Our Culture

ENTERPRISE BARGAINING NEGOTIATIONS

Council undertook Enterprise Bargaining (EB) negotiations with a strong focus on collaboration, transparency and meaningful employee engagement.

For the first time, Council established a dedicated EB Team comprising representatives from across management. This approach strengthened collaboration and ensured the bargaining team included representatives with direct operational knowledge and experience relevant to claims under consideration.

Council undertook a comprehensive analysis of the claims presented by the unions, including the financial implication of claims that could be reliably costed. This supported informed decision-making and ensured proposed outcomes were financially sustainable for the organisation.

Employee engagement and transparency were key priorities throughout the process. Council established a dedicated intranet page providing employees with access to bargaining information and documentation. Regular updates were provided following each bargaining meeting, alongside information on wage outcomes at neighbouring councils and the estimated financial impact of union claims. Council also conducted a Staff Sentiment Survey to capture employee feedback during the bargaining process.

As part of the consultation process, employees were provided with opportunities to attend scheduled drop-in sessions and ask questions about the proposed Certified Agreements.

The proposed Certified Agreement – Stream A 2026 received 100 per cent support from employees who voted, while the Certified Agreement – Stream B and C received 98 per cent support. The employee vote also achieved the highest participation rate to date, with 78 per cent of eligible employees voting.

These outcomes reflect the value of a transparent, collaborative and well-informed bargaining process and Council's commitment to maintaining constructive relationships with its employees.

ONE TEAM, ONE COUNCIL – OUR VOICES, OUR CULTURE

Council continued its focus on strengthening workplace culture through 'One Team, One Council – Our Voices, Our Culture', an organisation-wide initiative designed to build stronger connections, collaboration and communication across Council.

The initiative recognised that a positive workplace culture supports not only employee experience, but also the quality and consistency of services provided to the community. It was designed around Council's six organisational values of Leadership, Integrity, Accountability, Communication, Customer Focus, and Teamwork and Collaboration.

A key feature of the initiative was its employee-led approach. Employees from across Council were trained to facilitate peer-led culture workshops, providing a safe and open environment for colleagues to share experiences, identify challenges and suggest opportunities for improvement. This approach moved away from traditional external facilitated programs and placed employees at the centre of shaping Council's culture.

The initiative achieved strong organisation-wide participation, with 280 employees, representing ~ 94per cent of Council's workforce, participating in the workshops. Feedback was analysed and grouped into common themes before being returned to employees through a voting process, enabling staff to directly influence the priorities for cultural improvement.

The initiative also provided valuable professional development opportunities for employees who took on facilitation roles, strengthening leadership, communication and relationship-building skills while creating connections across different areas of Council.

Through broad employee participation, peer-led engagement and employee-driven decision-making, 'One Team, One Council – Our Voices, Our Culture' has established a strong foundation for continued cultural improvement, collaboration and more connected service delivery across Council.

Our Safe Council

SAFETY MANAGEMENT

Council continued to prioritise the health, safety, and wellbeing of staff by maintaining a comprehensive workplace audit and inspection regime which proactively identifies potential safety issues which are addressed in a timely manner ensuring continuous improvement. Additionally, Council has enhanced the hearing conservation program for employees working in noise affected areas, reintroducing audiometric testing with more than 100 staff participating in the program.

PSYCHOSOCIAL SAFETY

The Safety Team, in collaboration with teams from across all of Council's Business Units, have worked hard to implement the framework for the management of psychosocial hazards in the workplace. The psychosocial hazard management framework ensures Council is able to recognise and control workplace impacts which may have an effect on employee mental health and wellbeing. A psychosocial hazard management plan has been integrated into each Business Group's Work Health and Safety (WHS) Branch Risk Register and includes the treatment plan for identified psychosocial hazards.

HEALTH AND WELLBEING

This reporting period has seen the Safety Team engage in a flu prevention campaign, sun safety skin check program, and the promotion of R U OK? day. These initiatives aim to reduce health risks, improve treatment outcomes through early detection, and encourage staff to start a meaningful wellbeing conversation with colleagues, all of which assist in developing a safe and healthy workplace.

CONSULTATION AND SAFETY LEADERSHIP

Council's Leadership Team continues to demonstrate its commitment to staff safety through encouraging the election of additional health and safety representatives, attendance and chairmanship of the LVRC Corporate WHS Consultative Committee. Council's WHS consultative arrangements have been further enhanced through the formation of the Infrastructure and Waste Services WHS subcommittee and working group. The establishment of this subcommittee enables focused discussion specifically relating to high-risk activities in the operational work environment.

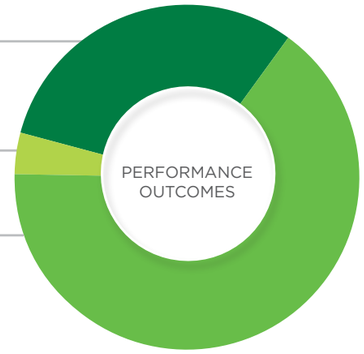


Our Performance

Achieving the Outcomes and Commitments of Council's Corporate Plan 2022-27, including delivering the Operational Plan 2025-26 Annual Status

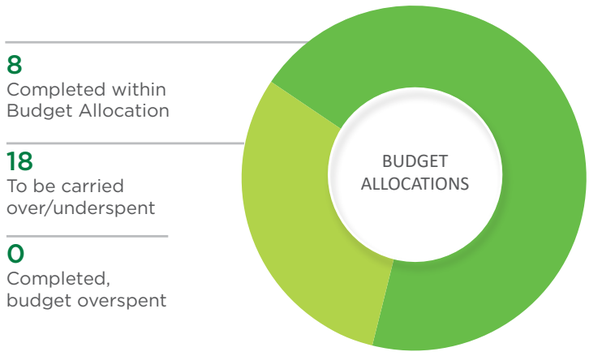
PERFORMANCE OUTCOME ACHIEVEMENTS FOR 2025-26

This graph represents the collective achievement on the identified performance outcomes for the 2025-26 financial year.



BUDGET ACHIEVEMENTS FOR 2025-26

This graph represents the collective achievement on the identified budget allocations for the 2025-26 financial year.



Year in Review









FIRST QUARTER

Laidley Spring Festival delivers record results for the region

The 2025 Laidley Spring Festival cemented its position as the region's premier event, delivering its biggest and most successful festival in its 62-year history.

Across three days in September, record crowds flocked to the region, with preliminary estimates indicating attendance increases of 10 to 15 per cent across festival events.

The strong visitor numbers generated significant benefits for local businesses, retailers, food vendors and tourism operators, reinforcing the festival's growing importance as an economic driver for the region.

The festival showcased the very best of the Lockyer Valley, providing a platform for local producers, makers, artists, entertainers and community groups while attracting thousands of visitors from across South East Queensland and beyond.

A highlight of the weekend was the iconic Street Parade, which drew large crowds to Laidley's town centre and featured 28 entries.

In Forest Hill, Bee Happy Day once again attracted strong attendance, with families enjoying markets, live entertainment, workshops and children's activities, further extending visitor spending and economic activity throughout the region.

The festival's continued growth reflects its increasing reputation as one of Queensland's leading regional celebrations and demonstrates the value of Council's investment in events that support local business, strengthen community pride and stimulate economic development.

SECOND QUARTER

Vital transport link officially opened

A major milestone for the Lockyer Valley was achieved with the completion and official opening of the new Mahon Bridge on Carpendale Road, Carpendale in October 2025.

Construction of the replacement bridge commenced in January 2025 and delivered a modern, two-lane structure that will provide long-term benefits for local residents, businesses and the regional economy.

The previous bridge sustained significant damage during the 2013 floods and was subsequently restricted to a single lane with a 42.5-tonne load limit. These limitations impacted transport efficiency and required many heavy vehicles to use alternative routes.

The new $6.88 million structure restores a critical transport connection, allowing heavy vehicles to safely and efficiently access one of the region's major employers, supporting hundreds of local jobs. The upgraded bridge also improves safety and convenience for residents while reducing the number of trucks travelling through surrounding communities.

The project was made possible after Council, with significant support from Stanbroke, applied for funding under the Australian Government's former Bridges Renewal Program, now the Safer Local Roads and Infrastructure program.

The Australian Government contributed $4,994,387, with Council contributing the remaining $1,894,423.

THIRD QUARTER

Supporting diverse housing options

Council approved a significant residential development in Gatton in January 2026, supporting housing diversity and providing new accommodation options for the region's growing population.

The over 50s lifestyle village, slated for Golf Links Drive, Gatton, plans to deliver 267 dwellings within a purpose-built land lease community. The development represents a substantial investment in the region's housing supply and responds to increasing demand for accommodation tailored to older residents seeking to downsize while remaining connected to local families, services and amenities.

Council unanimously approved the development application, recognising the project's potential to provide a high-quality housing alternative and contribute positively to the community.

The proposed village boasts an extensive range of indoor and outdoor recreational and social facilities and includes substantial on-site parking for vehicles, caravans, bicycles and visitors.

Once completed, the lifestyle village will increase housing choice within the region, support older residents to age in place locally, and contribute to the continued growth and development of Gatton as a vibrant and inclusive community.

Council's assessment of the application included consideration of engineering, hydraulic and stormwater management reports to ensure the development could be delivered responsibly and without adverse impacts on surrounding properties.

Community feedback was overwhelmingly positive, with all submissions received during the public consultation period supporting the proposed development.

FOURTH QUARTER

Advocating for a new regional hospital

Council continued its decade-long advocacy for improved healthcare infrastructure in the Lockyer Valley, renewing calls for the Queensland Government to secure land and commence planning for a new regional hospital.

Council highlighted the growing pressure on the small, existing Gatton and Laidley hospitals and the need for long-term planning to ensure future healthcare demand can be met. Advocacy efforts gained widespread media attention, with Council's position featured across television, radio, print and online news outlets.

With only 41 hospital beds currently servicing the Lockyer Valley and the population forecast to grow to approximately 57,000 by 2041, Council continues to advocate for infrastructure that reflects the scale and future growth of the region.

Council highlighted the challenges faced by many residents who must travel outside the region to access specialist healthcare and maternity services, and those who are turned away due to a lack of available beds, reinforcing the importance of delivering more comprehensive services and beds closer to home.

As part of its advocacy campaign, Council called on the Queensland Government to identify and secure a strategic site for a future regional hospital, with Plainland proposed as a suitable location.

Through sustained advocacy, Council continued to position healthcare infrastructure as a critical regional priority, ensuring the needs of current and future residents remain firmly on the agenda of decision-makers.



THIRD QUARTER HIGHLIGHT



FOURTH QUARTER HIGHLIGHT



Lockyer Community

Our healthy community welcomes the spirited diversity found within our region. Times of hardship highlight our resilience. Our high standards support our quality of life and vibrancy while providing a dynamic and safe place full of opportunity. We strive to build on who we are and everything our region has to offer by connecting business, the community and government.

6835
DOGS REGISTERED
(INCL. LICENSED KENNELS)

204
ENVIRONMENTAL
HEALTH LICENCES ISSUED

10,471
CUSTOMERS WHO CONTACTED THE LOCKYER VALLEY VISITOR INFORMATION CENTRE

1520hrs
COUNCIL VOLUNTEER HOURS

222,546
LUVYA LOCKYER WEBSITE VIEWS

6
COUNCIL LED EVENTS DELIVERED

31
COMMUNITY EVENTS IN THE REGION SUPPORTED BY COUNCIL (EITHER IN-KIND AND/OR FINANCIAL)

8381
QUEENSLAND TRANSPORT MUSEUM VISITORS

$63,879.83
QUEENSLAND TRANSPORT MUSEUM REVENUE

60
PARKS AND RECREATIONAL AREAS MAINTAINED BY COUNCIL (INCL. TWO POOLS, FOUR CRICKET GROUNDS AND ONE SHOWGROUND)

29,705
LITRES OF HERBICIDE SPRAYED ON PARKS, RECREATION AND CEMETERIES

116,899
VISITORS TO THE LOCKYER VALLEY LIBRARIES

148,545 ITEMS ISSUED (PHYSICAL & DIGITAL)

781 EVENTS AND ACTIVITIES DELIVERED

6
LOCKYER VALLEY ART GALLERY EXHIBITIONS

23,171 VISITORS

471 ARTWORKS INCLUDED IN EXHIBITIONS

1357
BUILDING APPLICATIONS RECEIVED

377
BUILDING INSPECTIONS COMPLETED

606
PLUMBING APPLICATIONS RECEIVED

1894
PLUMBING INSPECTIONS COMPLETED

A community with fair and reasonable access to services

- Improved access to services by delivering engagement, preparedness and community support initiatives across the region, including in smaller townships and for groups facing participation barriers. Council pop-ups were held in Laidley, Gatton, Grantham, Plainland, Helidon, Preston and Hatton Vale.
- Delivered a number of targeted programs and events for seasonal workers, young people, older people, people with disabilities and multicultural communities.
- Delivered extensive library services and programs across the region, including school holiday activities, author talks, storytime programs, Welcome Baby Celebration events, Harmony Day activities and outreach programs that improved access to learning, literacy and community services.

Council optimises the use of its open spaces and facilities by improving access to and the quality of the facilities for individuals and groups for cultural, recreational and community activities

- Collaborated with the Withcott community to deliver the upgrade to Jean Biggs Park, including accessible zip lines and fitness equipment.
- Completed upgrades to playground equipment in Littleton Park, Gatton, and Lions Park, Laidley.
- Completed upgrades to Lake Apex Park, including accessible pathways and supporting infrastructure.

Enhanced wellbeing and safety of the community

- Following public consultation that attracted nine submissions, Council adopted amendments to Subordinate Local Law No. 2 (Animal Management). The amendments addressed animal numbers, enclosure requirements, animal noise and standards for keeping birds.
- Progressed the review of Subordinate Local Law No. 3 (Community and Environmental Management).
- Completed the safety upgrade on Old Laidley–Forest Hill Road, including road widening, culvert replacement, line marking and signage improvements.
- Completed the final section of the footpath on Jones Road, Withcott, creating a continuous pedestrian link.
- Maintained environmental health, food safety, mosquito surveillance and local laws programs to support community health and safety.
- Achieved no detection of Japanese encephalitis virus through targeted surveillance undertaken in partnership with Queensland Health.

Council seeks to understand community needs, resulting in partnerships that realise long-term benefits for the community in a timely manner

- Completed the annual place-based engagement program, delivering community pop-ups across the region and presenting the principal 2025 findings to Councillors. The identified priorities included roads, footpaths, bike paths, playgrounds and planned growth. The results began informing preparation of the 2027–2037 Community Plan.
- Strengthened partnerships with Anglicare Queensland, Thriving Lockyer Kids, Play Matters, Laidley Community Centre, Lockyer Community Centre, Kambu and other organisations to deliver community programs and broaden community participation.
- Worked collaboratively with state agencies, tourism organisations, community groups and environmental partners to deliver community, economic and environmental outcomes.

Events and activities that bring together and support greater connectivity in the community

- Delivered the largest Laidley Spring Festival in the event's 62-year history, attracting almost 20,000 attendees.
- Delivered Australia Day celebrations, the Lockyer Valley Christmas Carnival, Mayoral Carols, ANZAC Day commemorations, Queensland Transport Museum Open Day, and numerous library and gallery events that strengthened community connection and participation.
- Provided fundraising opportunities for community organisations through the delivery of the annual Lockyer Valley Christmas Carnival.

The community's preparedness for disasters is improved through community education, training and strong partnerships between Council and other agencies

- Increased the capacity of the region's flood warning infrastructure by installing flood warning infrastructure at Sandy Creek, Grantham.
- Enhanced the region's disaster resilience through improvements to flood intelligence systems and the delivery of the following community preparedness events and activities: Get Ready Week campaign, the University of Queensland student engagement initiative, the Seasonal Worker BBQ Program, Disaster Dashboard workshops and Under 8s Day.
- Progressed flood warning and forecasting initiatives, including the Bureau of Meteorology Flood Warning Infrastructure Replacement Project and the Brisbane River Catchment Flood Forecasting and Warning System.
- Continued development of updated flood mapping and flood hazard planning controls.
- Maintained and enhanced public access to flood information through the Flood Information Portal.

Lockyer Business, Farming and Livelihood

Lockyer Business: Our business community is a thriving and inclusive network where it is easy to do business. We create opportunities and encourage innovation that inspires business confidence and collaborative partnerships.

Lockyer Farming: As custodians, we manage our water and land assets to ensure our farming future. We pride ourselves on our innovation and clean, green reputation. We work together to support current and future generations of farmers.

Lockyer Livelihood: We are a community where lifelong learning opportunities exist. Our quality education facilities are highly regarded and provide diverse career pathways. We look to develop skills and generate job opportunities for all.

1204
RATE SEARCHES ISSUED BY COUNCIL

10
COUNCIL COMMUNITY ENGAGEMENT LED EVENTS DELIVERED

11
COUNCIL POP-UP STANDS CONDUCTED

19
COMMUNITY EVENTS SUPPORTED

20
COMMUNITY NEWSLETTERS ISSUED (COMMUNITY CONNECT AND ON THE BALL)

9
INTERAGENCY MEETINGS WITH 225 TOTAL ATTENDEES

35
ENGAGEMENT PROJECTS SUPPORTED

37798
DISASTER DASHBOARD VISITS

7
DISASTER MANAGEMENT EXERCISES STAFF PARTICIPATED

24
DISASTER MANAGEMENT TRAINING PROGRAMS DELIVERED

Encourage opportunities for the Lockyer Valley to drive economic and community outcomes

- Completed the identified objectives for the Lockyer Valley Equine Collaborative, which included updating the concept plan and business case for the Lockyer Valley Racing Precinct and endorsing the Racing Precinct Masterplan Design Report.

Maximise opportunities through engagement and partnerships with stakeholders to achieve a strong, resilient economy

- Advanced the initiatives of the Lockyer Valley and Somerset Water Collaborative water security scheme with the completion of all five optimisation assessment packages to final review.
- Partnered with Experience Somerset, Queensland Country Tourism, Tourism and Events Queensland and industry stakeholders to promote the region and support tourism growth.
- Participated in industry forums, roundtables and conferences to identify opportunities and strengthen regional partnerships.

Promote and market the Lockyer Valley as a destination for commerce, tourism and lifestyle

- Progressed the GrainCorp Forest Hill Silos Mural Art Project obtaining operational works approval, completing the competitive artist selection process, advancing the agreement with the silo owners, and progressing rail access, power disconnection and site preparation requirements. Preliminary works on the viewing precinct commenced.
- Supported major tourism events, destination marketing campaigns and regional promotion activities that generated visitation and economic activity.
- Delivered major destination marketing initiatives, including Channel 7 Weekender, Feel the Freedom, Meet the Makers, SEQ Food Trails, EKKA promotion and representation at the National 4x4 Show.

Attract and support education and employment opportunities for the community

- Promoted skills development and tourism industry capacity building through training and familiarisation opportunities.
- Supported lifelong learning through library programs, author talks, digital literacy programs and educational events.

Foster a flexible, supportive and inclusive business environment

- Facilitated development applications and planning activities that support long-term economic growth and investment.

Lockyer Nature

Our natural assets are valued and protected to sustain our unique rural lifestyle.

54ha
OF LAND IN THE REGION ACTIVELY MAINTAINED FOR REVEGETATION PURPOSES (INCL. TREE PLANTING)

346ha
OF LAND MAINTAINED FOR CONSERVATION PURPOSES (INCL. HIGH CONSERVATION VALUE AREAS WITH ENDANGERED SPECIES)

20,878.09ha
OF LAND CONSERVED FOR LAND FOR WILDLIFE

1655
FREE TREES ISSUED UNDER THE LAND FOR WILDLIFE PROGRAM

58ha
OF LAND MANAGED FOR WEEDS

9800
TREES PLANTED UNDER THE RESILIENT RIVERS AND ENVIRONMENT PROJECTS

5
COMMUNITY WORKSHOPS HELD ON BUSHFIRE RESILIENCE AND KOALA EDUCATION

22
ENVIRONMENTAL RESTORATION SITES ESTABLISHED OR MAINTAINED

$66,878.91
IN HERBICIDE SUBSIDY CLAIMS PROCESSED

401
PEST MANAGEMENT ENQUIRIES RECEIVED AND ACTIONED

720,383
DOMESTIC WASTE BINS SERVICED

328,309
DOMESTIC RECYCLING BINS SERVICED

2095.98
TONNES OF KERBSIDE RECYCLING COLLECTED

97,587
TOTAL WASTE FACILITY PATRONS

35,235 GATTON	**3435** GRANTHAM	**2514** HELIDON
41,186 LAIDLEY	**2744** LOCKYER WATERS	
2744 WITHCOTT	**2683** MURPHYS CREEK	

LANDFILL WASTE DIVERTED TO RECYCLING (AMOUNT IN TONNES)

*Figures rounded

615 CARDBOARD	**1039** CONCRETE
38 ELECTRONIC WASTE	**20** OIL
818 SCRAP METAL	**222** TRICKLE TAPE
14 TYRES	

The Lockyer Valley's natural assets are managed, maintained and protected

- Continued environmental monitoring activities across waste facilities, including groundwater, surface water and leachate testing.
- Completed leachate management infrastructure projects to reduce environmental risks at waste facilities.
- Planted approximately 900 trees at Lockyer Waters to establish a koala fodder forest and installed 2,200 plants at Seven-Mile Lagoon.

Council's policies and plans support environmentally sustainable development

- Commenced planning and investigation works for the future Gatton Landfill Cell 6 to ensure long-term waste management capacity.
- Undertook landfill consumption monitoring and strategic planning in accordance with legislative requirements.
- Continued implementation and review of environmental management and catchment planning initiatives.

Community and private landholders' stewardship of natural assets increases

- Delivered community planting activities, koala initiatives and biodiversity conservation programs.
- Continued growth of the Land for Wildlife program, with 244 registered members and more than 17,500 hectares now registered.

Council and the community actively reduce waste, recycle and reuse more

- Completed a full-cost pricing model for waste services to support future budget and service planning.
- Expanded the community education program on positive waste management practices through school and early learning sessions, a kerbside collection campaign and an online booking pathway for community waste education sessions.
- Completed and awarded the tender for domestic recycling processing, safeguarding continuity of the region's recycling service.
- Completed the Material Recycling Facility feasibility assessment.
- Engaged a consultant to prepare the detailed design and site configuration for the next landfill cell at the Gatton Waste Facility.
- Continued illegal dumping prevention activities, compliance programs and community education initiatives.

Council and the community actively reduce consumption of non-renewable resources

- Increased diversion of recyclable material from landfill through improved waste management practices, equipment investment and community education programs.
- Delivered revegetation, biodiversity and habitat restoration projects that support long-term environmental sustainability.

Lockyer Planned

We have unique, well-connected communities. We have places and spaces that bring people together. Local services match the needs of the community. Our built infrastructure is designed and constructed to enable access for all.

53
INFRASTRUCTURE DESIGNS COMMENCED

50
INFRASTRUCUTRE DESIGNS COMPLETED

$33.68M
DELIVERED PROGRAM OF CAPITAL WORKS

57,166
TONNES OF GRAVEL USED TO RESTORE UNSEALED ROADS ACROSS THE REGION

597
POTHOLE REPAIRS

64
PAVEMENT REPAIRS

432
ROAD SIGNS AND LINEMARKING COMPLETED

191
ROAD EDGE DEFECT REPAIRS COMPLETED

119
ROAD DRAINAGE WORKS COMPLETED

1975
IDENTIFIED DEFECTS ON COUNCIL MAINTAINED ASSETS

2996
RECTIFIED DEFECTS ON COUNCIL MAINTAINED ASSETS

440
NATIONAL HEAVY VEHICLE REGULATOR APPLICATIONS RECEIVED

670
WORKS ON ROAD APPLICATIONS RECEIVED

47
RURAL ADDRESS APPLICATIONS

85
DRIVEWAY APPLICATIONS

61
LAND ACCESS AND ACTIVITY NOTICES

55
DEVELOPMENT APPLICATIONS RECEIVED

310
DEVELOPMENT ASSESSMENTS DECIDED

44
EXCEPTION CERTIFICATES DECIDED

296
FORMAL REQUESTS FOR DEVELOPMENT INFORMATION

55
PRE-LODGEMENT MEETINGS CONDUCTED

6398
FLOOD INFORMATION REPORTS GENERATED

128,556
VISITS TO THE FLOOD INFORMATION PORTAL

$7.83M
AMOUNT OF FLOOD RESTORATION WORKS COMPLETED

399
ROADS WITH FLOOD RESTORATION WORK COMPLETED

2024 WEATHER EVENT

*Figures rounded

$1.68M
TOTAL EXPENDITURE IN 2025-26

$1.29M
TOTAL RECEIVED IN 2025-26

1 SUBMISSIONS LODGED FOR REVIEW
1 SUBMISSIONS APPROVED
10 SUBMISSIONS LODGED FOR ACQUITTAL
1 SUBMISSION ACQUITTED

2025 WEATHER EVENT

*Figures rounded

$3.43M
TOTAL EXPENDITURE IN 2025-26

$13.32M
TOTAL FUNDING APPROVED IN 2025-26

$6.08M
TOTAL RECEIVED IN 2025-26

17 SUBMISSIONS LODGED FOR REVIEW
17 SUBMISSIONS APPROVED
0 SUBMISSIONS LODGED FOR ACQUITTAL
0 SUBMISSIONS ACQUITTED

Growth and development in the region is sustainably managed through the adoption and implementation of the Lockyer Valley Planning Scheme

- Progressed implementation of planning scheme amendments.
- Endorsed the Local Heritage Study, resolved changes to the Local Heritage Register and authorised associated amendments to the Planning Scheme, Cultural Heritage Overlay and Planning Scheme Policy.
- Completed the Matters of Local Environmental Significance Study and commenced preparation of the related mapping, Planning Scheme and Planning Scheme Policy amendments.
- Adopted the Growth Management Strategy Issues Paper for community and stakeholder consultation and commenced the community survey.
- Prepared draft regional planning assumptions for the Local Government Infrastructure Plan amendment.
- Prepared the flood regulation planning amendment and submitted it to the State Government for review.

Provision of fit-for-purpose infrastructure that meets the current and future needs of the region

- Completed the upgrade of Mahon Bridge at Carpendale, providing a safer two-lane bridge and restoring heavy vehicle connectivity.
- Adopted the Unmaintained and Unconstructed Roads Policy and Procedure, which sets the standard to ensure the sustainable and safe management of unmaintained and unconstructed roads within the region.
- Achieved practical completion of on-ground works for the 2024 flood restoration program and substantially closed out 16 funding submissions with the Queensland Reconstruction Authority.
- Completed all 17 funding submissions to the Queensland Reconstruction Authority for the 2025 flood restoration program and achieved 40 per cent practical completion of on-ground works.
- Secured $15 million through the Queensland Betterment Funding for the Laidley Flood Mitigation Project, executed the project funding schedule and received an initial payment of $4.5 million.
- Completed road rehabilitation works on John Street South, Laidley.
- Completed 40.94 kilometres of bitumen resealing and asphalt resurfacing on 73 of the region's roads.

A development assessment process that delivers quality development consistent with legislation, best practice and community expectations

- Managed a substantial volume of residential, industrial and commercial development applications while maintaining compliance and development monitoring programs.
- Approved major residential developments that support future housing supply and population growth in the region.

Regional collaboration and targeted advocacy that drive external funding for the timely delivery of key infrastructure and enhanced community outcomes

- Supported projects funded through the Residential Activation Fund, SEQ City Deal and Resilient Rivers programs.
- Continued collaboration with state agencies, COMSEQ, Seqwater and other partners on major projects.

An integrated approach to planning all communities that strengthens local identity and lifestyle

- Endorsed the Grantham Structure Plan and authorised its use to advocate for the inclusion of identified land in the South East Queensland Regional Plan's urban footprint to support critical flood-resilient infrastructure.

Lockyer Leadership and Council

Lockyer Leadership: Our leaders are visionary and seek coordinated outcomes for the benefit of the whole community.

Lockyer Council: We are a well-managed, transparent and accountable organisation that gives the community confidence, demonstrates financial sustainability, delivers services that satisfy customers and provides a workplace where employees are proud to work.

6
STATE LAND APPLICATIONS PROCESSED

$37.71M
REVENUE RECEIVED FROM EXTERNAL FUNDING

427
ORGANISATIONAL DEVELOPMENT TRAINING EVENTS CONDUCTED

194
RECRUITMENT CAMPAIGNS CONDUCTED

161,302
VISITS TO COUNCIL'S CORPORATE WEBSITE

772
SOCIAL MEDIA POSTS PUBLISHED

205
MEDIA RELEASES DISTRIBUTED

302
CORPORATE DESIGN PROJECTS COMPLETED WITH 741 DESIGNS CREATED

24,090
CALLS RECEIVED BY CALL CENTRE

86.02%
CALLS RESPONDED TO AT FIRST CONTACT

13,538
CUSTOMER REQUESTS RECEIVED

8626
CUSTOMER REQUESTS COMPLETED

34
POLICIES REVIEWED AND APPROVED

27
PROCEDURES & GUIDELINES REVIEWED AND APPROVED

6876
INFORMATION COMMUNICATION TECHNOLOGY SERVICE REQUESTS CLOSED

9276
CCTV REVIEWS AND REQUESTS

9
RIGHT TO INFORMATION APPLICATIONS RECEIVED

9
RIGHT TO INFORMATION APPLICATIONS ADDRESSED/COMPLETED

27,035
MAIL/EMAIL ITEMS PROCESSED

5629
PHYSICAL FILES DISPOSED OF

280
EMPLOYEES ATTENDED 12 ONE TEAM, ONE COUNCIL WORKSHOPS

10
WELLBEING INITIATIVES DELIVERED

Undertake robust and accountable financial, resource and infrastructure planning and management to ensure affordable and sustainable outcomes for our community

- Finalised the rationalisation of land project and completed land sales and amalgamations at Regency Downs, Laidley, Laidley Heights, Forest Hill and Grantham. Identified retention and disposal pathways for a further three parcels of land and approved the reconfiguration of the land formerly used as the Laidley Council Depot.
- Developed an initial draft contract management framework and supporting documentation for review.
- Delivered 23 formal training sessions on procurement processes and requirements.
- Determined the framework for Council's next corporate plan and commenced the development of the project plan for its delivery.
- Managed Council's external funding programs with more than $134 million in funded projects being actively monitored and reported.
- Continued management of Council's infrastructure charges program and conducted an internal audit review of the infrastructure charging process to improve collection and application of the charges.

Excellence in customer service

- Continued implementation of the TechnologyOne Customer Request Management (CiA) solution to improve customer interactions and streamline service delivery.
- Expanded customer access channels through webchat, Queensland Government Agent Program (QGAP) and customer request management improvements.

Actively engage with the community to inform Council decision-making processes and communicate the decisions made

- Undertook community consultation and stakeholder engagement on planning, heritage, environmental and development matters.
- Maintained strong community engagement through targeted consultations, community events and programs, and public information initiatives.

Commit to open and accountable governance to ensure community confidence and trust

- Delivered Council's audit and risk management function, including four Audit and Risk Management Committee meetings, completion of three internal audit reviews and closure of 21 recommendations from internal and external audits.
- Strengthened corporate risk oversight through the adoption of a new Corporate Risk Management Policy and Risk Appetite Statement and commenced implementation of the revised Corporate Risk Management Framework.
- Maintained and improved Council's Policy Register through a comprehensive review and update program, ensuring all statutory policies were current.
- Developed a Data Breach Policy and Information Asset Register to support compliance with Queensland privacy legislation and strengthen information governance.
- Continued management of complaints, right to information requests and governance obligations through established reporting and review processes.

Promote a values-based culture that appreciates and empowers its workforce

- Completed the Employee Pulse Survey, which received 156 responses and gave employees the opportunity to provide guided feedback on the organisation's culture. The survey reported a positive trend in average scores.
- Delivered 12 "One Team, One Council" sessions involving 280 employees to identify priorities for improving Council's culture. The priorities were retention and recognition, training and development, and communication and information sharing.
- The Psychosocial Hazard Management Plan and recommended controls were produced, management consultation completed and branch-level risk treatments selected for WHS Risk Registers.
- Supported employee wellbeing initiatives including participation in the Queensland Corporate Games and annual employee wellbeing activities.
- Commenced formal enterprise bargaining with union and Council claims submitted and scheduled bargaining meetings conducted.

Provide leadership and contemporary management systems that drive a coordinated and connected organisation

- Delivered a significant number of successful recruitment campaigns, including filling critical technical and specialist positions.
- The sixth cohort of Council officers completed the Leadership Development Program.
- Delivered Council's annual corporate training program, including extensive governance, safety, disaster management and cyber security training.
- Embedded contemporary management practices through the development of the Business Continuity and Crisis Management Policy and supporting framework and commenced implementation.

Maintain compliance with relevant legislation

- Completed Council's annual Work Health and Safety Program, including the hazard inspection program, monthly action plans and toolbox talks.
- Progressed mandatory preparations for implementation of the Information Privacy and Other Legislation Act requirements.
- Undertook ongoing records management, disposal and information governance activities in accordance with legislative obligations.

Deliver reliable internal support services

- Advanced Council's cyber security maturity under the Essential Eight Maturity Model and renewed its web and email security platforms.
- Progressed the transition of Council's Property and Rating software program in CiAnywhere by completing system designs and user acceptance testing.
- Achieved consistent ICT systems network availability between 99.99 per cent and 100 per cent, with minimal outages experienced.
- Detected and blocked hundreds of emails and web-based threats to Council's ICT infrastructure.

Grants to Community Organisations

Council actively assists community organisations to implement projects and activities that benefit the Lockyer Valley community. The grants and assistance provided by Council help community organisations and individuals meet community needs, improve community skills and resilience, and develop and maintain community facilities.

Community Grants and Assistance:

The following grants were made to community organisations during the 2025-26 financial year in accordance with Council's Community Grants and Assistance Policy and Procedure.



Category 1 - Major Community Grants Program		ROUND 1
Organisation	**Project Description**	**Amount**
Corporation of the Trustees of the Roman Catholic Archdiocese of Brisbane – Parish Grants	Community First Aid – Our Lady of the Valley, Gatton Laidley Parish	$4000
Crime Stoppers Queensland Limited	Administration and marketing	$1042
Lockyer Information and Neighbourhood Centre trading as Community Centre	Valley Fest 2026	$4000
Lockyer Race Club	Race Club Digital Meeting Room	$4000
Lockyer Valley Netball Association Inc.	Equipment upgrade to support hard-court redevelopment	$1927
Mulgowie Public Hall Association Incorporated	Visual display and office equipment	$4000
Returned and Services League of Australia (Queensland Branch) Laidley Sub-Branch Inc.	Purchase of security cameras	$3500
Steve Jones Community Men's Shed Inc.	Purchase of a defibrillator	$3140
Withcott and District Progress Association Inc.	STEM Sprouts – Withcott and District STEM and Robotics Initiative	$3200
Withcott Scout Group - The Scout Association of Australia Queensland Branch Inc.	Whitegoods upgrade – supporting safe, practical life skills for local youth	$3951
University of Queensland, Gatton Rugby Union Club Inc.	Clubhouse and deck rejuvenation	$2239

Category 1 - Major Community Grants Program		ROUND 2
Organisation	**Project Description**	**Amount**
Back to the Bush Koalas Ltd.	Koala fodder upkeep trailer	$4000
Gatton Swimming Club Inc.	Purchase of shade for Gatton Pool	$4000
Hatton Vale and District Pony Club Inc.	Equipment trailer	$3500
Laidley District Cricket Club	FrogBox live-streaming equipment and additional video equipment	$4000
Laidley Garden Club Inc.	Equipment upgrade	$2000
Laidley Golf Club Inc.	Fairway refresh, clubhouse hydration and ice infrastructure project	$2420
Laidley Recreation Reserve Sports Association Inc.	Upgrade of the public address system	$4000
Lockyer Valley Fish Restocking Association Inc.	Community involvement project	$1650
Promising Paws Inc.	Shelter renovations	$4000
Ropehill Community Sports Centre Inc.	Installation of security cameras	$3981
Withcott Football Club Inc.	Purchase of a point-of-sale system and freezer	$1448
Total for both rounds		**$70,000**

Category 2 - Minor Community Grants Program

Organisation	Project Description	Amount
Lockyer Valley Navy Cadets	Purchase of a trophy for the “First Mate” award	$250
Gatton State School	100-Kilometre Club	$250
Darling Downs Harness Racing Club	Grass harness racing meeting in Gatton	$800
Veterans Support Centre Lockyer/ Brisbane Valley	Purchase of a small garden shed	$1000
Special Children’s Christmas Party	2025 SEQ Special Children's Party	$300
Gatton Kindergarten Association Inc.	2025 Bike-A-Thon	$250
Gatton Lapidary Club	Brochure printing	$250
Gatton Swimming Club Inc.	Australia Day 800m Classic Race	$500
Withcott Scout Group	Cooby Dam scout trip	$800
Boccia Australia	Boccia facilitator honorarium	$560
Laidley & District Historical Society Inc.	Children's book printing	$717
Lockyer District Dancing Festival Inc.	Lockyer District Dancing Festival	$150
Reining Queensland Inc.	PCRS 2026 Event	$800
UQ Intercollegiate Meat Judging Association	Travel costs to attend the national competition in Wagga Wagga	$600
Total		**$7227.00**

Category 3 - Ambassador Support and School Dux Bursary

Award Description	No. of Recipient/Recipients	Amount
Ambassador Support - State Event	66 ($150 each)	$9900
Ambassador Support – National Event (held in QLD)	6 total - 5 national level in Qld at $200 (post grant level adjustment) and 1 national level in Qld at $50 (post state representation)	$1050
Ambassador Support – National Event (held interstate)	7 total - 6 national level interstate at $250 (post grant level adjustment) and 1 national level interstate at $100 (post state representation)	$1600
Ambassador Support – International Event (held overseas)	4 total - 1 int overseas at $600 (post grant level adjustment), 1 int overseas at $500 (pre grant level adjustment), 2 int overseas at $400 (remaining post national in Qld representation)	$1900
School Dux Award	Laidley State High School	$1000
School Dux Award	Lockyer District High School	$1000
School Dux Award	Faith Lutheran College Dux	$1000
School Dux Award	Sophia College	$500
Total		**$17,950.00**

Category 4 – Event Assistance (this does not include in-kind assistance)

Organisation	Event Supported	Amount
Lockyer Chamber of Commerce, Industry and Tourism	Laidley Christmas Carnival	$2000
Forest Hill Festivities Association Inc.	Forest Hill Christmas Festivities	$2000
Laidley District Historical Society Inc.	Australia Day Community Event and Lockyer Valley Heritage Festival	$3000
Gatton and District Historical Society	Lockyer Valley Heritage Festival	$2000
Friends of Das Neumann Haus Inc	Lockyer Valley Heritage Festival	$2000
Lights on the Hill Trucking Memorial Inc	Lights on the Hill Memorial Convoy	$10000
Lockyer Light Horse Troop Inc -	Second Light Horse Lockyer Troop Event	$1000
Clydesdale & Heavy Horse Field Days Association	Clydesdale and Heavy Horse Field Days	$4000
Laidley Show Society	Laidley Show Assistance	$4500
Gatton Show Society	Gatton Show Assistance	$16481
Wirrinyah Gurrnung Aboriginal Corporation	NAIDOC	$600
Gatton & Districts Council on the Ageing (COTA)	Seniors Week Activities	$4200
Total		**$51,780.55**

Category 5 – Rate Rebates and Remissions

Organisation	Property ID	Amount
No individual rate rebates or remissions were directly granted under the Community Grants and Assistance Policy and Procedure. All rebates and remissions were granted by resolution of Council or in accordance with Council’s Hardship Policy. Eligibility for and application of pensioner concessions were administered in accordance with Council’s Revenue Statement.		

Category 6 - School Chaplaincy

	Amount
Gatton State School	$1375
Lockyer District High School	$1375
Laidley State High School	$2750
Total	**$5500**

Category 7 - Public Halls Assistance	
	Amount
Forest Hill School of Arts	$2500
Blenheim Public Hall	$2500
Mulgowie Public Hall	$2500
Glenore Grove Public Hall	$2500
Lockyer Waters Public Hall	$2500
Ma Ma Creek Community Centre	$2500
Fordsdale School of Arts	$2500
Murphys Creek Community Centre	$2500
Junction View Public Hall	$2500
Stockyard Creek Community Hall	$2500
Postmans Ridge Pioneers Memorial Hall	$2500
Gatton Senior Citizens Centre	$2500
Ingoldsby Recreation Hall	$2500
Steve Jones Community Centre	$2500
Total	**$35,000**

Category 8 - ANZAC Day Remembrance	
	Amount
Gatton RSL	$2500
Laidley RSL	$2500
Helidon RSL	$1000
Withcott Progress Association	$600
Grantham/Ma Ma Creek RSL	$400
Murphys Creek Progress Association	$400
Total	**$7400**

Category 9 – Community Environment Grant	
	Amount
Lockyer Uplands Catchments Inc	$4,000
Withcott Scout Group	$4994.41
Total	**$8994.41**

Category 10 - Community Sporting Complex	
	Amount
Bichel Oval	$23,339.80
Cahill Park Sports Complex	$115,817.12
Ropehill Sporting Complex	$40,000
Withcott Soccer Club	$6000
Gatton Campdraft Grounds	$6000
Total	**$191,156.92**

Regional Arts Development Fund (RADF)

The Regional Arts Development Fund is a partnership between the Queensland Government and Council that supports local arts and culture in the region.

Funding was distributed to the following recipients during the 2025-26 financial year.

Organisation/Recipient	Project Title	Amount
Lockyer Regional Performing Arts Inc.	Joseph and the Amazing Technicolour Dreamcoat	$5838
N Barros	Beginner Alcohol Ink Workshops – Colour, Flow & Creative Confidence	$2170
C Wigg	Oh MG Community Activities	$4592
N Moorhead	Mapplethorpesque – Creative Development	$5498
T Schaeper	Creative Craft Classes for Beginners	$2304
ImmersionArts	Watercolour/Gouache Immersion: Nature, Mindfulness and Creative Confidence	$1350
Lockyer Community Centre	Voices of the Valley	$11450
Noosa Film Academy	Every Age, Every Voice: Inclusive Intergenerational Digital Storytelling and Community Celebration	$6000
V Castiglione	Honorary Doctorate in Arts and Culture – IAU Madrid	$500
L Ballschmieter	Aussie Quick Quilt Quilting Workshop	$5500
S Hogarth	Country in Steel: Cultural Learning Through Contemporary Aboriginal Metal Art	$2500
Griffith University / Dr Philp	Writing the Lockyer Valley: Creative Writing Workshops and Literary Salon	$2879
C Thomson	Library Loops – Hip-Hop Music Workshops	$2900
Total		**$53,531**

Fee Waivers - Council Facilities

Fee waivers for the use of Council's facilities during the 2025-26 financial year were granted at a total cost of $129,116.27.

Discretionary Funds

Section 109 of the *Local Government Act 2009* defines discretionary funds as funds in the local government's operating fund that are: budgeted for community purposes; and allocated by a Councillor at the Councillor's discretion.

Council did not establish any discretionary funds for the 2025-26 financial year.

Complaints Management

Councillor Conduct Complaints

Section 186(d) of the *Local Government Regulation 2012* states that a local government must include particulars of complaints associated with councillor conduct as detailed below:

Reporting Requirement	No. of Items
Complaints referred to the assessor under section 150P(2)(a) of the *Local Government Act* by local government entities for the local government	0
Matters, mentioned in section 150P(3) of the *Local Government Act*, notified to the Crime and Corruption Commission	0
Notices given under section 150R(3) of the *Local Government Act*	0

Complaints Management System

Council receives a variety of complaints that are managed through Council's Complaints Management System. This includes administrative action complaints, staff conduct complaints, information privacy complaints and human rights complaints.

The number of complaints received and managed during the 2025-26 financial year did increase from the 2024-25 financial year, however, is reflective of the number of complaints received during the two prior financial years. No human rights or information privacy complaints were received during the 2025-26 financial year.

Council is committed to dealing fairly with all complaints by receiving, investigating, responding to and reviewing such complaints in a professional and cost-effective manner. All complaints managed through Council's Complaints Management System are recorded in the Complaints Register.

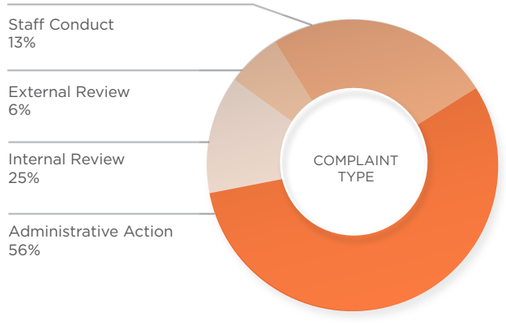
Regular reporting occurred during the 2025-26 financial year:

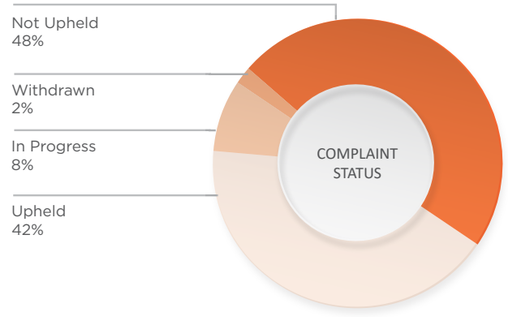
- Monthly to Council through the Group Manager People, Customer and Corporate Services' monthly report; and
- Quarterly to the Executive Leadership Team and Council's Audit and Risk Management Committee.

This report assists Council and senior management to identify trends and improve service delivery.

The review of Council's Complaints Management Policy and Procedure is also progressing to provide clearer guidance on how the different types of complaints that Council receives are managed. It is intended that the overarching Complaints Management Policy will be supported by a number of separate procedures to better reflect the different statutory requirements and external review pathways available depending on the type of complaint being managed. This is expected to provide better clarity for complainants as well as staff dealing with complaints.

The following charts provide an overview of the types of complaints received and managed during the 2025-26 financial year and the status:





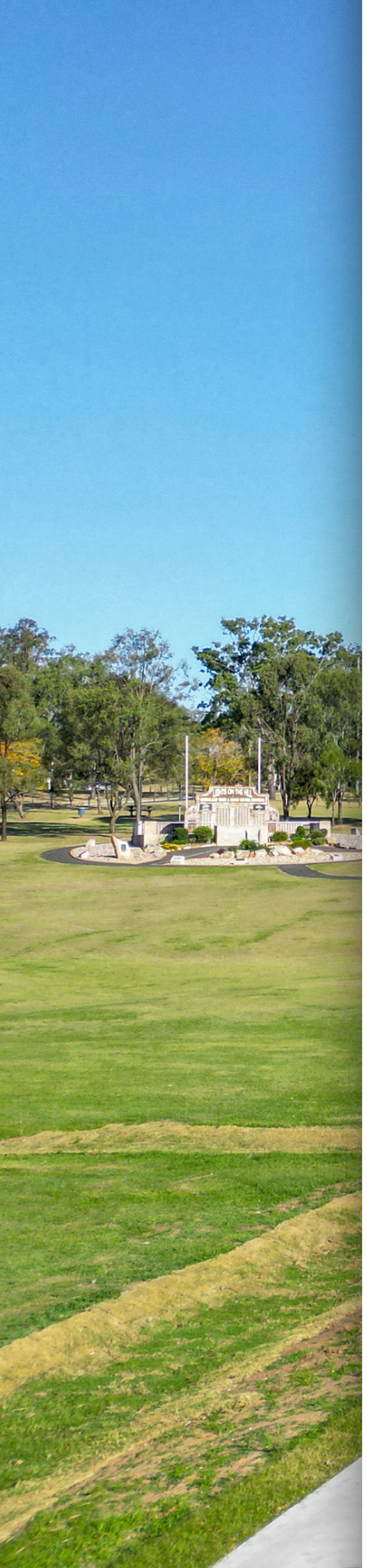
Administrative Action Complaints

The majority of administrative action complaints managed during the 2025-26 financial year related to roads and drainage matters. However, Council does still continue to receive a significant number of complaints about development compliance matters.

The number of complaints proceeding to internal review has increased, but only one of these matters was partially upheld. A similar number of requests for external review were sought when compared to the 2024-25 financial year, however none of these were upheld. This indicates that Council continues to respond well to complaints it receives.

Administrative action complaints 2025-26 Reportable items under section 187 of the *Local Government Regulation 2012*	
REPORTABLE ITEM	**NUMBER**
Number of administrative action complaints received during 2025-26	43
Number of administrative action complaints resolved (completed) during 2025-26	44*
Number of complaints still in progress/unresolved	4
Number of administrative action complaints not resolved (completed) by Council that were made in the previous financial year (2024-25)	0

**Figure includes complaints received in previous financial years but completed during 2025-26.*



Other Statutory Content

This section of the Annual Report 2025-26 outlines the remaining content Council is legislatively required to report on in accordance with the *Local Government Regulation 2012*.

Audit and Risk Management Committee

Council's Audit and Risk Management Committee (ARMC) was established in accordance with section 105(2) of the *Local Government Act 2009*.

The role of the ARMC is to provide assurance and assistance to Council on its risk, control and compliance frameworks along with Council's external accountability responsibilities as prescribed in the *Local Government Act 2009* and the *Local Government Regulation 2012*.

Council's ARMC Charter outlines the role, responsibilities, composition and operating guidelines of the ARMC in accordance with the *Local Government Act 2009* and *Local Government Regulation 2012*. Membership of the ARMC consists of three independent members, one of whom is appointed as Chair, and two Councillors.

During the 2025-26 financial year, the ARMC continued to provide independent assurance and advice to Council on governance, risk management, internal control, financial reporting and audit matters. Key achievements included progressing implementation of Council's Corporate Risk Management Framework and Risk Appetite Statement, endorsing Council's revised three-year Internal Audit Plan, overseeing internal and external audit activities, monitoring enhancements to business continuity and cyber security capabilities, reviewing annual financial statements and endorsing the completion of 21 audit recommendations. These activities contributed to strengthening Council's governance, accountability and organisational resilience.

Internal Audit

As prescribed in section 105(1) of the *Local Government Act 2009* Council has established an internal audit function. The delivery of the internal audit function is guided by the Internal Audit Charter.

The responsibilities and activities of internal audit are detailed in Council's three-year Internal Audit Plan, which undergoes an annual review by management, the Audit and Risk Management Committee (ARMC), and Council. The activities included in the Plan are performed by a qualified internal audit consultant on a wholly outsourced basis. For the 2025-26 financial year, O'Connor Marsden and Associates provided this service.

Internal audit projects conducted during the financial year include:

- Annual internal audit planning with management and the ARMC
- Review of outstanding audit recommendations, (21 outstanding internal audit recommendations were verified as completed and closed)
- Finalised review of records management
- Review of customer request management
- Review of infrastructure charges
- Review of grants (external funding) management processes (commenced)

A review of the performance of the work performed by Internal Audit in accordance with s.207(3) of the *Local Government Regulation 2012* was conducted by the Audit and Risk Management Committee on 30 March 2026, with the findings presented to Council on 20 May 2026.

While Council is statutorily required to have an internal audit function and plan, the primary objective of this function is to enhance and add value to Council's operations.



Particular Financial Contributions Under the Planning Act

Section 189A of the *Local Government Regulation 2012* states that Council must include the following financial contributions under the Planning Act.

The total amount of financial contributions made to Council in the financial year under:

- A community benefit agreement under the Planning Act.
- A condition of a development approval imposed under section 65AA(3) of the Planning Act.
- A condition of a development imposed under a direction of the planning chief executive under section 106ZF(2) of the Planning Act.
- An agreement mentioned in section 65AA(7) of the Planning Act.

Council did not receive any financial contributions or incur any expenditure under the specified sections of the Planning Act.

Procurement (including invitations to change tenders)

Council awarded six tenders during the 2025-26 financial year and are listed in the table below:

Contact No. and Name	Supplier	Total Contract Value (incl. GST)
LVRC-24-052 Employee Uniforms and PPE	Infinity Workwear and Taylor Safety	$445,830.00
LVRC-24-108 Vegetation and Pest Management Panel	2K Pasture Management & Consulting; Biodiversity; CGB Environmental; ECOllaboration; Environmental Management Unit; Evolve Environmental Solutions Pty Ltd Invasive Plant & Animal Serv; Pest Animal Management Qld; ReconEco; Redleaf Projects; Sports Turf Serv; Sams Tree Serv; Aust Environmental L-scapes; Treebiz; All Terrain; Treescapes; Yarramine	Limited by budgets
LVRC-25-006 Recyclables Processing Services	Re.Cycle (Sunshine Coast) Pty Ltd	$551,680.00
LVRC-25-011 Security Services	Brisbane Valley Security Services (QLD) Pty Ltd	$242,249.70
LVRC-25-039 Public Art	Christopher Trotter	$272,305.00
LVRC-25-046 Green Waste Processing	Ironjack Recycling Pty Ltd	$473,000.00

Council did not issue any invitations to change any tenders under section 228(8) of the *Local Government Regulation 2012* during the 2025-26 financial year.

Registers Maintained

Section 190(f) of the *Local Government Regulation 2012* states that Council must include a list of registers kept by Council. A list of such register is included below:

- Asset Registers
- Audit Recommendations Register
- Complaints Management System Register
- Contracts Register
- Councillor Conduct Register
- Employee Conflict of Interest Declaration Register
- Employee Gift Declaration Register
- Information, Communication and Technology Registers
- Information Asset Register
- Fraud and Corruption Allegation Register
- Grants Register
- Land Record
- Lobbyist Register
- Local Law Compliance specific registers – infringement register, animal impound register, vehicle impound register, lost and found animal registers
- Loss Register
- Procurement Non-Conformance Register
- Procurement Exemptions Register
- QLeave Register
- Recommendations Implementation Register – Disaster Management Reviews and Inquiries
- Register of Administrative Delegations
- Register of Councillor and Senior Management Interests
- Register of Councillor Conflict of Interest Declarations at Council Meetings
- Register of Delegations by Council
- Register of Delegations by the Chief Executive Officer
- Register of Financial Delegations
- Register of General Charges and Regulatory Fees
- Register of Infrastructure Charges Audits
- Register of Local Laws and Subordinate Local Laws
- Register Policy, Procedure and Guidelines
- Register of Related Parties
- Register of Roads
- Risk Registers (Strategic, Operational and Project)
- Tenure Register
- Work Health and Safety specific registers – non-conformance register, internal and external issues register, interested parties register, legal and other requirements register, elected health and safety representative registers, first aid officers register, emergency control team register, electrical equipment register and confined space register



Special Rates and Charges

Included below is a list of levies and special charges issued by Council for the 2025-26 financial year:

- Emergency Preparedness Levy
- Environmental Levy
- Resilient Rivers Initiative Levy

Council was not supplied with any services, facilities or activities by another local government under any agreements or joint activities for which any of these special rates or charges were levied.

SUMMARY OF COUNCIL CONCESSIONS FOR RATES AND CHARGES

Council's adopted Revenue Statement for the 2025-26 financial year provided the following concessions for rates and charges.

GENERAL RATE CONCESSION

Two properties were granted general rate concessions during the 2025-26 financial year by Council resolution. One property was granted a 100 per cent concession of the general rates.

PENSIONER RATE CONCESSION BY COUNCIL

For eligible pensioners to receive a differential general rate rebate on their principal place of residence. Full pension recipients are eligible for a rebate of up to $30 per rateable assessment each half-year, while part pension recipients are eligible for a rebate of up to $15 per rateable assessment each half-year. Applicants must satisfy Council's ownership, residency, rates liability and concession card eligibility requirements. Only one rebate, being the higher applicable amount, may be granted per rateable assessment in each half-year period.

HARDSHIP CONCESSION

Concessions on the Rural Fire Levy, Waste Management Charge, Environmental Levy, Resilient Rivers Initiative Levy and Emergency Preparedness Levy, were eligible for properties used under a permit to occupy, for water storage or as pump sites where payment of the charges would cause hardship to the property owner.

Council also adopted a Hardship Policy for the 2025-26 financial year to provide assistance and options to property owners experiencing difficulties in paying Council rates and charges and other related fees and charges due to financial hardship under the following categories:

- Category One – Rates and Charges Serious Financial Hardship - Rates and Charges (Residential)
- Category Two – Financial Hardship due to Declared Natural Disaster (Drought, Flood, Fire, Health Pandemic - Rates and Charges (Short Term)
- Category Three - Other Financial Hardship Applications due to financial hardship (Drought, Flood, Fire, Health Pandemic and other Declared Natural Disasters – Other Financial Obligations (Short Term).

Eligibility, types of assistance and requirements for the assessment of each of these categories are outlined in the Hardship Policy along with how applications are assessed and concessions granted.

CONCESSIONS FOR NON-PROFIT OR ARTS/CULTURAL DEVELOPMENT ENTITIES

Differential general rate concessions of up to 100 per cent were provided for eligible not-for-profit organisations and entities that promote arts and cultural development. These concessions supported organisations that contribute to community wellbeing, social cohesion and cultural enrichment across the region.

CONCESSION FOR LAND THAT IS SUBJECT TO MINING TENURES

Concessions on the Rural Fire Levy, Waste Management Charge, Environmental Levy, Resilient Rivers Initiative Levy and Emergency Preparedness Levy were provided for eligible properties subject to greenhouse gas (GHG), mining or petroleum tenures.

ALLOWANCE OF EARLY PAYMENT DISCOUNT FOR LATE PAYMENTS

The retention of early payment discounts is available in exceptional circumstances where property owners were prevented from paying rates and charges by the due date due to circumstances beyond their control. Applications were assessed on a case-by-case basis and required supporting evidence, full payment of outstanding rates and charges, and consideration of the property owner's payment history. Requests arising from administrative oversights, including failure to maintain current contact or delivery details with Council, were not eligible for consideration.



Beneficial Enterprises

Section 39(3) of the *Local Government Act 2009* defines a beneficial enterprise as an enterprise that a local government considers it is directed to benefit, and can reasonably be expected to benefit, the whole or part of its local government area.

Additionally, section 39(4) of the *Local Government Act 2009* identifies that a local government is conducting a beneficial enterprise if the local government is engaging in, or helping, the beneficial enterprise.

During the 2025-26 financial year, Council participated in the Lockyer Valley and Somerset Water Collaborative which established the Lockyer Somerset Water Company Ltd (LS Water) to progress the Water for the Lockyer Security Scheme.

Significant Business Activities and Competitive Neutrality

Section 43(4) of the *Local Government Act 2009* defines a significant business activity as a business activity conducted by a local government in competition, or potential competition, with the private sector and that meets the prescribed threshold under regulation.

During the 2025–26 financial year, Council conducted one significant business activity, being Waste Management. Waste Management was not conducted as a significant business activity during the 2024–25 financial year. Accordingly, 2025–26 is the first year in which Waste Management has been classified as a significant business activity.

As this is the first year that Waste Management has been conducted as a significant business activity, the competitive neutrality principle was not applied during 2025–26. Council intends to undertake a public benefit assessment during the 2026–27 financial year to determine the appropriate application of competitive neutrality principles.

Commercial Business Units

Council did not maintain any commercial business units during the 2025-26 financial year.

Our Financials

Community Financial Report

This Community Financial Report explains Council's financial statements in plain language. It is designed to help community members, business partners, customers and employees understand how Council performed financially.

It summarises Council's financial performance, financial position, cash movements and changes in net worth for the reporting period. The full audited financial statements are provided on page 90 of the annual report.

74 Our Finance at a Glance

75 How Council Performed Overall

Our Financial Position Now and into the Future 75
Financial Overview 79
Where Council's Income Came From 80
How Council Spent the Money 81
What Council Owned 82
What Council Owed 83
Our Debt 85
How Council's Net Worth Changed 85
How Cash Moved During the Year 85
Conclusion 88

Our Finance at a Glance

2026 Operating Result

$87.27M REVENUE − **$87.71M** EXPENSES = **$0.45M** DEFICIT

2026 Financial Position

$1095.51M ASSETS − **$77.69M** LIABILITIES = **$1017.82M** EQUITY

Key Highlights

$0M
COUNCIL'S DEBT

$65.76M
IN CASH AND INVESTMENTS

$41.63M
GRANTS, SUBSIDIES AND CONTRIBUTIONS RECOGNISED

CREDIT RATING AFFIRMED AS
moderate with a neutral outlook

$33.68M
SPENT ON CAPITAL INVESTMENT INCLUDING $26.90M ON THE RENEWAL OF ASSETS

Flood recovery, grant timing and delayed capital works CONTINUED TO AFFECT THE FINANCIAL RESULTS.

How Council Performed Overall

During 2025–26, Council continued to deliver essential services while strengthening its long-term financial position. Flood restoration and recovery work remained a major focus following significant rain events in 2021–22, January and February 2024, and March and May 2025.

Council repaid all outstanding debt in 2023–24 and remained debt free in 2025–26. Council's long-term forecast does not include new borrowings during the next 10 years. Council also delivered $33.68 million in capital works. Of this amount, $26.9 million renewed existing assets, including $22.62 million for roads and related infrastructure.

Our Financial Position Now and into the Future

The Queensland Government's Financial Management (Sustainability) Guideline sets the measures councils use to assess their financial sustainability. These measures help show whether a council can continue providing services and maintaining assets over the short and long term.

Council was required to report against nine financial sustainability measures for 2025–26. Based on a five-year average, Council met or performed better than the targets set by the Department of Local Government, Water and Volunteers for all nine measures.

Council's long-term financial forecast shows planned operating surpluses and indicates that Council expects to meet the State Government's sustainability targets through to 2035–36.

Please refer to the next page for the financial sustainability measures table.

Ratio	Explanation	Target	2025-2026	5Yr Average	Target Met	Comment
Council Controlled Revenue Ratio	Council controlled revenue is an indicator of a council's financial flexibility, ability to influence its operation income, and capacity to respond to unexpected financial shocks.	N/A	67.02%	67.62%	N/A	A higher council controlled revenue ratio indicates a stronger ability to generate operating revenue without relying on external sources. Councils with a high ratio generally have a healthy rate base and are better able to respond to unexpected financial obligations such as natural disaster recovery.
Population Growth Ratio	Population growth is a key driver of a council's operating income, service needs and infrastructure requirements into the future.	N/A	2.75%	1.9%	N/A	A growing council population indicates a greater capacity to generate its own source revenue through rates as well as statutory charges. Population growth also puts additional pressure on councils to invest in new community infrastructure to support service needs.
Operating Surplus Ratio	The operating surplus ratio is an indicator of the extent to which operating revenues generated cover operational expenses. Any operating surplus would be available for capital funding or other purposes.	> 0%	-0.51%	5.96%	✓	An operating surplus ratio above 0% is an indication that council is managing its finances within its existing funding envelope and generating surplus funds for capital funding or other purposes. An operating surplus ratio below 0% is an indication that a council's operating expenses exceed its revenue. An operating deficit in any one year is not a cause for concern if, over the long term, a council achieves a balanced operating result or small surplus. Operating deficits over the long term affect a council's ability to internally fund its capital requirements and other initiatives as and when they fall due, potentially requiring external funding support. Council has a negative operating surplus for the 2025-26 financial year due to the timing of the Lockyer Valley and Somerset Water Security Scheme grant. Council spent $5.29 million of these grants funds during the 2025-26 financial year, however, the grant funds were received in prior financial years.
Operating Cash Ratio	The operating cash ratio is a measure of a council's ability to cover its core operational expenses and generate a cash surplus excluding depreciation, amortisation and finance costs.	> 0%	18.67%	24.2%	✓	A positive operating cash ratio indicates Council is generating surplus cash from its core operations, which suggests that Council has the ability to self-fund its capital expenditure requirements.
Unrestricted Cash Expense Cover Ratio	The unrestricted cash expense cover ratio is an indicator of the unconstrained liquidity available to a council to meet ongoing and emergent financial demands which is a key component to solvency. It represents the number of months a council can continue operating based on currently monthly expenses.	> 3 mths	9.1 mths	N/A	✓	A higher unrestricted cash expense cover ratio indicates that a council has sufficient free cash available to contribute to the cost of future planned and unplanned expenditures such as infrastructure investment or disaster recovery. An excessively high ratio may be indicative of cash hoarding, poor cash management, or large upcoming capital investment requirements. A low ratio suggests limited unconstrained liquidity available to council to use for capital investment or in an emergency. For councils with efficient cash management practices and strong borrowing capacity, this is not a concern. Where a council also has a negative operating cash ratio, a very low and negative unrestricted cash expense cover ratio, it is an indicator of potential solvency concerns.
Asset Sustainability Ratio	The asset sustainability ratio approximates the extent to which the infrastructure assets managed by Council are being replaced as they reach the end of their useful lives.	> 80%	178.72%	185.35%	✓	An asset sustainability ratio close to 100% suggests that a council is spending enough on the renewal of its assets to compensate for the deterioration in its asset base as loosely proxied by its reported depreciation, with outcomes too far below this level being potentially indicative of underspending against capital replacement requirements. However, as this measure uses depreciation in lieu of more rigorous asset planning data, it does not account for councils with large investments in new capital assets such as those with strongly growing population bases. In these instances, a lower asset sustainability ratio is not of concern provided a council is meeting the capital needs of its current and future community.
Asset Consumption Ratio	The asset consumption ratio approximates the extent to which Council's infrastructure assets have been consumed compared to what it would cost to build a new asset with the same benefit to the community.	> 60%	70.73%	72.69%	✓	The minimum target of 60% indicates that a council's assets are being broadly consumed in line with their estimated useful lives. Councils with lower than target ratio will need to invest more in those assets (in terms of replacement or maintenance) to ensure they are maintained at a standard that will meet the needs of their communities. On the other hand, if the ratio is much higher than the target ratio, councils may need to revisit their asset management plans to assess their current service levels or whether their estimates of the assets' useful lives are appropriate.
Asset Renewal Funding Ratio	The asset renewal funding ratio measures the ability of a council to fund its projected infrastructure asset renewal/ replacements in the future.	N/A	90.76%	N/A	✓	Ideally, the asset renewal funding ratio should be as close to 100% as possible, as this indicates that a council is appropriately funding and delivering the entirety of its required capital program as outlined by its asset management plans. A ratio that is too far in excess of 100% indicates capital spending above and beyond what is proposed by a council's asset management plans. A ratio that is too far below 100% may indicate an underfunded capital program and therefore a potentially increasing infrastructure backlog and asset failures. Either scenario suggests a mismatch between a council's capital requirements and forecast capital program, whether due to poor planning and/or limited resources or skills to deliver the assets required by the community.
Leverage Ratio	The leverage ratio is an indicator of a council's ability to repay its existing debt. It measures the relative size of the council's debt to its operating performance.	0-3 times	0 times	0.3 times	✓	A higher leverage ratio indicates an increasingly limited capacity to support additional borrowings due to already high debt levels and/or decreasing operational performance, while a lower ratio indicates the opposite.



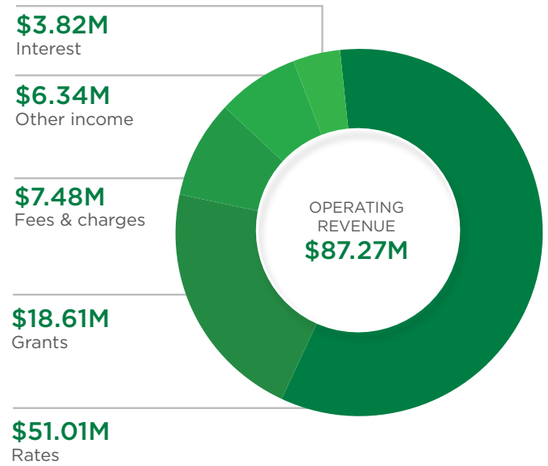
Financial Overview

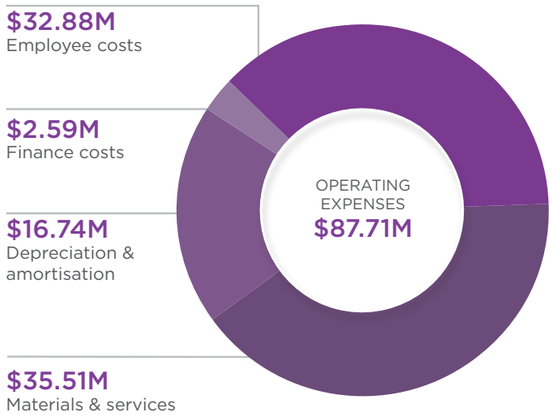
The Statement of Comprehensive Income, sometimes called the profit and loss statement, shows the income Council received and the expenses it incurred during the year. It explains whether Council received enough income to cover the cost of providing day-to-day services.

In 2025–26, Council recorded an operating deficit of $0.45 million. The timing of grant payments can affect this result because some grants are recognised as income when received, even when the related work will occur in the future financial year. In particular, the SEQ City Deal – Lockyer and Somerset Water Security Project, grant funding of $9.9 million was recognised in an earlier financial year, while the majority of project expenditure occurred during the 2025-26 year. Consequently, the operating result reflects a timing mismatch between revenue and expenditure rather than the underlying financial performance of Council.

Council will continue to manage its finances carefully so it can provide essential services and maintain community assets.

2025-26 Operating Revenue and Expenses





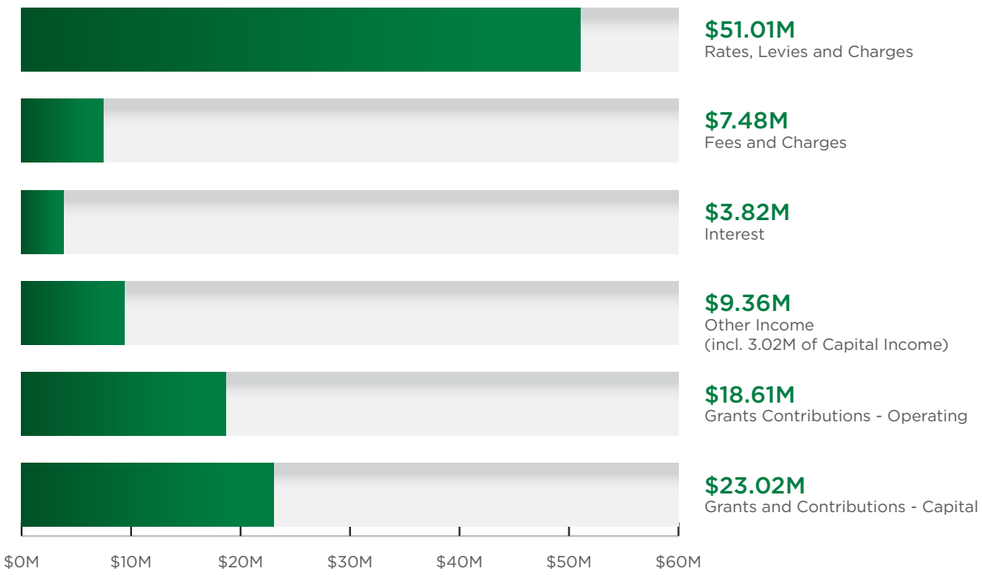
Where Council's Income Came From

In 2025–26, Council received $87.27 million in operating revenue and $26.04 million in capital revenue. Operating revenue helps fund day-to-day services. Capital revenue is mainly used to build, renew or upgrade assets.

Rates and charges remained Council's main source of income. Operating grants decreased due to a large water initiative grant in 2024-25.

Capital grants decreased compared with the previous year because less funding was recognised for flood reconstruction. Other capital grants supported roads and transport infrastructure, disaster resilience, community facilities and liveability projects. This external funding reduced the amount that needed to be funded from rates while supporting local services, infrastructure and economic activity.

Where Does the Money Come From?



How Council Spent the Money

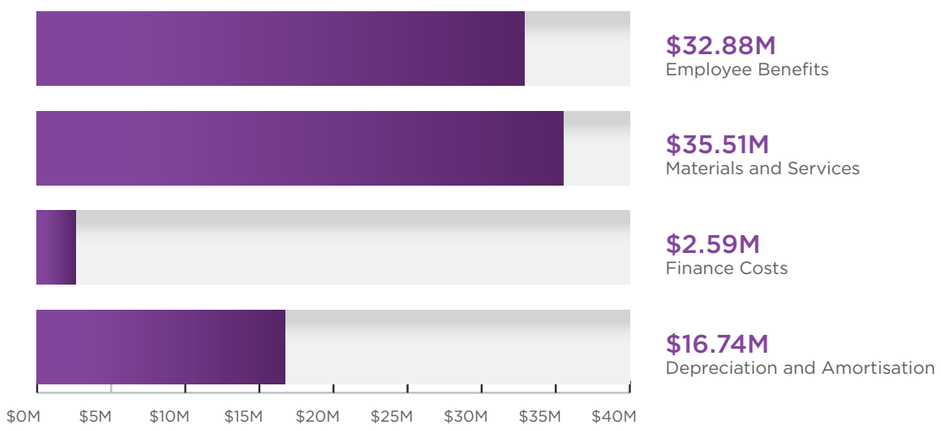
Council incurred expenses of $87.71 million on operating expenses and $2.69 million on capital activities in 2025-26. Operating expenses cover the day-to-day cost of delivering services. Capital expenditure pays for new, renewed or upgraded assets.

Operating expenses increased by $4.76 million. Employee costs rose because of wage increases and because Council filled more approved positions after recruitment challenges in a competitive labour market.

Depreciation and amortisation was $16.74 million. Depreciation is the estimated cost of Council's assets wearing out or being used over time. This expense has increased mainly because the replacement cost of infrastructure assets has risen. Council considers depreciation when planning how to fund future asset renewal.

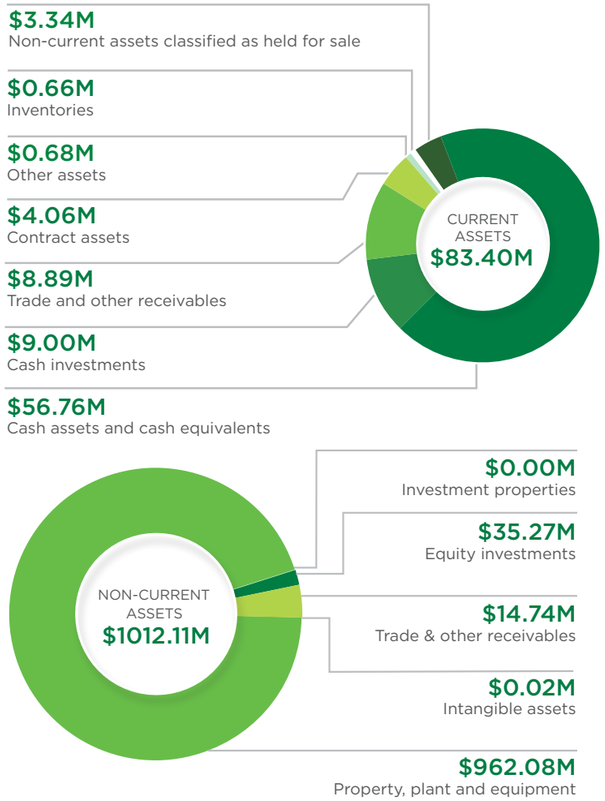
The Statement of Financial Position, sometimes called the balance sheet, shows what Council owned, what it owed and its net worth at the end of the financial year.

Where Does the Money Go?





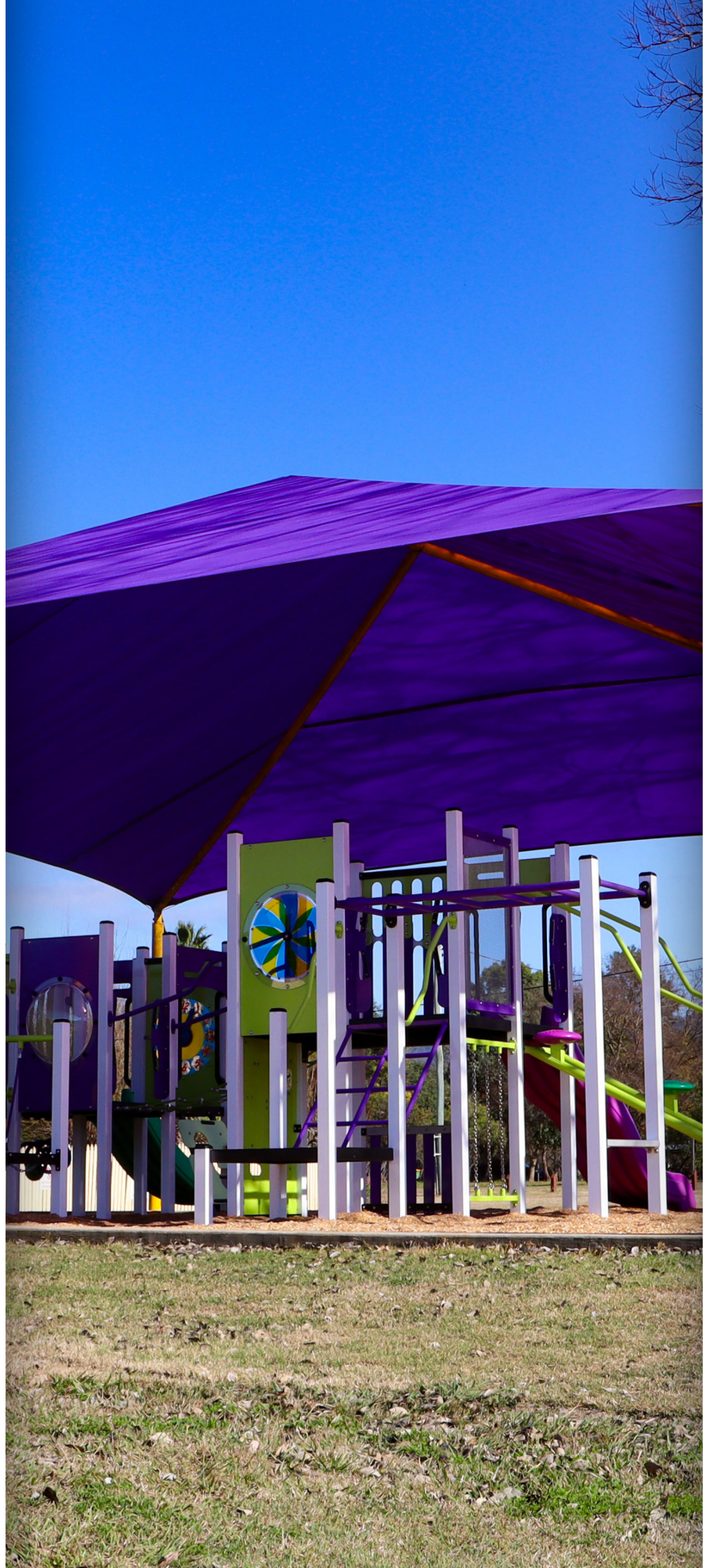
What Council Owned



Cash and investments increased by $5.3 million to $65.76 million at 30 June 2026, compared with $60.46 million a year earlier. The increase reflected operating cash inflows, grant timing and delays in parts of the capital works program. Some of this cash is committed to specific projects and is not available for other purposes.

The value of Council's long-term assets increased during the year. This mainly reflected asset revaluations and indexation of $73.92 million, together with $40.41 million in asset additions. The additions included $26.9 million spent renewing existing assets and $6.73 million in assets contributed by developers.

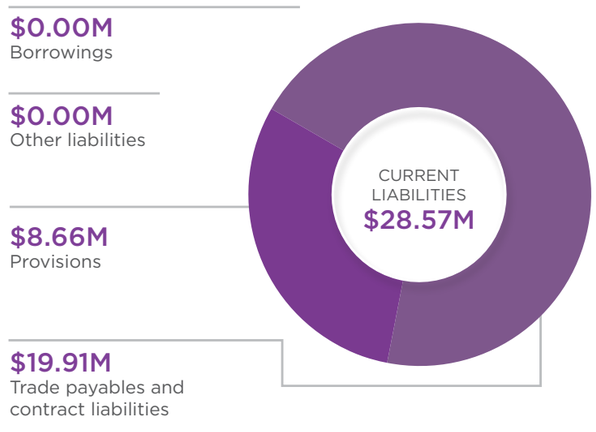
Council delivered $33.68 million in capital works and received a further $6.73 million in developer-contributed assets. Work still under construction at year end totalled $46.34 million. Of the $26.9 million spent renewing Council assets, $21.59 million related to transport infrastructure. Renewing assets helps keep roads, facilities and other infrastructure safe and serviceable.

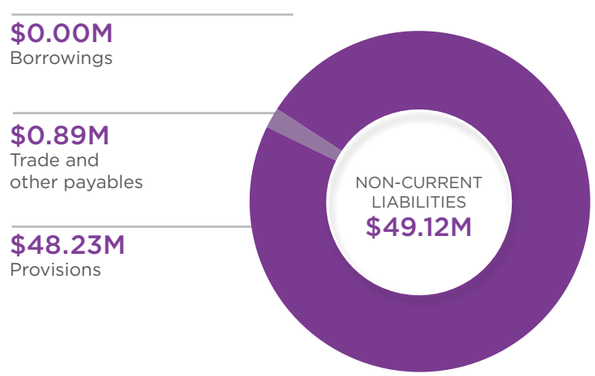


What Council Owed

Total liabilities increased, mainly because Council received more grant funding in advance for projects to be delivered later. In financial statements, these prepaid grants are recorded as contract liabilities until Council completes the related work. A large prepayment of $4.5 million was received for the Laidley Flood Mitigation Project.

Council's largest liability is the estimated future cost of rehabilitating and maintaining landfill and quarry sites in line with environmental requirements. Council reviews these estimates each year and adjusts them when needed.







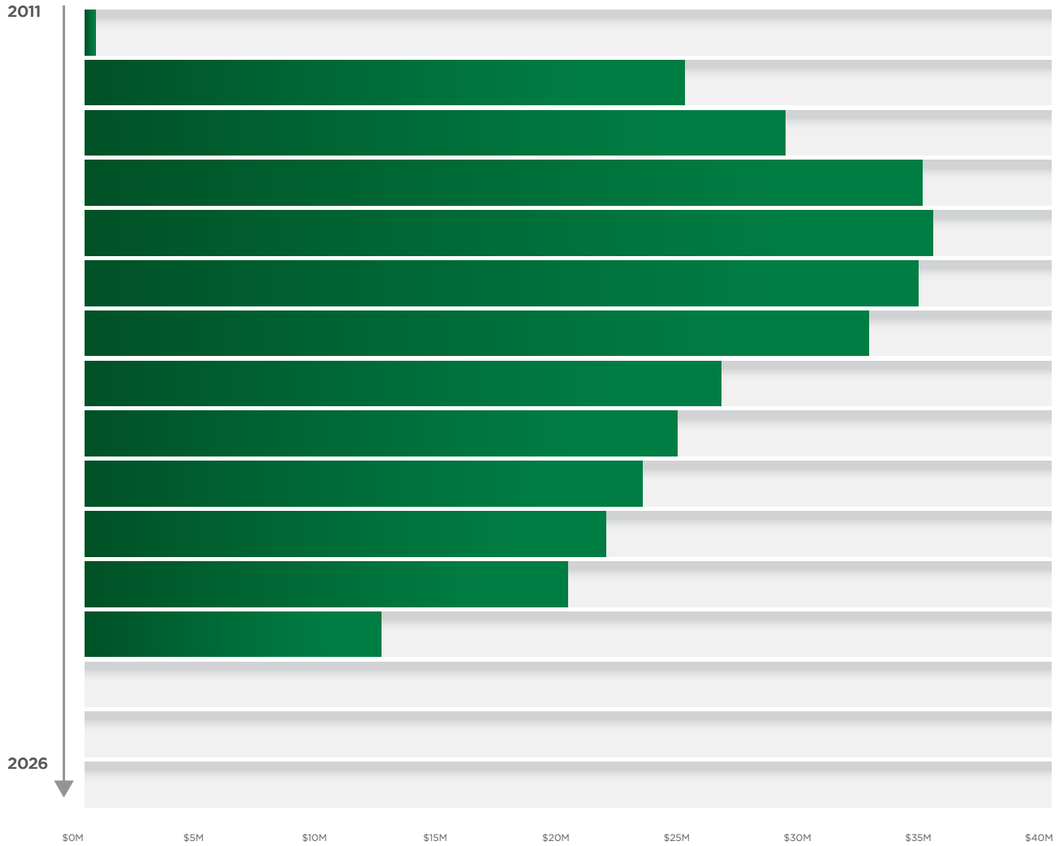
Our Debt

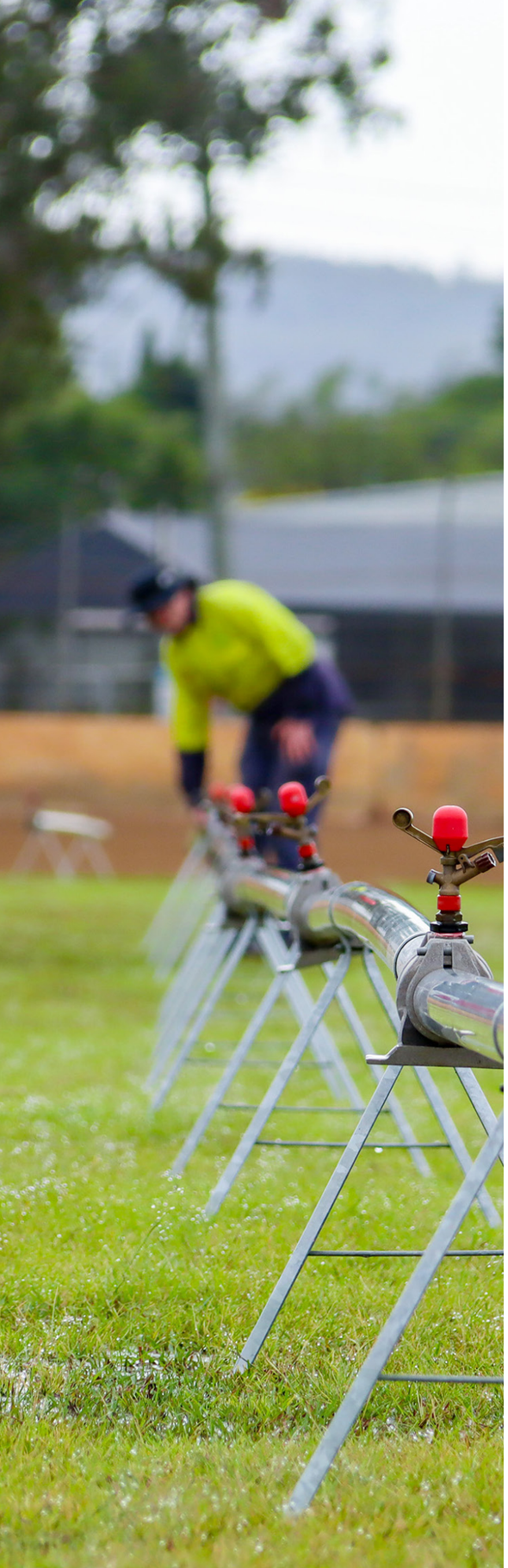
Council's Debt Policy supports responsible financial management:

- Council does not use borrowings to fund day-to-day operations.
- Council aims to fund asset renewals from operating cash and only considers borrowings for new or upgraded assets.

Council repaid all outstanding debt in 2023–24 and did not take out any new loans in 2025–26. This means Council was debt free at 30 June 2026.

Comparative Debt Levels





How Council's Net Worth Changed

The Statement of Changes in Equity shows movements in Council's net worth. Net worth is the value of what Council owns after deducting what it owes.

In 2025–26, Council's net worth increased by $96.82 million, or 10 per cent. The main contributor was a $73.92 million increase in the value of assets following revaluations and indexation.

At 30 June 2026, Council's total net worth was $1017.82 million.

How Cash Moved During the Year

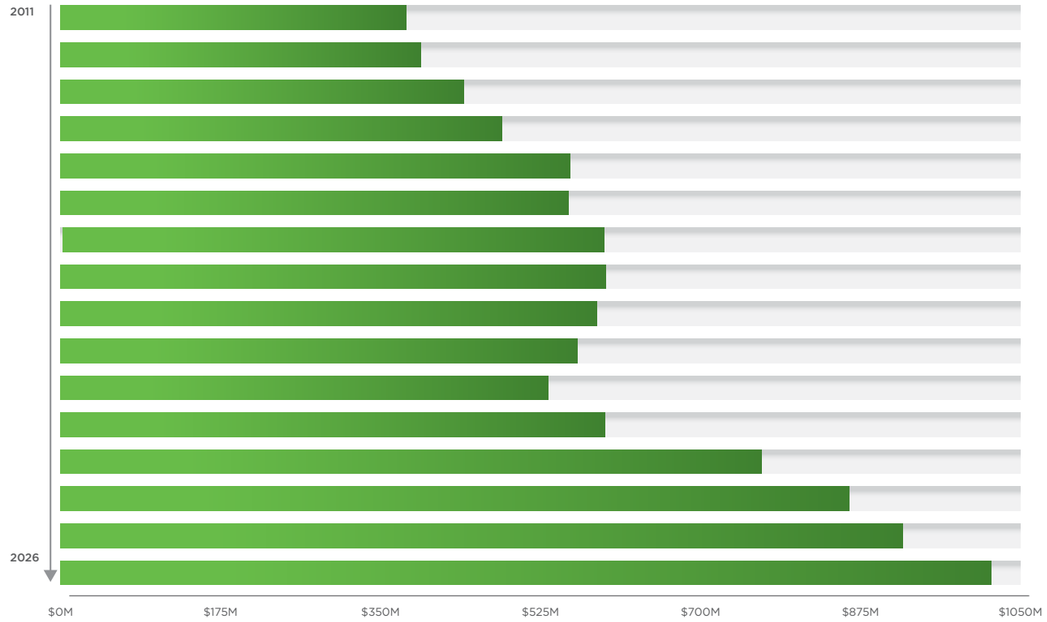
The Statement of Cash Flows shows the cash Council received and paid during the year, and the amount held at year end.

Council generated $17.27 million in net cash from operating activities. This amount represents cash received from customers, operating grants, contributions and interest, less payments to employees and suppliers.

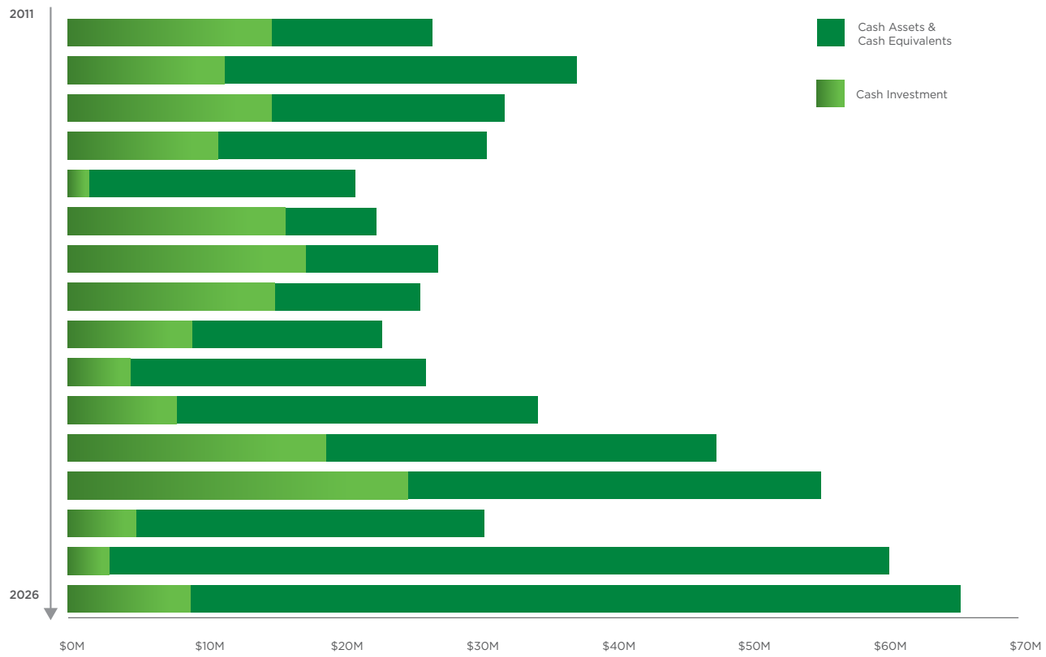
Council used operating cash, proceeds from asset sales, capital grants and other investment distributions to purchase and renew property, plant and equipment.

At 30 June 2026, Council held $65.76 million in cash and investments, including $9 million in investments. This was an increase of $5.3 million during the year. The increase mainly resulted from grants received in advance, $4.5 million in flood mitigation funding received during the year.

Comparative Equity Balances



Comparative Cash Balances



Conclusion

Council remains in a sound financial position. It is debt free and is investing in essential services and infrastructure.

Council's long-term financial planning provides a stable foundation for meeting future obligations and responding to community needs.

Cost increases, flood recovery and population growth will continue to create challenges. Careful financial management and support from other levels of government will remain important so Council can continue delivering value for money.

Council's continued focus on renewing existing assets will help keep roads, facilities and infrastructure serviceable for the community.

Population growth to the east and west of the Lockyer Valley will increase demand for infrastructure and services. Council will continue to balance these needs with its available resources and long-term financial sustainability.

Council will continue to make responsible decisions in the long-term interests of the community and maintain its focus on sound financial management.



Lockyer Valley Regional Council

GENERAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2026



Contents **Page**

Primary Financial Statements

Statement of Comprehensive Income 3
Statement of Financial Position 4
Statement of Changes in Equity 5
Statement of Cash Flows 6

Notes to the Financial Statements

1 Information about these financial statements 7
2 Analysis of results by function 9
3 Revenue 11
4 Other income 13
5 Capital income 14
6 Employee and councillor costs 14
7 Materials and services 15
8 Finance costs 15
9 Capital expenses 16
10 Cash and cash equivalents 17
11 Receivables 18
12 Inventories 19
13 Other assets 20
14 Non-current assets Held for Sale 20
15 Associated Entities 21
16 Property, plant and equipment 24
17 Intangible assets 37
18 Contract balances 38
19 Leases 39
20 Payables 40
21 Provisions 41
22 Asset revaluation surplus 42
23 Commitments for expenditure 43
24 Contingent liabilities 44
25 Superannuation – regional defined benefit fund 45
26 Reconciliation of Operating Result 46
27 Events after the reporting period 46
28 Financial instruments and financial risk management 47
29 Transactions with related parties 51
30 Council information and contact details 53

continued on next page ...

Lockyer Valley Regional Council

General Purpose Financial Statements

for the year ended 30 June 2026

Contents **Page**

Management Certificate for the year ended 30 June 2026 **54**

Independent Auditor's Report **55**

Current Year Financial Sustainability Statement **56**

Certificate of Accuracy - Audited Ratios 59
Independent Auditor's Report - Current Year Financial Sustainability Statement 60
Certificate of Accuracy - Contextual Ratios (Unaudited) 62

Unaudited Long Term Financial Sustainability Statement **63**

Certificate of Accuracy - Long Term Financial Sustainability Statement 67

Lockyer Valley Regional Council

Statement of Comprehensive Income

for the year ended 30 June 2026

$ '000	Notes	2026	2025
Income			
Recurrent revenue			
Rates, levies and charges	3a	51,007	48,350
Fees and charges	3b	7,483	6,588
Sales revenue		1,725	1,559
Grants, subsidies and contributions	3c	18,613	23,628
Total recurrent revenue		78,828	80,125
Rental income	19	527	375
Interest received		3,822	3,626
Profit from equity accounted investments	15	2,303	927
Other income	4	1,787	2,055
Total operating revenue		87,267	87,108
Capital income			
Grants, subsidies and contributions	3c	23,019	28,804
Capital income	5	3,016	3,093
Total capital income		26,035	31,897
Total income		113,302	119,005
Expenses			
Recurrent expenses			
Employee and councillor costs	6	32,875	32,290
Materials and services	7	35,509	32,497
Finance costs	8	2,588	2,294
Depreciation and amortisation:			
- Property, plant and equipment	16	16,721	15,855
- Intangible assets	17	20	20
		87,713	82,956
Capital Expenses	9	2,687	845
Total expenses		90,400	83,801
Net result		22,902	35,204
Other comprehensive income			
Items that will not be reclassified to net result			
Increase in asset revaluation surplus	16	73,923	25,132
Share of comprehensive income of associates	15d	(1)	(1,367)
Total other comprehensive income for the year		73,922	23,765
Total comprehensive income for the year		96,824	58,969

The above statement should be read in conjunction with the accompanying notes and material accounting policies.

Lockyer Valley Regional Council

Statement of Financial Position

as at 30 June 2026

$ '000	Notes	2026	2025
Current assets			
Cash and cash equivalents	10	56,761	57,458
Financial assets	28	9,000	3,000
Receivables	11	8,894	10,038
Inventories	12	659	719
Contract assets	18	4,059	3,794
Other assets	13	681	657
Non-current assets held for sale	14	3,344	1,867
Total current assets		83,398	77,533
Non-current assets			
Receivables	11	14,735	14,735
Equity accounted investments	15	35,270	34,097
Property, plant and equipment	16	962,082	869,798
Intangible assets	17	22	42
Total non-current assets		1,012,109	918,672
Total assets		1,095,507	996,205
Current liabilities			
Payables	20	12,705	12,847
Contract liabilities	18	7,206	4,047
Provisions	21	8,655	8,546
Total current liabilities		28,566	25,440
Non-current liabilities			
Payables	20	893	997
Provisions	21	48,229	48,773
Total non-current liabilities		49,122	49,770
Total liabilities		77,688	75,210
Net community assets		1,017,819	920,995
Community equity			
Asset revaluation surplus	22	511,193	437,270
Retained surplus		506,626	483,725
Total community equity		1,017,819	920,995

The above statement should be read in conjunction with the accompanying notes and material accounting policies.

Lockyer Valley Regional Council

Statement of Changes in Equity

for the year ended 30 June 2026

$ '000	Notes	Asset revaluation surplus	Retained surplus	Total equity
Balance as at 1 July 2025		437,270	483,725	920,995
Net result		–	22,902	22,902
Other comprehensive income for the year				
- Increase/(decrease) in asset revaluation surplus	16	73,923	–	73,923
- Share of comprehensive income of equity accounted investments		–	(1)	(1)
Total comprehensive income for the year		73,923	22,901	96,824
Transfers to reserves		–	–	–
Transfers from reserves		–	–	–
Balance as at 30 June 2026		511,193	506,626	1,017,819
Balance as at 1 July 2024		412,138	449,888	862,026
Net result		–	35,204	35,204
Other comprehensive income for the year				
- Increase/(decrease) in asset revaluation surplus	16	25,132	–	25,132
- Share of comprehensive income of equity accounted investments		–	(1,367)	(1,367)
Total comprehensive income for the year		25,132	33,837	58,969
Transfers to reserves		–	–	–
Transfers from reserves		–	–	–
Balance as at 30 June 2025		437,270	483,725	920,995

The above statement should be read in conjunction with the accompanying notes and material accounting policies.

Statement of Cash Flows

for the year ended 30 June 2026

$ '000	Notes	2026	2025
Cash flows from operating activities			
Receipts from customers		82,711	81,266
Payments to suppliers and employees		(69,267)	(63,283)
		13,444	17,983
Interest received		3,823	3,117
Net cash inflow from operating activities	26	17,267	21,100
Cash flows from investing activities			
Net movement in investments		(6,000)	2,000
Proceeds from sale of property, plant and equipment		723	4,416
Distributions received from joint ventures and associates		1,129	1,093
Grants, subsidies, contributions and donations		19,183	28,473
Payments for property, plant and equipment and intangibles		(32,999)	(25,276)
Net cash inflow (outflow) from investing activities		(17,964)	10,706
Net increase (decrease) in cash and cash equivalent held		(697)	31,806
Cash and cash equivalents at the beginning of the financial year		57,458	25,652
Cash and cash equivalents at the end of the financial year	10	56,761	57,458

The above statement should be read in conjunction with the accompanying notes and material accounting policies.

Notes to the Financial Statements

for the year ended 30 June 2026

Note 1. Information about these financial statements

(1.a) Basis of preparation

The Lockyer Valley 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 2025 to 30 June 2026. 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 complies with Australian Accounting Standards as applicable to not-for-profit entities.

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

(1.b) New and revised Accounting Standards adopted during the year

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

(1.c) 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 2026, these standards have not been adopted by Council and will be included in the financial statements on their effective date. Where the standard is expected to have a material impact for council then further information has been provided in this note.

Council has assessed all the standards / interpretations which are not yet effective and have determined that there is no expected material impact on the reported financial position or performance.

(1.d) Estimates and Judgements

Council makes 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 - Note 3
- Non-Current Assets Classified as "Held for Sale" - Note 14
- Valuation and Depreciation of Property, Plant & Equipment - Note 16
- Provisions - Note 21
- Financial Instruments and Financial Risk Management – Note 28

(1.e) 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 indicated.

Comparative information is prepared on the same basis as prior year.

continued on next page ...

Note 1. Information about these financial statements (continued)

(1.f) Volunteer Services

Council utilises volunteer services at the Visitor Information Centre, Art Gallery, Queensland Transport Museum and various events coordinated by Council. The volunteer services are not recognised in the financial statements because they would not be purchased if they were not donated services.

(1.g) Taxation

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

The associated entity of the Council pays an income tax equivalent to the Council in accordance with the requirements of the *Local Government Act 2009*.

The Council does not pay payroll tax to the Queensland Government as its activities are below the threshold.

(1.h) Impacts of the South East Queensland Rainfall and Flooding Events

The Lockyer Valley region experienced three major rain events during the 2021/2022 financial year, one event during the 2023/2024 financial year and two in the 2024/2025 financial year.

- November 2021
- February/March 2022
- May 2022
- January/February 2024
- March/May 2025

The restoration and recovery efforts as a result of the rain events continues to have a material impact on the financial statements for the 2025/2026 financial year:

Note 3(c)(ii) Capital grants, subsidies and contributions - $5.03 million revenue from Reconstruction of Essential Public Assets (REPA).

Note 3(c)(i) Recurrent grants, subsidies and contributions - $2.45 million revenue from Emergency Works and Counter Disaster Operations funding from QRA.

Note 16 Property, plant and equipment. Additions - $5.05 million of expenditure for REPA.

An overall impact of a $7.48 million increase to the Net Result for the 2025/2026 financial year.

Lockyer Valley Regional Council

Notes to the Financial Statements
for the year ended 30 June 2026

Note 2. Analysis of results by function

(a) Details relating to the Council's functions / activities as reported in Note 2 (b) are as follows:

General Public Services

The objective of this function is to provide internal governance, organisational and administrative services. It includes legislative and executive programs to implement policy, coordinate activities and provide support to Elected Members. It also includes the administrative programs to support effective service delivery to all internal and external customers. All programs not classified elsewhere are aggregated under this function.

Public Order and Safety

The objective of this function is to provide programs and services that deal with nuisance, safety and public behaviour. It includes programs for the control of domestic animals, administration and enforcement of local laws and disaster management, and support for local Rural Fire Service and State Emergency Services groups.

Economic Affairs

The objective of this function is to provide support for programs and services that generate economic activity within the Region. This includes support to the local economy, development and implementation of business and investment strategies, and local business promotion. This function also includes road transport and associated services to maintain and deliver infrastructure such as roads, bridges, drains and footpaths.

Environmental Protection

The objective of this function is to provide programs that deal with the natural environment and waste management. It includes activities such as pest and weed management and other environmental programs and the collection, disposal and/or recycling of commercial and domestic waste.

Housing and Community Amenities

The objective of this function is to provide activities that are concerned with support to community groups, community development initiatives, the provision of community facilities such as halls and other community buildings. This function also covers disaster recovery programs including the rebuilding of Council's flood affected infrastructure as well as town planning and approvals.

Recreation, Culture and Religion

The objective of this function is the provision of sporting, recreation and cultural facilities such as sports grounds, swimming pools, parks and gardens, libraries and art gallery.

Social Protection

The objective of this function is to conduct the operation of Council's childcare centres and youth development program.

continued on next page ...

Note 2. Analysis of results by function (continued)

(b) Income, expenses and assets attributed to Council functions

Functions $ '000	Gross program income			Gross program expenses			Net result from recurring operations	Net result	Total assets
	Recurring grants	Recurring other	Capital grants	Recurring	Capital	Total expenses			
2026									
General public services	4,557	46,248	5,027	(33,856)	–	(33,856)	16,949	22,217	299,237
Public order and safety	115	3,213	249	(3,158)	–	(3,158)	170	419	–
Economic affairs	12,051	2,044	3,130	(18,298)	(2,654)	(20,952)	(4,203)	(3,727)	754,513
Environmental protection	1,174	11,847	–	(13,735)	–	(13,735)	(714)	2,061	7,338
Housing and community amenities	262	5,224	13,837	(11,479)	(6)	(11,485)	(5,993)	7,838	–
Recreation, culture and religion	454	78	776	(7,187)	(27)	(7,214)	(6,655)	(5,906)	34,419
Social protection	–	–	–	–	–	–	–	–	–
Total	18,613	68,654	23,019	(87,713)	(2,687)	(90,400)	(446)	22,902	1,095,507
2025									
General public services	3,666	42,883	5,558	(35,377)	–	(35,377)	11,172	18,415	296,996
Public order and safety	79	3,364	593	(2,841)	–	(2,841)	602	1,195	–
Economic affairs	16,328	1,839	5,201	(12,231)	(27)	(12,258)	5,936	11,110	658,835
Environmental protection	2,014	10,773	–	(14,162)	(15)	(14,177)	(1,375)	(45)	8,017
Housing and community amenities	524	4,314	17,448	(10,033)	(710)	(10,743)	(5,195)	11,606	–
Recreation, culture and religion	384	118	4	(7,548)	(93)	(7,641)	(7,046)	(7,135)	32,357
Social protection	633	189	–	(764)	–	(764)	58	58	–
Total	23,628	63,480	28,804	(82,956)	(845)	(83,801)	4,152	35,204	996,205

Note 3. Revenue

$ '000	Notes	2026	2025
(a) Rates, levies and charges			
General rates		40,097	38,339
Separate rates		5,898	5,492
Waste collection charges		6,908	6,281
Special charges		307	301
Total rates and utility charge revenue		53,210	50,413
Less: discounts		(2,017)	(1,878)
Less: pensioner remissions		(186)	(185)
Total rates, levies and charges		51,007	48,350

Rates, levies and charges are recognised as revenue at the beginning of the rating period to which they relate. Prepaid rates are recognised as a financial liability until the beginning of the rating period.

(b) Fees and charges

Revenue arising from fees and charges is recognised at the point in time when or as the performance obligation is completed and the customer receives the benefit of the goods / 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 camping grounds. 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 that the licence is granted rather than the term of the licence.

$ '000	2026	2025
Building and development fees	4,660	3,515
Refuse tip and recycling	1,352	1,309
Childcare	–	189
Finance and corporate governance	88	85
Animal control	448	663
User fees and charges	935	827
Total fees and charges	7,483	6,588

continued on next page ...

Note 3. Revenue (continued)

(c) 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 each performance obligation is satisfied.

Performance obligations vary in each agreement but include delivery of events, procurement of defined goods and services, presentation of reports and business cases. 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, generally the input methods being either costs or time incurred are deemed to be the most appropriate methods to reflect the transfer of benefit.

Grant income under AASB 1058
Assets arising from grants in the scope of AASB 1058 are recognised at the asset's fair value when the asset is received. Council considers whether there are any related liability or equity items associated with the asset which are recognised in accordance with the relevant accounting standard.

Once the assets and liabilities have been recognised then income is recognised for any remaining asset value at the time that the asset is received.

Council received a prepayment of $3.91 million of the 2025/2026 Financial Assistance Grant during the 2024/2025 financial year. This was recognised as revenue in 2024/2025 financial year in accordance with the accounting standards. Council received the remaining allocations of the 2025/2026 Financial Assistance Grant of $3.88 million during the 2025/2026 financial year, along with a prepayment of $6.48 million of the 2026/2027 Financial Assistance Grant. These were both recognised as revenue in 2025/2026 financial year in accordance with the accounting standards.

Capital grants
Capital grants received to enable Council to acquire or construct an item of property, plant and equipment to identified specifications which will be under Council's control and which is enforceable are recognised as revenue 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 since this is deemed to be the most appropriate measure of the completeness of the construction project as there is no profit margin.

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 the 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 in excess of the recognition thresholds are recognised as non-current assets. Those below the thresholds are recorded as expenses.

continued on next page ...

Lockyer Valley Regional Council

Notes to the Financial Statements
for the year ended 30 June 2026

Note 3. Revenue (continued)

$ '000	Notes	2026	2025
(i) Operating			
General purpose grants		10,367	11,358
State government subsidies and grants		1,019	7,920
Commonwealth government subsidies and grants		6,004	2,311
Contributions		1,223	2,039
Total recurrent grants, subsidies and contributions		18,613	23,628

(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. All other revenue has been classified as recurrent.

Physical assets contributed to council by developers in the form of road works, stormwater 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 in excess of the recognition thresholds are recognised as non-current assets. Those below the thresholds are recorded as expenses.

State government subsidies and grants		10,749	9,357
Commonwealth government subsidies and grants		4,082	3,218
Infrastructure Charges		1,458	4,864
Developer assets contributed by developers at fair value	16	6,730	11,365
Total capital grants, subsidies and contributions		23,019	28,804

(iii) Timing of revenue recognition for grants, subsidies and contributions

	2026		2025	
$ '000	Revenue recognised at a point in time	Revenue recognised over time	Revenue recognised at a point in time	Revenue recognised over time
Grants and subsidies	17,390	14,831	21,588	12,576
Contributions	6,804	1,071	11,440	1,964
Infrastructure Charges	1,536	–	4,864	–
	25,730	15,902	37,892	14,540

Note 4. Other income

$ '000	Notes	2026	2025
Other income		512	742
Income tax equivalent received		773	768
Sale of sundry small value items		59	71
Fuel and diesel rebate		205	181
Rates legal costs recovered		238	293
Total other income		1,787	2,055

Note 5. Capital income

$ '000	Notes	2026	2025
(a) Provision for restoration of land			
Change in estimates	21	2,775	3,004
(b) Revaluations			
Revaluation increment relating to investment property		–	76
Revaluation increment relating to land held for disposal	14	241	13
Total capital income		3,016	3,093

Note 6. Employee and councillor costs

Employee benefit expenses are recorded when the service has been provided by the employee.

Wages and salaries		23,491	23,167
Councillors' remuneration		795	764
Annual, sick and long service leave entitlements		6,366	5,939
Superannuation	25	3,440	3,277
		34,092	33,147
Other employee related expenses		1,141	1,074
		35,233	34,221
Less: capitalised employee expenses		(2,358)	(1,931)
Total Employee benefits		32,875	32,290

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

Total Council employees at the reporting date:

Elected members	7	7
Administration staff	188	191
Depot and outdoors staff	112	113
Total full time equivalent employees	307	311

Note 7. Materials and services

$ '000	Notes	2026	2025
Expenses are recorded on an accruals basis as Council receives the goods or services.			
Advertising		134	323
Administration supplies and consumables		1,912	3,308
Audit of annual financial statements by the Auditor-General of Queensland *		117	108
Communications and IT		3,022	3,058
Consultancy services		8,436	6,030
Contractors		13,210	11,578
Donations paid		330	273
Fuel		1,396	1,362
Insurance		1,405	1,342
Investment property exp. - that generates income		212	230
Power		1,274	1,197
Repairs and maintenance		1,620	2,282
Subscriptions and registrations		705	602
Travel		90	64
Other materials and services		1,646	740
Total materials and services		35,509	32,497

*Total audit fees quoted by the Queensland Audit Office relating to the 2025-26 financial statements are $112,000 (2025: $107,500).

Council received $6.80 million from the Department of Local Government, Water and Volunteers in relation to the Lockyer Valley and Somerset Water Security Scheme grant during the 2024/2025 financial year. $5.29 million of expenditure in relation to this grant was expended in the 2025/2026 financial year. This has had a significant impact on the surplus of Council for the 2025/2026 financial year.

Note 8. Finance costs

Bank charges		174	154
Impairment of receivables		3	5
Refuse restoration	21	2,391	2,113
Quarry rehabilitation	21	20	22
Total finance costs		2,588	2,294

Note 9. Capital expenses

$ '000	Notes	2026	2025
(a) Loss on disposal of non-current assets			
Proceeds from the sale of Property, Plant and Equipment		723	4,416
Less: carrying value of disposed property, plant and equipment	16	(3,646)	(5,261)
Proceeds from Land Held for Resale		874	–
Less: carrying value of disposed land held for resale	14	(446)	–
Loss on disposal of non-current assets		2,495	845

Total capital expenses include assets disposed, demolished and then replaced, write-offs as a result of renewal and upgrade works undertaken, assets found to not be owned by Council, insurance write-offs, assets replaced through maintenance and assets removed through new development work done by a developer and assets identified as duplicates.

Main values are detailed below:
Write-offs -
Full and part capital writes-offs of renewed assets - $2,627,755
Assets identified as duplicates through data review/audits - $216,413
Insurance write-offs - $36,239
Asset write-offs (demolishments, assets removed and not replaced, assets found to be not owned by Council through data review/audits and all other write-offs) - $201,269
Sales -
Auction fleet sales - $294,181
Land sales - $349,963
Land held for disposal sales - $365,247

(b) Provision for restoration of land

Increases to the provision for refuse restoration not arising from the passing of time are treated as a capital expense for landfills held on reserve land.

Increases to the provision for refuse restoration not arising from the passing of time are treated as a capital expense for landfills held on Council land where there is insufficient asset revaluation reserve in the relevant asset class.

(c) Other capital expenses

Loss on write-off of work in progress	192	–
	192	–

The loss on write-off for work in progress relates to projects that had in previous financial years been carried as work in progress but were subsequently determined either not to proceed or to be operational in nature and therefore ineligible for capitalisation.

The total write-off of **$192,000** primarily comprises **$184,000** relating to a DRFA project that was initially classified as capital works, but the final scope of works involved the clean-out of blocked pipes, with no asset renewal, replacement, or enhancement works undertaken. As a result, the expenditure did not meet the criteria for capitalisation and was transferred to operational. The remaining balance relates to capital projects that did not proceed and were therefore written off and transferred to operational.

$ '000	2026	2025
Total capital expenses	2,687	845

The book value of assets disposed is shown as the gross value less accumulated depreciation.

Note 10. Cash and cash equivalents

$ '000	Notes	2026	2025

Cash and cash equivalents in the statement of cash flows includes cash on hand, all cash and cheques receipted but not banked at the year end, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities 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, and less bank overdrafts.

Cash and cash equivalents		
Cash at bank and on hand	2,029	744
Deposits at call	54,732	56,714
	56,761	57,458

Council is exposed to credit risk through its investments in the QTC Cash Fund and QTC Working Capital Facility. 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. Working Capital Facility deposits have a duration of one day and all investments are required to have a minimum credit rating of "A-", the likelihood of the counterparty not having capacity to meet its financial commitments is low.

Unrestricted cash		
Cash and cash equivalents	56,761	57,458
Less: externally imposed restrictions on cash	(11,824)	(13,281)
Unrestricted cash	44,937	44,177

Restricted cash and cash equivalents
Council's cash and cash equivalents are subject to a number of internal and external restrictions that limit amounts available for discretionary or future use. These include:

(i) Externally imposed expenditure restrictions at the reporting date relate to the following cash assets:

Unspent government grants and subsidies	11,824	13,281
Total externally imposed restrictions on cash assets	11,824	13,281

(ii) Internal allocations of cash at the reporting date:
Internal allocations of cash may be lifted by a Council with a resolution.

Future capital works	1,515	9,131
Waste Rehabilitation	5,000	–
Infrastructure Charges	4,864	–
Total internally allocated cash	11,379	9,131

Infrastructure Charges are received from developers to help fund trunk infrastructure required to support growth and development. Unspent funds collected since 1 July 2024 have been internally restricted for future trunk infrastructure projects. Funds will be released from restricted cash as they are spent on identified trunk infrastructure.

Cash at bank is held with the National Australia Bank in normal business cheque accounts. Cash at call is held with Queensland Treasury Corporation. Interest rates are determined on a daily basis. Short and long term deposits are held with various banking institutions with maturities ranging up to twelve months and interest rates from 4.30% to 5.50%.

continued on next page ...

Note 10. Cash and cash equivalents (continued)

$ '000	Notes	2026	2025

Trust funds
In accordance with the *Local Government Act 2009* and *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 account include those funds from the sale of land for arrears in rates, deposits for the contracted sale of land, security deposits lodged to guarantee performance and unclaimed monies (e.g. wages).

The Council performs only a custodian role in respect of these monies and because the monies cannot be used for Council purposes, they are not considered revenue nor brought to account in the financial statements since Council has no control over the assets.

Trust funds held for outside parties		
Security deposits	5,826	4,773
	5,826	4,773

Note 11. Receivables

Receivables are amounts owed to council at year end and are recognised as the amounts due at the time of sale or service delivery. Settlement of receivables is required within 30 days after the invoice is issued.

Interest is charged on outstanding rates at a rate of 12.12% per annum. Debtors invoiced during the 2026 financial year and which remain outstanding for greater than 30 days, bear interest at the rate of 12.12%.

The collectability of other receivables is assessed periodically. The amount is calculated as a percentage of receivables with consideration of past history of actual defaults, and an assessment of the likelihood of future defaults.

Loans and advances are recognised at the amount due at the time of the advance. The loan matures on the 1st July, 2047 with interest charged at 4.7%.

$ '000	2026	2025
Current		
Rates and charges	5,120	5,292
Other debtors	2,085	2,369
GST Recoverable	706	646
Accrued revenues	992	1,738
	8,903	10,045
less: Loss Allowance	(9)	(7)
	8,894	10,038
Non-current		
Loans and advances to associates	14,735	14,735
	14,735	14,735

continued on next page ...

Note 11. Receivables (continued)

Accounting policies - grouping

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.

Council has identified 5 distinctive groupings of its receivables: Rates and Charges, Statutory Charges, Grants, Lease Receivables, Other Debtors and relevant judgements in relation to expected credit loss has been made for each group.

Rates and Charges: Council is empowered under the provisions of the Local Government Act 2009 to sell an owner's property to recover outstanding rate debts 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 property.

Statutory charges: In some limited circumstances Council may write off impaired statutory charges, on this basis Council calculates an Expected Credit Loss for Statutory Charges (non-rates & utility charges). Although not material, disclosure is being made for the purposes of public interest and transparency.

Grants: payable by State and Commonwealth governments and their agencies. A credit enhancement exists as these payments are effectively government guaranteed and both the State and Commonwealth Governments have high credit ratings, accordingly Council determines the level of credit risk exposure to be immaterial and therefore does not record an Expected Credit Loss for these counterparties.

Lease Receivables: have been identified as a separate debtor group. Council has elected to use the simplified approach for Lease Receivables. Internal historical data shows no defaults have occurred, even in the event of a default occurring, Council has determined Expected Credit Losses for this receivables grouping to be immaterial, accordingly an expected credit loss of lease receivables is not calculated.

Other Debtors: Council identifies other debtors as receivables which are not rates and charges; statutory charges; lease receivables; or grants.

Council has applied the simplified approach for trade receivables, contract assets and lease receivables and the loss allowance is measured at an amount equal to lifetime expected credit losses.

Note 12. Inventories

Stores and materials and souvenir stock held for resale are valued at the lower of cost and net realisable value.

Inventories held for distribution are valued at cost, adjusted, when applicable, for any loss of service potential.

$ '000	2026	2025
Inventories held for sale		
Souvenir stock	21	18
	21	18
Inventories held for distribution		
Stores and materials	638	701
	638	701
Total inventories	659	719

Note 13. Other assets

$ '000	2026	2025
Current		
Prepayments	681	657
Total current other assets	681	657

Note 14. Non-current assets Held for Sale

Items of property, plant and equipment are reclassified as non-current assets as held for sale when the carrying amounts of these assets will be recovered principally through a sales transaction rather than continuing use. Non-current assets classified as held for sale are available for immediate sale in their present condition and management believe the sale is highly probable within 12 months. Non-current assets held for sale are measured at the lower of their carrying amount and fair value less cost to sell and are not depreciated.

The fair value of the land is determined using the sales comparison approach. Sales prices of comparable land sites in close proximity are adjusted for differences in key attributes such as property size. The most significant inputs into this valuation approach are price per square metre. Disposal costs are estimated based on commission rates charged by the real estate agents that have been engaged and legal costs quoted by council's solicitors.

Through a resolution, Council has to date, for this financial year disposed of 8 properties identified in its Land Asset Management Plan (LAMP).

$ '000		2026	2025
Non-current assets held for sale			
Land		3,344	1,867
Total non-current assets held for sale		3,344	1,867
Reconciliation of non-current assets held for sale			
Assets held for sale			
Opening balance		1,867	–
less: carrying value of assets/operations sold		(446)	–
Balance still unsold after 12 months:		1,421	–
Transfer assets held for sale (to)/from property, plant and equipment	16	1,682	1,853
Revaluation increment relating to assets held for sale		241	14
Closing balance of held for sale non-current assets and operations		3,344	1,867

Note 15. Associated Entities

Council's objectives can and in some cases are best met through the use of separate entities and operations.

These operations and entities range from 100% ownership and control through to lower levels of ownership and control via co-operative arrangements with other Councils, bodies and other outside organisations.

The accounting and reporting for these various entities, operations and arrangements varies in accordance with accounting standards, depending on the level of Councils (i) interest and (ii) control and the type (form) of entity/operation, as follows;

Associated Entities
Arrangements in the form of a Separate Entity that deploys the resources of the operation itself. Under Associated Entities, Council significantly influences the operations but does not control them.

Accounting recognition:

Associated Entities are accounted for using the Equity Accounting Method and are disclosed as a one line entry in the Statement of Comprehensive Income and Statement of Financial Position.

	Council's share of net income		Council's share of net assets	
$ '000	2026	2025	2026	2025
Associated entities	2,303	927	35,270	34,097
Total	2,303	927	35,270	34,097

continued on next page ...

Note 15. Associated Entities (continued)

Associated Entities

Council has incorporated the following Joint Ventures and Associates into its Financial Statements.

(a) Net carrying amounts – Council's share

$ '000	Nature of relationship	Measurement method	2026	2025
SEQ Regional Recreational Facilities Pty Ltd	Shareholder	Equity accounting	76	75
Queensland Urban Utilities	Shareholder	Equity accounting	34,102	32,909
Council of Mayors South East Queensland	Shareholder	Equity accounting	1,092	1,113
Total carrying amounts - Associated Entities			35,270	34,097

(b) Details

	Principal activity	Place of business
SEQ Regional Recreational Facilities Pty Ltd	Recreational facilities	Brisbane
Queensland Urban Utilities	Water and waste water management	Brisbane
Council of Mayors South East Queensland	Advocacy	Brisbane

(c) Relevant interests and fair values

	Interest in outputs		Interest in ownership		Proportion of voting power	
	2026	2025	2026	2025	2026	2025
SEQ Regional Recreational Facilities Pty Ltd	4.0%	4.0%	4.0%	4.0%	13.0%	13.0%
Queensland Urban Utilities	1.0%	1.0%	1.0%	1.0%	20.0%	20.0%
Council of Mayors South East Queensland	9.0%	9.0%	9.0%	9.0%	9.0%	9.0%

continued on next page ...

Note 15. Associated Entities (continued)

(d) Summarised Financial Information for Associated Entities

$ '000	Queensland Urban Utilities 2026	2025
Summarised statement of financial position		
Current assets	472,777	490,142
Non-current assets	7,010,475	6,791,455
Current liabilities	354,538	337,626
Non-current liabilities	3,352,176	3,299,536
Net assets	3,776,538	3,644,435
Reconciliation of the carrying amount		
Opening net assets (1 July)	32,909	34,895
Share of Profit/(loss) for the period	2,323	474
Distributions received	(1,129)	(1,093)
Other Comprehensive Income	(1)	(1,367)
Closing net assets	34,102	32,909
Summarised statement of comprehensive income		
Income	1,770,338	1,642,351
Depreciation and amortisation	(251,704)	(254,844)
Interest expense	(143,629)	(132,192)
Income tax expense	(118,764)	(23,208)
Other expenses	(999,023)	(1,179,657)
Profit/(loss) for period	**257,218**	**52,450**
Other comprehensive income	(116)	(151,395)
Total comprehensive income	257,102	(98,945)
Dividends received by Council	1,129	1,093

(e) Summarised financial information for individually immaterial joint ventures and associates

In addition to the Associated Entities disclosed individually above, Council has interests in two individually immaterial Associated Entities that are accounted for using the Equity Method.

$ '000	2026	2025
(i) Individually immaterial associates		
Aggregate carrying amount of individually immaterial associates	1,168	1,188
Aggregate amounts of Council's share of individually immaterial associates:		
Profit/(loss) from continuing operations	(20)	454
Total comprehensive income – individually immaterial associates	(20)	454

Note 16. Property, plant and equipment

$ '000	Land	Buildings	Plant and other equipment	Transport	Other assets	Works in progress	Artworks	Public spaces	Waste	Drainage	Total
2026											
Measurement basis	Fair Value	Fair Value	Cost	Fair Value	Cost	Cost	Fair Value	Fair Value	Fair Value	Fair Value	
Fair value category	Level 2	Level 3		Level 3			Level 2	Level 3	Level 3	Level 3	
Opening gross balance	29,460	128,030	27,667	694,410	1,487	53,856	325	52,572	20,212	202,499	1,210,518
Additions	–	–	–	–	–	33,683	–	–	–	–	33,683
Contributed assets	–	–	–	4,170	–	–	–	78	–	2,482	6,730
Disposals	(350)	(40)	(1,298)	(4,262)	–	–	–	(79)	–	(843)	(6,872)
Revaluation decrements to equity (ARS)	–	–	–	–	–	–	(13)	–	–	–	(13)
Revaluation increments to equity (ARS)	2,087	11,073	–	80,463	–	–	–	4,562	1,837	12,202	112,224
Work in progress transfers	–	69	2,176	35,568	–	(41,199)	–	281	–	3,105	–
Transfers from/(to) held for sale category	(1,682)	–	–	–	–	–	–	–	–	–	(1,682)
Adjustments and other transfers	–	(4)	13	(4)	(12)	–	–	–	(1)	3	(5)
Total gross value of property, plant and equipment	29,515	139,128	28,558	810,345	1,475	46,340	312	57,414	22,048	219,448	1,354,583
Opening accumulated depreciation and impairment	–	58,025	11,648	147,064	565	–	–	20,215	12,194	91,009	340,720
Depreciation expense	–	3,247	1,672	7,913	25	–	–	1,004	1,059	1,801	16,721
Depreciation on disposals	–	(26)	(938)	(1,771)	–	–	–	(52)	–	(439)	(3,226)
Revaluation increments to equity (ARS)	–	5,298	–	24,264	–	–	–	1,828	1,457	5,441	38,288
Adjustments and other transfers	–	(1)	9	–	(9)	–	–	–	–	(1)	(2)
Total accumulated depreciation of property, plant and equipment	–	66,543	12,391	177,470	581	–	–	22,995	14,710	97,811	392,501
Total net book value of property, plant and equipment	29,515	72,585	16,167	632,875	894	46,340	312	34,419	7,338	121,637	962,082
Other information											
Residual value	Indefinite	0%	5%-25%	0%	0%		Indefinite	0%	0%	0%	–
Range of estimated useful life (years)	Indefinite	5-150	5-20	Infinite - 120	10-200		Indefinite	10-200	5-200	55-200	
***Additions including reallocation of WIP additions to asset class:**											
Asset renewals	–	519	2,373	21,585	–	–	–	1,384	–	1,034	26,895
Other additions	3,051	31	783	1,992	21	–	74	271	541	24	6,788
Total asset additions	3,051	550	3,156	23,577	21	–	74	1,655	541	1,058	33,683

continued on next page ...

Note 16. Property, plant and equipment (continued)

$ '000	Land	Buildings	Plant and other equipment	Transport	Other assets	Works in progress	Artworks	Public spaces	Waste	Drainage	Total
2025											
Measurement basis	Fair Value	Fair Value	Cost	Fair Value	Cost	Cost	Fair Value	Fair Value	Fair Value	Fair Value	
Fair value category	Level 2	Level 3	Level 3	Level 3	Level 3	Level 3	Level 2	Level 3	Level 3	Level 3	
Opening gross balance	28,213	113,866	24,587	621,942	1,531	56,256	325	46,165	18,753	218,378	1,130,016
Additions	–	–	–	–	–	24,681	–	–	–	–	24,681
Contributed assets	–	–	–	9,423	–	–	–	–	–	1,942	11,365
Disposals	(965)	(3,270)	(1,781)	(3,303)	(278)	–	–	(335)	(49)	(588)	(10,569)
Revaluation increments to equity (ARS)	1,397	16,201	–	22,687	–	–	–	5,862	1,479	6,654	54,280
Work in progress transfers	73	1,231	4,861	18,473	234	(27,081)	–	880	29	1,302	2
Transfers from/(to) held for sale category	(1,853)	–	–	–	–	–	–	–	–	–	(1,853)
Transfers from/(to) other assets	2,594	–	–	–	–	–	–	–	–	–	2,594
Transfers from/(to) plant & equipment	–	–	–	25,189	–	–	–	–	–	(25,189)	–
Adjustments and other transfers	1	2	–	(1)	–	–	–	–	–	–	2
Total gross value of property, plant and equipment	29,460	128,030	27,667	694,410	1,487	53,856	325	52,572	20,212	202,499	1,210,518
Opening accumulated depreciation and impairment	–	39,189	11,507	126,630	639	–	–	16,581	10,133	96,344	301,023
Depreciation expense	–	2,089	1,548	7,685	27	–	–	1,768	1,010	1,728	15,855
Depreciation on disposals	–	(1,518)	(1,407)	(1,761)	(101)	–	–	(111)	(34)	(376)	(5,308)
Revaluation increments to equity (ARS)	–	18,265	–	4,830	–	–	–	1,977	1,085	2,991	29,148
Transfers from/(to) Plant & Equip	–	–	–	9,680	–	–	–	–	–	(9,680)	–
Adjustments and other transfers	–	–	–	–	–	–	–	–	–	2	2
Total accumulated depreciation of property, plant and equipment	–	58,025	11,648	147,064	565	–	–	20,215	12,194	91,009	340,720
Total net book value of property, plant and equipment	29,460	70,005	16,019	547,346	922	53,856	325	32,357	8,018	111,490	869,798
Other information											
Residual value	Indefinite	0%	5%-25%	0%	0%		Indefinite	0%	0%	0%	–
Range of estimated useful life (years)	Indefinite	5-150	3-50	10-Indefinite	10-60		Indefinite	10-200	5-200	55-200	
***Additions including reallocation of WIP additions to asset class:**											
Asset renewals	–	1,333	3,587	17,264	22	–	–	144	–	545	22,895
Other additions	208	31	504	472	111	–	–	316	144	–	1,786
Total asset additions	208	1,364	4,091	17,736	133	–	–	460	144	545	24,681

continued on next page ...

Note 16. Property, plant and equipment (continued)

(a) Recognition

Items of property, plant and equipment with an acquisition cost of less than $5,000 are expensed in the year of acquisition, except for land and artwork assets. Items of property, plant and equipment with an acquisition cost between $5,000 and $10,000 may be capitalised where they meet the asset recognition criteria and fall within the category of grouped, complex or network assets. Items of property, plant and equipment with an acquisition cost of $10,000 or more are recognised and capitalised within the appropriate asset class.

Grouped assets, are a group of homogenous type assets where individually each asset falls below the recognition threshold but when considered as a whole are material in value. These include assets like computer and CCTV network assets.

Complex assets have a 'parent and child' relationship and like grouped assets, some assets or components may be below the threshold recognition level on an individual basis, yet when considered as a whole to be functional and material. These include assets that are in the park, cemeteries and building asset classes.

Network assets are typically large and interconnected infrastructure type assets that are segmented into attributable components by either asset function or type. Transport and drainage assets are considered to be network assets.

Replacement of a major component of an asset, in order to maintain its service potential, is treated as the acquisition of a new asset. However, routine operating maintenance, repair costs and minor renewals to maintain the operational capacity and useful life of the non-current asset is expensed as incurred.

Expenditure incurred in accordance with Disaster Recovery Funding Arrangements (DRFA) on assets is analysed to determine whether the expenditure is capital in nature. The analysis of the expenditure requires Council engineers and accountants to review the nature and extent of expenditure on a given asset. Material expenditure that extends the useful life or renews the service potential of the asset is capitalised.

The asset capitalisation thresholds for Council are:

Asset Class	Asset Threshold $
Artwork	$1
Plant and Equipment	$5,000
Other Assets	$10,000
Land	$1
Buildings	$10,000
Public Spaces	$10,000
Waste	$10,000
Transport	$10,000
Drainage	$10,000

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.

continued on next page ...

Lockyer Valley Regional Council

Notes to the Financial Statements
for the year ended 30 June 2026

Note 16. Property, plant and equipment (continued)

(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.

Cost is determined as the fair value of consideration plus costs incidental to the acquisition, including freight, design fees, and all other establishment costs. Direct labour and materials incurred in the acquisition or construction of assets are treated as capital expenditure.

Property, plant and equipment received in the form of contributions, are recognised as assets and revenues at fair value.

When Council raises a provision for the restoration of a Council-controlled site, such as a landfill site, the provision is initially recognised against property, plant and equipment. Subsequent changes in the provision relating to the discount rate or the estimated amount or timing of restoration costs are recognised against asset revaluation surplus.

(c) Depreciation

Assets are depreciated from the date of acquisition or, in respect of constructed assets, from the time an asset is completed and commissioned ready for use.

Land, work in progress, 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 indefinite useful lives.

Depreciation, is calculated on a straight-line basis such that the cost of the asset less its residual value is recognised progressively over its estimated useful life. This basis is used as it appropriately reflects the pattern of consumption of Council assets. Where assets have separately identifiable components these components have separately assigned useful lives.

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.

Key judgements and estimates
Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical or physical obsolescence that may change the utility of the assets.

(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.

continued on next page ...

Note 16. Property, plant and equipment (continued)

(e) Valuation

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

Fair values are classified into three levels as follows:

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 the asset or liability.

Level 3: Fair value based on unobservable inputs for the asset and liability.

Non-current asset valuations are reviewed each financial year using Council's engineers, accountants and asset managers to assess the condition and cost assumptions associated with all assets and an appropriate cost index for the region, to ascertain if there has been a material movement in fair value (depreciated replacement cost/market value) since the last financial year.

A full revaluation of all applicable asset classes is done at least once every three years as per the revaluation schedule, with the exception of Artwork which is revalued every five years due to its low value.

An indexed revaluation is applied in the intervening years between comprehensive revaluations when there has been material movement in the asset class.

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.

Capital Work in Progress is the cost of property, plant and equipment being constructed by the Council includes the cost of purchased services, materials, direct labour and an appropriate proportion of labour overheads.

Any revaluation increment arising on the revaluation of an asset is credited to the appropriate class of the asset revaluation surplus, except to the extent it reverses a revaluation decrement for the class previously recognised as an expense. A decrease in the carrying amount on revaluation is charged as an expense to the extent it exceeds the balance, if any, in the revaluation surplus of that asset class.

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

continued on next page ...

Lockyer Valley Regional Council

Notes to the Financial Statements
for the year ended 30 June 2026

Note 16. Property, plant and equipment (continued)

(1) The following table presents all assets and liabilities that have been measured and recognised at fair values:

		Fair value measurement using			
$ '000	Date of latest comprehensive valuation	Level 1 Quoted prices in active mkts	Level 2 Significant observable inputs	Level 3 significant unobservable inputs	Total
2026					
Property, plant and equipment					
Land	*30/06/24*	–	29,515	–	29,515
Buildings	*30/06/25*	–	–	72,585	72,585
Transport	*30/06/26*	–	–	632,875	632,875
Artworks	*30/06/26*	–	312	–	312
Public spaces	*30/06/25*	–	–	34,419	34,419
Waste	*30/06/24*	–	–	7,338	7,338
Drainage	*30/06/24*	–	–	121,637	121,637
Total property, plant and equipment		–	29,827	868,854	898,681
Assets Held for Sale					
Land	*30/06/24*	–	3,344	–	3,344
2025					
Property, plant and equipment					
Land	*30/06/24*	–	29,460	–	29,460
Buildings	*30/06/25*	–	–	70,005	70,005
Transport	*30/06/23*	–	–	547,346	547,346
Artworks	*30/06/21*	–	325	–	325
Public spaces	*30/06/25*	–	–	32,357	32,357
Waste	*30/06/24*	–	–	8,018	8,018
Drainage	*30/06/24*	–	–	111,490	111,490
Total property, plant and equipment		–	29,785	769,216	799,001
Assets Held for Sale					
Land	*30/06/24*	–	1,867	–	1,867

continued on next page ...

Note 16. Property, plant and equipment (continued)

(3) Valuation techniques used to derive level 2 and level 3 fair values

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 this year)	Other interim revaluation adjustment
Land (Level 2)	Market Value	*30/06/24*	Herron Todd White - Ian Douglas, AAPI, 66586, QRV2611	Current zoning, sale prices per square metre (database of recent sales) of comparable properties, adjusted for differences in key attributes such as property size, locality and category and flood risk. Where there is an active and liquid market as evidenced by sales transactions of similar property types, market approach by way of direct comparison or income methods can be utilised and are accepted valuation methodologies under AASB13. If a market approach is adopted, the valuation is deemed to be a Level 2 input. 30 June 2025, 5.26% indexation applied based on desktop indexation assessment done by Herron Todd White - Ian Douglas, AAPI66586, QRV2611	30 June 2026, 8% indexation applied based on internal investigations that supported this index based on Residential land development activity profile: Lockyer Valley (R) LGA shows an increase in the median sales price from June 2025 to March 2026 of 8%. Increasing from $250 000 to $270 000. For comparison, the increase for similar Councils Somerset 9%, Scenic Rim 3% Ipswich 9%, Toowoomba 6%. Gatton's median sale price increased from $405 000 to $433 500 during 2026. This is an increase of 7% which is not materially different to the 8% assumption.	Council will obtain independent valuations at least every three years for land assets. The next comprehensive valuation is scheduled for 2027.

continued on next page ...

Note 16. Property, plant and equipment (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 this year)	Other interim revaluation adjustment
Buildings (Level 3)	Current Replacement Cost	*30/06/25*	Marsh Pty Ltd	The buildings are valued using the cost approach. That is: the replacement cost is determined using unit rates for construction taking into consideration industry standard cost guides and recent completed projects. Fair Value is then derived from other observable inputs, such as condition, useful life, remaining useful life and economic obsolescence. Fair Value = Replacement Cost – Accumulated Depreciation – Obsolescence. For the 2025 comprehensive valuation Marsh Pty Ltd inspected 90% of the building assets.	30 June 2026, 8.65% indexation applied based on the ABS 3020 Non-residential building construction Queensland.	Council will obtain independent valuations at least every three years for building assets. The next comprehensive valuation is scheduled for 2028.

continued on next page ...

Note 16. Property, plant and equipment (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 this year)	Other interim revaluation adjustment
Plant and Other Equipment	Cost less accumulated depreciation less impairment					This asset class is not considered viable for valuation purposes due to the non-replacement nature of the assets, which are typically acquired as one-off purchases. As such, traditional valuation methodologies may not be applicable. To ensure accurate asset management and compliance, annual stocktake procedures must be completed by 30 June each financial year.

continued on next page ...

Note 16. Property, plant and equipment (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 this year)	Other interim revaluation adjustment
Transport (Level 3)	Current Replacement Cost	*30/06/26*	Marsh Pty Ltd - Langley Johnston National Leader - Infrastructure BE, MIEAust 4365664 and Khadijah Bembridge Senior Consultant Valuer BE, MIEAust 8504641	Due to the predominantly specialised nature of Local Government assets, the valuations have been undertaken on a Cost Approach, an accepted valuation methodology under AASB 13. The cost approach is deemed a Level 3 input. That is: the replacement cost is determined using unit rates for construction taking into consideration industry standard cost guides and recent completed projects. Fair Value is then derived from other observable inputs, such as condition, useful life, remaining useful life and economic obsolescence. Fair Value = Replacement Cost – Accumulated Depreciation – Obsolescence	Last indexation applied was 30 June 2025, 3.40% indexation applied based on ABS 3101 Road and bridge construction Queensland.	Council will obtain independent valuations at least every three years for transport assets. The next comprehensive valuation is scheduled for 2029.
Other Assets	Cost less accumulated depreciation less impairment					This asset class is not considered viable for valuation purposes due to the non-replacement nature of the assets, which are typically acquired as one-off purchases. As such, traditional valuation methodologies may not be applicable.

continued on next page ...

Note 16. Property, plant and equipment (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 this year)	Other interim revaluation adjustment
Works In Progress	Cost Replacement					Nil
Artworks (Level 2)	Market Value	*30/06/26*	Marsh Pty Ltd - Helen Miller Registered Valuer of the National Council of Jewellery Valuers (Fine Arts Division). Member No: 161 Australian Government Approved Valuer for the Cultural Gifts Program	The artwork has been valued using a market approach. That is: the valuation has been adopted a sales comparison approach for all art works. In some cases, the valuer has been able to arrive at the valuation based on specifically comparable sales or sales information, but in other cases they addressed the value based on their own knowledge of the market, recent sales.		Council undertakes a comprehensive valuation of its artwork assets every five years. The next comprehensive valuation is scheduled for 2031.

continued on next page ...

Note 16. Property, plant and equipment (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 this year)	Other interim revaluation adjustment
Public Spaces (Level 3)	Current Replacement Cost	*30/06/25*	Marsh Pty Ltd	The gross replacement cost was determined by applying the unit rates to each individual asset. The unit rates applied include all materials, labour and overheads. These unit rates are estimated using information collated from similar recent project costs, direct quotations from suppliers, unit rate databases, indices and industry standard sources such as Rawlinson's. For the 2025 comprehensive valuation Marsh Pty Ltd inspected 95% of the park assets, 75% of the cemetery assets, 100% of the facilities assets and 15% of the bore assets.	30 June 2026, 8.65% indexation applied based on the ABS 3020 Non-residential building construction Queensland.	Council will obtain independent valuations at least every three years for public spaces assets. The next comprehensive valuation is scheduled for 2028.
Waste (Level 3)	Current Replacement Cost	*30/06/24*	APV Valuers & Asset Management - Mr John Deac and Mr Dave Edgerton	Waste assets are valued using the cost approach. This is based on determining the assets replacement cost of the modern equivalent (or cost reproduction) then adjusting for the level of consumed future economic benefit and impairment. 30 June 2025, 4.09% indexation applied based on Asset revaluation index: Non-residential Construction Queensland.	30 June 2026, 5.71% indexation applied based on the Asset revaluation index: Non-residential construction, Queensland.	Council will obtain independent valuations at least every three years for waste assets. The next comprehensive valuation is scheduled for 2027.

continued on next page ...

Note 16. Property, plant and equipment (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 this year)	Other interim revaluation adjustment
Drainage (Level 3)	Current Replacement Cost	*30/06/24*	APV Valuers & Asset Management - Mr John Deac and Mr Dave Edgerton	Drainage assets are valued using the cost approach. This is based on determining the assets replacement cost of the modern equivalent (or cost reproduction) then adjusting for the level of consumed future economic benefit and impairment. 30 June 2025, 3.40% indexation applied based on the ABS 3101 Road and bridge construction Queensland.	30 June 2026, 5.89% indexation applied based on the ABS 3101 Road and bridge construction, Queensland.	Council will obtain independent valuations at least every three years for drainage assets. The next comprehensive valuation is scheduled for 2027.

Note 17. Intangible assets

$ '000	Notes	2026	2025
Intangible assets are as follows:			
Software			
Opening gross carrying value		318	318
Closing gross carrying value		318	318
Opening accumulated amortisation and impairment		(276)	(256)
Amortisation charges		(20)	(20)
Closing accumulated amortisation and impairment		(296)	(276)
Net carrying value at end of financial year		22	42
Total intangible assets - net book value		22	42

Intangible assets represent identifiable, non-monetary assets without physical substance. Intangible assets with a cost or other value exceeding $10,000 are recognised as intangible assets in the financial statements, items with a lesser value are expensed.

Amortisation methods, estimated useful lives and residual values are reviewed at the end of each reporting period and adjusted where appropriate.

Note 18. Contract balances

Contract assets represents the excess of costs incurred in relation to a contract with the customer for construction of an asset over the amounts that council has invoiced the customer or the grantor. 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, this gives rise to a contract liability.

Where the amounts billed to customers are based on the achievement of various milestones established in the contract, the amounts recognised as revenue in a given period do not necessarily coincide with the amounts billed to or certified by the customer.

When a performance obligation is satisfied by transferring a promised good or service to the customer before the customer pays consideration or before payment is due, Council presents the work in progress as a contract asset, unless the rights to that amount of consideration are unconditional, in which case Council recognises a receivable.

When an amount of consideration is received from a customer / fund provider prior to Council transferring a good or service to the customer, Council presents the funds which exceed revenue recognised as a contract liability.

$ '000	2026	2025
(a) Contract assets		
Contract assets	4,059	3,794
Total contract assets	4,059	3,794
Classified as:		
Current contract assets	4,059	3,794
Total contract assets	4,059	3,794
Contracts with customers	10	–
Contracts to construct councils own assets	4,049	3,794
(b) Contract liabilities		
Funds received upfront to construct Council controlled assets	7,206	4,047
Total contract liabilities	7,206	4,047
Classified as:		
Current contract liabilities	7,206	4,047
Total contract liabilities	7,206	4,047

Contract liabilities consists of government grants and contributions received in advance where the funds received in advance are dependent on specific performance obligations being satisfied.

Revenue recognised that was included in the contract liability balance at the beginning of the year		
Funds to construct Council controlled assets	6,905	3,245
Deposits received in advance of services provided	301	802
Total revenue included in the opening contract liability	7,206	4,047

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 2026/2027 financial year.

continued on next page ...

Note 18. Contract balances (continued)

(c) Significant changes in contract balances

Contract Liabilities have increased due to prepayments of grant funds for a various funded projects. The most notable increases are the prepayment of Laidley Flood Mitigation $4.5 million and Black Spot $0.69 million funding programs.

Note 19. Leases

Council as a lessee

Council has leases in place over IT equipment. Council has applied the exception to lease accounting for leases of low-value assets and short-term leases.

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. Low value assets are assets that have a value below the capitalisation threshold. Council recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.Council has assessed its contractual agreements and have found no lease arrangements of material value.

Leases at significantly below market value / concessionary leases
Council is the lessee of a number of Deed of Grant in Trust leases, for which no or little lease payments are made. These have been identified as peppercorn leases which are currently not recognised in Council's financial statements. Council does not intend to elect to apply the fair value measurement requirements to these leases until such time as this requirement is mandated.

Assets leased under a concessionary arrangement are land assets and are used for free public car parking, gardens, bus stops including seating, access and signage areas, footpaths and a war memorial. The land is leased from Queensland Rail Limited. The leases are between 2 and 10 years and require payments between $1 and $1,000 per annum. The use of the right-of-use asset is restricted by the lessor to specified community services which Council must provide, these service are detailed in the leases.

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

Council as a lessor

When Council is a lessor, the lease is classified as either an operating or finance lease at inception date, based on whether substantially all of the risks and rewards incidental to ownership of the asset have been transferred to the lessee. If the risks and rewards have been transferred then the lease is classified as a finance lease, otherwise it is an operating lease.

If the lease contains lease and non-lease components then the non-lease components are accounted for in accordance with AASB 15 Revenue from Contracts with Customers.

The lease income is recognised on a straight-line basis over the lease term.

Council is the lessor of a number of properties and facilities. The leases are primarily for the lease of facilities to community and sporting associations, the lease of property for telecommunication towers and the lease of property for agricultural purposes.

continued on next page ...

Note 19. Leases (continued)

$ '000	2026	2025
Operating leases		
Where Council retains the risks and rewards relating to a lease, they are classified as an operating lease.		
Rent from property is recognised as income on a periodic straight line basis over the lease term.		
Council property lease income	527	375
Total operating lease income (rental income)	527	375
The minimum lease receipts are as follows:		
Not later than one year	326	294
Between one and two years	218	206
Between two and three years	158	210
Between three and four years	157	150
Between four and five years	162	147
Later than five years	651	495
Total lease receipts	1,672	1,502

The assets are included in the statement of financial position as:

- Investment property - where the asset is held predominantly for rental or capital growth purposes (refer note 16). Council does not currently hold any Investment Properties.
- Property, plant and equipment - where the rental is incidental or the asset is held to meet Council's service delivery objectives (refer note 16).

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

Note 20. Payables

Trade payables are recognised upon receipt of the goods or services ordered, and are measured at the agreed purchase/contract price. Amounts owing are unsecured, and generally settled on 30 day terms except local businesses who are settled on 14 day terms.

A liability for salaries and wages is recognised and measured as the amount unpaid at the reporting date at current pay rates in respect of employees' services up to that date. This liability represents an accrued expense.

Superannuation is paid within three days of a pay period. No liability is recognised for superannuation.

Current		
Creditors and accruals	7,042	8,111
Prepaid rates	3,595	3,393
Employee entitlements	184	172
ATO - net GST payable	633	39
Security bonds, deposits and retentions	251	–
Other	–	2
State fire levy	3	53
Waste levy received in advance	997	1,077
Total current payables	12,705	12,847
Non-current		
Waste levy received in advance	893	997
Total non-current payables	893	997

Note 21. Provisions

Provisions are measured at the expected cost of the work required, discounted to current day values using the interest rates attaching to Commonwealth Government guaranteed securities with a maturity date corresponding to the anticipated date of the payment.

Short-term benefits which are expected to be wholly settled within 12 months are calculated on wage and salary levels which are expected to be paid and includes related employee on-costs. Amounts not expected to be wholly settled within 12 months are calculated on projected future wage and salary levels and related employee on-costs, and are discounted to present values.

Long service leave
A liability for long service leave is measured as 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 value of the liability is calculated using current pay rates, future pay increases, employee on-costs, and the probability of the employee remaining in Council's employment which would result in the Council being required to meet the liability. The interest rates attaching to Commonwealth Government guaranteed securities at the reporting date are used to discount the estimated future cash outflows to their present value. The provision is discounted using the Commonwealth Bond yield rates published on the Reserve Bank of Australia 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.

Quarry rehabilitation
The provision represents the present value of the anticipated future costs associated with the closure of the five quarries, refilling the basin, and reclamation and rehabilitation of these sites. The calculation of this provision requires assumptions such as application of environmental legislation, site closure dates, available technologies and engineering cost estimates. These uncertainties may result in future actual expenditure differing from amounts currently provided. Because of the long-term nature of the liability, the most significant uncertainty in estimating the provision is the costs that will be incurred. The provision recognised for quarry rehabilitation is reviewed at least annually and updated based on the facts and circumstances available at the time. Restoration costs are already being incurred. Changes to the provisions resulting from the passing of time (the unwinding of the discount) are treated as a finance cost.

Refuse restoration
The provision represents the present value of the anticipated future costs associated with the closure of the eight refuse sites, decontamination and monitoring of historical residues and leaching on these sites. The calculation of this provision requires assumptions such as application of environmental legislation, site closure dates, available technologies and engineering cost estimates. These uncertainties may result in future actual expenditure differing from amounts currently provided. Because of the long-term nature of the liability, the most significant uncertainty in estimating the provision is the costs that will be incurred. The provision recognised for refuse sites is reviewed at least annually and updated based on the facts and circumstances available at the time. Restoration costs are already being incurred. Changes to the provision resulting from the passing of time (the unwinding of the discount) are treated as finance costs (refer to Note 8). For refuse sites that are on state reserves which Council does not control, the provision for restoration is treated as an expense in the year the provision is first recognised. Subsequent changes in the provision are treated as an expense or income. Amendments to the provision resulting from changes in estimates, which includes changes in escalation rate (inflation), discount rate change, and change in cost estimates, are recognised within the accounts as Capital Income (refer Note 5) or Capital Expenses (refer to Note 9).

Ethos Resources, an independent expert, has completed a review and provided an updated cost estimate of the future restoration costs for the refuse restoration. This work was completed for the period ended 30 June 2026 and the provision updated in accordance with their final report.

continued on next page ...

Note 21. Provisions (continued)

$ '000		2026	2025
Current			
Annual leave		2,706	2,787
Long service leave		5,661	5,736
Sub total - aggregate employee benefits		8,367	8,523
Quarry rehabilitation		23	23
Refuse restoration		265	–
Total current provisions		8,655	8,546
Non-current			
Long service leave		457	372
Sub total - aggregate employee benefits		457	372
Quarry rehabilitation		429	450
Refuse restoration		47,343	47,951
Total non-current provisions		48,229	48,773
Details of movements in provisions			
Quarry rehabilitation			
Balance at beginning of financial year		473	492
Increase in provision due to unwinding of discount	8	20	22
Change in estimates	5, 9	(41)	(41)
Balance at end of financial year		452	473
Refuse restoration			
Balance at beginning of financial year		47,951	48,800
Increase in provision due to unwinding of discount	8	2,391	2,114
Change in estimates	5, 9	(2,734)	(2,963)
Balance at end of financial year		47,608	47,951

Note 22. Asset revaluation surplus

The asset revaluation surplus comprises revaluation movements on property, plant and equipment. Increases and decreases on revaluation are offset within a class of assets.

Note 23. Commitments for expenditure

$ '000	2026	2025
(a) Contractual commitments		
Contractual commitments at end of financial year but not recognised in the financial statements are as follows:		
Garbage collection contract	23,384	23,013
Kerbside processing of recyclables	397	76
Waste site supervision contract	6,610	7,358
Computer leasing contract	59	213
IT software contracts	3,489	4,600
Facilities contract	1,255	1,961
	35,194	37,221

There are no significant changes in contractual commitments.

$ '000	2026	2025
(b) Capital commitments (exclusive of GST)		
Commitment for the construction of the following assets contracted for at the reporting date but not recognised as liabilities:		
Property, plant and equipment		
Facility, buildings, plant and equipment expenditure	2,561	1,874
Road operations and bridge construction	1,578	6,978
Total commitments	4,139	8,852
These expenditures are payable as follows:		
Within the next year	4,139	8,852
Total payable	4,139	8,852

Note 24. Contingent liabilities

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

Local Government Mutual
The 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 2026 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 $895,744.

Legal claims
Based on advice and review from Council's solicitor, there are no claims / legal proceedings that may result in a material financial settlement being made by Council to resolve the litigation. (2025: NIL).

Note 25. Superannuation - regional defined benefit fund

Council contributes to the Brighter Super Regional Defined Benefits Fund (the scheme), at the rate of 12% for each standard 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 it 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 the council.

Council may be liable to the scheme for a portion of another 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 triennial 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 as at the valuation date." The measure of vested benefits represents the value of benefit entitlements should all participating employees voluntarily exit the scheme. The 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 not due until 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.

$ '000	Notes	2026	2025
Superannuation contributions made to the Regional Defined Benefits Fund		44	56
Other superannuation contributions for employees		3,396	3,221
Total superannuation contributions paid by Council for employees	6	3,440	3,277

Note 26. Reconciliation of Operating Result

$ '000	Notes	2026	2025
Net Result		22,902	35,204
Non-cash items			
Depreciation and amortisation	16 & 17	16,741	15,875
		16,741	15,875
Losses/(gains) recognised on fair value re-measurements through the income statement			
Revaluation of investment properties		–	(76)
Revaluation relating to assets held for sale		(241)	(13)
Unwinding of discount rates on reinstatement provisions		2,411	2,135
Capital Income - Rehabilitation		(2,775)	(3,004)
		(605)	(958)
Investing and development activities			
Net (profit)/loss on disposal of assets/WIP write off		2,687	845
Capital grants and contributions		(16,289)	(17,439)
Share of net (profits)/losses of associates/JV's		(2,303)	(927)
Capital contributions		(6,730)	(11,365)
		(22,635)	(28,886)
Changes in operating assets and liabilities:			
(Increase)/decrease in receivables		1,142	(1,117)
Increase/(decrease) in provision for doubtful debts		2	6
(Increase)/decrease in inventories		60	33
(Increase)/decrease in other assets		(24)	(6)
Increase/(decrease) in payables		(246)	1,152
Increase/(decrease) in employee leave entitlements		(70)	(203)
		864	(135)
Net cash provided from operating activities from the statement of cash flows		17,267	21,100

Note 27. Events after the reporting period

There has not been any event that occurred after the end of the reporting period that has significantly affected, or may significantly affect, the current or future financial results of the Council.

Note 28. Financial instruments and financial risk management

(a) Financial assets and financial liabilities

Council has exposure to the following risks arising from financial instruments; (i) credit risk, (ii) liquidity risk and (iii) market risk.

This note provides information (both qualitative and quantitative) to assist statement users evaluate the significance of financial instruments on the Council's financial position and financial performance, including the nature and extent of risks and how the Council manages these exposures.

Financial risk management

Council is responsible for the establishment and oversight of the risk management framework, together with developing and monitoring risk management policies.

Council's Audit and Risk Management Committee (ARMC) has oversight of policies for overall risk management specifically for managing credit, liquidity and market risk.

The 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. The Council aims to manage volatility to minimise potential adverse effects on the financial performance of the Council.

The ARMC oversees how management monitors compliance with the Council's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Council. The ARMC 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 ARMC.

Council does not enter into derivatives.

continued on next page ...

Note 28. Financial instruments and financial risk management (continued)

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 the Council's investments and receivables from customers.

Exposure to credit risk is managed through regular analysis of credit counterparty ability to meet payment obligations. The carrying amount of financial assets represents the maximum credit exposure.

Investments in financial instruments are required to be made with Queensland Treasury Corporation (QTC) or similar State/Commonwealth bodies or financial institutions in Australia, in line with the requirements of the *Statutory Bodies Financial Arrangements Act 1982*.

No collateral is held as security relating to the financial assets held by the Council.

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

Cash and cash equivalents
The Council may be exposed to credit risk through its investments in the QTC Cash Fund and QTC working capital facility. The QTC Cash Fund is an asset management portfolio that invests with a wide range of high credit rated counterparties. Deposits with the QTC cash fund are capital guaranteed. Working capital facility deposits have a duration of one day and all investments are required to have a minimum credit rating of "A-", therefore the likelihood of the counterparty having capacity to meet its financial commitments is strong.

Other financial assets
Other investments are held with financial institutions, which are rated AA+ to BBB- based on rating agency Standard and Poors ratings, and whilst not capital guaranteed, the likelihood of a credit failure is assessed as remote.

Receivables
In the case of rate receivables, Council has the power to sell the property to recover any defaulted amounts. In effect this power protects Council against credit risk in the case of defaults.

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

By the nature of Council's operations, there is a geographical concentration of risk in Council's area. Because the area is largely residential and agricultural, there is also a concentration in the residential and agricultural sectors.

Council does not require collateral in respect of trade and other receivables. Council does not have trade receivables for which no loss allowance is recognised because of collateral.

Liquidity risk

Liquidity risk refers to the situation where Council may encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Council is exposed to liquidity risk through its trading in the normal course of business.

Council manages its exposure to liquidity risk by maintaining sufficient cash deposits and undrawn facilities, both short and long term, to cater for unexpected volatility in cash flows. These facilities are disclosed in Note 10.

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, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Council's reputation.

continued on next page ...

Note 28. Financial instruments and financial risk management (continued)

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

$ '000	0 to 1 year	1 to 5 years	Over 5 years	Total contractual cash flows	Carrying amount
2026					
Payables	12,705	893	–	13,598	13,598
	12,705	893	–	13,598	13,598
2025					
Payables	12,847	997	–	13,844	13,844
	12,847	997	–	13,844	13,844

The outflows in the above table are not expected to occur significantly earlier and are not expected to be 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 the 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 Queensland Treasury 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 profit or Loss, 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 period. The calculation assumes that the change in interest rates would be held constant over the period.

continued on next page ...

Note 28. Financial instruments and financial risk management (continued)

$ '000	Net carrying amount	Net result 1% increase	Net result 1% decrease	Equity 1% increase	Equity 1% decrease
2026					
QTC cash fund	54,732	547	(547)	547	(547)
Other investments	9,000	90	(90)	90	(90)
Net	63,732	637	(637)	637	(637)
2025					
QTC cash fund	56,714	567	(567)	567	(567)
Other investments	3,000	30	(30)	30	(30)
Net	59,714	597	(597)	597	(597)

(b) Fair value

The fair value of trade and other receivables and payables is assumed to approximate the value of the original transaction, less any allowance for impairment.

The following table shows the carrying amounts and fair values of financial assets and financial liabilities. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

$ '000	Notes	Carrying value 2026	Carrying value 2025	Fair value 2026	Fair value 2025
Financial assets					
Cash and cash equivalents	10	2,029	744	2,029	744
QTC cash fund	10	54,732	56,714	54,732	56,714
Investments		9,000	3,000	9,000	3,000
Total financial assets		65,761	60,458	65,761	60,458

Note 29. Transactions with related parties

(a) Transactions with associates

	2026 $ '000	2025 $ '000
Queensland Urban Utilities		
Water and waste water charges	788	690
Private works for QUU	(29)	(30)
Council of Mayors of South East Queensland		
Annual membership levy	36	35
Resilient rivers contribution	36	36
Resilient Rivers initiative	(560)	(2,230)
Lockyer Valley & Somerset Water Security Scheme Project Environment Benefits Assessment	193	
	464	(1,499)

The above transactions, which include both revenue and expenditure, were undertaken in the normal course of business and subject to standard terms and conditions.

(b) Transactions with key management personnel

Key management personnel have disclosed any personal interest in relation to decision making around these transactions, or absented themselves from the decision making process. Similar transactions have occurred in previous years, prior to the election or employment of Key Management Personnel.

Key Management Personnel include the Councillors, Chief Executive Officer, Executive Managers and the Manager Financial Services. Other staff acting in those positions during the year have also been included for the period of time they were acting.

$ '000	2026	2025
The compensation paid to key management personnel comprises:		
Short-term employee benefits	2,424	2,450
Post-employment benefits	204	238
Long-term benefits	114	45
Termination benefits	37	63
Total	2,779	2,796

continued on next page ...

Note 29. Transactions with related parties (continued)

(c) Transactions with other related parties

Other related parties include the close family members of KMP and any entities controlled or jointly controlled by KMP or their close family members. Close family members include a spouse, child and dependant of a KMP or their spouse.

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

	2026 $ '000	2025 $ '000
Purchase of goods and services from entities controlled by key management personnel	-	-
Purchase of goods and services from entities controlled by related parties of key management personnel	-	-
Employee expenses for close family members of key management personnel	-	-
	-	-

All of the above transactions were in the normal course of business, and subject to standard terms and conditions.

Any contracts with related parties have followed normal procurement and tender processes.

There is one related party who is an employee of Council but not Key Management Personnel. Their employment terms and conditions are in accordance with Council's Enterprise Bargaining Agreement and standard recruitment practices.

(d) Outstanding balances

Council holds no contract retentions (2025: Nil) on behalf of a related party.

Included in the balances disclosed at (a) is an amount of $4,471 (2025: $4,828) which was outstanding at year end. This is in accordance with Council's normal debt collection and creditor payment terms.

(e) Loans and guarantees to/from related parties

Council holds no bank guarantees (2025: Nil) on behalf of a related party.

Council has provided a loan to QUU for $14.7 million (2025: $14.7 million). This is managed by Queensland Treasury Corporation. This loan is at commercial interest rates, and the capacity for QUU to repay this loan is assessed yearly. This loan is disclosed at Note 11.

(f) Commitments to/from other related parties

There are no commitments at the end of the reporting period in relation to transactions with related parties.

(g) Transactions with related parties that have not been disclosed

Transactions on the same basis as ordinary citizens with the related parties have not been disclosed. These transactions include rates payment for properties owned within Council boundaries, dog registrations, and reimbursement of expenses for parking and conferences.

Note 30. Council information and contact details

Principal place of business:
26 Railway Street
Gatton QLD 4343

Contact details
Mailing address:
PO Box 82
Gatton QLD 4343

Telephone: 1300 005 872

Opening hours:
8:30am - 4:30pm - Gatton
9:00am - 5:00pm - Laidley
Monday to Friday

Internet: www.lockyervalley.qld.gov.au
Email: mailbox@lvrc.qld.gov.au

Officers

CHIEF EXECUTIVE OFFICER
Nicholas Hauser

AUDITORS
Queensland Audit Office
PO Box 15396
City East QLD 4002

Elected members

MAYOR
Tanya Milligan

COUNCILLORS
Chris Wilson
Michael Hagan
Julie Reck
Cheryl Steinhardt
David Neuendorf
Anthony Wilson

Other information

ABN: 52 673 165 312

Lockyer Valley Regional Council

General Purpose Financial Statements

for the year ended 30 June 2026

Management Certificate

for the year ended 30 June 2026

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 3 to 53, present a true and fair view, in accordance with Australian Accounting Standards, of the Council's transactions for the financial year and financial position at the end of the year.

Tanya Milligan
Mayor
13 October 2026

Nicholas Hauser
Chief Executive Officer
13 October 2026

Queensland Audit Office
Better public services

INDEPENDENT AUDITOR'S REPORT

To the Councillors of Lockyer Valley Regional Council

Report on the audit of the financial report

Opinion

I have audited the financial report of Lockyer Valley Regional Council (the council).

The financial report comprises the statement of financial position as at 30 June 2026, the statement of comprehensive income, statement of changes in equity and statement 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 accordance with s. 40 of the *Auditor-General Act 2009*, for the year ended 30 June 2026:

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.

c) In my opinion, the financial report:

i. gives a true and fair view of the council's financial position as at 30 June 2026, and of its financial performance for the year then ended

ii. 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 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 council is responsible for the other information.

The other information comprises the information included in the council's annual report for the year ended 30 June 2026, but does not include the financial report and my auditor's report thereon.

Queensland Audit Office
Better public services

At the date of this auditor's report, the available other information in the council's annual report for the year ended 30 June 2026 was the current year financial sustainability statement, current year financial sustainability statement – contextual ratios and unaudited 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 council for the financial report

The council is responsible for:

- the preparation of the financial report that gives a true and fair view in accordance with the *Local Government Act 2009* and the Local Government Regulation 2012, and other prescribed requirements and Australian Accounting Standards, and such internal control as they determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error
- the establishment and keeping of accounts in accordance with prescribed requirements
- assessing the council's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless it is intended to abolish the council or to otherwise cease operations of the council.

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. My auditor's report must state whether I have received all the information and explanations required, and whether I consider the prescribed requirements in relation to the establishment and keeping of accounts have been complied with in all material respects.

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:
www.auasb.gov.au/auditors_responsibilities/ar4.pdf

Queensland Audit Office
Better public services

A further description of my responsibilities under the *Auditor-General Act 2009* and *Auditor-General Auditing Standards* is located at the Queensland Audit Office website at:
www.qao.qld.gov.au/audit-program/audit-standards

These descriptions form part of my auditor's report.

Sri Narasimhan
as delegate of the Auditor-General

16 October 2026

Queensland Audit Office
Brisbane

Current Year Financial Sustainability Statement

		Target Tier 3	Actual 2026	5 Yr Av. 2022-26
Audited ratios				
Council's performance at 30 June 2026 against key financial ratios and targets.				
Liquidity				
1. Unrestricted cash expense coverage ratio				
Total cash and equivalents add current investments add available ongoing QTC working capital limit less externally restricted cash / Total operating expenditure less depreciation and amortisation less finance costs	x 12	>3	**9.1 months**	**N/A**
The unrestricted cash expense cover ratio is an indicator of the unconstrained liquidity available to a Council to meet ongoing and emergent financial demands, which is a key component to solvency. It represents the number of months a Council can continue operating based on current monthly expenses. Council's ratio is well above the target and indicates that Council has sufficient free cash available to contribute to the cost of future planned and unplanned expenditure.				
Operating performance				
2. Operating surplus ratio				
Operating result / Total operating revenue		>0%	**(0.51)%**	**5.96%**
The operating surplus ratio is an indicator of the extent to which operating revenues generated cover operational expenses. Any operating surplus would be available for capital funding or other purposes. An operating surplus ratio above 0% is an indication that Council is managing its finances within its means and generating surplus funds for capital funding and other purposes.				
3. Operating cash ratio				
Operating result add depreciation and amortisation add finance costs / Total operating revenue		>0%	**18.67%**	**24.20%**
The operating cash ratio is a measure of Council's ability to cover its core operational expenses and generate a cash surplus excluding depreciation, amortisation, and finance costs. A positive ratio indicates Council has the ability to self fund its capital expenditure requirements.				
Asset management				
4. Asset sustainability ratio				
Capital expenditure on replacement of infrastructure assets (renewals) / Depreciation expenditure on infrastructure assets		>80%	**178.72%**	**185.35%**
The asset sustainability ratio approximates the extent to which the infrastructure assets managed by a Council are being replaced as they reach the end of their useful lives. An asset sustainability ratio close to 100% indicates Council is spending enough on the renewal of its assets to compensate for the deterioration in its asset base. Council has performed particularly strongly with this ratio due to an increased focus on the renewal of infrastructure assets and the renewal works delivered as part of the flood recovery efforts.				
5. Asset consumption ratio				
Written down replacement cost of depreciable infrastructure assets / Current replacement cost of depreciable infrastructure assets		>60%	**70.73%**	**72.69%**

continued on next page ...

Lockyer Valley Regional Council

General Purpose Financial Statements
for the year ended 30 June 2026

The asset consumption ratio approximates the extent to which Council's infrastructure assets have been consumed compared to what it would cost to build a new asset with the same benefit to the community. Council has exceeded the minimum target of 60% which indicates that Council's assets are being consumed in line with their estimated useful lives.

continued on next page ...

Current Year Financial Sustainability Statement (continued)

	Target Tier 3	Actual 2026	5 Yr Av. 2022-26
Debt servicing capacity			
6. Leverage ratio			
Book value of debt / Total operating revenue less total operating expenditure add depreciation and amortisation	0-3 times	**0.0 times**	**0.3 times**

The leverage ratio is an indicator of a Council's ability to repay its existing debt. It measures the relative size of the Council's debt to its operating performance. Council is currently debt free.

Basis of preparation

The current year financial sustainability statement is prepared in accordance with the requirements of the *Local Government Regulation 2012* and the *Financial Management (Sustainability) Guideline 2025*. The amounts used to calculate the reported measures are prepared on an accrual basis and are drawn from the Council's audited general purpose financial statements for the year ended 30 June 2026.

Lockyer Valley Regional Council

General Purpose Financial Statements
for the year ended 30 June 2026

Certificate of Accuracy - Audited Ratios

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.

Tanya Milligan
Mayor
13 October 2026

Nicholas Hauser
Chief Executive Officer
13 October 2026

Queensland Audit Office
Better public services

INDEPENDENT AUDITOR'S REPORT

To the Councillors of Lockyer Valley Regional Council

Report on the Current-Year Financial Sustainability Statement

Opinion

I have audited the accompanying current year financial sustainability statement of Lockyer Valley Regional Council (the council).

The financial sustainability statement for the year ended 30 June 2026, comprises 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 is accurately calculated in accordance with the Financial Management (Sustainability) Guideline 2024.

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 1, 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 council is responsible for the other information.

The other information comprises the information included in the council's annual report for the year ended 30 June 2026, but does not include the financial sustainability statement and my auditor's report thereon.

Queensland Audit Office
Better public services

At the date of this auditor's report, the available other information in the council's annual report for the year ended 30 June 2026 was the general purpose financial statements, current-year financial sustainability statement – contextual ratios, and the unaudited 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 council for the current year financial sustainability statement

The council is responsible for the preparation and fair presentation of the current year financial sustainability statement in accordance with the Financial Management (Sustainability) Guideline 2024 and the Local Government Regulation 2012. The council's responsibility also includes such internal control as the council determines 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.

Queensland Audit Office

Better public services

- obtain an understanding of internal control relevant to the audit 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.

16 October 2026

Sri Narasimhan
as delegate of the Auditor-General

Queensland Audit Office
Brisbane

Current Year Financial Sustainability Statement

		Target Tier 3	Actual 2026	5 Yr Av. 2022-26
Contextual ratios (unaudited)				
Financial capacity				
1. Council controlled revenue				
Net rates, levies and charges add fees and charges / Total operating revenue		N/A	**67.02%**	**67.62%**

Council controlled revenue is an indicator of a Council's financial flexibility, ability to influence its operating income, and capacity to respond to unexpected financial shocks. A higher ratio means Council has a healthy rate base and is able to respond to unexpected financial obligations as they arise.

2. Population growth				
Prior year estimated population / Previous year estimated population	- 1	N/A	**2.75%**	**1.90%**

Population growth is a key driver of a Council's operating income, service needs, and infrastructure requirements into the future. A growing Council population indicates great capacity to generate revenue through rates and charges. Population growth also puts additional pressure on Council to invest in new community infrastructure to support service needs.

Asset management			
3. Asset renewal funding ratio			
Total of planned capital expenditure on infrastructure assets renewals over 10 years / Total required capital expenditure on infrastructure asset renewals over 10 years	N/A	**90.76%**	**N/A**

The asset renewal funding ratio measures the ability of a Council to fund its projected infrastructure asset renewal/replacements in the future. Ideally, the ratio should be close to 100% as this indicates Council is appropriately funding and delivering the entirety of its required capital program as detailed in Council's asset management plans.

Basis of preparation

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 2025.* The amounts used to calculate the reported measures are prepared on an accrual basis and are drawn from the Council's audited general purpose financial statements for the year ended 30 June 2026.

Lockyer Valley Regional Council

General Purpose Financial Statements
for the year ended 30 June 2026

Certificate of Accuracy - Contextual Ratios (Unaudited)

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.

Tanya Milligan
Mayor
13 October 2026

Nicholas Hauser
Chief Executive Officer
13 October 2026

Unaudited Long Term Financial Sustainability Statement

	Target Tier 3	Actual	Forecast								
	2026	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Measures of financial sustainability												
Liquidity												
1. Unrestricted cash expense coverage ratio												
Total cash and equivalents add current investments add available ongoing QTC working capital limit less externally restricted cash	x 12	**9.1 months**	9.6 months	8.1 months	8.7 months	8.6 months	8.9 months	8.8 months	8.7 months	9.1 months	9.3 months	9.8 months
Total operating expenditure less depreciation and amortisation less finance costs	3 months											
The unrestricted cash expense cover ratio is an indicator of the unconstrained liquidity available to a council to meet ongoing and emergent financial demands, which is a key component to solvency. It represents the number of months a council can continue operating based on current monthly expenses.												
Operating performance												
2. Operating surplus ratio												
Operating result												
Total operating revenue	> 0%	**(0.51)%**	0.90%	0.20%	2.20%	1.80%	1.30%	0.60%	0.40%	0.50%	0.50%	0.50%
The operating surplus ratio is an indicator of the extent to which operating revenues generated cover operational expenses. Any operating surplus would be available for capital funding or other purposes.												
3. Operating cash ratio												
Operating result add depreciation and amortisation add finance costs	> 0%	**18.67%**	23.30%	23.30%	25.30%	25.50%	25.70%	25.60%	26.20%	26.80%	27.50%	28.00%
Total operating revenue												
The operating cash ratio is a measure of council's ability to cover its core operational expenses and generate a cash surplus excluding depreciation, amortisation, and finance costs.												

continued on next page ...

Unaudited Long Term Financial Sustainability Statement (continued)

	Target Tier 3 2026	Actual 2026	Forecast 2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Asset management												
4. Asset sustainability ratio												
Capital expenditure on replacement of infrastructure assets (renewals) / Depreciation expenditure on infrastructure assets	> 80%	**178.72%**	102.60%	103.30%	87.30%	98.30%	87.20%	98.30%	84.40%	83.70%	83.60%	89.10%
The asset sustainability ratio approximates the extent to which the infrastructure assets managed by a council are being replaced as they reach the end of their useful lives.												
5. Asset consumption ratio												
Written down replacement cost of depreciable infrastructure assets / Current replacement cost of depreciable infrastructure assets	> 60%	**70.73%**	70.60%	70.30%	69.90%	69.60%	69.30%	69.10%	69.00%	68.90%	68.90%	68.90%
The asset consumption ratio approximates the extent to which council's infrastructure assets have been consumed compared to what it would cost to build a new asset with the same benefit to the community.												
6. Asset renewal funding ratio												
Total of planned capital expenditure on infrastructure assets renewals over 10 years / Total required capital expenditure on infrastructure asset renewals over 10 years	N/A	**90.76%**					N/A					
The asset renewal funding ratio measures the ability of a council to fund its projected infrastructure asset renewal/replacements in the future.												

continued on next page ...

Unaudited Long Term Financial Sustainability Statement (continued)

	Target Tier 3 2026	Actual 2026	Forecast 2027	2028	2029	2030	2031	2032	2033	2034	2035	2036
Debt servicing capacity												
7. Leverage ratio												
Book value of debt / Total operating revenue less total operating expenditure add depreciation and amortisation	0 - 3 times	**0.0 times**	0.0 times	0.0 times	0.0 times	0.0 times	0.0 times	0.0 times	0.0 times	0.0 times	0.0 times	0.0 times
The leverage ratio is an indicator of a council's ability to repay its existing debt. It measures the relative size of the council's debt to its operating performance.												
Financial capacity												
8. Council controlled revenue												
Net rates, levies and charges add fees and charges / Total operating revenue	Not Applicable	**67.02%**	71.50%	73.80%	74.90%	75.10%	75.40%	75.60%	75.90%	76.30%	76.60%	76.90%
Council controlled revenue is an indicator of a council's financial flexibility, ability to influence its operating income, and capacity to respond to unexpected financial shocks.												
9. Population growth												
Prior year estimated population / Previous year estimated population - 1	Not Applicable	**2.75%**	1.30%	1.30%	1.30%	1.30%	1.30%	1.30%	1.30%	1.30%	1.30%	1.30%
Population growth is a key driver of a council's operating income, service needs, and infrastructure requirements into the future.												

continued on next page ...

Lockyer Valley Regional Council Financial Management Strategy

In July 2023, Queensland Treasury Corporation (QTC) completed the Credit Review process for Lockyer Valley Regional Council (LVRC). LVRC's credit rating has been affirmed as Moderate with a Neutral outlook. Council would like to see its QTC rating upgraded to "sound" over the longer term.

Council's adopted Long Term Financial Plan 2020 - 2029 provides a framework for securing its financial sustainability over the life of the forecast period.

To achieve this, Council aims for:

- Operating surpluses for the forecast period.
- Smoother increases in rates from year to year to avoid any 'rate shock'.
- Review of operations and service levels to focus on core services.
- Improved transparency and consultation in developing future budgets.

'The current forecast has the levels of income and expenditure at what should be considered 'normal' operations. It also sees operating surpluses for the life of the long term plan and a more sustainable level of capital works which is focussed on renewals.

Council has adopted Service Management Plans for its major asset classes. Improved asset data and a planned inspection regime will ensure that Council's understanding of the condition of its assets is better than it has ever been. This will in turn improve the outputs from the service management plans for each class of assets and ensure a more realistic forecast of the required levels of expenditure.

Certificate of Accuracy - Long Term Financial Sustainability Statement

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.

Tanya Milligan
Mayor
13 October 2026

Nicholas Hauser
Chief Executive Officer
13 October 2026

Glossary

The following terms are used throughout this report.

A

Advocacy:
Actions taken to represent and promote the community's interests and influence decisions, policies or funding outcomes.

Annual Budget:
Council's adopted published budget that outlines expected revenue and annual allocation of funding for acquiring, constructing, renewing or improving long-term assets and Council's day-to-day services and activities.

Annual Report:
Council's statutory report on its performance, achievements, operations and financial position for the financial year.

Asset:
Assets are tangible and intangible holdings, possessions, capital or resources belonging to and controlled by Council.

Asset Management:
The coordinated planning and management of assets throughout their life cycle to realise value, manage cost, risk and performance, and support sustainable service delivery to the community.

Audit and Risk Management Committee (ARMC):
A committee that provides independent oversight of Council's audit, risk management, internal control and governance arrangements.

C

Collaboration:
Working together by sharing talents, skills, experience and knowledge, and seeking opportunities to connect and apply creative thinking to deliver better outcomes for the Lockyer Valley.

Community:
Community includes Lockyer Valley residents, ratepayers, businesses, investors, visitors and tourists.

Community Engagement:
A planned process of communicating and working with the community to understand its needs, views and priorities, inform Council decision-making and encourage participation in matters that affect the community.

Community Financial Report:
A plain-language summary of Council's financial performance and financial position, designed to help the community understand its finances outlined in the annual financial statements.

Community Plan:
A long-term plan that expresses the community's vision, priorities and desired outcomes for the region.

Corporate Plan:
Council's strategic plan setting its direction, outcomes and commitments.

Council:
Lockyer Valley Regional Council, comprising the elected Mayor and Councillors and, where the context requires, the organisation they govern.

Councillor:
An elected representative responsible for making decisions in the interests of the whole local government area.

E

Executive Leadership Team:
Council's team of senior executive officers led by the CEO and consists of the Group Managers and the Manager People and Customer Experience.

Essential Eight:
A set of cyber security mitigation strategies designed to help organisations protect systems and information.

F

Financial Statements:
Formal documents that summarise Council's financial performance, financial position and cash flows for a financial year.

Framework:
A structured approach that sets out the principles, processes and responsibilities used to guide consistent planning, decision-making and action.

Full-Time Equivalent (FTE):
A measure of workforce capacity that converts employee working hours into the equivalent number of full-time positions.

G

Governance:
The systems, processes and practices used to direct, oversee and account for Council's decisions and activities.

Guideline:
A document that provides recommended principles, advice or practical direction to support consistent decision-making or action.

H

Human Rights:
Fundamental rights and freedoms of humans that are protected under the *Human Rights Act 2019*.

I

In-kind Assistance:
Non-cash support provided through goods, services, facilities, equipment or staff time.

Internal Audit:
An independent assurance activity that reviews Council's governance, risk management and internal controls.

L

Local Government Area (LGA):
The geographical area administered by a local government.

Local Government Infrastructure Plan (LGIP):
A statutory plan that identifies trunk infrastructure needed to support future development and growth.

Long Term Financial Forecast:
A projection of Council's expected revenue, expenditure, assets, liabilities and cash flows over an extended period to support sustainable financial planning and decision-making.

M

Mission:
A concise statement describing Council's core purpose and approach to achieving its vision.



O

Operational Plan:
Council's annual plan detailing the significant activities and deliverables that progress the Corporate Plan.

P

Particular Resolution:
A Council resolution relating to specified expense or policy matters that must be disclosed in the Annual Report.

Planning Scheme:
The statutory framework that guides land use, development and growth within the local government area.

Policy:
A statement of intent or principle which regulates, directs and controls Council's operations. Policies promote achievement of Council's objectives, and guide, mandate or constrain action or conduct.

Portfolio:
An assigned area of Council responsibility through which a Councillor supports strategic leadership and liaison.

Practical Completion:
The stage when construction work is substantially complete and fit for its intended use, subject to minor outstanding items.

Procedure:
A document that sets out the necessary practices or actions to give effect to the policy in most cases. Procedures provide step-by-step instructions for implementing a policy.

Procurement:
The process of acquiring goods, services or works in accordance with Council requirements.

R

Risk Appetite Statement:
A statement describing the type and level of risk Council is willing to accept in pursuing its objectives.

S

Strategic Asset Management Plan:
A long-term plan for managing Council's assets to meet service needs sustainably.

Strategic Land Use Planning:
Long-term planning for how land should be used and developed to support sustainable growth and community outcomes.

T

Theme:
A broad area of focus that groups related community priorities, outcomes and Council commitments.

V

Values:
The shared principles and expected behaviours that shape Council's workplace culture.

Vision:
Council's desired future for the organisation and community.

For more information phone 1300 005 872,
email mailbox@lvrc.qld.gov.au or visit www.lockyervalley.qld.gov.au

Lockyer Valley Regional Council, PO Box 82, Gatton Qld 4343
© Lockyer Valley Regional Council

