



2024–2025

TOWNSVILLE CITY COUNCIL

ANNUAL REPORT

townsville.qld.gov.au

OUR VISION

A globally connected community
driven by lifestyle and nature

OUR PURPOSE

Grow Townsville



Contact Us

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Acknowledgement of Country

Townsville City Council acknowledges
the Wulgurukaba of Gurambilbarra and
Yunbenun, Bindal, Gugu Badhun and Nywaigi
as the Traditional Owners of this land.

We pay our respects to their cultures, their
ancestors and their Elders, past, present and
all future generations.

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OUR ANNUAL REPORT

Council measures its performance in its Annual Report in terms of progress made in implementing the Corporate Plan.

The Annual Report provides information about Townsville City Council and delivery of:

- Townsville 2021–2026 Corporate Plan
- Budget and Operational Plan 2024/25, including Water and Resource Recovery Performance Plans.

In accordance with section 45(b) of the *Local Government Act 2009*, Council has established commercial business units for its significant water and resource recovery business activities.

Council reports its performance by publishing:

- Townsville Dashboards
- Quarterly Performance Reports
- Annual Report
- Ordinary Council Reports.

Council's strategies and plans include:

- **Townsville 2021–2026 Corporate Plan:** Outlines the city's shared vision for Townsville and the key issues and priorities for Council over the next five years and beyond
- **Budget and Operational Plan 2024/25:** Council's annual plan to allocate resources to deliver specific projects, activities and events in pursuit of the Corporate Plan goals
- **Townsville City Plan:** Sets the direction for development and growth over the next 25 years
- **Strategic Asset Management Plan:** Articulates the Asset Management System Model, Asset Management Framework and Asset Management Capability Delivery Model for Council
- **Townsville City Deal:** A 15-year commitment between the Australian Government, Queensland Government and Townsville City Council to work together to plan and deliver transformative outcomes for Townsville and its residents.

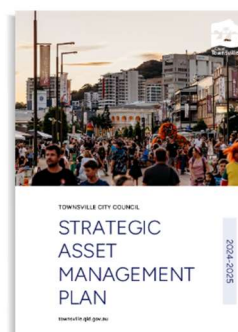
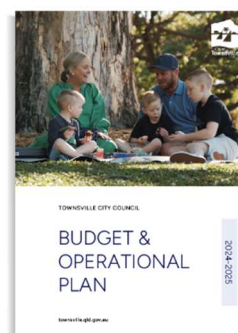
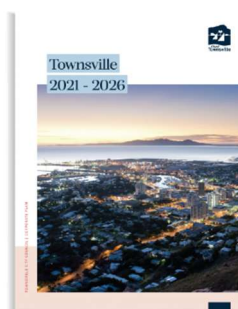
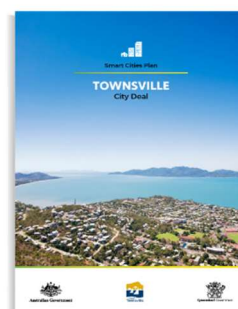
This Annual Report is part of Council's commitment to open, transparent and accountable governance. It identifies community service delivery and demonstrates how Council is meeting its strategic objectives.

Where to get a copy of this Annual Report 2024/25

Our reports are available to view in full, as a flipbook, at Council's website. Go to <https://www.townsville.qld.gov.au/about-council/corporate-information>

Feedback on this report

We welcome our community's feedback on this Annual Report for 2024/25. Please send feedback to enquiries@townsville.qld.gov.au



WELCOME



MESSAGE FROM THE MAYOR

This year has been one of momentum, driven by advocacy and collaboration.

Our city's vibrancy has been on display, with events like the NTI500 Supercars, world-class exhibitions at our art galleries and the biennial 'Our Townsville' festival, which alone drew a crowd of 38,000 people. The announcement that Townsville will host four Rugby World Cup matches in 2027 as well as sailing and football as part of the 2032 Olympics reinforces our reputation as the Events and Sports Capital of the North.

Council's new Corporate Plan, adopted in February 2025 after community consultation, will guide the city's growth and planning during the next five years.

Delivering on our commitment to core services, the Council invested over \$193 million into capital works, including road infrastructure and maintenance, footpath renewals and improvements to the water and wastewater networks.

We looked to the future with reviews of our Townsville City Plan designed to support building and land use decisions that keep our community safe and improve flood resilience. This work also included a review of the Local Government Infrastructure Plan and the implementation of the Local Housing Action Plan. These plans ensure Townsville grows in a way that protects what we love about our lifestyle, while supporting population growth and creating new opportunities.

Every success has been the result of collaboration between Council, community and our strategic partners, and I am proud of what we have achieved together.

Moving forward, our focus will remain on long-term financial sustainability while delivering the core services that matter most to our community.

Cr Ann-Maree Greaney
Acting Mayor



MESSAGE FROM THE CEO

As CEO of Townsville City Council, I am proud to present the 2024/25 Annual Report.

Over the last twelve months our region saw accelerated development activity, with strong growth in approvals and construction driving economic confidence. Council implemented our Housing Incentives and City Activation Policy, which stimulated further investment and supported housing availability, while also rolling out our Local Housing Action Plan.

Townsville recorded its wettest year on record with rainfall and widespread flooding testing our city's resilience. The development of the Event Specific Local Recovery Action Plan provides a clear path for recovery, ensuring affected communities are supported and essential services restored quickly.

We continued to focus on financial sustainability, operational efficiencies and maintaining over \$10 billion worth of assets, including roads, water and wastewater infrastructure, while too recovering from a record-breaking weather event.

Looking ahead, innovation and strategic partnerships are set to drive greater efficiencies and create better value from every dollar spent in Council's 2025/26 Budget and Operational Plan.

A major change is moving to a three-year rolling capital plan, which will allow for smarter scheduling and provide flexibility in responding to emerging and shifting community needs.

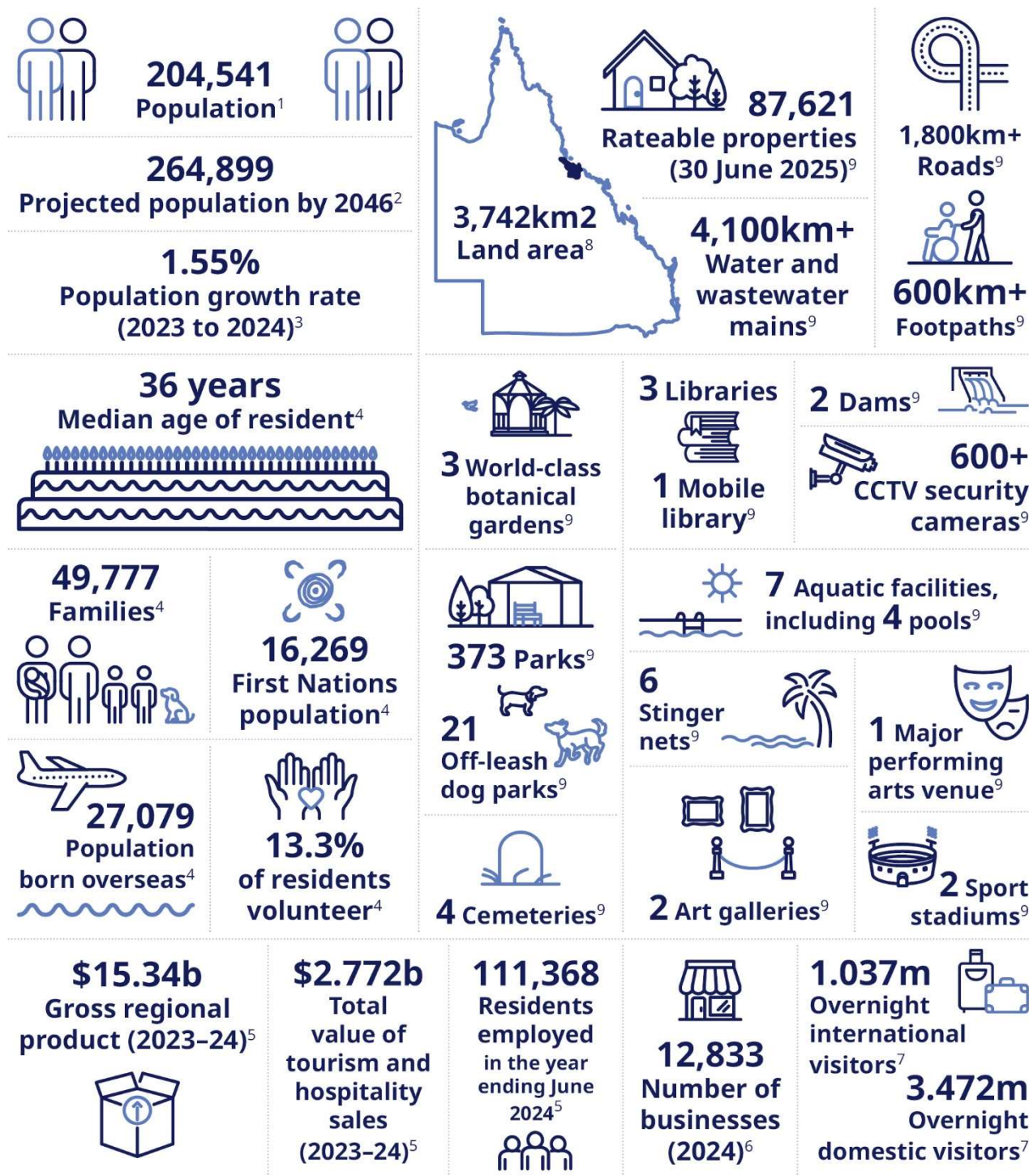
This has been a year of significant progress, and I would like to thank our Councillors and Council staff for their dedication to both serving our community and realising our goal to grow Townsville.

As we move through the next financial year, I am confident we are on the right path. Together, we will continue building a globally connected community driven by lifestyle and nature.

Joe McCabe
Chief Executive Officer



OUR CITY



Top 3 Employment by Industry 2024–25⁸

1

Health Care and
Social Assistance

2

Public Administration
and Safety

3

Education
and Training

Source:

1. ABS 3218.0 Regional Population Growth, Australia

2. Queensland Government Population Projections, 2023

3. ABS, Regional Population, Various Editions

4. Australian Bureau of Statistics, Census of
Population and Housing 2021

5. National Institute of Economic and Industry Research (NIEIR) ©2025

6. Australian Bureau of Statistics, Counts of Australian
Businesses, including Entries and Exits

7. Tourism Research Australia (National & International Visitor Surveys)

8. <https://profile.id.com.au/townsville>

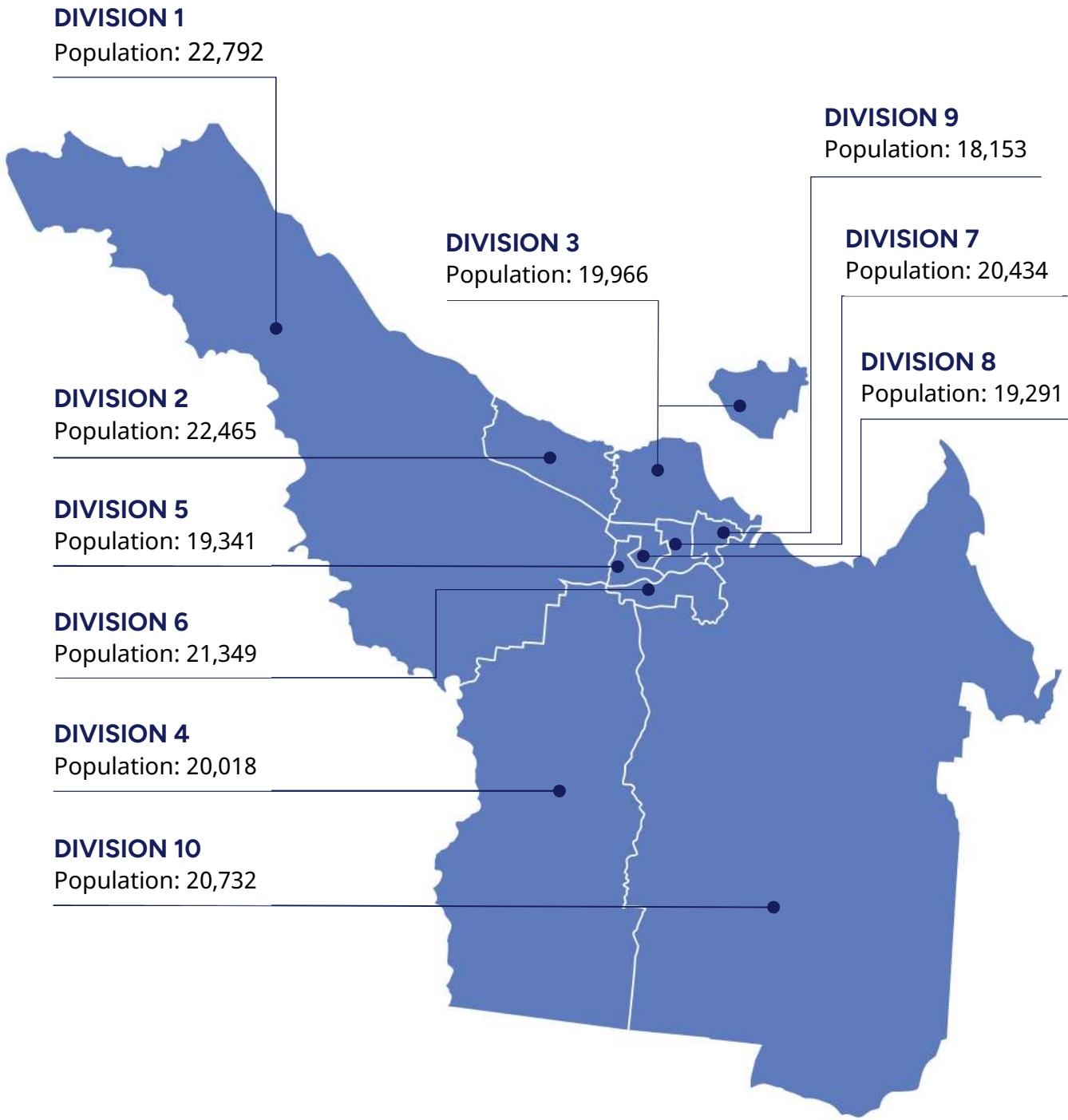
9. Townsville City Council

TOWNSVILLE PROFILE AND DEMOGRAPHICS

Total Land Area: **374,201 ha**

Estimated Population (2024): **204,541**

Population Density: **0.54 persons per hectare**



Source: Australian Bureau of Statistics, Estimated Resident Population at 30 June 2024.

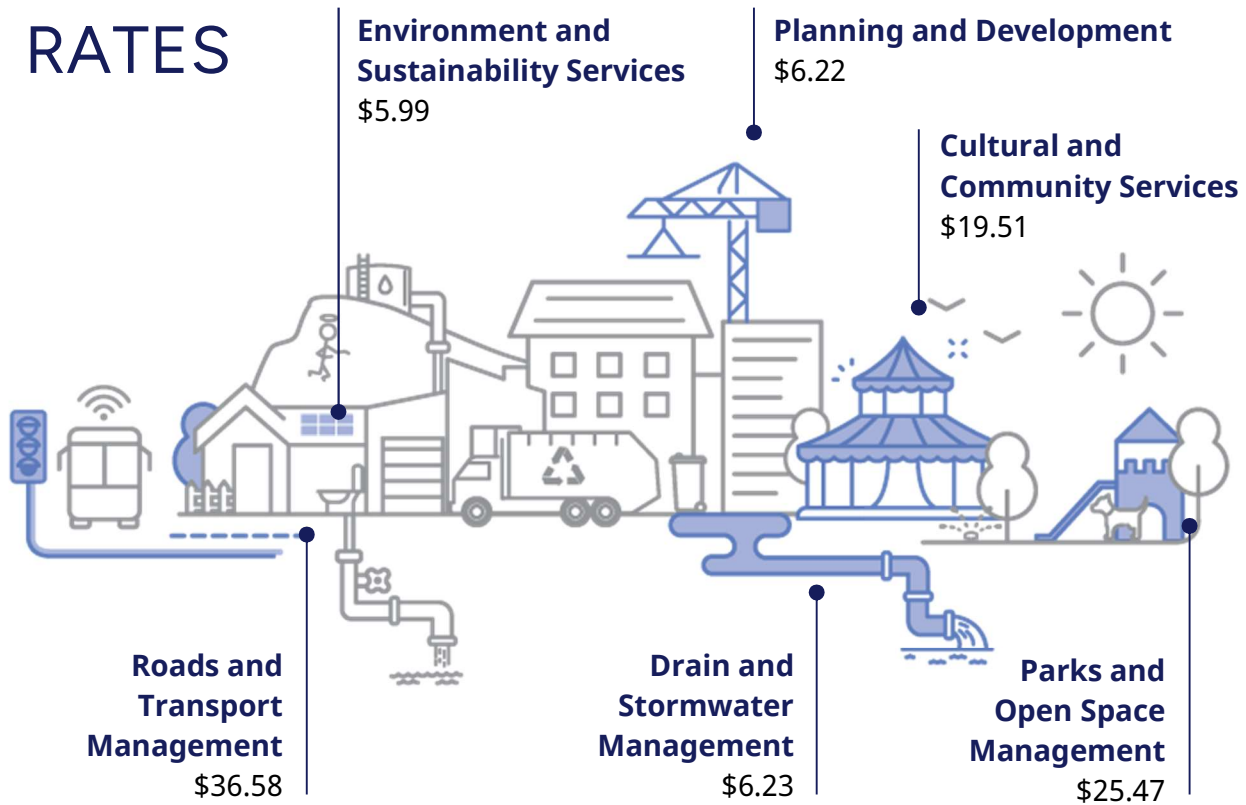
GROWING TOWNSVILLE: OUR YEAR IN REVIEW



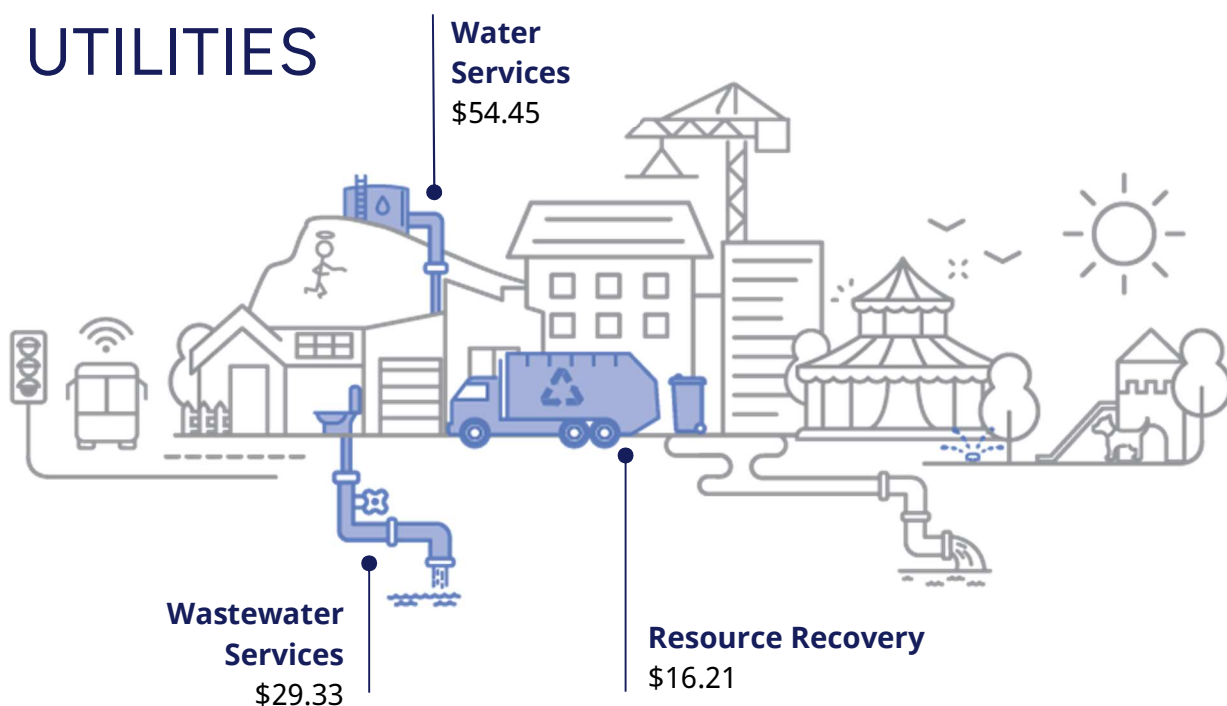
WHERE RATES & UTILITIES WERE SPENT

Council invests ratepayers' rates and utilities back into our community. In 2024/25, every \$100 was spent on the following infrastructure and service costs.

RATES



UTILITIES



COMMUNITY FINANCIAL REPORT

Council's operating result for the 2024/25 financial year was a reduced deficit of \$3.3 million. This compares to a forecast deficit of \$4.2 million reported in June 2025 with the adoption of the 2025/26 budget. The improvement in Council's financial position further supports the long-term forecast to return to a surplus by 2026/27.

Townsville City Council spent \$550.8 million this year to provide services and facilities to more than 200,000 residents. We managed \$7.5 billion of assets including roads, bridges, drains, land, recreation and leisure facilities, libraries and parks for the benefit of the local and visiting community.

We generated \$615 million in income to fund services and facilities via rates and utilities on properties, government grants, interest on investments and fees and charges. This income is then spent on construction, maintenance, wages, borrowing costs and other operating costs to provide services to the community like libraries, parks, pools, art galleries and waste facilities.

This report provides an explanation of Council's Financial Statements in an easy-to-understand format. It helps our community, customers, partners and employees understand how Council has performed financially this year.

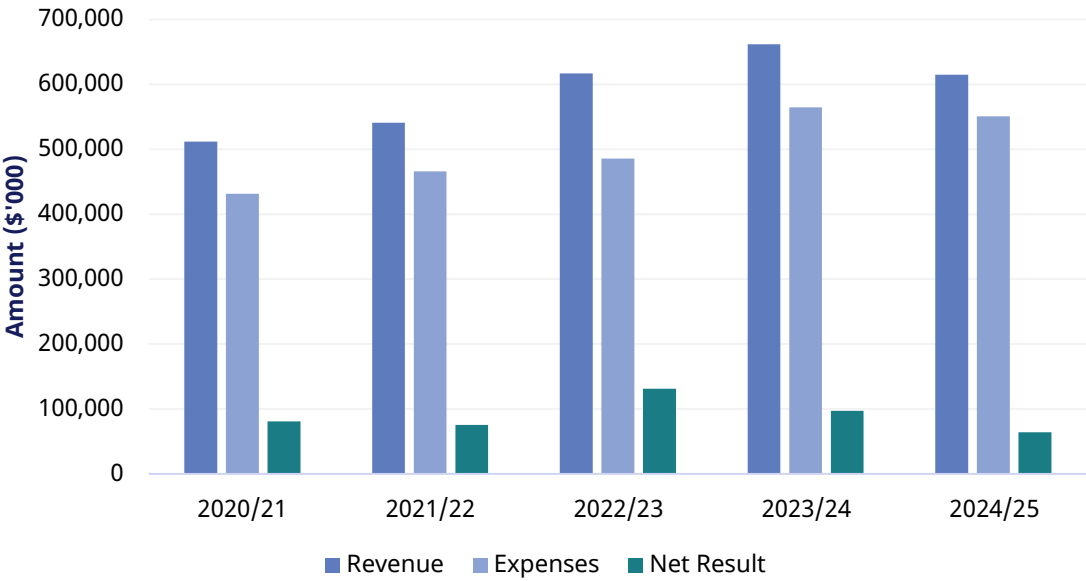
STATEMENT OF COMPREHENSIVE INCOME

The Statement of Comprehensive Income shows Council's net result for the 2024/25 financial year, calculated using the formula: Total Income less Total Expenses equals Net Result.

Council reported a net result of \$64.2 million. Primarily driven by grants received for the construction of infrastructure assets.

Council's operating result is calculated using the formula: Total operating revenue less Total recurrent expenses.

Graph 1 - Expenses against income five-year trend



\$64.2m net result

for 2024/25, income minus expenses

INCOME – WHERE OUR MONEY CAME FROM

Income is received from rates and utility charges on residential, business and industrial properties, fees and charges from Council operations, State and Federal grants, interest, developer and other contributions.

Rates and utilities continue to be the major source of income for the delivery of Council services and infrastructure to our community. Council continues to focus on long-term planning and ongoing renewal and maintenance of infrastructure to keep average rates increases to a minimum.

Council's total operating income increased by 13.7% from the prior year largely due to:

- increases across rates and utility charges
- removal of early payment discount for non-principal place of residence properties and
- increase in commercial tonnages at the landfill.

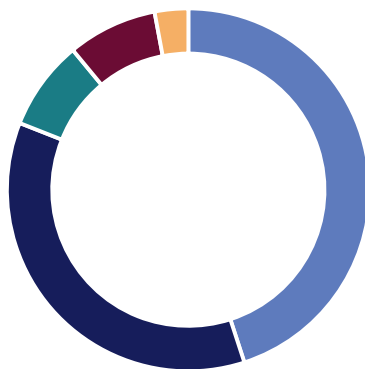
EXPENSES – WHERE OUR MONEY WAS SPENT

Council's expenses are for employee costs, materials, utilities, services, depreciation and financing costs to deliver community services. The following information covers operational spending as capital spending is added to the value of assets when incurred.

Depreciation and amortisation represent an allocation of the use or wear and tear over the expected life of the asset. Council has detailed Asset Management Plans to ensure the best value and longest life is achieved for each asset.

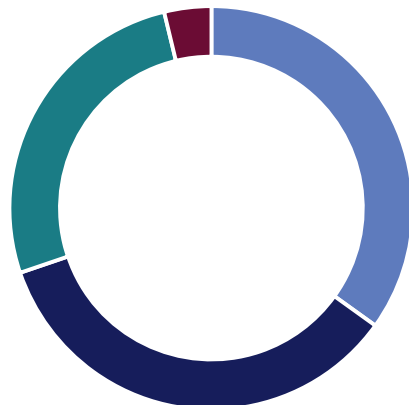
Council's total operating expenses have increased by 1.6% from the prior year largely due to additional costs for disaster operations and recovery works related to January rain event, offset by less occupied positions during the year.

Graph 2 - Operating Income 2024/25



- 45% Utility Charges
- 36% General Rates
- 8% Grants, contributions and donations
- 8% Fees and charges
- 3% Other

Graph 3 - Operating Expenses 2024/25



- 37% Materials and services
- 31% Employee benefits
- 28% Depreciation
- 4% Finance costs

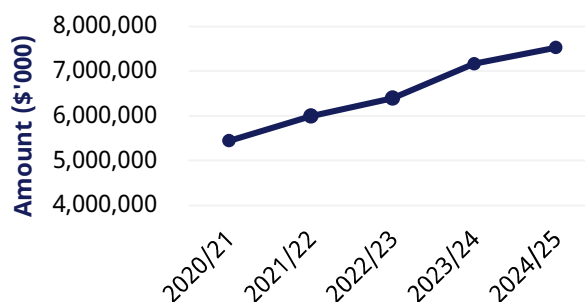
STATEMENT OF FINANCIAL POSITION

The Statement of Financial Position shows what Council owns (assets), what Council owes (liabilities) and Council's net worth.

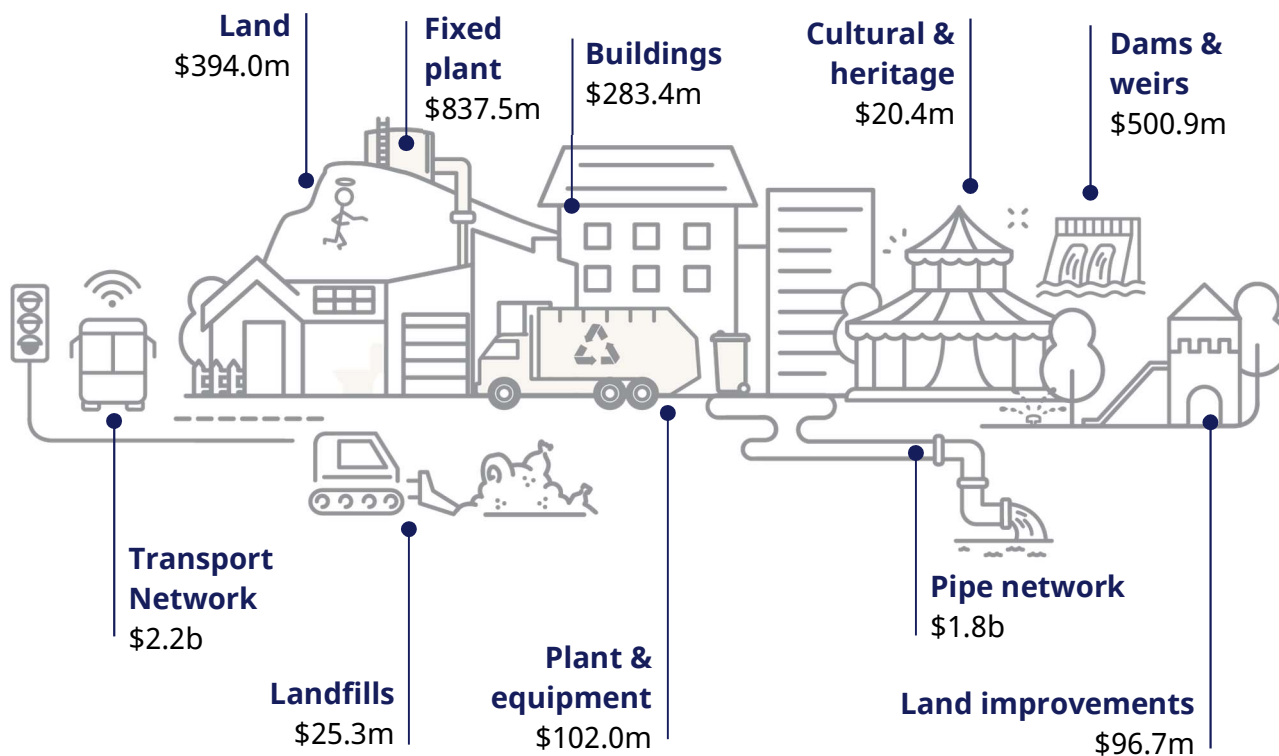
Table 1 – 2024/25 financial position

2024/25 financial position	(\$,000)
Assets	\$7,527,762
Liabilities	\$672,524
Equity	\$6,855,238

Graph 4 - Council assets - 5 year trend



COUNCIL PROPERTY, PLANT AND EQUIPMENT



WHAT OUR COMMUNITY OWNS

Council's assets include infrastructure, cash, unpaid rates and other amounts owed to Council.

Council's largest asset component is infrastructure which includes roads, pipes and buildings that benefit the Townsville community.

The value of Council's total assets has increased from the prior year by \$365.6 million. The movement was largely attributed to investment in capital projects combined with an increase in the fair value of pipe network assets.

WHAT OUR COMMUNITY OWES

Council's liabilities include money borrowed from Queensland Treasury Corporation, unpaid supplier invoices, amounts owing to employees for leave entitlements and provisions for future landfill capping.

Council's total liabilities were \$672.5 million as of 30 June 2025, of which \$429.0 million relates to loans from Queensland Treasury Corporation (Queensland Government owned lending agency).

Total liabilities increased by \$97.9 million from the previous year, which is primarily related to an increase in borrowings and unspent grant funding.

STATEMENT OF CHANGES IN EQUITY

The Statement of Changes in Equity details the changes in Council's retained earnings over the reporting period and provides a more detailed presentation of the community equity shown in the Statement of Financial Position.

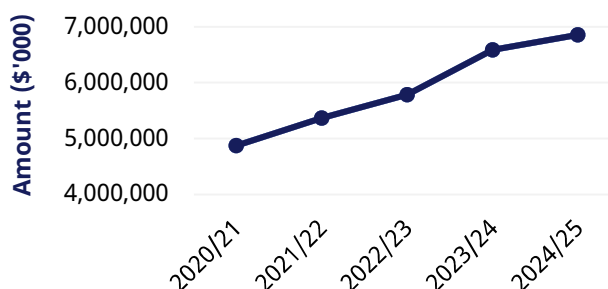
COMMUNITY EQUITY

Community equity is represented by Council's net worth: what Council owns (total assets) minus what Council owes (total liabilities).

Community equity as of 30 June 2025 was \$6.9 billion, which is \$267.7 million higher than the previous year.

Graph 5 shows the amount of Council's community equity over the last five years.

**Graph 5 - Community equity:
five-year trend**



STATEMENT OF CASH FLOWS

WHERE COUNCIL'S CASH COMES FROM AND WHERE IT GOES

The Statement of Cash Flows shows Council's cash inflows and outflows.

This statement shows Council's ability to pay its bills to continue normal operations, pay off its debts and have money available for the construction of assets.

Graph 6 shows the amount of Council's cash holdings at the end of each financial year, over the last five years. Cash balances are influenced by timing of grant funding received, the delivery of large infrastructure projects and drawdown of borrowings.

**Graph 6 - Council cash holdings:
five-year trend**



FINANCIAL SUSTAINABILITY

Section 176 of the Local Government Regulation 2012 requires Council to report on specific financial sustainability ratios:

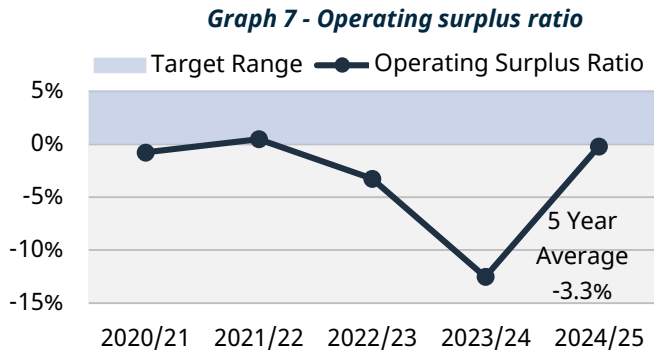
- Operating surplus ratio
- Operating cash ratio
- Unrestricted cash expense cover ratio
- Asset sustainability ratio
- Asset consumption ratio
- Asset renewal funding ratio
- Council controlled revenue ratio
- Population growth ratio
- Leverage ratio

The results of these ratios calculated in accordance with the Financial Management (Sustainability) Guideline 2024 are shown in the Current Year and Long-Term Financial Sustainability Statements that follow the Financial Statements. The graphs below show historical ratio values for the current and last four financial years as well as the five-year average.

OPERATING SURPLUS RATIO

The operating surplus ratio measures the extent to which revenue raised covers operational expenditure.

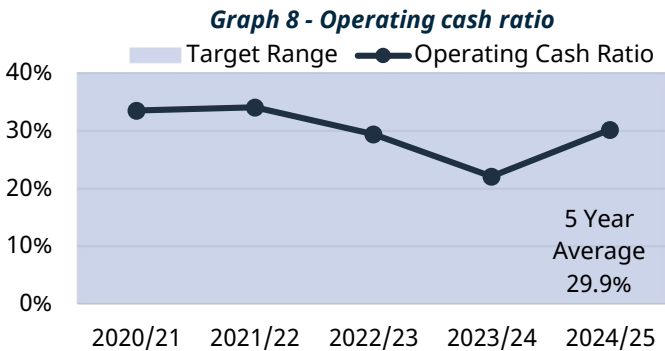
A ratio of -0.6% in 2024/25 indicates Council's operating expenses were marginally greater than its operating income received. Council has a plan to improve and strengthen its short and long-term financial position.



OPERATING CASH RATIO

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 ratio of 30.2% in 2024/25 indicates Council is generating sufficient cash to fund operating activities.



UNRESTRICTED CASH EXPENSE COVER RATIO

The unrestricted cash expense cover ratio is an indicator of the uncommitted cash available to Council to meet ongoing and emergent financial demands.

Council achieved a ratio of 5.8 months in 2024/25. Council forecasts continued improvement as we strengthen our short- and long-term financial position.



Unrestricted cash expense cover ratio

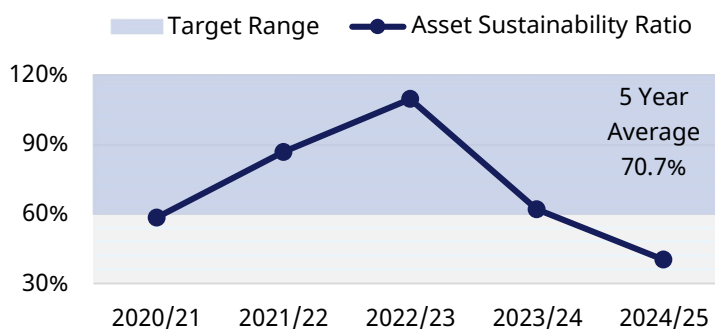
FY25
5.8 months

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.

The result of 35.4% reflects deferral of renewal projects to the 2025/26 financial year, driven by prioritisation of new and major projects as well as reallocation of resources to natural disaster recovery efforts.

Graph 9 - Asset sustainability ratio

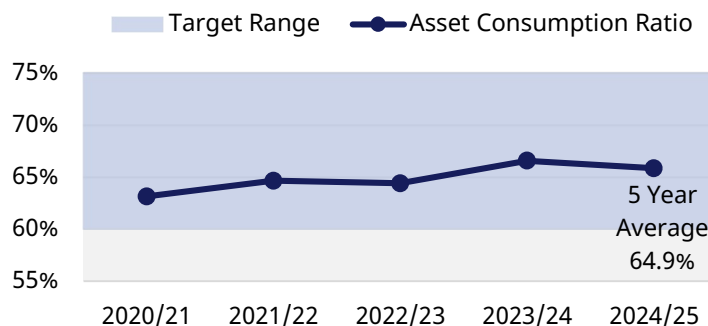


ASSET CONSUMPTION RATIO

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.

The result of 65.8% indicates that Council's assets are being consumed in line with their estimated useful lives.

Graph 10 - Asset consumption ratio



ASSET RENEWAL FUNDING RATIO

The asset renewal funding ratio measures the ability of Council to fund its projected infrastructure asset renewal/replacements in the future.

A ratio of 93.9% in 2024/25 indicates Council is appropriately funding and delivering on the required capital program.

There are no targets specified for this ratio.



Asset renewal funding ratio

93.9% in 2024/25

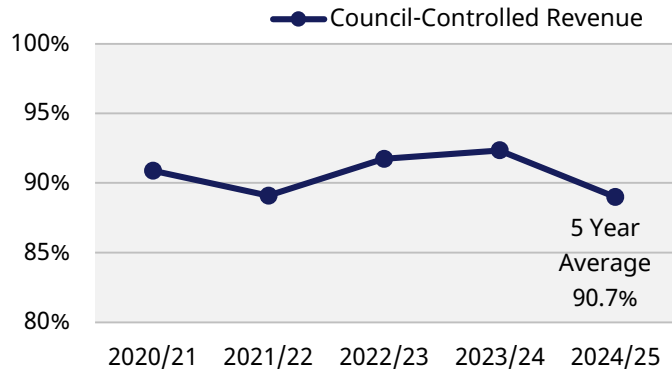
COUNCIL-CONTROLLED REVENUE

Council-controlled revenue is an indicator of Council's financial flexibility, ability to influence its operating income, and capacity to respond to unexpected financial shocks.

The result of 89.4% indicates that Council is able to consistently generate operating revenue from rates, levies and charges.

There are no targets specified for this ratio.

Graph 11 - Council-controlled revenue



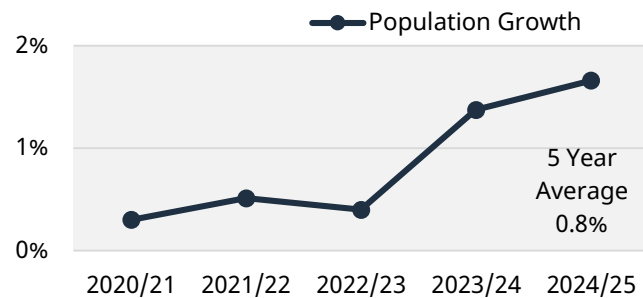
POPULATION GROWTH

Population growth is a key driver of Council's operating income, service needs and infrastructure requirements into the future.

The result of 1.7% indicates that there is a net migration increase in the Townsville local government area.

There are no targets specified for this ratio.

Graph 12 - Population growth



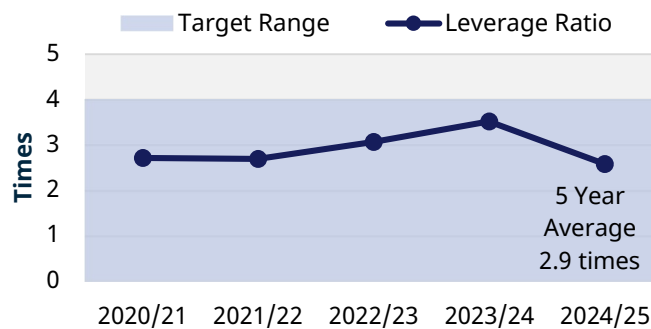
LEVERAGE RATIO

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

A ratio of 2.6 times in 2024/25 indicates Council has generated sufficient cash to meet its debt obligations.

Council borrowings are assessed and approved through a separate process coordinated jointly by Queensland Treasury Corporation and the Department of Local Government, Water and Volunteers. Multiple factors and metrics are taken into consideration through the borrowings process.

Graph 13 - Leverage ratio



OUR PERFORMANCE



TOWNSVILLE CORPORATE PLAN

OUR VISION

A globally connected community driven by lifestyle and nature

OUR

Grow Townsville

OUR ROLE

Council's commitment to excellence in delivery of our everyday services, underpins our success.

OUR VALUES

From new hires to experienced leaders, our employees are the essence and core of Townsville City Council. Our team culture and identity is based on our internal core values, SERVE.

- **Safety** – Everyone goes home safe today and every day.
- **Excellence** – We exceed expectations and get it right every time.
- **Respect** – We respect all people, their cultures and our environment - always.
- **Value** – Today we create value for tomorrow.
- **Enjoyment** – We work together to innovate, create and have fun.



PURPOSE



Regulator

Regulating some activities through legislation



Promoter

Advocating for our city



Funder

Investing in business to deliver services



Facilitator

Being inclusive and bringing groups together



Provider

Service delivery

OUR CORPORATE GOALS OVERVIEW FOR 2024/25

GOAL 1

A city that connects you to what you need at the time you choose.

As Townsville grows, the ability to participate in activities or access services has progressed past the traditional 9am to 5pm hours. Townsville will continue its journey to being a Smart City, which focuses on enhancing technology that makes life easier, provides access to information easier and is more intuitive to people's needs.

- 1.1 A physically and digitally connected Smart City
- 1.2 A city that facilitates 24-hour access to services
- 1.3 A vibrant city centred around inclusive connected neighbourhoods

Achievements & Challenges

- Replaced 4,200 water meters with smart water meters.
- Launched a new mobile library van to provide access to library services across the city. In addition to lending books, the mobile library offers programs and activities such as book clubs, Storytime sessions and digital technology classes.
- Launched Townsville CityLibraries' new app making it easier to explore the library anywhere and anytime. This app allows library members to use their phone to tap and borrow books, reserve books, manage their family's account, access their digital library card and more.
- Replaced more than 300 metres of scenic footpath along Cape Pallarenda Road between Pallarenda and Rowes Bay.
- Council secured an Australian-first partnership with ARIO, introducing 200 futuristic, three-wheeled electric scooters across Townsville and Magnetic Island.
- Introduction of two new CoastSnap stands at Nelly Bay and Geoffrey Bay to give visitors a chance to snap a photo of the coastline to monitor changes to the beaches. This will enable Council and local organisations like Envite to collect data on the ways in which our coastlines are changing over time.

GOAL 2

A circular economy that advances business and moves towards zero waste.

The circular economy model reuses and recycles waste back into other valuable products as opposed to landfill. Also paramount to the transition of a circular economy is supporting local businesses through Council procurement.

- 2.1 Zero landfill by 2030
- 2.2 A carbon neutral Council by 2040
- 2.3 Procurement that encourages business innovation and circular economy principles

Achievements & Challenges

- Increased our renewable energy light fleet vehicles to 31 – an increase of 10 from the previous financial year.
- Council partnered with UPPAREL, an Australian leader in textile recovery and recycling, to turn old uniform items into a material called UPtEX which is used for things like homewares, signage and acoustic panelling.
- Launched a new trial for the Containers for Change program. With 50 designated collection points at The Strand and Jezzine Barracks, this initiative allows for residents to collect eligible beverage containers and take them to Containers for Change for a 10-cent refund.
- For the third year, Council initiated the 50 per cent rebate (up to a maximum of \$300) on eligible purchases of reusable nappies, incontinence and period products to help reduce waste to landfill.
- Townsville was recognised on the world map for its forward-thinking practices in local government, with Council's low-cost environmental sensors landing a spot on the Green Destinations' Top 100 Stories 2024.

GOAL 3

The hub for modern industry.

Attracting industries of the future and world class research and education opportunities will drive population growth and retain our valuable residents. To be competitive, Townsville must have sites ready to de-risk investment, providing positive economic impact to local industries, both directly and indirectly.

- 3.1 Enabling development ready sites that attract industry, de-risks investment and value adds to supply chains
- 3.2 Supporting the establishment of renewable energy sources to facilitate green industry
- 3.3 Lead economic transition that supports future industries and business establishment in Townsville

Achievements & Challenges

- Townsville's Gross Regional Product (GRP) grew by 2% from 2023 to 2024 (calendar year).
- The rejuvenation of the historic North Rail Yards site has commenced and is ongoing, which includes remediation of the site and stabilisation of the heritage buildings.
- The Lansdown Eco-Industrial Precinct continues to gain momentum, with multiple proponents signing Options to Lease and progressing their projects through early feasibility stages toward Development Application lodgement. Council has also commenced construction of enabling road infrastructure, laying the groundwork for future industrial growth.
- Significant increase in development in 2024/25 relative to 2023/24, with highlights being –
 - Residential Lots Endorsed (POS):
2023/24 – 448 – **2024/25 – 832**
 - Residential Lots by Approved Development (RAL):
2023/24 – 392 – **2024/25 – 1328**
 - Detached Dwelling Approvals:
2023/24 – 575 – **2024/25 – 808**
 - Total Investment in Residential Development:
2023/24 – \$321m – **2024/25 – \$479m**
 - Commercial Building Investment:
2023/24 – \$242m – **2024/25 – \$288m**
- Development and launch of Council's new Planning and Development website, a one-stop shop for builders and developers to find everything they need to know about planning and development in Townsville.



North Rail Yards

GOAL 4

A sustainable destination that embraces and participates in the arts, sports, events and recreational activities.

Townsville has world leading open spaces, with over 180km of coastline connected to the Great Barrier Reef, three botanical gardens, parks and parklands across the city and numerous heritage assets. It is important that the community can access these spaces, while balancing protection of the environmental and heritage features. To retain residents of all ages, we are focused on developing our local visual and performing arts, growing our successful signature events and connecting people with sporting organisations.

- 4.1 Growing the city through world leading placemaking that provides a national and international platform
- 4.2 Growing the opportunities to participate in sport and support sporting excellence
- 4.3 Developing homegrown entertainment and arts culture supported by world-class visual and performing arts facilities
- 4.4 World-class liveability through excellent open spaces which promote, protect, and encourage utilisation of our natural environment and heritage

Achievements & Challenges

- Population growth of 1.55%.
 - Refurbishment of the Strand waterpark including a fresh coat of paint, mechanical overhaul and recertification.
 - A LIVE site was activated at Riverway over two weekends for the Paris Olympics and a LIVE screen at Strand Park for the Paralympic Games.
 - Completed the Jezzine Boardwalk platform decking upgrade which provides a visual boost and safe and comfortable surface for visitors to use.
 - Completion of the new pipeline spanning almost 10-kilometres from Ross River Dam to Council's Douglas Water Treatment Plant to provide long-term water security for the city.
 - Held 14 Citizenship Ceremonies throughout the year.
 - Eco Fiesta 2024 drew over 10,000 attendees and celebrated sustainability through vibrant community engagement, aligning with the 3 for Bees project and a butterfly-themed activation. By showcasing eco-conscious businesses, local creatives, and emerging filmmakers, the event reinforced Townsville's vision of becoming a thriving, environmentally aware destination.
 - Ross River Dam officially opened for land-based recreational fishing. To support this initiative, Council constructed new infrastructure, including an 85-metre concrete footpath leading from the dam wall to the water's edge and access stairs were constructed.
 - A new partnership between Council and Townsville Enterprise formed to facilitate the attracting and managing of future major events to Townsville Enterprise.
 - Council submitted top priorities to the State Government's 100-day review into Olympic and Paralympic Games infrastructure, which included a new arena and upgrades to three sporting precincts.
 - Council approved a new over-50s lifestyle resort with up to 294 sites, swimming pool, tennis court, clubhouse and wellness centre in Bohle Plains.
 - Adoption of the new Community Safety and Wellbeing Plan 2025-2030. This plan outlines the coordinated roadmap to tackle key safety issues across the local government area.
 - On 19 February 2025, Council adopted a new five-year Corporate Plan – Townsville 2025-2029 – that sets out four goals:
 - **Goal 1** – A City for Everyone
 - **Goal 2** – A Sustainable and Resilient City
 - **Goal 3** – A Future-ready City
 - **Goal 4** – A Well-managed City
- Townsville 2025-2029 is available on Council's [website](#) and took effect on 1 July 2025.
- Council endorsed the Townsville City Biosecurity Plan 2025-2030 which provides a coordinated approach to the management of pests, plants and animals within Townsville.
 - Perc Tucker Regional Gallery launched the world premiere of the Wedgwood: Artists and Industry exhibition, direct from the UK's Victoria and Albert Museum. The exhibition connected local artists and businesses to the Wedgwood experience, offering a once-in-a-lifetime event for tourists and locals alike.
 - Endorsed the Local Housing Action Plan 2024-2027. This plan identifies actions Council can take to support delivery of housing throughout Townsville.
 - Carols by Candlelight 2024 welcomed 15,000 attendees for a festive night of local performances and family fun, reinforcing Townsville's vibrant arts and events scene.
 - New Year's Eve 2024 drew over 29,000 people across three locations – The Strand, Riverway and Nelly Bay, celebrating with fireworks and entertainment that showcased Townsville's dynamic and inclusive community spirit.

GOAL 5

A leading centre of education, training and research commercialisation.

Townsville already stands as an education and research leader, with worldwide recognition for its marine science and management of the Great Barrier Reef, leading tertiary hospital in Northern Australia and ground-breaking research in tropical science with TropiQ. Research commercialisation will create jobs and demonstrate new pathways for school leavers, develop local industry and supply chains, and support Defence initiatives.

- 5.1 Formalising partnerships with industry, research institutes and all levels of government to support growth, innovation and resilience across the economy
- 5.2 A world-leading centre of research commercialisation that drives local manufacturing
- 5.3 A specialist leader in research and simulation

Achievements & Challenges

- Townsville Citylibraries delivered nine Deadly Digital workshops for the First Nations community to preserve and share cultural knowledge for generations to come.
- Successfully led local disaster coordinated response through the January-February significant rainfall event.
- Facilitated the delivery of 20 disaster management modules as part of the Queensland Disaster Management Training Framework (QDMTF).
- Delivered four disaster management exercises for the Townsville Local Disaster Management Group (TLDMG) and Local Disaster Coordination Centre (LDCC).
- Hosted two international delegations from Papua New Guinea and Vanuatu to deliver disaster management training and information.
- Delivered and participated in six disaster management workshops.
- Activated the LDCC on three occasions for operational support to the TLDMG.
- The Animal Care and Adoption Centre provided a training platform for fifth year veterinary students to undertake practical experience and placement. This has been an arrangement that has been occurring for over five years.



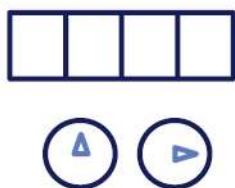
📍 Local Disaster Coordination Centre

OPERATIONAL PLAN 2024/25

HIGHLIGHTS

4,200

Water meters replaced with **smart water meters**



1,750

Attendees for the **Festival of Stories**

(154.7% increase in attendance from previous 2022 festival)



Introduction of **digital sign in and site induction** for visitors and contractors at all Council sites



Maintained **ECO-certified destination certification**

(nature tourism) for Townsville Local Government Area (LGA)

1,340

Digital literacy program participants



18

Sport development and inclusion support programs delivered



32%

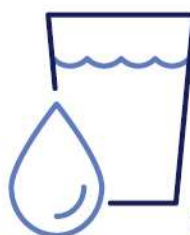
Decrease in obsolete library items going to landfill

(2024/25 target 10%)



10

Passenger vehicles replaced with **renewable energy vehicles**

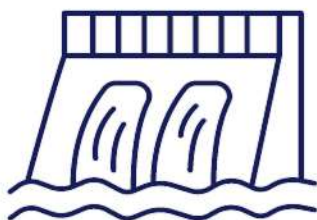


100%

Compliance with Australian Drinking Water Guidelines (ADWG)

100%

Compliance with dam safety regulations



95.6%

Of lab services completed within agreed timeframes

(2024/25 target 95%)



OUR COUNCIL



COUNCILLORS

Cr Ann-Maree Greaney
**Acting Mayor of
Townsville***

Division 3

☎ 0448 378 111

✉ Ann.Maree.Greaney
@townsville.qld.gov.au

Term of office: 3

As Acting Mayor of Townsville, Councillor Greaney plays a key role in advancing initiatives that promote resilient and sustainable development along with strategic future-focused investment that builds on the liveability of the city.

Prior to becoming a councillor, she worked for over 10 years with Townsville City Council as Special Events and Protocol Officer.

As a Member of the Australian Institute of Company Directors and a former Board Member of the Cowboys Leagues Club, she brings valuable leadership and governance skills to her dual role.

Cr Greaney and her husband have two adult sons and their beloved dog, Humphrey.

Qualifications:

Member of Australian Institute of Company Directors
Diploma of Education

Executive Certificate in Event Management



Cr Paul Jacob
Division 1

☎ 0461 347 577

✉ Paul.Jacob
@townsville.qld.gov.au

Term of office: 2 (non-consecutive)

A Townsville resident for more than 30 years, Councillor Jacob is serving our community in his second term.

Born in Sydney, Cr Jacob started out as an Electronics and Communications Technician, working in remote locations across Australia. This experience equipped him with a strong understanding of infrastructure and essential services.

Cr Jacob has contributed to our city through his work at Townsville Human Capital, James Cook University, and The Townsville University Hospital.

Cr Jacob is dedicated to supporting a back-to-basics approach, prioritising essential infrastructure like roads, transport, sewerage, and transfer stations to build a strong foundation for our city's future.



*Refer to note on page 31

COUNCILLORS

Cr Brodie Phillips Division 2

☎ 0461 442 642

✉ Brodie.Phillips
@townsville.qld.gov.au

Term of office: 1

Born and raised in Townsville, Councillor Phillips has a deep connection to the city's rich heritage and vibrant community.

His passion for serving the community began with active involvement in local social media groups.

With a diverse background in justice, retail, finance and banking, he brings a breadth of experience to his role.

Since moving to Division 2 in 2018, Cr Phillips has embraced life in the area with his two sons and has become a passionate advocate for progressing key local interests.

Cr Phillips envisions Townsville as a city where residents can live, work, and play, no matter their interests, to foster a thriving, inclusive community for all.

Qualifications:

Diploma of Justice Studies



Cr Kristian Price Division 4

☎ 0461 481 414

✉ Kristian.Price
@townsville.qld.gov.au

Term of office: 1

Councillor Price has proudly called Townsville home since he was 10 years old, and his deep-rooted connection to the community continues to shape his values and vision for the city.

Starting his career in civil work and construction, he discovered a passion for hands-on work, later moving into mining, where he rose from entry-level "nipper" to a certified supervisor.

Embracing a new challenge, Cr Price turned his attention to hospitality, opening a successful pizza restaurant.

This experience deepened Cr Price's appreciation for the tenacity and spirit of Townsville's residents and equipped him with valuable insights into local business needs.



Cr Vera Dirou Division 5

☎ 0461 418 618

✉ Vera.Dirou
@townsville.qld.gov.au

Term of office: 1

Born and raised in Townsville, Councillor Dirou has always called this city home, even during years of travel with her husband's military service.

Since returning in 2008, she developed a deep appreciation for local government's role in shaping our community's day to day life.

With a career spanning two decades in the Department of Defence, specialising in logistics, compliance, auditing, and administration, Cr Dirou brings a broad range of skills and experience to her role as Councillor.

She is a passionate advocate for transparent, accountable leadership in all levels of government.

With her dedication and vision, she strives to make Townsville an even better place to live, work, and thrive.

Qualifications:

Diploma of Quality Auditing



COUNCILLORS

Cr Suzy Batkovic Division 6

☎ 0434 939 419

✉ Suzy.Batkovic
@townsville.qld.gov.au

Term of office: 2

Prior to being elected, Councillor Batkovic was a professional athlete, playing basketball for 23 years across the USA, Europe and Australia. During this time, she represented Australia at three Olympic Games (2004, 2008 and 2012), winning two silver medals and a bronze, and also competed at two FIBA World Cups.

In 2024, Councillor Batkovic was inducted into the Australian Basketball Hall of Fame.

Her experience in professional sport taught her the value of teamwork, leadership, compassion and the importance of listening. It also showed her how to stand up for what is right and most importantly, what it takes to work together to achieve positive outcomes.

Cr Batkovic, a proud mother of twin daughters, has lived in Division 6 for over 10 years.



Cr Kurt Rehbein Division 7

☎ 0439 847 860

✉ Kurt.Rehbein
@townsville.qld.gov.au

Term of office: 3

Now in his third term, Councillor Rehbein holds a genuine passion for serving community.

Born in Townsville and raised in Ayr, where his family owned a local convenience store, he learned early on about the value of community connection and the important role of small businesses.

Throughout a diverse career as a cabinetmaker, RAAF military dog handler, and firefighter, he gained valuable experiences and developed a strong sense of discipline and problem-solving skills.

When not spending time with his wife and four young children, he enjoys pursuing various hobbies, from casting a line to furniture restoration.

Qualifications:

Trade Certificate in Cabinetmaking
Certificate III in Dog Handling and Military Operations

Diploma in Fire and Rescue Operations and Public Safety



Cr Andrew Robinson Division 8

☎ 0461 518 080

✉ Andrew.Robinson
@townsville.qld.gov.au

Term of office: 1

Councillor Robinson served 13 years as an officer in the Royal Australian Army Medical Corps, instilling a lifelong commitment to service. On being medically discharged, he earned his accounting qualifications at James Cook University before working in logistics and accounting roles.

Prior to becoming a councillor, he held a senior finance role in the Department of Transport and Main Roads. He has served on several boards, including a bank. Currently, he chairs one local investment company and is a graduate of the Australian Institute of Company Directors.

Cr Robinson enjoys chess, board games, military history, driving his Holden FJ Ute and spending time with his wife and three daughters.

Qualifications:

Bachelor of Commerce (Accounting)
CPA
Graduate of the Australian Institute of Company Directors
Justice of the Peace (Qualified)



COUNCILLORS

Cr Liam Mooney Division 9

☎ 0434 925 510

✉ Liam.Mooney
@townsville.qld.gov.au

Term of office: 2

A proud Townsville local, Councillor Mooney has lived in and around Division 9 his entire life. Watching his own children grow up here – attending school, playing sports, and performing, just as he did – has strengthened his sense of pride and commitment for the city.

Driven by a passion for performance and sport, he has represented Townsville and North Queensland in music, theatre, soccer, and swimming. Alongside his wife, he shares a deep passion for the arts, with extensive volunteer experience in community theatre, instrumental music, and the performing and visual arts.

With a professional background in the Performing Arts and Events industry, Cr Mooney maintains strong community ties through both his personal and professional life.



Cr Brady Ellis Division 10

☎ 0499 577 788

✉ Brady.Ellis
@townsville.qld.gov.au

Term of office: 1

Councillor Ellis first fell in love with Townsville in 2017, relocating here for his career in breakfast radio.

After a successful decade in the industry, culminating in a prestigious Australian Commercial Radio Award for best Entertainment/Music Announcer (2017), he retired from radio to pursue new ventures with his wife.

Brady is an active member of the Townsville business community, owning and operating two successful KX Pilates studios.

Now raising a family in Division 10, he has dedicated himself to investing in what he proudly calls “the best city in northern Australia”.

With a vision for a thriving, active, and healthy Townsville, he is passionate about playing his part in seeing Townsville transform into the roaring hub of the future.



DISCLOSURE OF GOVERNANCE PERFORMANCE

Council investigates reported or suspected instances of fraud and other serious crime and misconduct and maintains a focus on raising awareness of Council values and fostering ethical behaviour. Council treats all allegations of fraud, corruption and serious misconduct with the utmost importance and ensures they are thoroughly investigated.

The Office of the Independent Assessor (OIA) investigates complaints regarding the conduct and performance of Councillors. During the 2024/25 financial year the total number of complaints referred to the Office of the Independent Assessor (OIA) under section 150P(2)(a) of the *Local Government Act 2009* was 5 and the total number of notices given under section 150R(2) of the Act was 68.

Council continues its commitment to encourage and support public interest disclosures of wrongdoing. All public interest disclosures made this financial year were investigated in a confidential manner and in accordance with Public Interest Disclosure Standard No. 2/2019. All disclosures were reported to the Queensland Ombudsman Office and the relevant documentation recorded in accordance with Public Interest Disclosure Standard No. 3/2019.

The Townsville community relies on Council to do the right thing, and Council values its reputation for delivering services in an ethical and accountable manner. Council sections continued to work closely with one another to ensure a collaborative and proactive approach to driving Council's ethical standards. The annual Code of Conduct training was completed by 100% of staff, and all new staff complete Fraud Awareness and Code of Conduct training during their induction period.

OPENNESS AND TRANSPARENCY

As an open and transparent local government, Council makes information available for community members in a range of formats using Townsville Dashboards. Townsville Dashboards is a digital platform to access high quality, current data, and insights about Townsville, informing and enabling the Townsville community and those with an interest in investing in the region.

To comply with the *Local Government Act 2009* and in the interest of openness and transparency, all Councillors are required to disclose and provide updates for their Register of Interests which can be viewed on the Council's public website.

Councillors are ultimately responsible for disclosing any prescribed conflict of interest or any declarable conflict of interest on matters to be discussed at a Council meeting (other than ordinary business matters). Prescribed Conflict of Interest and Declarable Conflicts of Interest declared are recorded in the minutes of those meetings.

Ordinary and special meetings of Council are open to the public unless closed in accordance with section 254J of the *Local Government Regulation 2012*. Once the deliberations are concluded in closed sessions, the meeting is re-opened to the public for a decision and the decision is placed on the public record.

Ordinary Council and Special Council meetings are live streamed. Copies of the recordings are available on the Council's website.

The Audit and Risk Committee and the Internal Audit Unit continued to provide advisory and independent forums where representatives of Council, independent specialists and management worked together to fulfill specific governance responsibilities.

MEETING ATTENDANCE

Council meetings comprise of Ordinary Council meetings and Special Council meetings. Ordinary Council meetings have a membership comprising of the Mayor and all Councillors.

The attendance of Councillors at Ordinary Council meetings and Special Council meetings for the relevant periods are outlined in Table 2.

Table 2 – Councillor meeting attendance 2024/25

Council Meetings	Ordinary Council	Special Council
Number of meetings held	21	5
Number of meetings attended		
Cr Troy Thompson*	10	4
Cr Paul Jacob	20	5
Cr Brodie Phillips	20	5
Cr Ann-Maree Greaney	21	5
Cr Kristian Price	20	5
Cr Vera Dirou	19	5
Cr Suzy Batkovic	20	4
Cr Kurt Rehbein	16	2
Cr Andrew Robinson	21	5
Cr Liam Mooney	19	5
Cr Brady Ellis	19	5

*Pursuant to subsection 253(1) of the Local Government Regulation 2012, Councillor Troy Thompson was suspended from office as the Mayor of the Townsville City Council for the period of one year starting on 22 November 2024. Subsection 253(1) gives effect to a recommendation made in writing by the Queensland Minister for Local Government, on 21 November 2024 under section 122(2)(b) of the *Local Government Act 2009*, that the Governor in Council suspend the Councillor for the period mentioned in the subsection.

On the suspension of Councillor Troy Thompson from office as the Mayor of the Townsville City Council, the Deputy Mayor commenced acting for the Mayor pursuant to subsection 165(1) of the Act. The Deputy Mayor at that time was Councillor Paul Jacob.

At a Special Meeting of Council on 17 December 2024, Council resolved that the office of Deputy Mayor be declared vacant. Council subsequently resolved that Councillor Ann-Maree Greaney be appointed to the office of Deputy Mayor. As a result of this appointment, Councillor Ann-Maree Greaney became Acting Mayor.

GOVERNANCE OF OUR COUNCILLORS

REMUNERATION, EXPENSES AND FACILITIES

Councillors receive a remuneration package determined by the Local Government Remuneration Commission, which is reviewed on an annual basis.

The Commission increased the maximum remuneration levels for mayors, deputy mayors and councillors by 3.0% from 1 July 2024.

REMUNERATION

Table 3 outlines the remuneration received by Councillors in 2024/25, remuneration is inclusive of transport allowance.

Table 3 – Councillor remuneration 2024/25

Councillor	Remuneration (\$)	Superannuation (\$)
Cr Ann-Maree Greaney	170,029.47	17,340.72
Cr Suzy Batkovic	158,029.36	16,209.19
Cr Kurt Rehbein	159,294.73	15,533.94
Cr Liam Mooney	159,294.73	16,209.20
Cr Troy Thompson*	235,930.07	25,889.90
Cr Paul Jacob	167,883.82	17,240.12
Cr Brodie Phillips	159,294.73	16,209.19
Cr Kristian Price	159,294.73	15,533.94
Cr Vera Dirou	159,294.73	16,209.20
Cr Andrew Robinson	159,294.73	16,209.20
Cr Brady Ellis	159,294.73	16,209.20

Variances in superannuation due to options available for Councillors to make additional contributions throughout the year.

**Refer to note on page 31*

EXPENSES

Table 4 – Councillor expenses 2024/25

Councillor	Conferences Travel & Accommodation (\$)	Print and Advertising (\$)	Hospitality (\$)	Office and Admin Costs (\$)	Professional Memberships & Training and Development (\$)	Total (\$)
Cr Troy Thompson*	3,789	-	6,777	204	-	10,770
Cr Ann-Maree Greaney	15,132	851	6,318	1,210	821	24,332
Cr Suzy Batkovic	-	409	1,908	373	-	2,690
Cr Kurt Rehbein	4,952	1,250	1,520	144	-	7,866
Cr Liam Mooney	3,938	2,169	192	206	-	6,505

Councillor	Conferences Travel & Accommodation (\$)	Print and Advertising (\$)	Hospitality (\$)	Office and Admin Costs (\$)	Professional Memberships & Training and Development (\$)	Total (\$)
Cr Paul Jacob	6,860	1,706	6,173	985	-	15,724
Cr Brodie Phillips	-	2,569	3,195	100	101	5,965
Cr Kristian Price	1,787	3,325	7,616	583	-	13,311
Cr Vera Dirou	3,166	3,910	3,436	261	-	10,773
Cr Andrew Robinson	150	2,480	4,705	861	1,548	9,744
Cr Brady Ellis	1,080	2,451	2,819	274	-	6,624

*Refer to note on page 31

FACILITIES

Councillors were provided with the following facilities to enable them to perform their duties and undertake Council business:

- personal protective equipment (PPE)
- stationery supplies
- full administrative support (Mayor and Deputy Mayor)
- limited administrative support (Councillors)
- telecommunications facilities
- shared office facilities (Councillors)
- home office facilities (Councillors)

MAYOR'S COMMUNITY ASSISTANCE GRANTS

At the Special Council Meeting of 26 June 2024 Council adopted the 2024/25 Budget and Operational Plan. No budget was allocated to the Mayor's Community Assistance Grants for 2024/25.

COUNCILLOR DISCRETIONARY FUNDS

In accordance with section 189 (2) of the Local Government Regulation 2012, the annual report must contain information about Councillor discretionary funds.

At the Special Council Meeting of 26 June 2024 Council adopted the 2024/25 Budget and Operational Plan. No budget was allocated to Councillor Discretionary Funds for 2024/25.

Councillor discretionary funding for 2024/25 was as follows:

- the prescribed amount for the financial year was \$199,650
- the total amount budgeted was \$0
- the total amount of discretionary funds budgeted for Councillors to allocate for capital works for a community purpose was \$0, and other community purposes was \$0
- the amount of discretionary funds budgeted for use by each Councillor was \$0
- the total spent for the financial year was \$0.

CONDUCT AND PERFORMANCE

Under section 186(1)(d)-(k) of the Local Government Regulation 2012, Council's Annual Report must contain details of any decisions, orders, recommendations, and complaints about Councillors during the financial year. Details for 2024/25 are outlined in Table 5.

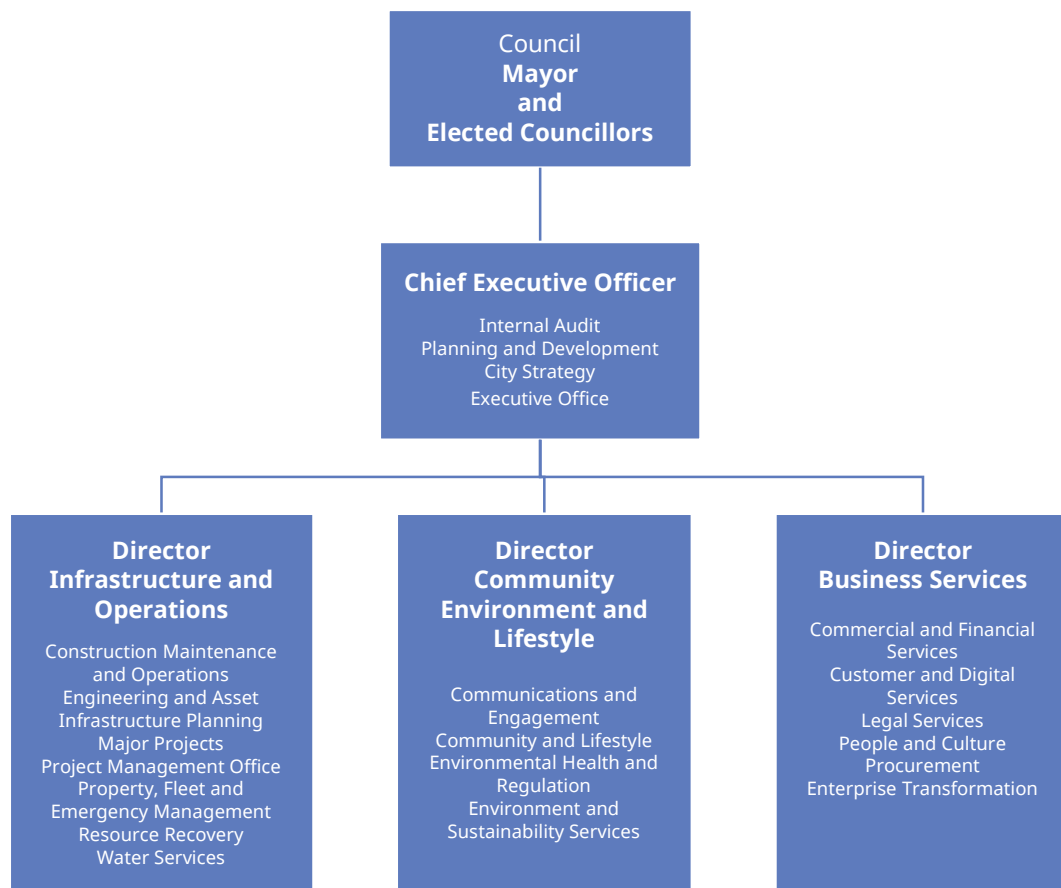
Table 5 – Number of Councillor Conduct complaints, notices, referrals, orders and disciplinary actions

Conduct and performance of Councillors	Number received
Orders made under section 150I(2) of the <i>Local Government Act 2009</i> .	0
Orders made under section 150IA(2)(b) of the <i>Local Government Act 2009</i> .	0
Orders made under section 150AH of the <i>Local Government Act 2009</i> .	0
Decisions, orders and recommendations made under section 150AR(1) of the <i>Local Government Act 2009</i> .	0
The name of each Councillor for whom a decision, order or recommendation was made under section 150I(2), section 150IA(2)(b), section 150AH or section 150AR(1) of the <i>Local Government Act 2009</i> ,	N/A
- a description of the unsuitable meeting conduct, conduct breach or misconduct engaged in by each Councillor, and - a summary of the decision, order or recommendation made for each Councillor.	
Complaints referred to the assessor under section 150P(2)(a) of the <i>Local Government Act 2009</i> by local government entities for the local government.	5
Matters, mentioned in section 150P(3) of the <i>Local Government Act 2009</i> , notified to the Crime and Corruption Commission.	8
Notices given under section 150R(2) of the <i>Local Government Act 2009</i> .	68
Notices given under section 150S(2)(a) of the <i>Local Government Act 2009</i> .	0
Occasions information was given under section 150AF(3)(a) of the <i>Local Government Act 2009</i> .	0
Occasions the local government asked another entity to investigate, under chapter 5A, part 3, division 5 of the <i>Local Government Act 2009</i> for the local government, the suspected conduct breach of a Councillor.	1
Applications heard by the conduct tribunal under Chapter 5A part 3 division 6 of the <i>Local Government Act 2009</i> about whether a councillor engaged in misconduct or a conduct breach.	0
The total number of referral notices given to the local government under section 150AC(1) of the <i>Local Government Act 2009</i> during the financial year and for those suspected breaches the subject of a referral notice mentioned;	
the total number of suspected conduct breaches; and	7
the total number of suspected conduct breaches for which an investigation was not started or was discontinued under section 150AEA of the <i>Local Government Act 2009</i>.	0
The number of decisions made by the local government under section 150AG (1) of the <i>Local Government Act 2009</i> during the financial year.	0
The number of matters not decided by the end of the financial year under section 150AG (1) of the <i>Local Government Act 2009</i> .	0
The average time taken by the local government in making a decision under section 150AG (1) of the <i>Local Government Act 2009</i> .	N/A

OUR PEOPLE



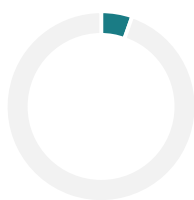
OUR ORGANISATION



OUR WORKFORCE PROFILE



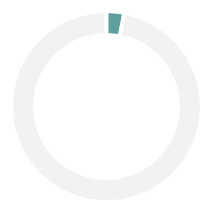
Permanent
full-time
80.55%



Permanent
part-time
5.27%



Temporary
/ Casual
11.20%



Trainee
/ Apprentice
2.98%



1,504
full-time equivalent
(FTE) employees



46 years
Average
age



8 years
Average service



1,598
total employees



5.2%
First Nations
employees (83)

OUR WORKPLACE HEALTH, SAFETY AND WELLBEING

Council has made significant strides in improving Work Health and Safety (WHS) performance, with a strong emphasis on creating a safer, healthier, and more supportive workplace. This progress is reflected in enhanced reporting practices, proactive risk management, enhanced health monitoring program and increased engagement across teams. WHS is not just a compliance requirement—it's a core value that underpins Council's commitment to the wellbeing of its people and the communities it serves.

A key focus has been on psychosocial safety, recognising that mental health and wellbeing are just as critical as physical safety. Council has undertaken extensive reviews and assessments to identify psychosocial risk. These reviews have involved collaboration across teams, consultation with workers, and the use of evidence-based frameworks to ensure a thorough understanding of the challenges and opportunities for improvement.

The depth and breadth of work in this space highlight Council's dedication to fostering a psychologically safe workplace. Initiatives such as leadership training, wellbeing programs and targeted interventions are being implemented to address identified risks and build a culture of care and inclusion. This ongoing commitment to psychosocial safety not only supports individual wellbeing but also strengthens team cohesion, performance and overall organisational health.

The Health, Safety and Wellbeing Strategy 2025 – 2029 identifies four strategic priorities that will support the continuous improvement of all aspects of health and safety and support the delivery of the Operational Plan.

LONG SERVICE AWARDS

In alignment with Council's strategic imperatives to build a positive workplace culture that aligns with our SERVE organisational values, we actively recognise and value our employees through both informal and formal reward and recognition initiatives.

Council's formal reward and recognition initiatives include the annual Long Service Awards Ceremony, where staff who have achieved 10 years of service or more in five-year increments are recognised for their commitment and service to Council and the community.

Attendees include the Mayor, Councillors, CEO, Directors and the senior leadership team, along with invited colleagues and special guests. To show our appreciation and recognition, staff receive a framed service certificate, a commemorative pin and gift.

For 2024, Council congratulated 130 staff with a total of 2,245 combined years of service, ranging from 10 years right through to 45 years. The awards are a great opportunity for employees to be recognised for their contributions, big and small, over their years of service.



OUR STATUTORY INFORMATION



GOVERNANCE FRAMEWORK OVERVIEW

Townsville City Council continues to be a responsible, open, and transparent local government operating in accordance with the Queensland *Local Government Act 2009*, the Local Government Regulation 2012 and related legislation. Council is committed to high standards of corporate governance and accountability and seeks continuous improvement.

In line with the *Local Government Act 2009*, the Council places high importance on responsible governance due to the following reasons:

- it underpins the confidence that the community has in Council and our services
- it affects the quality of our outputs
- it is a value adding activity
- it ensures that the Council meets its legislative responsibilities and
- it is a strong reminder that the Council is ultimately accountable to the community

Council has a Corporate Governance Framework to provide guidelines for compliance with legislation and best practice. For Council to demonstrate good governance, there needs to be a clear understanding about responsibilities and accountabilities. This framework sets out the roles of elected members and administration in representing the interests of current and future residents of Townsville. Townsville's elected officials bring a diverse wealth of experience and passion, and throughout the year have continued to interact with the community and act on residents' behalf.

ENTERPRISE RISK MANAGEMENT

Council's risk management approach is based on value creation and protection in alignment with international standard ISO 31000:2018 Risk Management Guidelines. Throughout 2024/25 Council continued to assess risk for any decision proposals, keeping any new and emerging risks under consideration. Managing risks at an appropriate level remains an integral part of our organisation. Council has an established risk management framework, policy, procedures and systems which support the identification, assessment and mitigation of strategic and operational risks across the organisation.

As the primary connection to the Townsville community, Council has continued to prioritise risk management, ensuring it receives the attention necessary to safeguard our community's interests and well-being. The safety of staff, the community and contractors remained the key priority at Council. It is important for Council that "everyone goes home safe today and every day". Risk management continues to be a responsibility of all employees and an integral part of the management function.

STRATEGIC RISK ASSESSMENT

Senior management conducted an extensive review of Council's strategic risk profile during the year through a series of workshops. Based on the updated strategic risk profile, changes were made to Council's Risk Appetite Statement and related risk tolerances. The 2024/25 Risk Management Plan includes a range of mitigation strategies designed to manage or reduce risk to an acceptable level, while maximising identified opportunities. Minimising potential adverse effects on the financial performance of the Council remained a priority. Townsville City Council continued to mitigate risks that would prevent the achievement of its Corporate Plan and continued to focus on creating a globally connected community driven by lifestyle and nature.

Top challenges/risks faced by Council:

- cost pressures of materials and services versus revenue streams and customer expectations
- asset deterioration and maintenance
- special skills deficits

Top opportunities/strengths realised by Council:

- continued provision of services and community events despite hard economic conditions
- continued delivery of projects that serve our city and grow our city for tomorrow
- built strong partnerships and resilience

OPERATIONAL RISK ASSESSMENT

Council conducts routine operational risk assessments as a proactive measure to identify potential risks that could disrupt its operations. These risks could originate from various sources, including internal processes, people, systems, or external events.

All identified risks are compiled into a consolidated register of risks, which informs the internal audit planning process. This process assists the Audit and Risk Committee in monitoring and tracking Council's performance against areas of high risk, supporting effective risk management and maintaining resilience.

BUSINESS CONTINUITY MANAGEMENT

Council has an established Business Continuity Framework and Business Continuity Management Policy in alignment with international standard ISO 22301:2019 Business Continuity Management Systems. These documents are designed to ensure the Council's ability to continue its essential services and operations during any potential disruptions or crises. This framework and policy provide a structured approach to identify potential threats to the Council and the impacts those threats would have on business operations.

These documents are supported by the overarching Townsville City Council Business Continuity Plan and its 22 sub plans. These plans provide strategies for safeguarding and recovering Council's operational and service delivery capability during severe unexpected events.

In the 2024/25 period, Council conducted a comprehensive review of the framework, policy and suite of business continuity plans. The review and update of these plans are part of the Council's annual strategic process, ensuring they remain current, operationally relevant and effective. This reflects the Council's commitment to resilience, continuous improvement, and community responsibility.

COMPLIANCE RISK

Throughout 2024/25, the Council remained consistent in its commitment to identifying and mitigating the risk of non-compliance with legislative obligations. Our proactive approach encompasses the timely identification of legislative changes, swift resolution of potential breaches, and the provision of training and awareness programs for Council workers. These initiatives aim to enhance understanding of Council's extensive range of legislative responsibilities. Furthermore, Council conducts thorough assessments of the effectiveness of our internal controls to mitigate the risk of non-compliance. This includes a timely and comprehensive review of the Council's corporate guidance documents (e.g. policies, administrative directives, procedures) and registers.

FRAUD RISK ASSESSMENT

Council's approach to fraud and corruption management is comprehensive, involving regular risk assessments, staff training, and continuous improvement of our policies and procedures. Throughout the year, we conducted fraud risk assessments as a key part of our Fraud and Corruption Management Policy and Framework. These assessments have proven crucial in several instances, effectively identifying and mitigating potential fraudulent activities, thereby protecting the Council's resources.

We are pleased to report that 99% of our staff and senior management have completed the Fraud and Corruption Awareness refresher training. This high completion rate is a testament to our team's commitment to understanding and mitigating fraud risks. The training, delivered via our learning platform, is designed to equip our team with the necessary knowledge to identify potential fraud risks and respond appropriately.

POLICY MANAGEMENT

Council's approach to policy management is focused on ensuring our corporate guidance documents, predominantly Council policies, are up to date, fit for purpose, and add value. We have established a robust governance process in respect to policy management, which includes:

- engagement with key stakeholders
- a detailed assessment to evaluate its effectiveness, compliance with legislative obligations and value addition and
- a standardised development and review process in alignment with Council's established risk appetite and human rights considerations.

Throughout the year, Council has updated several key policies and introduced new ones in collaboration with Councillors. Council values the input of our stakeholders in our policy management process. We have mechanisms in place for internal and external stakeholders to provide feedback on our policies, contributing to their enhancement and fostering a culture of continuous learning and improvement.

COMMUNITY ASSISTANCE

The total value of community assistance provided by Townsville City Council to the local community in 2024/25 was \$22,043,605.

Table 6 – Community assistance provided by Council

Activity	Description	Amount (\$)
Pensioner concessions on rates and charges	Concession offered to approved pensioners equivalent to 85% of the general rate, up to a maximum of \$800 per annum.	6,295,631
Water and wastewater concessions	Concession for utility charges where land use is considered to contribute to the social, cultural, economic or sporting welfare of the community.	3,532,439
Not-for-profit concessions on general rates	Concession for general rates where land use is considered to contribute to the social, cultural, economic or sporting welfare of the community.	2,051,208
Home Haemodialysis Patients Concessions	Concession for water service charges incurred in respect of kidney disease patients who were undergoing home haemodialysis treatment.	625
Community Leases	Total annual estimated value provided to community groups including sporting clubs, theatre groups, scout groups and swimming pools.	5,239,373
Economic Activation Partnerships	Partnerships providing opportunity to: • deliver economic uplift to the region • deliver increased tourism visitation and bed nights • deliver job opportunities for Townsville These may facilitate event attraction, strategic partnerships with local organisations that enhance the region and its opportunities or other multi-partner agreements with region wide impact.	2,949,895
Townsville City Grants and Partnerships Program, including Fee Waivers	Funding approved through the 'Townsville City Grants and Partnerships Program' (details provided in Table 7).	1,697,663
Operational discounts, waivers and in-kind support	Support for community groups in the form of discounts, waivers and in-kind assistance.	114,575
Community Support	Community support agreements, scholarships and awards.	160,000
Community Photocopying Program	Free service provided to community organisations through CityLibraries Thuringowa. 21,956 copies for 21 community groups.	2,196
Total		\$22,043,605

TOWNSVILLE CITY GRANTS AND PARTNERSHIPS PROGRAM

Townsville City Council's Grants and Partnerships provides funding and in-kind support to help local not-for-profit community organisations in Townsville. Council recognises the tremendous work and contribution that community and not-for-profit organisations make in our community. The Grants and Partnerships Program helps to continue and enhance the impact community organisations and activities are already having in the local Townsville area. The total value of the Townsville City Grants and Partnerships Program in 2024/25 was \$1,697,663.

Table 7 – Townsville City Grants and Partnerships Program

Program	Amount (\$)
Community Grants and Partnerships	1,393,561
Regional Arts Development Fund	105,000
Fee Waivers / In-kind	199,102
Total	1,697,663

PARTICULAR FINANCIAL CONTRIBUTIONS UNDER PLANNING ACT

In accordance with section 189A of the Local Government Regulation 2012, the annual report must contain information about the total amount of financial contributions made to the local government in the financial year.

Townsville City Council advises that no financial contributions were made during the 2024/25 financial year under:

- A community benefit agreement under the *Planning Act*;
- A condition of development approval imposed under section 65AA(3);
- A condition of a development approval imposed under a direction of the Chief Planning & Development Officer under section 106ZF(2); or
- An agreement mentioned in section 65AA(7) of the *Planning Act*.

As a result, no contribution were spent, and there are no associated purposes to report for this period.

CITY ACTIVATION AND HOUSING INCENTIVE POLICY

The City Activation and Housing Incentive Policy was endorsed for the 2024/25 financial year to promote economic growth and city activation by generating investment, increasing housing diversity, community activities and employment opportunities.

For transparency, recognising infrastructure charge and fee waivers (full or partial) are a form of forgone revenue, Council will publish annually a list of infrastructure charges and fee waivers provided under this policy in the Annual Report.

Summary of incentives for the 2024/25 financial year:

- Revenue forgone from waivers to 30 June 2025 was \$863,067
- Grants given to 30 June 2024 was \$50,000

Grants have been fully acquitted for the 2024/25 financial year.

Waivers have been partially acquitted for the 2024/25 financial year.

OVERSEAS TRAVEL

Under section 188 of the Local Government Regulation 2012, Council's Annual Report must contain information about any overseas travel made by a Councillor or local government employee.

There have been no international travel expenses incurred by the Councillors or employees during the financial year.

SENIOR MANAGEMENT REMUNERATION

The senior management of a local government consists of the Chief Executive Officer and senior executive employees of the local government. A senior executive employee reports directly to the Chief Executive Officer and would ordinarily be considered a senior position in the corporate structure.

Total remuneration for these positions from 1 July 2024 to 30 June 2025 was \$2,319,159.22*.

**Inclusive of severance and termination entitlements.*

As per section 201 of the *Local Government Act 2009*, Table 8 provides the remuneration ranges for the senior executives.

Table 8 – Senior management remuneration

Senior Executive Management	Remuneration value range (\$)
1	500,000 - 600,000
3*	300,000 – 400,000

**During the financial year Council resolved to adopt a new Organisational Structure which reduced the number of senior executive management positions from five to four.*

COUNCILLOR ADVISOR REMUNERATION

In accordance with Division 3, Section 201 of the *Local Government Act 2009*, Council is required to include in its Annual Report details regarding the number of Councillor Advisors appointed and the total remuneration payable to them during the financial year.

For the reporting period of 1 July 2024 to 30 June 2025, no Councillor Advisors were appointed, and therefore no remuneration was payable under this provision.

PARTICULAR RESOLUTIONS

Reportable resolutions under the Local Government Regulation 2012 for the period:

Table 9 – Particular resolutions

Section 185(a) and (b) Local Government Regulation 2012	Resolution adopted
Under s250(1) – Expense's reimbursement policy	Nil
Under s206(2) – Valuation of non-current physical assets	Nil

PUBLIC SECTOR ETHICS

In accordance with Section 23 of the *Public Sector Ethics Act 1994*, Townsville City Council require to provide an implementation statement outlining the actions taken during the reporting period to comply with Section 15 (Preparation of codes of conduct), Section 21 (Education and training) and Section 22 (Procedures and practices of public sector entities).

PREPARATION OF CODE OF CONDUCT

Townsville City Council is committed to providing a working environment where people are treated with fairness, equity and respect. Council's commitment to facilitating a diverse and equal workforce is demonstrated through commitment to the Diversity, Equity and Inclusion in the Workplace Policy, alignment to Queensland's *Anti-Discrimination Act 1991* and obligations under relevant federal anti-discrimination laws.

Council has established a Code of Conduct, which details the standards of behaviour and expectations for Council workers when dealing with customers and other workers. Council provides Code of Conduct training annually to all staff, which incorporates the ethics principles and obligations under the *Public Sector Ethics Act 1994* and the five Local Government Principles under section 4(2) of *Local Government Act 2009*. Code of Conduct training is an essential component of Council's Corporate Compliance training program.

EDUCATION AND TRAINING

At Townsville City Council, Learning and Development is evolving into a strategic enabler of workforce capability, agility and resilience. We are reshaping our approach to foster a learning culture with a strong emphasis on digital dexterity, data-driven decision-making and leadership capability at all levels. We aim to build a workforce that is future-ready, adaptable, and empowered to lead change. By aligning learning with strategic workforce planning and proactively identifying critical skills gaps, we will mitigate capability risks, enhance employee attraction, mobility, and retention, and support the delivery of Council's strategic objectives; ensuring our people are competent, valued, and equipped to thrive in a diverse and rapidly changing environment.

2025 saw the beginning of our Induction Review Project, strengthening the induction experience by delivering critical knowledge and foundational skills using the most effective platform. By reducing delays in access to essential learning, minimising excessive eLearning content, and fostering an inclusive, engaging environment, this program will empower new employees to contribute confidently and competently from the start of their employment with Council.

With consistent messaging, improved attendance and alignment to Council's SERVE values, this uplift not only enhances individual performance but also supports a culture of excellence and continuous learning across the organisation.

Learning and Development strive to ensure our staff are adequately skilled and have the opportunity for upskilling in their roles which guarantees service delivery across Townsville is possible. We invest in our workforce to undertake Nationally Recognised Qualifications in a variety of fields. The qualifications that are undertaken by our workforce include:

- Certificate III Business
- Certificate IV Business
- Certificate III Civil Construction
- Certificate IV Civil Construction
- Certificate II in Drainage
- Certificate III in Irrigation
- Certificate III in Water Industry Operations
- Certificate IV Library and Information Services
- Diploma Government Investigations
- Certificate III Electrotechnology
- Certificate III Instrumentation and Control
- Certificate III in Heavy Commercial Vehicle
- Certificate III in Engineering (Fabrication)
- Certificate III in Engineering (Mechanical – Fitting/Turning)
- Certificate III Sports Turf Management
- Certificate III Parks and Gardens
- Certificate III Open Space (Arboriculture)
- Certificate III Mobile Plant Technology (Mobile Plant Equipment)
- Certificate III in Automotive Electrical Technology
- Certificate IV in Project Management

The above qualifications include those that are being undertaken by the 14 Apprentices that Council onboarded in the 2025 Entry Level intake. These Apprentices are in varying sections and trades across Council, all playing important roles in building our city for the future.

Outside of short course and skill set training, in the 2024/25 year, 96 employees have either completed or are currently actively enrolled in a nationally recognised vocational education qualification supported by Townsville City Councils Study Assistance Program.

These numbers reflect Councils belief that the true value of our organisation is in the capability of our people and that we continually upskill to ensure our staff are equipped with the most up-to-date knowledge. With dedicated Learning and Development team members committed to developing and sourcing industry-best learning, we are able to demonstrate to Council staff that we continuously strive to provide them with appropriate opportunities for personal and professional development.

During the financial year, Council continued its partnership with North Queensland Water Regional Alliance Program (NQQWRAP) to support our Water Industry Worker Program, which is providing growth and skills development opportunities for our existing water and wastewater network staff. This training utilises collaboration with other regional Councils, for example, Mackay and Cairns, to make the program a success. Participants in this program complete a Certificate III in Water Industry Operations. This training has been running at Council since 2019 and was specifically designed to support our water industry workers who are a critical part of our workforce, providing a direct and essential frontline service for our customers.

Learning and Development strive to ensure outreach to schools and local communities, with the team joined collaboratively by varying sections across Council, to attend various Careers Expos across the region. Townsville Career Expo was a highlight, as the largest expo held in Townsville being attended by a number of schools across the region. Students participated in engaging discussions with People and Culture and various team representatives, around the careers and entry level pathways into Council. Events like this help inspire the next generation by strengthening Council's future workforce through education around all the roles Council plays in our community.

PROCEDURES AND PRACTICES OF PUBLIC SECTOR ENTITIES

Council's Corporate Governance and management practices have proper regard to the *Public Sector Ethics Act 1994*. Council's corporate guidance documents and delegations of authority are monitored and regularly reviewed. Corporate guidance documents are explained to employees at commencement of employment and through ongoing training, as well as being made available on Council's intranet.

ADMINISTRATIVE ACTION COMPLAINTS

Council is committed to fair, ethical and transparent management of administrative action complaints. This commitment is demonstrated by our Complaints Management System (CMS) that aims to provide an accessible, accountable and efficient method for addressing complaints in accordance with the principles contained in the *Local Government Act 2009*.

The policy is reinforced by a guideline that outlines defined administrative process for effectively handling and resolving complaints raised by community members on a range of issues including:

- a decision, or a failure to make a decision, including a failure to provide a written statement of reasons for a decision
- an act, or a failure to do an act
- the making of a recommendation
- is made by an affected person (a person who is affected by an administrative action of Council).

Council is dedicated to conducting thorough and timely investigations for all complaints, with the ultimate objective of reaching a resolution that satisfies both the Council and the complainant.

Should complainants be dissatisfied with the outcome of the complaint investigation, Complaint Officers ensure that all administrative action complaint decision notices include information on available appeal options to the Queensland Ombudsman.

In accordance with the Local Government Regulation 2012, Council is obligated to disclose the administrative action complaints received and resolved through the complaints management system.

Table 10 – Administrative Action Complaints

Classification	2024/25
Number of Administrative Action Complaints Received	507
Number of Administrative Action Complaints Resolved	449
Number of Administrative Action Complaints Unresolved*	58
Number of Administrative Action Complaints not resolved that were made in the previous financial year	10

*As at end of 30 June 2025.

RIGHT TO INFORMATION AND INFORMATION PRIVACY

Townsville City Council continues to make it easier for the public to access their information, maximise the publicly available corporate information and identify information that can be administratively released. Council's induction program includes a right to information and information privacy components to educate and raise awareness to staff. Council has introduced a Right to Information and Information Privacy eLearning module to ensure staff are kept informed. Council continues to publish a Disclosure Log on the website.

More information about Council's Right to Information and Information Privacy can be found on Council's website.

Table 11 – Right to information and information privacy

Classification	Right to Information			Information Privacy		
	2022/23	2023/24	2024/25	2022/23	2023/24	2024/25
Number received	46	33	41	8	12	7
Number finalised	35	30	36	7	10	9
Number withdrawn	5	1	7	1	-	-
Number transferred	1	1	-	-	-	-
Number of external reviews initiated	1	1	1	-	-	-

LIST OF REGISTERS

Townville City Council has several registers open to public inspection upon request. The list can also be found on Council's [website](#).

Register
Beneficial Enterprises
Dog Registry
Register of Dogs
Restricted Dog Register
Regulated Dog Register
Register of cost-recovery fees
Delegation Register
Development Application Register as Assessment Manager
Development Application Register as Referral Agency
Environmentally Relevant Activities application register
Exemption certificates register
Information Asset Register
Register of Infrastructure Charges Information
Major Contracts Register
Petition Register
Register of Privately Certified Approvals
Register of Annual Returns under the <i>Environmental Protection Act 1994</i> (EPA)
Register of Assets and Gifts
A Designation Register of all Designations made by Local Government that are in effect
Register of Councillor Conduct
Register of on-site Sewerage and Greywater Facilities
Register of Environmental Authorities including Surrendered, Suspended or Cancelled Authorities
Register of Impounded Animals
Register of Infrastructure Agreements
Register of Interim Land Use Plans under the <i>Economic Development Act 2012</i> (EDA)
Register of Local and Subordinate Local Laws
Register of PDA Development Applications under the EDA
Register of PDA Development Approvals under the EDA
Register of Permits and Inspection Certificate (under the <i>Plumbing and Drainage Act 2018</i>)
Register of Provisional Land Use Plans under the EDA
Register of Regulatory Fees
Register of Show Cause and Enforcement Notices (under the <i>Plumbing and Drainage Act 2018</i>)
Register of Submitted Plans of Operation under the EPA
Register of the Testable Back Flow Devices
Roads Map
Statement of Interests
Supplementary Information Electoral Donations

SERVICE, FACIILITY OR ACTIVITY

There are no details to report on for the financial year under this section 190(d) of the Local Government Regulation 2012, on action taken for, and expenditure on, a service, facility, or activity:

- i) supplied by another local government under an agreement for conducting a joint government activity; and
- ii) for which the local government levied special rates or charges for the financial year.

SPECIAL RATES AND CHARGES

Nelly Bay Harbour Development special rate levy is applied to maintaining water quality in the canals, dredging the canals, maintaining the rock walls around the canal area and maintaining the sediment basin in Gustav Creek. A special rate of zero cents in the dollar on the rateable value of the land applies to identified properties for the 2024/25 year.

The Rural Fire Brigade Annual Charge is levied on rateable lands serviced by the rural fire brigades listed below. The funds raised from this charge are provided to the voluntary rural fire services so they can acquire and maintain fire-fighting equipment, provide training to volunteers and to enable them to operate throughout the rural areas of the region.

Table 12 – Rural fire levy 2024/25

Rural fire levy	(\$)
Black River and Districts	40
Bluewater	110
Bluewater Estate	-
Clevedon	40
Cungulla	40
Horseshoe Bay	38
Lime Hills-Elliot	30
Majors Creek	25
Nome Valley	10
Oak Valley	20
Paluma	45
Purono Park	15
Rangewood	25
Rollingstone	30
Rupertswood	50
Saunders Beach	45
West Point	30

CONCESSION FOR RATES AND CHARGES

During 2024/25 Council granted a range of rates and charges concessions. In accordance with section 190(1)(g) of the Local Government Regulation 2012, a summary of all concessions granted for rates and charges is detailed below.

HARDSHIP CONCESSION

Council provided concessions on the grounds that payment of the rates or charges will cause hardship to certain landowners. Concessions provided under the Hardship Concession Policy included interest free payment plans and rate deferrals. Further details can be found on Council's website – [Appendix H: Hardship Concession Policy](#).

PENSIONER RATE CONCESSION

A concession was offered to approved pensioners who own and occupy their property as their principal place of residence. This applied only if all rates and charges levied for the financial year were paid in full by 31 May 2025. The maximum pensioner rates concession available was \$800 for the year.

The amount of pensioner rates concession available to each approved pensioner was calculated by reference to the proportion of a full pension that the ratepayer received, and the proportionate ownership share of the owner-occupied property.

Further details on the Pensioner Rates Concession Policy are available on Council's website – [Appendix I: Pensioner Rates Concession Policy](#).

PRE-2016 PENSIONER ARREARS CONCESSION

Council provided rates concessions to assist the owners of properties identified in the Pre-2016 Pensioner Arrears Concession Policy with significant rate arrears. The concession included a rebate of all interest charges.

Further details are available on Council's website – [Appendix J: Pre-2016 Pensioner Arrears Concession Policy](#).

NOT-FOR-PROFIT CHARITABLE GROUP CONCESSIONS

Council allowed a concession of general rates and utilities charges to eligible property owners in recognition of the contribution their activities made to the community, and allowed other targeted concessions where the granting of the concession encouraged:

- economic development of all or part of the Townsville local government area
- the preservation, restorations and maintenance of land that is of cultural, environmental, historical, heritage or scientific significance to Townsville.

Further details on the Charitable and Community Organisations Rates and Charges Concessions Policy are available on Council's website – [Appendix K: General Rates and Utility Charges Concessions Policy](#).

REDUCTION OF WATER CONSUMPTION CHARGES CONCESSION

In certain circumstances, Council provided reduced water consumption charges for property owners who became responsible for those charges as a result of a concealed leak. Where an application for a reduction in water consumption charges was approved, for both Standard Plan and Water Watchers, all excess water was be charged at a rate equivalent to 90% of the water watchers' rate applicable in the relevant consumption year.

Further information is available on Council's website – [Appendix L: Reduction of Water Consumption Charges Policy](#).

CONCESSION OF WATER CHARGES FOR HOME HAEMODIALYSIS PATIENTS

Council provided a concession for water service charges incurred in respect of kidney disease patients who were undergoing home haemodialysis treatment. The concession was \$0.685 per day throughout the period of home haemodialysis, administered on each half yearly rate notice.

Further information is available on Council's website – [Appendix M: Concession of Water Charges for Home Haemodialysis Patients Policy](#).

CONCESSION OF DISPOSAL FEES FOR CHARITY BIN WASTE

Council waived fees associated with disposal of waste from charity bins for charitable organisations that operated a charity bin service to raise funds for a charitable purpose.

Further information is available on Council's website – [Appendix N: Concession of Disposal Fees for Charity Bin Waste Policy](#).

REPORT ON INTERNAL AUDIT

Internal Audit is an independent, objective assurance and advisory activity established within Council designed to add value and improve operations and governance. The unit operates under the Council's Internal Audit Policy and in accordance with the Internal Audit Charter which is endorsed by the Council's Audit and Risk Committee. The Charter authorises direct access to the Audit and Risk Committee through the Chair and appropriate access to all activities, records, property and personnel within Council. Internal Audit applies a risk-based approach to its activities and works closely with the corporate Risk Management function to gain risk and assurance coverage across Council. The Internal Audit unit is guided by a strategic plan approved by the Audit & Risk Committee and provides an annual report to the Committee on overall progress of the unit each year.

The Internal Audit function is conducted by a full-time Internal Auditor and supplemented with co-sourced resourcing.

Council's Internal Auditor is required to undertake training activities in alignment with professional membership requirements and as part of the annual Internal Audit Plan, which is approved and monitored by the Council's Audit and Risk Committee. The Internal Auditor is a specialist with the following professional affiliations and qualifications:

Professional Fellow Member of Institute of Internal Auditors (Aust)	1
Member of the Chartered Accountants Australia and New Zealand	1
Certified Internal Auditor	1
Certification in Risk Management Assurance	1
Chartered Accountant	1

The Internal Audit unit applies a risk-based approach to its planning and audit activities to produce an assurance map for the business which supports nomination of prospective assurance projects. Annual and three-year Internal Audit plans are prepared based on Council's Enterprise-Wide Risk Management assessments and a range of other relevant sources of information including the Queensland Audit Office, State departments, Institute of Internal Auditors, and other local governments. The Council's Audit and Risk Committee reviews, approves and then monitors performance against this plan at meetings. For the year ended 30 June 2025, Internal Audit and external providers, completed six reviews across Council in accordance with the Internal Audit Plan including the following areas:

- Landfill management
- Low value asset controls
- Dam management
- Operation Centre processes
- Workforce management
- Emergency evacuation planning

Additionally, Internal Audit conducts ongoing monitoring and management of previously raised audit findings.

The Internal Audit unit works collaboratively with management to recommend improvements to systems, processes, work practices, compliance and business effectiveness, remaining independent and objective in the fulfilment of its duties.

Internal Audit complies with Queensland Government legislative requirements for the conduct of internal auditing in addition to meeting the professional standards of the Institute of Internal Auditors. The Institute's standards require an external quality assessment at least every five years which Council last completed in April 2024. Council monitors the ongoing quality of its Internal Audit function through activities which include quarterly progress reports and customer surveys of key stakeholders. Internal Audit has implemented changes to achieve compliance with the standards which became effective on 9 January 2025.

EXTERNAL AUDIT

Council is audited externally each year by the Queensland Audit Office (or their appointed contractors). During the 2024/25 financial year the annual external audit of Council's financial statements was conducted by Crowe Audit Australia.

AUDIT AND RISK COMMITTEE

The Audit and Risk Committee is an advisory committee of Council, which provides an independent forum where representatives of Council, independent specialists and management work together to fulfil specific governance responsibilities as set out in its Terms of Reference, which includes oversight of the:

- Integrity of financial documents
- Internal Audit function
- Progress of audit action items
- Effectiveness and objectivity of internal auditors
- Independence and objectivity of external auditors
- Risk management framework and processes related to identification of significant risks and threats

During 2024/25 the Audit and Risk Committee considered reports from a range of sources relating to a variety of topics including:

- Compliance
- Financial management
- Governance & Fraud
- Policy & key guidance documents
- Internal controls
- Financial statements
- Emergency response and business continuity activities
- Enterprise risk management: risk appetite management, strategic & operational risk assessment
- Internal audit: compliance with new global internal audit standards, independence and objectivity, strategic direction, planning, resourcing, monitoring of progress and communication of findings
- External audit: strategy, briefings and findings from performance and financial statement audits
- Quality Assurance over Risk Management, Internal Audit and Audit and Risk Committee activities

The Audit and Risk Committee monitored management progress in addressing various audit findings across business activities during the year.

The Audit and Risk Committee meetings and the presentation of the meeting minutes to Full Council are shown in Table 13.

Table 13 – Audit and risk committee meeting dates and presentation of minutes

Audit Committee Meeting Date	Minutes Presented to Council
11 July 2024	Full Council 18 September 2024
10 September 2024	Full Council 22 January 2025
18 October 2024	Full Council 22 January 2025
6 December 2024	Full Council 2 April 2025
13 March 2025	Full Council 3 July 2025
27 May 2025	Full Council 3 September 2025

The Audit and Risk Committee has four members, two independent of Council and two Councillors. Membership of the Audit and Risk Committee for the reporting period are shown in Table 14.

Table 14 – Audit and risk committee memberships

Name and Position	Qualifications and Memberships
Ms Renita Garard AM <i>Independent Member and Chair of the Audit and Risk Committee</i>	Fellow of Chartered Accountants Australia & New Zealand (CA ANZ), Graduate Member of the Australian Institute of Company Directors (GAICD), Bachelor of Business, majoring in Accounting and Business Law. Over 25 years' experience in the financial services industry and in domestic and international governance roles.
Ms Helen Stanton <i>Independent Member of the Audit and Risk Committee</i>	Ms Stanton is an experienced non-executive director and independent advisor, with specialist skills in governance and operational risk. She has served on many audit committees as a non-executive director, including Lower Burdekin Water, CleanCo Queensland Ltd, Mater Health Services NQ, Energy Queensland Ltd, Northern Territory Power and Water Corporation, and Ergon Energy Corporation Limited. Ms Stanton holds a degree in Minerals Processing Engineering and is an AICD graduate.
Cr Andrew Robinson <i>Councillor and Member of the Audit and Risk Committee</i>	Member of the Certified Practicing Accountants Australia (CPA). Graduate Member of the Australian Institute of Company Directors (GAICD). Bachelor of Commerce. Queensland Justice of the Peace (Qualified). Cr Robinson is a graduate from the Royal Military College, Duntroon and served for 13 years as an Officer in the Royal Australian Army Medical Corps before working in the private sector. Cr Robinson worked for PricewaterhouseCoopers in both taxation and audit before taking on his role as the Regional Advisor (Finance & Business) Northern Region for the Department of Transport and Main Roads for 15 years. Cr Robinson has served as a Director for a bank, Defence Bank (DEFCREDIT) and is currently on the board of one local investment firms.
Cr Vera Dirou <i>Councillor and Member of the Audit and Risk Committee for the period 1 July 2024 to 28 August 2024</i>	Diploma of Quality Auditing, SAI Lead Auditor, RABQSA Quality/Safety Lead Auditor, SAI Demystifying ISO 9001: 2000 / Internal Auditor. Cr Dirou has over 20 years' experience in various capacities within the Department of Defence.

Cr Troy Thompson*

Mayor and Member of the Audit and Risk Committee for the period 28 August 2024 to 22 November 2024

Mayor of Townsville City Council. Completing Australian Institute of Company Directors course (GAICD). Chief Operations Manager – Mining supplier Global CEO of Supply Chain organisation. Global Operations Manager Supply Chain organisation.
Chairperson of Aitkenvale Sporting Association – NFP. Chief Operations Manager, Dewatering and Piling company.
Business owner 25 years. Member of Chamber of Commerce UK & Australia. Member of Chamber of Commerce Germany & UK. Gasfitter with SECWA. Army Reservist – Signals and Catering Cor.

Cr Paul Jacob

Councillor and Member of the Audit and Risk Committee for the period 4 December 2024 to 17 December 2024

Electronics and Communications Technician for Telephony and Satellite Stations. Technical Officer at the Satellite Earth Station in Moree. Technical Officer in the Royal Australian Navy Trials and Assessing Unit. Since returning to Townsville over 30 years ago Cr Jacob has worked for Townsville Human Capital, James Cook University and the Townsville Hospital before his election as a Townsville City Councillor in 2016 and re-election again in 2024.

Cr Ann-Maree Greaney

Councillor and Member of the Audit and Risk Committee for the period 17 December 2024 to 30 June 2025

Acting Mayor of Townsville City Council. Member of Australian Institute of Company Directors. Diploma of Education. Executive Certificate in Event Management. Former Board Member of the Cowboys Leagues Club. Councillor Greaney was first elected as a Councillor in 2016. Prior to becoming a Councillor, she worked with Tec-NQ, the Townsville Hospital Foundation and over 10 years with Townsville City Council as Special Events and Protocol Officer.

**Refer to note on page 31*

NUMBER OF INVITATIONS TO CHANGE TENDER

There were no reportable invitations made by Council to change tenders during the period.

BENEFICIAL ENTERPRISES

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

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

Council participated in beneficial enterprises with the Townsville Breakwater Entertainment Centre Joint Venture during the 2024/25 financial year.

Council holds a 50% shareholding in NQ Spark Pty Ltd. This company is responsible for the establishment and operation of an advanced simulation facility in Townsville and will contribute to the development of industry sectors including emergency services, and disaster management.

Council holds a 100% shareholding in North Rail Yard Developments Pty Ltd. This company has been established to provide high-density residential housing with unique and exciting commercial, cultural and heritage opportunities within the Waterfront Priority Development Area.

SIGNIFICANT BUSINESS ACTIVITIES

Townsville City Council conducted the following significant business activities during the financial year:

- Water Services
- Resource Recovery

Council's water, sewerage, resource recovery and waste management activities were considered significant business activities for the period and applied the competitive neutrality principle through the application of full cost pricing, identifying the cost of community service obligations and eliminating the advantages and disadvantages of public ownership within that activity.

When assessing business activities as part of the development of the 2024/25 budget, section 19 of the Local Government Regulation 2019 prescribed the thresholds that a business activity must meet to be a significant Business Activity for the financial year:

- If the business activity is the provision of combined water and sewerage services, the threshold is 10,000 or more premises being connected to a water service as of June 30 of the financial year, ending immediately before the current financial year.
- For any other business activity, the threshold is expenditure of at least \$9.7 million for the financial year ending immediately before the current financial year.

No new significant business activities were identified during the financial year.

Further information can be found in Note 25: National competition policy, of Council's financial statements which forms part of this annual report.

COMPETITIVE NEUTRALITY

No investigation notices were issued in 2024/25 by the Queensland Competition Authority for competitive neutrality complaints.

WATER ANNUAL OPERATIONS REPORT



OUR OBJECTIVE

Water Services' objective is to provide safe, reliable and sustainable water and wastewater services for the benefit of the Townsville community.

PURPOSE OF THIS REPORT

This Operations Report is designed to provide an overview of the operations and performance of Water Services for the 2024/25 financial year, as measured against its Annual Performance Plan.

Section 190(1)(c) of the Local Government Regulation 2012 requires that Townsville City Council must include an Annual Operations Report for each commercial business unit in the Council's Annual Report.

WATER FAST FACTS

Water Services is a significant business activity of the Townsville City Council, providing water and wastewater services to the Townsville Community. It supplies potable water, collects and treats wastewater and supplies recycled water.

Water and Wastewater



combined operation and capital expenditure of **\$274.5m**

Wastewater

treated **26,149** megalitres of wastewater



served **77,977** residential, commercial and industrial properties

Water



treated **40,645** megalitres of safe, high-quality potable water

supplied water to **89,746** service connections in Townsville region

served **1,308** trade waste customers

Assets



managed assets valued at **\$3.1 billion**



operates **2** major water storages

4 water treatment plants

6 wastewater treatment plants

43 water reservoirs

203 wastewater pump stations

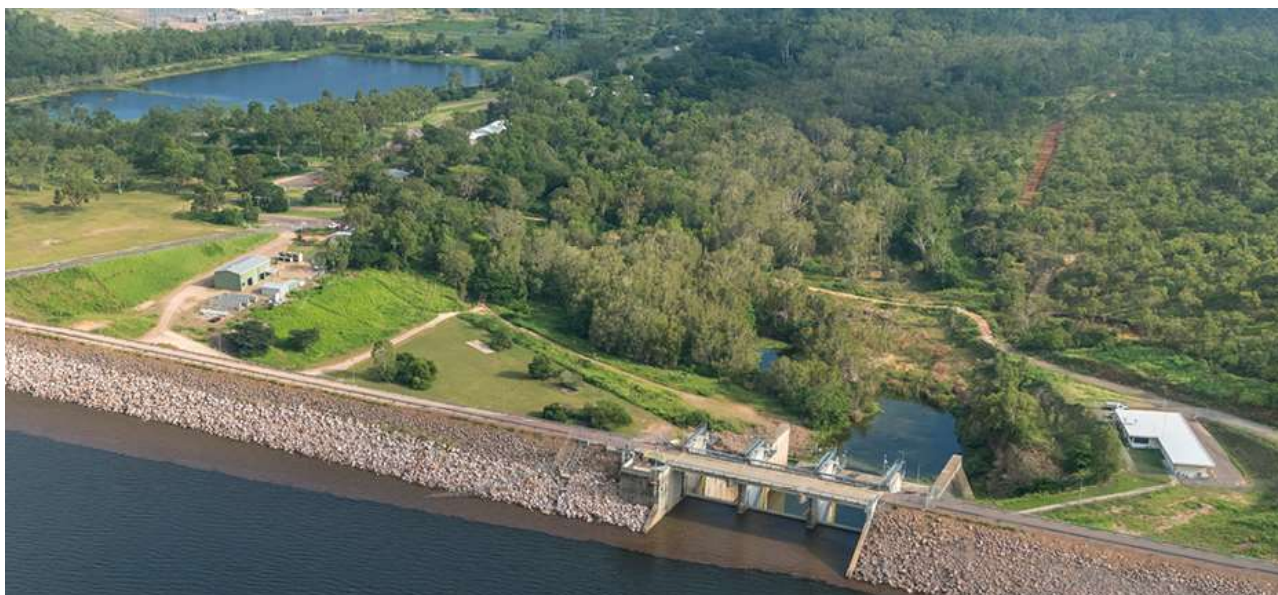
27 water pumps

23 chlorinators

more than **2,700 kilometres** of water mains



more than **1,400 kilometres** of sewer mains



ASSESSMENT OF OPERATIONS

Significant events and initiatives undertaken during the year are summarised below.

BLUE-GREEN ALGAE

Council continues to adapt and manage the impacts on raw water quality caused by the presence of blue green algae in Ross River Dam. Blooms or high levels of algae can affect the treatment and production of potable water by clogging filters and increasing the amount of chemicals used to disinfect the water and remove any impurities.

Blue-green algae blooms continued to impact raw water quality in 2024/25 as weather conditions, nutrients and algae levels in the Ross River Dam fluctuated throughout the year. The unprecedented rains experienced from January to March 2025 resulted in extended releases from Ross River Dam resulting in algae levels reducing in the dam. Coupled with a cooler winter period Council has experienced lower algae levels than the same period of the previous year, however we continue an extensive monitoring program to ensure the provision of safe drinking water to the Townsville Community.

In 2024/25 Council maintained 100% compliance with the Australian Drinking Water Guidelines (ADWG).

WET WEATHER RESILIENCE PROGRAM

Townsville experienced unprecedented wet weather events between January and March 2025, receiving more than 2,400mm of rain across the period. During these rain events Council's wastewater network experienced prolonged periods of inundation and inflow from rainwater. This resulted in periods where wastewater network capacity was restricted. Council received reports from 470 properties (0.6% of properties connected) of sewage overflows at their property during or immediately following rain events.

Of the 470 properties, 26 reported sewage overflows internally at the property. Council has engaged with each resident of these properties and conducted site inspections to assist the resident to identify the potential causes of sewage overflow and support them to take steps to mitigate future sewage overflows where possible.

Council is investigating various infrastructure and operational works to improve the networks performance during dry tropics wet weather events including:

- A 2-stage infrastructure upgrade to the Wulguru wastewater network involving upsizing and diverting current network elements to provide increased capacity to meet significant wet weather events.
- Continuation of an extensive sewer relining program to renew the function of approximately 4.5km of wastewater network across Townsville.
- Reviewing and updating wastewater pump station operating parameters to increase the capability to manage excess loading in the network.

These annual works programs are important to maintaining our wastewater services to the Townsville community.

TOWNSVILLE LABORATORY SERVICES

During 2024/25 the Scientific Services team has successfully validated per- and polyfluoroalkyl substances (PFAS) analysis in soils and biosolids, building on our current National Association of Testing Authorities (NATA) accreditation for PFAS testing in water. The supporting data have been submitted to NATA for inclusion in the Townsville City Council's scope of accreditation. This expanded capability is critical for evaluating biosolids in line with the End of Waste Code issued by the Queensland Government.

In a national first, we collaborated with Charles River Microbial Solutions to validate Endosafe® Trillium™—an innovative, animal-free alternative to traditional Limulus Amebocyte Lysate (LAL) testing. Our team confirmed that this method, which uses synthetic reagents to replicate the natural Limulus Amoebocyte Lysate reaction, eliminates the need for horseshoe crab blood. This marks a significant step towards more ethical and environmentally sustainable endotoxin testing.

We have also completed the installation of two advanced Gas Chromatographic systems to support the analysis of volatile and semi-volatile organic compounds, as well as pesticides. This investment enhances our technical capabilities, reduces operational costs, and strengthens our support for environmental consultants throughout the region. The team is working in the validation of these methods.

In parallel, our scientists are advancing the lab's metal testing services by developing speciation methods for arsenic and chromium. While these elements have long been part of our analytical suite, the ability to distinguish their more toxic forms will deliver new levels of accuracy and insight—offering a first-of-its-kind service in the region. The team is working to submit these for inclusion in our NATA's scope of accreditation.

In addition, we are now actively supporting collaborative research between Council and academic institutions. We are currently working with our candidates and teams in both James Cook University and Monash University on scalable solutions for blue-green algae management—an area of growing operational importance.

To support this continued growth and diversification, the team has also undergone an organisational restructure aligned with Council's broader strategic direction to expand environmental and scientific services across the region.

MAJOR INVESTMENTS

During 2024/25, Water Services invested in the below water and wastewater infrastructure.

Table 15 – Water services major investments

Service Category	MYR Budget (\$'000)	Actual Investment (\$'000)	Variance (\$'000)
Water Services	150,932	87,780	63,153
Wastewater Services	28,277	13,362	14,914
Total	179,209	101,142	78,067

COMMUNITY SERVICE OBLIGATIONS

Table 16 – Water Services community service obligations

Service Category	MYR Budget (\$'000)	Actual Investment (\$'000)
Price concessions – water and wastewater charges in recognition of an activity's contribution to the social and cultural welfare of the community	4,023	-
Churches, church halls, clubhouses, and halls – charitable and non-profit organisations	-	1,068
Charitable and non-profit aged care facilities	-	726
Sporting field irrigation – restricted public access (not including schools, tertiary institutions, and other educational facilities)	-	788
Retirement/lifestyle villages	-	183
Water leakage concession	-	189
Caravan parks	-	334
Commercial irrigation	-	132
Boarding and lodging houses	-	177
Sporting Recreation	-	112
Water charge remission	-	39
Sewerage charge remission	-	6
Sporting field irrigation – no public access restrictions (not including schools, tertiary institutions, and other educational facilities)	-	5
War graves	-	2
Water haemodialysis concession	-	1
Total	4,023	3,762

CHANGE TO THE ANNUAL PERFORMANCE PLAN

No changes were made during the financial year.

COUNCIL DIRECTIONS TO WATER SERVICES

Council made no directions to Water Services during the financial year.

PERFORMANCE TARGETS

In the 2024/25 financial year, Water Services measured its performance against the below performance indicators as outlined in its Annual Performance Plan.

Key: Target Met  Target Not Met 

Table 17 – Water Services performance target 2024/25 results

Performance Measure	Description	Target	2024/25 Result
Economic Sustainability			
Net Operating Result	Comparison of the actual net operating result with the budgeted net operating result	Within 5% of budget	1.49%
Asset Renewal	Rehabilitation capital works / depreciation charges	Minimum 90%	47%*
Social Responsibility			
Drinking water quality compliance	Percentage of compliance with all drinking water quality requirements in accordance with Townsville Water's Drinking Water Quality Management Plan	100%	100%
	Number of water quality and water pressure complaints in accordance with Townsville Water's Customer Service Standards	<5 for each 1,000 connections	1.61 Complaints
Adequacy and quality of supply	Water Quality Non-compliance reportable to the Regulator.	<7 per 1,000 connections	5 Reports
	Unplanned water interruptions	<100 interruptions per 1,000 connections	7/1,000 connections
Day to day continual supply	Average response time to water incident (excluding disaster)	<4 hours of advice of incident being reported	3.20 hours
	Restoration of Service – Time for restoration of service for unplanned interruptions (excluding excavations)	>95% within 24 hours	98.25%
Environmental Responsibility			
Penalty infringement notices or legal action for non-compliance	Number of penalty infringement notices issued, or instances of legal action initiated by the regulator for non-compliance with respect to sewerage treatment or reticulation activities	Zero	0
Dry weather sewerage releases	Number of dry weather sewerage overflows, bypasses or releases to the environment that were not caused by a third party or natural phenomenon	Zero	5 [†]
Responsibly Governance			
Reduction in lost time injuries	Number of Lost Time Injuries (LTIs) recorded	20% reduction	8 LTIs [‡]
Dam Safety Compliance	100% compliance with dam safety regulations	100%	100%
Wastewater collection and treatment compliance	Percentage of compliance with regulatory requirements, service standards and environmental licence requirements	100%	100%

* Ratio reflects deferral of renewal projects to the 2025/26 financial year, primarily resulting from the reallocation of resources to natural disaster recovery efforts.

[†] The 5 sewage releases referred to occurred due to asset failures. Four are related to sewer rising main breaks and one is related to a damaged air valve on a main that released a small volume of sewage before being rectified

[‡] Council has a strong commitment to safety and targets a reduction of 20% of Lost Time Injuries (LTIs) from those from the previous financial year. Water Services reported two more LTIs in the financial year than the previous year and therefore did not achieve the targeted reduction.

RESOURCE RECOVERY ANNUAL OPERATIONS REPORT

[Our Annual Report](#)

[Growing Townsville](#)

[Our Performance](#)

[Our Council](#)

[Our People](#)

[Our Statutory](#)

[Water Report](#)

[Resource Recovery](#)

[Glossary and Index](#)

[Appendix – Annual Financial](#)



OUR OBJECTIVE

Resource Recovery's objective is to contribute to the delivery of a healthy and eco-friendly city through the provision of waste and recycling services that deliver safe, reliable, affordable and sustainable waste management and resource recovery services for the city.

PURPOSE OF THIS REPORT

This Operations Report is designed to provide an overview of the operations and performance of Resource Recovery for the 2024/25 financial year, as measured against its Annual Performance Plan.

RESOURCE RECOVERY FAST FACTS

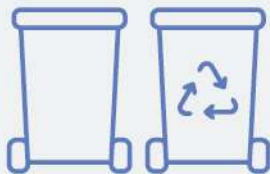
Resource Recovery is a significant business activity of the Townsville City Council, providing solid waste management and recycling services to the Townsville community through waste collection, transportation, recycling and disposal.

Resource Recovery Services



combined operation
and capital
\$53.12m

provided
84,297
domestic waste services
per week



provided
82,312
recycling per
fortnight

provided
931
domestic
bulk bins
in service



served
227
bulk bins
each day



served
384
public bins
each day

Our Facilities



1 active
landfill site



5 waste transfer stations



312,410
customer visits



received **291,489** tonnes
for processing



ASSESSMENT OF OPERATIONS

Significant initiatives undertaken during the year are summarised below.

NQ RECYCLING ENTERPRISE PRECINCT & BULK TRANSFER STATION

The Townsville Waste and Resource Recovery Infrastructure Report produced in 2021 identified the need for development of a regional Recycling Enterprise Precinct to aggregate diverted products and create the economies of scale required to incentivise investment in the local circular economy and development of local remanufacturing capacity. To progress this, Resource Recovery developed a Scoping and Definition Study Report, Options Report, and Siting Study. These reports defined the strategic need, scope and definition, of the requirements for a new Recycling Enterprise Precinct to service not only Townsville, but the greater North Queensland Regional Organisation of Councils (NQROC). Following these reports, a draft report with recommendations was presented to Executive in the third quarter of the 2024/25 financial year.

STUART WASTE FACILITY LANDFILL GAS CAPTURE

Landfill gas is comprised of approximately 50% methane – a harmful greenhouse gas with a global warming potential that is 80 times greater than carbon dioxide. Council is currently managing the production of biomethane through a thermal conversion process being conducted under the contract with LMS Energy Pty Ltd. The recent biogas system installation expansion works have resulted in an uplift in production and associated carbon credits. A second flare was installed in 2023, and there are plans to install two generators that will convert the captured methane gas into electricity. The electricity generated will be fed into the grid system. LMS Energy approached Council in Quarter 1 of 2024/25 financial year, with a request to extend the contract to allow for the installation of generators because of increased generator costs. Council is in the process of reviewing this contract with the aim of renegotiating the terms with LMS Energy.

TOWNSVILLE CITY COUNCIL ORGANICS BUSINESS CASE

Following completion of the Organics Roadmap in early 2021 and the 2021/22 Food Organics and Garden Organics (FOGO) trial, Resource Recovery is working on a detailed business case with options to be presented to Council in early 2026. The business case will consider the social, economic, environmental and governance arrangements of implementing a third kerbside bin for collection and processing of organic waste. Delivery of the business case forms part of Council's preparation for the potential introduction of a domestic kerbside organics service.

CAPITAL INVESTMENT IN WASTE

Capital works were carried out during the financial year to ensure Council continues to meet its waste and resource recovery obligations for its community, while managing the social license for its sites, and maintaining the sites in an environmentally compliant manner. As a result, \$5.3m was spent in capital expenditure across the portfolio which included the following key projects:

- Design of Stuart Landfill Cells 4 & 5
- Continued rehabilitation and post-closure care works at the Jensen Landfill
- Upgrade of the Stuart Waste Facility Weighbridge.
- Design works for additional infrastructure at the Stuart Waste Management Facility such as
 - a truck wash and service bay
 - a stormwater sedimentation pond
 - a landfill leachate management system
- Purchase and repair of TCC bulk bins
- Continued construction of a “quick fill water tank” to assist with firefighting capacity at the Stuart Waste Management Facility
- Installation and Renewal of In-Vehicle Management Systems for 26 Waste Collection Trucks.

WASTE MINIMISATION AND EDUCATION ACTIVITIES

Waste reduction and recycling face-to face engagements continued during the financial year. Activities included engagement with early learning centres, schools, workplaces, and community groups. Over the year, Council’s Resource Recovery Educator delivered 58 education sessions at the Townsville’s Materials Recovery Facility (MRF) to more than 1,300 primary school students. Our Resource Recovery Educator also held tours at the MRF and manned stalls at community events. To address fire risk in bins, Resource Recovery has continued to produce social media messaging about keeping combustible items and batteries out of bins, educating community on the correct disposal.

Council also introduced initiatives such as:

- The Uniform Recycling program which has been very popular and have diverted more than 150kg away from landfill. Items diverted include work uniforms, hard hats, steel cap boots and other safety wear.
- The Reusable Rebate program encouraging residents to use reusable nappies and sanitary items. More than 600 members of the community received a rebate helping to divert these items from landfill.
- The Bin-Health Check Program which commenced in March 2025 and has continued into the 2025/26 financial year. A few delays have occurred in response to weather events, contractor availability and modification to the program.
- Procurement of a new educational tool to make recycled pens from plastics bottle lids, which has become very popular with the community.

MAJOR INVESTMENTS

During 2024/25, Resource Recovery invested in the below resource recovery infrastructure. Investment primarily related to rehabilitation of the Jensen Landfill site.

Table 18 – Resource Recovery major investments

Service Category	MYR Budget (\$'000)	Actual Investment (\$'000)	Variance (\$'000)
Solid Waste Disposal and Waste Management	9,292	5,365	3,927
Total	9,292	5,365	3,927

COMMUNITY SERVICE OBLIGATIONS

Table 19 – Resource Recovery community service obligations

Service Category	MYR Budget (\$'000)	Actual Investment (\$'000)
Concession on landfill fees for charity organisations	54	45
Dead animal collection services	75	75
Infirm services	63	63
Free dump weekends	170	157
Community clean up events	7	4
Concessions on landfill fees for illegal dumping	20	8
Hire of bins for community clean ups	3	0
Concessions on landfill fees for North Rail Yards site	0	24
Total	392	376

CHANGES TO THE ANNUAL PERFORMANCE PLAN

No changes were made during the financial year.

COUNCIL DIRECTIONS TO RESOURCE RECOVERY

Council made no directions to Resource Recovery during the financial year.

PERFORMANCE TARGETS

In the 2024/25 financial year, Resource Recovery measured its performance against the below indicators as outlined in its Annual Performance Plan.

Key: Target Met  Target Not Met 

Table 20 – Resource Recovery performance target 2024/25 results

Performance Measure	Description	Target	2024/25 Result
Economic Sustainability			
Net Operating Result	Comparison of the actual net operating result with the budgeted net operating result	Within 5% of budget	67.63%*
Social Responsibility			
Customer service and collection performance	Less than 1 missed service for every 1,000 kerbside waste and recycling services	<1 for each 1,000 Bin(s)	1.19 missed bins [†]
	Response time to missed kerbside waste and/or recycling services	>95% by the next business day	85% [‡]
	Response time to new residential kerbside service commencement	100% within 3 Business Days	98% [‡]
	Response time to repair/replacement requests for waste and/or recycling services	100% within 3 Business Days	98% [‡]
Environmental Responsibility			
Penalty infringement notices or legal action for non-compliance	Number of penalty infringement notices issued or instances of legal action initiated by the Regulator for non-compliance	Zero	0
Environmental incidents reported to Department of Environment and Science	Number of incidents, which exceed the acceptable limit, that was required to be reported to the Department of Environment and Science	Zero	10 [§]
Responsibly Governance			
Reduction in lost time injuries	Number of Lost Time Injuries (LTIs) recorded	20% reduction	7 LTI

*Favourable result to budget primarily driven by increased revenue from higher commercial tonnage volumes at the landfill combined with higher-than-expected sale of scrap, increased commercial bin collections and improved efficiencies.

[†]Severely impacted by the sustained weather events over the January-March period followed by a shortage of drivers and trucks in March.

[‡]As the city continues to grow, adjustments are required to the operational service model. Demand of the service has been exacerbated by bins from a new supplier that are breaking down quicker than anticipated. Also adversely impacted by flooding due to several days where delivery, repair or replacement could not be achieved.

[§]Majority of notifications to the department were related to uncontrolled storm water releases due to impacts from the January-March weather events. There had also been one fire notification and one groundwater exceedance. Target is unrealistic as fires and uncontrolled stormwater releases following rain events are reported to DETSI as incidents. Performance measure has been removed from 2025/26 reporting.

^{||}Resource Recovery set a target of Zero LTI's for the financial year. Our focus is to understand the factors causing these for the purpose of mitigating these risks.

GLOSSARY AND INDEX



GLOSSARY

Term	Definition
Administrative Directive	Describes what the Chief Executive Officer (acting under section 257 of the <i>Local Government Act 2009</i>) considers to be appropriate in relation to specific issues arising out of either legislation or Council decisions. They generally relate to the implementation of the day-to-day operations of the Council. Administrative directives are considered by Directors and Senior Managers and approved by the Chief Executive Officer.
Annual Budget	The City's annual budget identifies the planned expenditure and revenue approved by Council for a financial year. This includes any specific activities as priority under the Operational Plan.
Annual Report	A Statutory report under the <i>Local Government Act 2009</i> that provides accountability to the community for the past financial year. The report contains a summary of progress toward the City Vision through implementation of the Corporate and Operational Plans, the auditor's report, audited financial statements and an address by the Mayor and CEO.
Asset	An item that has potential or actual value to an organisation.
Australian Accounting Standards	Accounting Standards issued by the Australian Accounting Standards Board that are equivalent to standards issued by the International Accounting Standards Board. These standards are binding on Queensland Councils and all other bodies established pursuant to the <i>Local Government Act 2009</i> .
Blue-Green Algae	Microscopic organisms found in water that can produce toxins and affect water quality.
Community	A group of people living in the same locality and under the same government.
Community Engagement	Community engagement is interaction between the City and any section of the community, either individually or as a group, and includes information sharing, consultation and/or active participation.
Corporate Plan	The City's Corporate Plan outlines the Council's vision and translates it into medium and long-term priorities, outcomes and strategies for a minimum five-year period.
Councillors	Elected representatives of Council who serve a 4-year term.
Financial Statements	The Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows prepared in accordance with Australian Accounting Standards together with the notes and certification statements.
Governance	The process by which decisions are taken and implemented, organisations are controlled and managed to achieve their objectives, and the process by which organisations are directed, reviewed and held to account.
Liveability	Liveability refers to a combination of factors that contribute to quality of life. These include the impact of built and natural environment as well as economic, social and cultural factors.

<i>Local Government Act 2009</i>	The principal legislation which provides the legal framework for Queensland's local government sector.
Local Government Association of Queensland (LGAQ)	The peak body for local government in Queensland. A not-for-profit association set up solely to serve the state's 77 Councils and their individual needs.
Local laws	Those laws under the jurisdiction of the Council and enforced by city staff and/or Police.
MYR Budget	Mid-year (MYR) budget review adopted by Council throughout the financial year. The MYR replaces the adopted budget.
Objective	Something toward which work is to be directed, a strategic position to be attained, or a purpose to be achieved, a result to be obtained, a product to be produced, or a service to be performed.
Operational Plan	A document with a one-year outlook, which outlines the key activities to be undertaken to achieve the desired outcomes set out in the Corporate Plan. This is a legislative requirement.
Personal protective equipment (PPE)	Refers to anything worn or used to minimise risk to workers' health and safety. This may include but is not limited to; boots, ear plugs, face masks, gloves, goggles, hard hats, high visibility clothing, safety shoes and sunscreen.
Policy	A statement formally adopted by Council that describes the Council's position on a particular issue. All policies are consistent with Council's long, medium and short-term planning outcomes and some will directly support the delivery of the Council's Community and Corporate Plans.
Service	A service is a group of activities provided to the City e.g., waste collection which manages a range of different waste collection types.

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Below is an index of the relevant sections of this report that pertain to the statutory requirements* for a local government annual report:

*LGA – *Local Government Act 2009*

LGR – *Local Government Regulation 2012*

PSEA – *Public Sector Ethics Act 1994*

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APPENDIX



GENERAL PURPOSE FINANCIAL STATEMENTS 2024/25

The following pages contain Townsville City Council's audited financial statements for the year ended 30 June 2025. Please note that page numbering recommences at page 1 for this section.



TOWNSVILLE CITY COUNCIL

GENERAL PURPOSE FINANCIAL STATEMENTS

2024-2025

General Purpose Financial Statements

for the year ended 30 June 2025

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Statement of Comprehensive Income

for the year ended 30 June 2025

	Notes	2025 \$ '000	2024 * \$ '000
Income			
Recurrent revenue			
Rates, levies and charges	3a	442,336	406,831
Fees and charges	3b	44,149	35,274
Grants, subsidies and contributions	3c	40,846	15,894
Total recurrent revenue		527,331	457,999
Interest received		3,602	5,865
Other income	4	13,281	14,879
Total operating revenue		544,214	478,743
Capital income			
Grants, subsidies, contributions and donations	3c	70,052	182,804
Other capital income		782	-
Total capital income		70,834	182,804
Total income		615,048	661,547
Expenses			
Recurrent expenses			
Employee and councillor costs	5	170,956	173,310
Materials and services	6	201,752	191,700
Finance costs	7	19,704	21,328
Other expenses		1,407	1,666
Depreciation and amortisation			
- Property, plant and equipment	11	149,940	145,583
- Intangible assets		1,037	2,300
- Right of use assets	13	2,694	2,789
Total recurrent expenses		547,490	538,676
Capital Expenses	8	3,353	25,980
Total expenses		550,843	564,656
Net Result		64,205	96,891
Other comprehensive income			
Items that will not be reclassified to net result			
Increase in asset revaluation surplus	11	203,478	674,981
Total comprehensive income for the year		267,683	771,872

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

(*) Comparative figures have been restated. Refer to Note 22 for further information

Statement of Financial Position

as at 30 June 2025

	Notes	2025 \$ '000	2024 * \$ '000
Assets			
Current assets			
Cash and cash equivalents	9	187,650	31,424
Receivables	10	66,533	45,181
Inventories		3,514	2,765
Contract assets	12	13,039	52,541
Other assets		5,630	6,477
Total current assets		276,366	138,388
Non-current assets			
Property, plant and equipment	11	7,222,014	6,995,580
Right of use assets	13	19,187	19,480
Intangible assets		1,620	1,460
Other assets		8,575	7,244
Total non-current assets		7,251,396	7,023,764
Total Assets		7,527,762	7,162,152
Liabilities			
Current liabilities			
Payables	14	79,562	86,668
Contract liabilities	12	61,209	4,201
Borrowings	15	43,575	38,959
Lease liabilities		2,213	2,136
Provisions	16	35,181	37,760
Other liabilities		6,139	8,352
Total current liabilities		227,879	178,076
Non-current liabilities			
Borrowings	15	385,462	333,423
Lease liabilities		18,948	18,767
Provisions	16	34,492	33,639
Other liabilities		5,743	10,692
Total non-current liabilities		444,645	396,521
Total Liabilities		672,524	574,597
Net community assets		6,855,238	6,587,555
Community equity			
Asset revaluation surplus	17	2,530,235	2,326,757
Retained surplus		4,325,003	4,260,798
Total community equity		6,855,238	6,587,555

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

(*) Comparative figures have been restated. Refer to Note 22 for further information

Statement of Changes in Equity

for the year ended 30 June 2025

	Notes	Asset revaluation surplus \$ '000	Retained surplus * \$ '000	Total equity * \$ '000
Balance as at 1 July 2024		2,326,757	4,260,798	6,587,555
Net result		–	64,205	64,205
Other comprehensive income for the year				
- Increase in asset revaluation surplus	11	203,478	–	203,478
Total comprehensive income for the year		203,478	64,205	267,683
Balance as at 30 June 2025		2,530,235	4,325,003	6,855,238
Balance as at 1 July 2023		1,651,776	4,130,286	5,782,062
Prior period adjustment relating to recognition of non-current assets	22	–	33,621	33,621
Restated balance as at 1 July 2023		1,651,776	4,163,907	5,815,683
Net result		–	96,891	96,891
Other comprehensive income for the year				
- Increase in asset revaluation surplus	11	674,981	–	674,981
Total comprehensive income for the year		674,981	96,891	771,872
Balance as at 30 June 2024		2,326,757	4,260,798	6,587,555

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

(*) Comparative figures have been restated. Refer to Note 22 for further information

Statement of Cash Flows

for the year ended 30 June 2025

		2025	2024
	Notes	\$ '000	\$ '000
Cash flows from operating activities			
Receipts from customers		573,464	517,758
Payments to suppliers and employees		(408,491)	(399,337)
Interest received		3,552	6,147
Finance costs		(16,404)	(17,851)
Net cash inflow from operating activities	21	152,121	106,717
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		1,692	409
Grants, subsidies, contributions and donations		127,978	115,302
Net movement in loans and advances		-	300
Payments for property, plant and equipment		(178,063)	(271,606)
Payments for intangible assets		(1,193)	3,585
Net cash outflow from investing activities		(49,586)	(152,010)
Cash flows from financing activities			
Proceeds from borrowings		94,952	-
Repayment of borrowings		(38,297)	(46,175)
Repayments made on leases (principal only)		(2,964)	(3,290)
Net cash inflow (outflow) from financing activities		53,691	(49,465)
Net increase (decrease) in cash and cash equivalents held		156,226	(94,758)
Cash and cash equivalents at the beginning of the financial year		31,424	126,182
Cash and cash equivalents at the end of the financial year	9	187,650	31,424

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 2025

Note 1. Information about these financial statements

(a) Basis of preparation

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

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

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

(b) The local government reporting entity

Townsville City Council is constituted under the Queensland *Local Government Act 2009* and is domiciled in Australia.

As at 30 June 2025, Council was party to the following joint ventures and controlled entity:

- Townsville Breakwater Entertainment Centre Limited;
- NQ Spark Pty Ltd; and
- North Rail Yard Developments Pty Ltd.

Council has a 79.8% ownership interest in an unincorporated joint venture known as the Townsville Breakwater Entertainment Centre. This joint venture exists between Breakwater Island Limited as trustee of the Breakwater Island Trust and the Townsville City Council. Council impaired its investment in the joint venture to nil in 2017/18.

Pursuant to the terms of the management agreement, Townsville City Council provides a capped operating cost contribution fee each financial year, and Breakwater Island Limited indemnifies the joint venture from any amount by which defined costs exceed total revenue. All contributions are recorded in the Statement of Comprehensive Income.

Council has a 50% ownership interest in NQ Spark Pty Ltd, which is responsible for the establishment of an advanced environmental simulation facility in Townsville. The joint venture exists between James Cook University and Townsville City Council. Profit from operations for the current year has not been included in Council's financial statements as the amount is not material.

Council is the controlling entity of North Rail Yard Developments Pty Ltd and holds a 100% shareholding. This entity has not been consolidated at 30 June 2025 as its size and nature is not material to Council's operations. Profit from operations for the current year has not been included in Council's financial statements as the amount is not material.

(c) Rounding and Comparatives

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

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

Notes to the Financial Statements

for the year ended 30 June 2025

Note 1. Information about these financial statements (continued)

(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 recognition (Note 3)
- Valuation of property, plant and equipment including useful life assessments, fair value and impairment (Note 11)
- Measurement and recognition of provisions (Note 16)
- Measurement and recognition of the impairment of trade receivables (Note 24)

(e) Taxation

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

(f) Standards issued by the AASB not yet effective

The AASB has issued Australian Accounting Standards and Interpretations which are not mandatorily effective at 30 June 2025. Those standards have not been adopted by Council and will be included in the financial statements on their effective date. Council has assessed all the standards which are not yet effective and have determined that there is no expected material impact on the reported financial position or performance.

(g) New and revised Accounting Standards adopted during the year

Townsville Council adopted all standards which became mandatorily effective for annual reporting periods beginning on 1 July 2024, none of the standards had a material impact on the reported position, performance and cash flows.

The relevant standards for Council were:

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

(h) Volunteer Services

Volunteer services have not been recognised in the Statement of Comprehensive Income because Council would not purchase these services had they not been donated, and the value cannot be reliably measured.

Notes to the Financial Statements

for the year ended 30 June 2025

Note 2. Analysis of results by function

(a) Components of Council's functions

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

- (i) **Cultural and community services**
Maintain and grow events, arts, sport and cultural services to improve the liveability of Townsville. Develop and support cultural and community experiences in Townsville and maintain public and environmental health. Includes community support, community facilities, libraries, visual and performing arts, events and enforcement compliance.
- (ii) **Drain and stormwater management**
Manage drain and stormwater infrastructure.
- (iii) **Environment and sustainability services**
Support environmental sustainability, natural hazard and resource management and foster sustainable management of our environment. Increase natural landscape resilience of creeks, riverbanks, coastal shorelines, wetlands, forests and tropical savannas through rehabilitation, stabilisation and restoration.
- (iv) **Parks and open space management**
Manage a diverse network of parks, open spaces, coastal and recreational facilities.
- (v) **Planning and development**
Provide a strategic approach to long-term planning and policy development ensuring that Townsville manages natural hazards, growth and promotes economic development while protecting and conserving our natural resources and heritage. A key part of the land use strategy is ensuring the city develops within the urban growth corridors to provide more efficient performing infrastructure.
- (vi) **Roads and transport management**
Provide a reliable and efficient transport network considering future transport needs whilst encouraging active travel methods.
- (vii) **Service partners**
Provide a wide range of professional services, policy implementation and advice to both internal and external customers. Enable delivery of Council's strategic and operational priorities within legislated requirements and good governance practices, through business systems and structures.
- (viii) **Water services**
Water Services is a significant business activity of Townsville City Council, providing potable water and recycled water.
- (ix) **Wastewater services**
Wastewater Services is a significant business activity of Townsville City Council and collects and treats wastewater for disposal or reuse.
- (x) **Resource recovery**
Resource Recovery is a significant business activity of Townsville City Council, providing waste management, recycling and resource recovery services.

Components grouped by entity

Council has identified its operating components and grouped them by entity based on the internal reports that are reviewed and used by management in assessing performance and in determining the allocation of resources and assets.

The components above are grouped into the following entities and reported in Note 2(b):

- (i) to (vii) Council Functions;
- (viii) to (ix) Townsville Water; and
- (x) Resource Recovery

Notes to the Financial Statements

for the year ended 30 June 2025

Note 2. Analysis of results by function (continued)

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

Functions	Income					Expenses					Net result from recurring operations \$ '000	Net result \$ '000
	Recurring grants \$ '000	Recurring other \$ '000	Internal eliminations \$ '000	Capital grants \$ '000	Capital other \$ '000	Total income \$ '000	Recurring other \$ '000	Internal eliminations \$ '000	Capital other \$ '000	Total expenses \$ '000		
2025												
Cultural and community services	1,321	7,777	(9)	100	220	9,409	(61,841)	22,847	13	(38,981)	(29,905)	(29,572)
Drain and stormwater management	81	5	(4)	491	8,649	9,222	(16,667)	2,954	(28)	(13,741)	(13,631)	(4,519)
Environment and sustainability services	4,958	1	–	126	–	5,085	(18,696)	4,772	–	(13,924)	(8,965)	(8,839)
Parks and open space management	–	8,212	(7,198)	17	1,938	2,969	(84,175)	35,718	(403)	(48,860)	(47,443)	(45,891)
Planning and development	253	7,569	(59)	–	(594)	7,169	(19,918)	4,880	–	(15,038)	(7,275)	(7,869)
Roads and transport management	24,466	8,173	(4,270)	6,315	20,997	55,681	(108,348)	19,739	(2,587)	(91,196)	(60,240)	(35,515)
Service partners	8,569	398,280	(186,089)	34	–	220,794	(212,404)	40,304	(304)	(172,404)	48,660	48,390
Water services	191	142,413	(25,210)	5,125	13,628	136,147	(114,809)	43,009	(44)	(71,844)	45,594	64,303
Wastewater services	–	107,474	(8,912)	–	13,244	111,806	(91,197)	40,030	–	(51,167)	47,395	60,639
Resource recovery	488	72,657	(16,923)	–	544	56,766	(64,583)	30,895	–	(33,688)	22,534	23,078
Total	40,327	752,561	(248,674)	12,208	58,626	615,048	(792,638)	245,148	(3,353)	(550,843)	(3,276)	64,205
2024												
Cultural and community services	1,602	7,032	(60)	–	81	8,655	(59,813)	23,949	(17)	(35,881)	(27,290)	(27,226)
Drain and stormwater management	22	35	(1)	2,396	8,032	10,484	(13,577)	2,701	(168)	(11,044)	(10,820)	(560)
Environment and sustainability services	4,343	11	–	28	–	4,382	(15,298)	4,219	–	(11,079)	(6,725)	(6,697)
Parks and open space management	–	7,102	(6,285)	1,671	1,031	3,519	(83,720)	35,315	(149)	(48,554)	(47,588)	(45,035)
Planning and development	394	5,512	(42)	–	–	5,864	(22,416)	5,672	–	(16,744)	(10,880)	(10,880)
Roads and transport management	4,697	7,307	(3,256)	15,176	18,645	42,569	(103,869)	20,658	(996)	(84,207)	(74,463)	(41,638)
Service partners	1,493	387,030	(194,454)	–	–	194,069	(223,065)	44,618	(7,512)	(185,959)	15,622	8,110
Water services	–	137,481	(27,111)	102,665	11,250	224,285	(116,407)	45,703	(1,762)	(72,466)	39,666	151,819
Wastewater services	–	105,300	(10,687)	15,593	6,236	116,442	(89,142)	39,742	(3,087)	(52,487)	45,213	63,955
Resource recovery	3,053	63,605	(15,380)	–	(224)	51,054	(63,221)	29,275	(12,065)	(46,011)	17,332	5,043
Total	15,604	720,415	(257,276)	137,529	45,051	661,323	(790,528)	251,852	(25,756)	(564,432)	(59,933)	96,891

Entity	Assets 2025 \$ '000	Assets 2024 \$ '000
Rest of Council	4,308,393	4,052,549
Townsville Water	3,129,971	3,017,033
Townsville Waste Services	89,398	92,570
Total Council	7,527,762	7,162,152

Notes to the Financial Statements

for the year ended 30 June 2025

Note 3. Revenue

	2025 \$ '000	2024 \$ '000
(a) Rates, levies and charges		
Rates, levies and charges are recognised as revenue at the beginning of the rating period to which they relate. Prepaid rates are recognised as a financial liability until the beginning of the rating period.		
General rates	212,470	199,650
Water and wastewater utility charges	216,158	203,830
Refuse and recycling utility charges	30,180	27,662
	<u>458,808</u>	<u>431,142</u>
Less: discounts	(4,260)	(12,754)
Less: pensioner and other remissions	(12,212)	(11,557)
Total rates, levies and charges	<u>442,336</u>	<u>406,831</u>

(b) Fees and charges

Revenue arising from fees and charges is recognised at the point in time when a performance obligation is completed and the customer receives the benefit of the goods or services being provided. This is generally on receipt or issuing of an invoice.

Licences and animal registrations granted by Council are recognised at the time of issue rather than over the term of the licence and registration period.

Revenue from infringements is recognised on issue of the infringement notice. Unpaid infringement notices are sent to an external collection agency for recovery and revenue is written off at that point. Subsequent recoveries are recognised as income on receipt.

Refuse fees	24,039	19,250
Regulatory assessment fees	6,867	5,021
Commercial fees	5,428	4,295
Licences and registrations	2,286	2,294
Infringements	1,419	850
Other fees and charges	4,110	3,564
Total fees and charges	<u>44,149</u>	<u>35,274</u>

(c) Grants, subsidies, contributions and donations

Grant revenue under AASB 15

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

Each performance obligation is considered to ensure the revenue recognition reflects the transfer of control. Control may transfer at a point in time or continuously over the life of the agreement. Where control is transferred over time, costs incurred are used to reflect the transfer of the benefit. Otherwise revenue is recognised at the point of completion of a milestone within the terms of the agreement.

Notes to the Financial Statements

for the year ended 30 June 2025

Note 3. Revenue (continued)

Grant revenue under AASB 1058

Contributions received for capital purposes

Where assets are donated or purchased for significantly below fair value, the revenue is recognised when the asset is acquired and controlled by Council. Revenue is generally recognised on receipt of the asset as there are no enforceable performance obligations.

Donated assets

Physical assets contributed to Council by developers in lieu of cash contributions are recognised as revenue when Council obtains control of the assets and fair value can be reliably measured. Non-cash contributions with a value in excess of Council's recognition threshold are recognised as a non-current asset. Those below the threshold are recorded as an expense.

Grants received for capital purposes

Grants received from an enforceable agreement to acquire or construct property, plant and equipment to an identified specification under Council's control, are recognised as revenue when the obligation to construct or purchase is complete.

For construction projects, revenue is recognised as costs are incurred.

	2025 \$ '000	2024 \$ '000
(i) Operating		
Subsidies and grants received for operating purposes	40,327	15,604
Contributions received for operating purposes	519	290
Total recurrent grants, subsidies, and contributions	40,846	15,894

(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.

Contributions received for capital purposes	20,232	14,649
Donated assets	37,612	30,626
Grants received for capital purposes	12,208	137,529
Total capital grants, subsidies, contributions and donations	70,052	182,804

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

	2025		2024	
	Revenue recognised at a point in time \$ '000	Revenue recognised over time \$ '000	Revenue recognised at a point in time Restated \$ '000	Revenue recognised over time \$ '000
Grants and subsidies	40,327	12,208	15,604	137,529
Contributions	20,751	-	14,939	-
Donations	37,612	-	30,626	-
	98,690	12,208	61,169	137,529

Notes to the Financial Statements

for the year ended 30 June 2025

Note 4. Other income

	Notes	2025 \$ '000	2024 \$ '000
Rental income		2,869	2,873
Private works revenue		1,723	2,472
Laboratory service revenue		2,284	2,414
Recovery of expenses		1,745	1,945
Legal recoveries		727	820
Sale of scrap		740	567
Other revenue		3,193	3,788
Total other income		13,281	14,879

Note 5. Employee and councillor costs

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

Staff wages and salaries		154,054	156,316
Councillors' remuneration		1,847	1,607
Termination benefits		1,076	2,653
Superannuation	20	17,999	18,228
		174,976	178,804
Other employee related expenses		6,879	7,083
		181,855	185,887
Less: capitalised employee expenses		(10,899)	(12,577)
Total Employee benefits		170,956	173,310

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

	2025 Number	2024 Number
Total Council employees at the reporting date:		
Elected members	11	11
Indoor staff	882	920
Outdoor staff	611	656
Total full time equivalent employees	1,504	1,587

Notes to the Financial Statements

for the year ended 30 June 2025

Note 6. Materials and services

	2025 \$ '000	2024 \$ '000
Accommodation services	10,188	9,790
Administration supplies and consumables	15,675	15,309
Audit of annual financial statements by the Auditor-General of Queensland	287	276
Bulk water supply	23,257	23,296
Contractors and service providers	34,141	31,487
Electricity	14,489	12,424
Employee related costs	4,339	4,393
Equipment and tools	4,808	5,459
Information, technology and communications	15,458	16,470
Insurance	7,479	6,005
Marketing and promotion	4,518	5,527
Other utilities	440	1,823
Repairs, maintenance and construction	39,105	35,052
Vehicle and plant operating costs	13,547	14,226
State waste levy payment	16,301	14,877
Waste levy rebate *	(6,708)	(6,496)
Other materials and services	7,954	7,206
	205,278	197,124
Less: capitalised materials and services	(3,526)	(5,424)
Total materials and services	201,752	191,700

(*) The State Government provided a rebate of \$6,707,820 (2024: \$6,496,496) to mitigate the direct impacts of the state waste levy on households.

Note 7. Finance costs

Finance costs charged by the Queensland Treasury Corporation	16,404	17,851
Unwinding of discount on landfill restoration provision	1,361	1,599
Impairment of receivables	1,119	1,072
Interest on leases	820	806
Total finance costs	19,704	21,328

Note 8. Capital expenses

Loss on sale/disposal of property, plant and equipment	3,353	15,309
Reversal of impairment - intangible assets	-	(1,582)
Revaluation decrement of property, plant and equipment	-	12,029
Other capital expenses	-	224
Total capital expenses	3,353	25,980

Notes to the Financial Statements

for the year ended 30 June 2025

Note 9. Cash and cash equivalents

	2025 \$ '000	2024 \$ '000
--	-----------------	-----------------

Cash and cash equivalents in the statement of cash flows include cash on hand, all cash and cheques receipted but not banked at the year end and deposits held at call with financial institutions.

Cash at bank and on hand	921	5,534
Deposits at call	186,729	25,890
Balance per Statement of Cash Flows	187,650	31,424

QTC working capital facility

Unused	100,000	100,000
Facility limit	100,000	100,000

Unrestricted cash

Cash and cash equivalents	187,650	31,424
Less: externally imposed restrictions on cash	(102,857)	(22,777)
Unrestricted cash	84,793	8,647

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

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

Unspent government grants	69,941	6,801
State Waste Levy	9,268	15,976
Unspent loan monies	23,648	-
	102,857	22,777

(ii) Internal allocations of cash at the reporting date:

Funds set aside by Council for future works	7,642	-
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Internal allocations of cash may be changed by Council with a resolution.

Trust Funds

In accordance with the *Local Government Act 2009* and the Local Government Regulation 2012, a separate trust bank account and separate accounting records are maintained for funds held on behalf of outside parties. Council performs only a custodial role in respect of these monies. As these funds cannot be used by Council, they are not brought to account in these financial statements since Council has no control over the assets.

Trust funds held for outside parties

Monies collected or held on behalf of other entities yet to be paid out	3,587	2,946
Townsville City Council Mayor's Christmas Tree Appeal	13	12
	3,600	2,958

Notes to the Financial Statements

for the year ended 30 June 2025

Note 10. Receivables

Receivables are recognised at the amounts due at the time of sale or service delivery (i.e. the agreed purchase price/contact price). Settlement of these amounts is required within 30 days from the invoice date.

Debts are regularly assessed for collectability and an allowance is made for impairment where appropriate. All known bad debts were written off at 30 June 2025. Subsequent recoveries of amounts previously written off are recognised as income.

Council has the power to sell an owner's property to recover outstanding rate receivables, therefore in accordance with the *Local Government Act 2009*, rate receivables are not impaired unless the expected recovery value is less than outstanding arrears.

Physical assets contributed to Council by developers are recognised as receivables when Council obtains control of the assets and fair value can be reliably measured.

	2025 \$ '000	2024 \$ '000
Current		
Rates and charges	15,472	14,250
Fees and charges	6,257	10,973
Water charges not yet levied	13,599	12,488
Donated assets receivables	25,455	–
Other receivables	6,207	7,871
	<u>66,990</u>	<u>45,582</u>
Less: Loss allowance	(457)	(401)
Total current receivables	<u>66,533</u>	<u>45,181</u>

Interest is charged on outstanding rates and utilities at 12.35% per annum from 1 July 2024. No interest is charged on other debtors. There is no concentration of credit risk for rates and utility charges, fees and other debtor receivables.

Notes to the Financial Statements

for the year ended 30 June 2025

Note 11. Property, plant and equipment

	Buildings \$ '000	Dams and weirs \$ '000	Fixed plant \$ '000	Cultural and heritage \$ '000	Land \$ '000	Land improve- ments \$ '000	Landfills \$ '000	Pipe network \$ '000	Plant and equipment \$ '000	Transport network \$ '000	Assets under construction \$ '000	Total \$ '000
2025												
Measurement basis	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Cost	Fair Value	Cost	
Fair value category	Level 2 & 3	Level 3	Level 3	Level 2	Level 2	Level 3	Level 3	Level 3		Level 3		
Asset Values												
Opening gross value as at 1 July	348,427	677,285	1,239,414	18,253	393,939	169,069	84,006	2,777,625	213,580	3,016,035	983,206	9,920,839
*Additions	-	-	-	1,882	-	101	-	19,727	-	20,923	151,092	193,725
Disposals	(915)	-	-	-	(190)	(351)	(804)	(72)	(17,456)	(4,601)	-	(24,389)
Revaluation adjustment to asset revaluation surplus	-	-	-	-	-	-	-	311,542	-	-	-	311,542
Transfers between classes - capitalised items	11,987	-	56,681	302	261	14,914	-	103,254	31,705	24,824	(243,928)	-
Closing gross value as at 30 June	359,499	677,285	1,296,095	20,437	394,010	183,733	83,202	3,212,076	227,829	3,057,181	890,370	10,401,717
Accumulated depreciation and impairment												
Opening balance as at 1 July	70,799	172,185	434,900	-	-	79,806	56,639	1,206,817	122,508	781,605	-	2,925,259
Depreciation expense	5,707	4,233	23,714	-	-	7,459	1,806	35,912	18,430	52,679	-	149,940
Depreciation on disposals	(449)	-	-	-	-	(277)	-	(44)	(15,149)	(2,574)	-	(18,493)
Revaluation adjustment to asset revaluation surplus	-	-	-	-	-	-	-	123,563	-	-	-	123,563
Revaluation adjustment to Statement of Comprehensive Income	-	-	-	-	-	-	(566)	-	-	-	-	(566)
Accumulated depreciation and impairment as at 30 June	76,057	176,418	458,614	-	-	86,988	57,879	1,366,248	125,789	831,710	-	3,179,703
Carrying amount as at 30 June	283,442	500,867	837,481	20,437	394,010	96,745	25,323	1,845,828	102,040	2,225,471	890,370	7,222,014
Other information												
Range of estimated useful life (years)	6-201	30-180	7-238	22-200	100-150	2-150	3-100	7-190	1-100	4-159		
*Additions												
Asset renewals	2,069	15	8,546	12	-	1,893	76	12,416	14,306	11,602	-	50,935
Other additions	652	967	(4,776)	1,957	133	2,456	-	117,064	2,576	21,761	-	142,790
Total capital expenditure, contributed assets, and assets not previously recorded	2,721	982	3,770	1,969	133	4,349	76	129,480	16,882	33,363	-	193,725
Asset revaluation surplus												
Opening balance at 1 July	96,522	161,373	389,651	6,440	50,111	-	-	306,009	-	1,316,651	-	2,326,757
Asset revaluation movement	-	-	(7,743)	1,662	(175)	-	-	192,756	-	16,978	-	203,478
Closing balance at 30 June	96,522	161,373	381,908	8,102	49,936	-	-	498,765	-	1,333,629	-	2,530,235

Notes to the Financial Statements

for the year ended 30 June 2025

Note 11. Property, plant and equipment (continued)

	Buildings \$ '000	Dams and weirs \$ '000	Fixed plant \$ '000	Cultural and heritage \$ '000	Land \$ '000	Land improve- ments \$ '000	Landfills \$ '000	Pipe network \$ '000	Plant and equipment \$ '000	Transport network \$ '000	Assets under construction \$ '000	Total \$ '000
2024												
Measurement basis	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Cost	Fair Value	Cost	
Fair value category	Level 2 & 3	Level 3	Level 3	Level 2	Level 2	Level 3	Level 3	Level 3		Level 3		
Asset Values												
Opening gross value as at 1 July	263,026	608,537	922,674	17,630	338,193	154,657	65,504	2,738,293	205,342	2,896,439	837,395	9,047,690
*Additions	–	–	2	227	–	355	8,437	14,019	709	34,257	260,314	318,320
Disposals	(10,024)	–	(16,681)	–	(12)	(1,034)	–	(152)	(20,474)	(659)	–	(49,036)
Revaluation adjustment to asset revaluation surplus	84,155	68,748	329,933	–	54,499	–	–	(13,658)	–	80,188	–	603,865
Transfers between classes - capitalised items	11,270	–	3,486	396	1,259	15,091	10,065	39,123	28,003	5,810	(114,503)	–
Closing gross value as at 30 June	348,427	677,285	1,239,414	18,253	393,939	169,069	84,006	2,777,625	213,580	3,016,035	983,206	9,920,839
Accumulated depreciation and impairment												
Opening balance as at 1 July	57,124	157,699	371,176	–	1,582	72,316	43,577	1,179,878	124,084	852,403	–	2,859,839
Depreciation expense	5,134	4,565	21,451	–	–	8,117	1,033	34,645	17,071	53,567	–	145,583
Depreciation on disposals	(1,477)	–	(12,482)	–	–	(619)	–	(29)	(18,647)	(234)	–	(33,488)
Revaluation adjustment to asset revaluation surplus	10,033	9,921	54,755	–	–	–	–	(7,677)	–	(123,924)	–	(56,892)
Revaluation adjustment to Statement of Comprehensive Income	–	–	–	–	–	–	12,029	–	–	–	–	12,029
Impairment adjustment to income	–	–	–	–	(1,582)	–	–	–	–	–	–	(1,582)
Transfers from/(to) intangible assets	(15)	–	–	–	–	(8)	–	–	–	(207)	–	(230)
Accumulated depreciation and impairment as at 30 June	70,799	172,185	434,900	–	–	79,806	56,639	1,206,817	122,508	781,605	–	2,925,259
Carrying amount as at 30 June	277,628	505,100	804,514	18,253	393,939	89,263	27,367	1,570,808	91,072	2,234,430	983,206	6,995,580
Other information												
Range of estimated useful life (years)	5-200	15-180	5-240	20-150		5-150	10-100	5-190	1-100	15-160		
*Additions												
Asset renewals	3,920	179	–	9	–	4,590	424	53,639	18,813	17,806	–	99,380
Other additions	4,622	–	100,473	319	(1,887)	9,370	8,437	36,307	2,704	58,595	–	218,940
Total capital expenditure, contributed assets, and assets not previously recorded	8,542	179	100,473	328	(1,887)	13,960	8,861	89,946	21,517	76,401	–	318,320
Asset revaluation surplus												
Opening balance at 1 July	22,399	102,545	114,471	6,294	–	–	–	311,991	–	1,094,076	–	1,651,776
Asset revaluation movement	74,123	58,828	275,180	146	50,111	–	–	(5,982)	–	222,575	–	674,981
Closing balance at 30 June	96,522	161,373	389,651	6,440	50,111	–	–	306,009	–	1,316,651	–	2,326,757

Notes to the Financial Statements

for the year ended 30 June 2025

Note 11. Property, plant and equipment (continued)

(a) Recognition

Property, plant and equipment with a total value of less than \$5,000 and items of land with a total value less than \$1 are treated as an expense in the period of acquisition. All other items of property, plant and equipment are recognised as assets. Individual assets valued below the asset recognition threshold of \$5,000, are recognised as an asset if connected to a larger network. For example, parks, including all the various components, are recognised as a network asset.

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

(b) Measurement

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

Cost is determined as the fair value of consideration plus costs incidental to the acquisition.

Direct labour, materials and an appropriate portion of overheads incurred in the acquisition or construction of assets are also included as capital costs.

Property, plant and equipment received in the form of contributions, for significantly less than fair value or as offsets to infrastructure charges, are recognised as assets and revenue 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 amount of economic outflow or a change in the discount rate is reflected in the Statement of Financial Position for all open landfills. Increases in landfill provisions for closed landfills are recognised in the Statement of Comprehensive Income to the extent they exceed the revaluation surplus.

(c) Depreciation

Assets are depreciated from the date of acquisition or, in respect of internally constructed assets, from the time an asset is completed and commissioned ready for use, at which time they are reclassified from work in progress to the appropriate property, plant and equipment class.

Land, work in progress, certain cultural and heritage assets with heritage listing, road formations and formation works associated with the construction of dams, levee banks and reservoirs are not depreciated. Depreciation on other property, plant and equipment assets 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 to Council. Management believe that the straight-line basis appropriately reflects the pattern of consumption of all Council assets.

Where assets have separately identifiable components that are subject to regular replacement, these components are assigned useful lives distinct from the asset to which they relate. Any expenditure that increases the originally assessed capacity or service potential of an asset is capitalised and the new depreciable amount is depreciated over the remaining useful life of the asset. Where expenditure extends the life of an asset, the expenditure is capitalised and the asset's life is revised.

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. Factors used in estimating the useful lives of assets at each reporting date include the condition assessments performed as part of the annual valuation process for assets measured at current replacement cost (CRC), manufacturer specifications, maintenance history, analysis of an asset class, and any other relevant evidence.

Notes to the Financial Statements

for the year ended 30 June 2025

Note 11. Property, plant and equipment (continued)

(d) Impairment

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

(e) Valuation

Non-current physical assets measured at fair value are revalued, where required, so that the carrying amount of each class of asset does not materially differ from its fair value at the reporting date. This is achieved by engaging independent, professionally qualified valuers every 5 years to determine the fair value for each class of property, plant and equipment assets. Valuations are undertaken in accordance with AASB 116 Property, Plant and Equipment, Local Government Regulation 2012 and Council policy.

In the intervening years, Council will internally assess, through physical inspection, the condition of infrastructure assets on a sample basis and as part of the maintenance process. The inspection results are considered in combination with indices provided by independent valuers. Together these elements are used to form the basis of a management valuation for infrastructure asset classes at balance date.

Revaluation increases are recognised in the asset revaluation surplus unless they are reversing a previous decrease which was recorded in the Statement of Comprehensive Income. In that case the increase is recorded in the Statement of Comprehensive Income to the extent of the previous decrease. Revaluation decreases are recognised in the asset revaluation surplus, where there are sufficient amounts available in the asset revaluation surplus relating to that asset class. Where the surplus does not have sufficient amounts available, the decrease is recognised in the Statement of Comprehensive Income. Where the class of asset has previously decreased in value and this reduction was recognised as an expense, an increase in the value of the class is recognised in the Statement of Comprehensive Income.

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 for the asset or liability.

Level 3: fair value based on unobservable inputs for the asset or liability.

There were no transfers between levels 1 and 2 during the year.

There were no transfers between level 2 to level 3 during the year.

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

Notes to the Financial Statements

for the year ended 30 June 2025

Note 11. Property, plant and equipment (continued)

(f) 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)	Current year fair value assessment
Buildings (level 2) 2025: \$34,430,000 2024: \$30,068,000	Market value	30/06/2024	Knight Frank (Adam Reguson CPV No. 2215)	Significant inputs include estimated net rental per square metre and associated capitalisation rate, valued at the highest and best use. Other inputs include sale prices of comparable properties adjusted for differences in key attributes such as property size.	No change has been made to asset values.
Buildings (level 3) 2025: \$249,012,000 2024: \$247,620,000	Current replacement cost	30/06/2024	APV Valuers & Asset Management (Daniel Atherton R.E. & Dev Registered Valuer No. 2962; RICS Registered Valuer NO:1169941)	These buildings are deemed of specialist nature with no active market or are situated on reserve land. The condition of these buildings considers both physical characteristics as well as holistic factors such as functionality, capability, utilisation, and obsolescence.	No change has been made to asset values.
Cultural and heritage (level 2)	Market value	01/03/2023	Ross Searle and Associates (Ross Searle BA Uni. Qld MLitt JCU valuer approved by the Office of the Arts for the Commonwealth Gifts Program)	For artwork assets valued for financial reporting, key considerations include whether an asset is able to transact within an identified market, either the local or international art market, or whether it is more appropriately considered in terms of cost of replacement; and whether an individual collection object reaches its highest and best value when considered as part of a collection or as an individual object. Restrictions may limit the highest and best use that can be applied, particularly in the case of Australian legislation including sensitive Collection Assets.	No change has been made to asset values.
Dams and weirs, and fixed plant (level 3)	Current replacement cost	30/06/2024	Northern Water Management Pty Ltd (Jeff Ballard RPEQ No. 6854)	The valuation process incorporates the determination of unit rates by reference to data contained in Rawlinson's Construction Cost Guide (Rawlinson's), an assessment of Council's internal and external costings, manufacturer's specifications, and other relevant data.	No change has been made to asset values.

Notes to the Financial Statements

for the year ended 30 June 2025

Note 11. 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)	Current year fair value assessment
Land (level 2)	Market value	30/06/2024	Knight Frank (Adam Reguson CPV No. 2215)	Sales prices of comparable land sites in 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. Land is valued for its highest and best use. Reserve land held by Council as trustee for the Queensland Government is not valued.	No change has been made to asset values.
Land improvements (level 3)	Current replacement cost	01/05/2020	GHD (S. Orr RPEQ No. 13649)	Industry standard cost guides, project costs from recently completed projects, manufacturer's specifications and other data. There is a substantial number of low value assets within this class, sampling methods were applied to determine those asset values.	No change has been made to asset values.
Pipe networks – water, wastewater, and stormwater (level 3)	Current replacement cost	30/06/2022	Water and wastewater network – Northern Water Management Pty Ltd (Jeff Ballard RPEQ No. 6854) Stormwater network – Lemmah Pty Ltd (Graham John Jordan RPEQ No. 3305).	Valuation is performed by application of standardised unit rates. Rates are determined by usage, material, depth, length and size. Secondary factors include ground conditions, construction cost indexes such as Rawlinson's, manufacturer specifications, local contractor cost data and current best practice. Limitations on access to individual pipes caused by location or methodology are not incorporated into standardised rates.	Fair value changed as per index review performed by Management.
Transport network - sealed roads (level 3)	Current replacement cost	30/06/2023	Unit rates -Lemmah Pty Ltd (Graham John Jordan RPEQ No. 3305). Rates only. Condition Assessment – Pavement Management Service Pty Ltd	Valuation for roads is performed by application of standardised unit rates. All road sections are componentised into formation, pavement sub-base, pavement base, surface, kerbs, barriers, road furniture and pathways. It is assumed that design and construction is to the same standard and uses a consistent amount of labour and materials across each section. Environmental factors such as soil type, climate and topography are assumed to be consistent across each section. Condition assessment conforms to AustRoads technical network assessment papers 2011-2018.	No change has been made to asset values.

Notes to the Financial Statements

for the year ended 30 June 2025

Note 11. 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)	Current year fair value assessment
Transport network - excluding sealed roads and bridges (level 3)	Current replacement cost	30/06/2024	Lemmah Pty Ltd (Graham John Jordan RPEQ No. 3305)	Valuation for transport network assets is performed by the application of standardised unit rates and indexes. Transport network, other than sealed roads and bridges, includes asset group types such as footpaths, kerbs, parking meters, guardrails, road shoulder segments, boat ramps, bus stops, road furniture, medians, roundabouts, switchboards, street lighting and traffic signals. It is assumed that design and construction is the same standard and uses a consistent amount of labour and materials across each section. Environmental factors such as soil type, climate and topography are assumed to be consistent across each section. Condition assessment is undertaken as part of the revaluation for the purpose of assessing remaining useful life for depreciation purposes. Condition assessment is performed in-house by suitably experienced and knowledgeable Council staff following corporate guidelines.	No change has been made to asset values.
Transport network - bridges (level 3)	Current replacement cost	30/06/2023	Stantec (Stephen Walker RPEQ)	Valuation for bridges is performed by application of standardised unit rates, including Stantec unit rate database, Rawlinson's Australian Construction Handbook, supplier quotations, and published indices such as the road and bridge construction index and asset revaluation index for engineering construction.	No change has been made to asset values.

Notes to the Financial Statements

for the year ended 30 June 2025

Note 12. Contract balances

Where amounts billed to a customer 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 grantor.

When a performance obligation is satisfied by transferring a promised good or service to the customer or the community 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 Council recognises a receivable.

Where capital grant funding is received in advance to construct a Council controlled asset, the funds are recorded as a contract liability and revenue is recognised as Council constructs the asset (work in progress).

	2025 \$ '000	2024 \$ '000
(a) Contract assets		
Duplication of the Riverway Drive Trunk Watermain	12,374	9,075
Local Roads and Community Infrastructure	352	3,715
Lansdown Eco-Industrial Precinct Upgrade	245	3,239
Haughton Pipeline Duplication Project Stage 2	-	35,076
Works for Queensland	-	1,061
Other	68	375
Total contract assets	13,039	52,541

(b) Contract liabilities

Northern Beaches Trunk Road Infrastructure	23,637	-
Haughton Pipeline Duplication Project Stage 2	15,448	-
Works for Queensland	10,584	-
Lansdown Eco-Industrial Precinct Upgrade	6,083	2,574
Disaster Recovery Funding Arrangements	2,415	-
North Queensland Resilience Program	1,266	-
Blackspot Funding	884	611
Cycle Network Local Government	-	725
Other	892	291
Total contract liabilities	61,209	4,201

Note 13. Leases

Council as a lessee

Where Council identifies a lease greater than 12 months and greater than \$5,000 including buildings and plant and equipment, a right-of-use asset and lease liability is recognised on the inception of the lease. Council separates lease and non-lease components for classes of assets and has accounted for lease payments as either a reduction of lease liability or as maintenance costs.

For low value or short-term leases, Council recognises the payment associated with these leases as an expense on a straight-line basis over the lease term.

Notes to the Financial Statements

for the year ended 30 June 2025

Note 13. Leases (continued)

The right-of-use asset is measured using the cost model where cost on initial recognition comprises: the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration, less any lease incentives received. The right-of-use asset is depreciated over the lease term on a straight-line basis and assessed for impairment in accordance with the impairment of asset accounting policy.

The lease liability is initially recognised at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined, Council's incremental borrowing rate for a similar term with similar security is used.

Terms and conditions of leases

Buildings

Several properties are leased including two properties for community purposes (Townsville City), one library (Townsville City) and five operational facilities (Mount St John). The lease terms range between 1 and 15 years and are subject to annual increases of either CPI or a fixed rate.

	Buildings \$ '000	Plant and equipment \$ '000	Total \$ '000
Right-of-use assets			
2025			
Opening balance at 1 July	19,480	-	19,480
Additions to right-of-use assets	2,401	-	2,401
Adjustments due to remeasurements	-	-	-
Depreciation charge	(2,694)	-	(2,694)
Disposal of right-of-use assets	-	-	-
Balance at 30 June	19,187	-	19,187
2024			
Opening balance at 1 July	11,264	275	11,539
Additions to right-of-use assets	10,658	-	10,658
Adjustments due to remeasurements	90	-	90
Depreciation charge	(2,532)	(257)	(2,789)
Disposal of right-of-use assets	-	(18)	(18)
Balance at 30 June	19,480	-	19,480

Lease Liabilities

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

Liabilities not recognised

For building leases, Council includes extension options which can be exercised at Council's discretion. At each reporting date Council assesses whether it is reasonably certain that the extension options will be exercised based on current operations and Council strategy. An extension option has been included in the lease liability for one property used for operational purposes.

Notes to the Financial Statements

for the year ended 30 June 2025

Note 13. Leases (continued)

	< 1 year \$ '000	1 – 5 years \$ '000	> 5 years \$ '000	Total \$ '000	Total per statement of financial position \$ '000
2025					
Lease liabilities	2,981	11,961	12,177	27,119	21,161
2024					
Lease liabilities	3,097	10,922	13,550	27,569	20,903

There are \$515,459 in future lease payments which are not included in the lease liability as the lease which Council is committed to, has not yet commenced.

Amounts included in the statement of comprehensive income related to leases

The following amounts have been recognised in the statement of comprehensive income for leases where Council is the lessee.

	Notes	2025 \$ '000	2024 \$ '000
Depreciation of right-of-use assets		2,694	2,789
Interest expense on lease liabilities		820	806
Expenses relating to short-term leases		180	146
Expenses relating to low-value assets		39	45
Net expense relating to leases		3,733	3,786
Total cash outflows for leases		3,183	3,481

Leases at significantly below market value – concessionary / peppercorn leases

Council has a number of leases, pursuant to Deeds of Grant in Trust, at significantly below market value which are used for community and sporting purposes.

The leases are generally between 10 and 30 years and require payments of between \$150 and \$12,205 per annum. The use of the right-of-use asset is restricted by the lessors to specified community services which Council must provide.

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

Note 14. Payables

Payables are recognised when goods or services are received, at the amount owed. Amounts owing are unsecured and are generally settled on 30-day terms.

Current

Trade payables	22,033	24,338
Accrued expenses	29,850	35,110
Prepaid rates	22,347	22,114
Sundry payables	5,332	5,106
Total current payables	79,562	86,668

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Notes to the Financial Statements

for the year ended 30 June 2025

Note 15. Borrowings

Borrowings are initially recognised at fair value. Subsequent to initial recognition these liabilities are measured at amortised cost.

Principal and interest repayments are made quarterly in arrears. Expected final repayment dates vary from 15 June 2027 to 15 June 2045. There have been no defaults or breaches of the loan agreement during the period.

Council's current policy is to only borrow for capital investment purposes and for a term no longer than the expected life of the asset.

	Notes	2025 \$ '000	2024 \$ '000
Current			
Loans - Queensland Treasury Corporation		43,575	38,959
Non-current			
Loans - Queensland Treasury Corporation		385,462	333,423
Total borrowings	24	429,037	372,382

The loan market value at the reporting date was \$422,333,197. This represents the value of the loans if Council repaid the loans as at reporting date. As it is the intention of Council to hold the debt for its term, no provision is required to be made in these financial statements.

No assets have been pledged as security by Council for any liabilities, however all loans are guaranteed by the Queensland Government.

The interest rates on borrowings range from 1.385% to 7.684% for book value rates.

Note 16. Provisions

Annual leave

Amounts expected to be settled within 12 months are calculated using current pay rates and projected future increases in those rates and includes related employee on-costs. Amounts not expected to be settled within 12 months are calculated on the same basis and are discounted to present value.

As Council does not have an unconditional right to defer this liability beyond 12 months, annual leave is classified as a current liability.

Long service leave

The provision for long service leave represents the present value of the estimated future cash outflows to be made in respect of services provided by employees up to the reporting date. The liability is calculated using current pay rates and projected future increases in those rates and includes related employee on-costs. The estimates are adjusted for the probability of the employee remaining in Council's employment or other associated employment which would result in Council being required to meet the liability. Estimates are then discounted to present value using interest rates attaching to Commonwealth Government guaranteed securities at the reporting date.

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.

Notes to the Financial Statements

for the year ended 30 June 2025

Note 16. Provisions (continued)

Landfill restoration

A provision is made for the cost of rehabilitation of assets and other future restoration costs where it is probable Council will be liable, or required, to incur costs on the cessation of use of these facilities.

The provision represents the present value of the anticipated future costs associated with the closure of landfill sites in accordance with environmental licence conditions. The calculation of this provision requires assumptions such as application of environmental legislation, site closure dates in line with Townsville 2025-2029 Corporate Plan, 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 landfill sites is reviewed at least annually and updated based on the facts and circumstances available at the time.

The total projected cost of \$29,424,369 is expected to be incurred between 2026 and 2073. This amount excludes rehabilitating landfill cells on existing sites that are yet to be constructed or used, but which are in the current site plan.

Environmental offset area management

Council has an obligation under the Houghton Pipeline Stage 2 Offset Area Management Plan to undertake environmental management activities to address impacts on Matters of National Environmental Significance (MNES). These activities include fire management, weed control, revegetation and regeneration, pest management, endangered species monitoring, and other compliance-related actions.

At reporting date, no provision has been recognised in relation to this obligation, as the requirements of AASB 137 *Provisions, Contingent Liabilities and Contingent Assets* for recognition have not been met. Specifically, while an obligation exists, the amount of the future expenditure cannot be measured with sufficient reliability.

	2025 \$ '000	2024 \$ '000
Current		
Annual leave	18,349	17,477
Long service leave	15,728	14,572
Self insurance	856	689
Landfill restoration	248	4,558
Other	–	464
Total current provisions	35,181	37,760
Non-current		
Long service leave	2,727	2,744
Self insurance	2,589	1,769
Landfill restoration	29,176	29,126
Total non-current provisions	34,492	33,639

Notes to the Financial Statements

for the year ended 30 June 2025

Note 16. Provisions (continued)

	2025 \$ '000	2024 \$ '000
Details of movements in provisions		
Self insurance		
Balance at beginning of financial year	2,458	2,366
Additional provision	1,137	353
Amounts used	(150)	(261)
Balance at end of financial year	3,445	2,458
Landfill restoration		
Balance at beginning of financial year	33,684	35,947
Additional provision	(1,320)	4,484
Amounts used	(4,628)	(8,780)
Increase/ (decrease) in provision due to unwinding of discount	1,361	1,579
Increase/(decrease) in provision due to change in discount rate	327	454
Balance at end of financial year	29,424	33,684

Notes to the Financial Statements

for the year ended 30 June 2025

Note 17. Asset revaluation surplus

The asset revaluation surplus comprises adjustments relating to changes in value of property, plant and equipment that do not result from the use of those assets. Net incremental changes in the carrying value of classes of non-current assets since their initial recognition are accumulated in the asset revaluation surplus. Increases and decreases on revaluation are offset within a class of assets.

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

When an asset is disposed of, the amount reported in surplus in respect of that asset is retained in the asset revaluation surplus and not transferred to retained surplus.

	Notes	2025 \$ '000	2024 \$ '000
Balance at end of the year	11	2,530,235	2,326,757

Note 18. Commitments for expenditure

Capital expenditure commitments

Commitment for the construction of the following assets contracted for at the reporting date but not recognised as liabilities:

Haughton Pipeline Duplication Stage 2	55,329	124,662
Lansdown Eco-Industrial Precinct Upgrade	16,904	9,990
Fleet Upgrades	5,392	6,287
Water Facility Improvements	5,207	4,735
Wastewater Facility Improvements	3,598	9,245
Road Upgrades	3,154	3,872
Information technology upgrades	2,086	966
Ross River Dam to Douglas Water Treatment Plant Pipeline Duplication	1,218	3,364
Other	702	2,566
Resource Recovery and Waste Disposal	548	165
Operational Buildings and Depots	469	100
Cleveland Bay Purification Plant Effluent Reuse Project	465	2,561
Open Space Upgrades	352	5,074
Douglas Water Treatment Plant Clarifier	-	790
Total commitments	95,424	174,377

Notes to the Financial Statements

for the year ended 30 June 2025

Note 19. Contingent liabilities

Estimates of the potential financial effect of contingent liabilities that may become payable:

	2025 \$'000	2024 \$'000
Workers' compensation self-insurance guarantees	3,540	3,540
Haughton Pipeline Duplication project guarantees	7,974	7,974
Total contingent liabilities	11,514	11,514

WorkCover Queensland authorities require guarantees against workers' compensation self-insurance liabilities. The guarantee is based on independent actuarial advice of the estimated liability. An actuarial assessment of the Council workers' compensation claims liability performed on 28 August 2025 has estimated the required self-insurance guarantee be \$4,972,000. Guarantees held at each balance date do not always equal the liability at these dates. This is due to delays in issuing the guarantees or Council opting to maintain the existing guarantee amount.

The actuarial assessment also recommends a self-insurance provision that has been recognised for risks relating to potential workers' compensation claims at balance date. Refer to Note 16.

Council holds two bank guarantees to provide security over costs associated with the Haughton Pipeline Duplication project.

Claims

Council is a member of the local government mutual 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.

At the time of preparation of this report, the financial statements for 30 June 2025 of LGM Queensland were not available. As at 30 June 2024 the financial statements reported an accumulated surplus of \$72,144,102 and it was not anticipated any liability would arise.

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

Note 20. Superannuation

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 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." The measure of vested benefits represents the value of benefit entitlements should all participating employees voluntarily exit the scheme. Council is not aware of any events since that time that indicates the assets of the scheme are not sufficient to meet the vested benefits, as at the reporting date.

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

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

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

Investment risk - the risk that the scheme's investment returns will be lower than assumed and additional contributions will be 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.

	Notes	2025 \$ '000	2024 \$ '000
Superannuation contributions made to the Regional Defined Benefits Fund		358	441
Other superannuation contributions for employees		17,641	17,787
Total superannuation contributions paid by Council for employees	5	17,999	18,228

Notes to the Financial Statements

for the year ended 30 June 2025

Note 21. Reconciliation of net result for the year to net cash inflow (outflow) from operating activities

	2025	2024
	\$ '000	Restated \$ '000
Net result	64,205	96,891
Non-cash, investing and financing items		
Depreciation and amortisation	153,670	150,672
Revaluation decrement of property, plant and equipment	–	12,029
Reversal of previous impairment losses of intangibles	(566)	(1,582)
Change in future rehabilitation and restoration costs	777	(9,747)
Lease interest on right-of-use assets	820	806
Net (profit)/loss on sale of assets	3,397	15,309
Grants and contributions received for constructing assets	(140,136)	(145,928)
Share of net (profits)/losses of equity accounted investments	(233)	(611)
Changes in operating assets and liabilities:		
(Increase)/decrease in receivables	(21,352)	6,684
(Increase)/decrease in inventories	(750)	1,157
(Increase)/decrease in contract assets	39,502	(19,667)
(Increase)/decrease in other assets	1,333	(1,880)
Increase/(decrease) in payables	4,373	26,861
Increase/(decrease) in contract liabilities	57,008	(17,303)
Increase/(decrease) in provisions	(2,598)	(2,212)
Increase/(decrease) in other liabilities	(7,329)	(4,762)
Net cash flows from operating activities	152,121	106,717

Notes to the Financial Statements

for the year ended 30 June 2025

Note 22. Prior period adjustments

Contributed Infrastructure Assets

During 2024/25 Council identified contributed infrastructure assets totalling \$26,650,625 with prior year commission dates resulting in an understatement of revenue and property, plant and equipment in 2023/24.

In addition, \$41,085,836 of contributed infrastructure assets were identified during 2024/25 with commission dates being prior to 1 July 2023. This amount should have been recognised in years prior to 2023/24.

Depreciation in relation to assets commissioned with prior year commission dates was also adjusted. Total depreciation adjustment of \$10,547,786 was identified with the amount of \$3,082,721 relating to 2023/24 and \$7,465,065 relating to assets with commission dates prior to 1 July 2023.

To correct the impact of the prior year errors Council has adjusted the 2023/24 comparative amounts in the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and applicable notes to the financial statements.

Adjustments impacting financial statement line items for the 2023/24 comparative year are presented below:

	Actual 2024 \$ '000	Adjustment 2024 \$ '000	Restated Actual 2024 \$ '000
Statement of Comprehensive Income (Extract)			
Capital Revenue			
Grants, subsidies, contributions and donations	152,178	26,651	178,829
Total capital income	155,929	26,651	182,580
Total income	634,672	26,651	661,323
Recurrent expenses			
Depreciation and amortisation			
- Property, plant and equipment	142,500	3,083	145,583
Total recurrent expenses	535,593	3,083	538,676
Total expenses	561,349	3,083	564,432
Net Result	73,323	23,568	96,891
Total comprehensive income for the year	748,304	23,568	771,872
Statement of Financial Position (Extract)			
Non-current assets			
Property, plant and equipment	6,938,391	57,189	6,995,580
Total non-current assets	6,966,575	57,189	7,023,764
Total assets	7,104,963	57,189	7,162,152
Net community assets	6,530,366	57,189	6,587,555
Community equity			
Retained surplus	4,203,609	57,189	4,260,798
Total community equity	6,530,366	57,189	6,587,555
Statement of Changes in Equity (Extract)			
Prior period adjustment for recognition of non-current assets	-	33,621	33,621
Net result	73,323	23,568	96,891
Balance of Retained Surplus	4,203,609	57,189	4,260,798

Notes to the Financial Statements

for the year ended 30 June 2025

Note 23. Events after the reporting period

On 26 September 2025, the suspended Mayor of Townsville City Council, Troy Thompson, formally resigned, effective immediately. In accordance with Sections 163 and 164 of the *Local Government Act 2009*, a by-election is required to be held within two months of the vacancy. The by-election is set for 15 November 2025.

Note 24. Financial instruments and financial risk management

(a) Financial assets and financial liabilities

Council has categorised and measured the financial assets and financial liabilities held at balance date as follows:

Financial assets

Cash and cash equivalents

Receivables - measured at amortised cost

Financial liabilities

Payables - measured at amortised cost

Borrowings - measured at amortised cost

Financial assets and financial liabilities are presented separately, offsetting has not been applied.

(b) Financial risk management

Council's activities expose it to a variety of risks including credit risk, liquidity risk and market risk. Exposure to financial risks is managed in accordance with Council approved policies on financial risk management. These policies focus on managing the volatility of financial markets and seek to minimise potential adverse effects on the financial performance of Council. These methods include sensitivity analysis in the case of market risk, ageing analysis for credit risk and short term investment strategies to ensure sufficient funds are available to meet short term liquidity requirements.

(c) Credit risk

Credit risk is the risk of financial loss if a counterparty to a financial instrument fails to meet its contractual obligations. These obligations arise principally from Council's 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. Council assesses the credit risk before providing goods or services and applies normal business credit protection procedures to minimise the risk.

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 *Statutory Bodies Financial Arrangements Act 1982*.

Council has no significant concentration of credit risk with respect to any single counterparty or entity of counterparties other than those receivables where an allowance for impairment has been specifically provided for.

(d) Liquidity risk

Liquidity risk is the risk that Council will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. Council is exposed to liquidity risk through its normal course of business and through its borrowings with QTC.

Notes to the Financial Statements

for the year ended 30 June 2025

Note 24. Financial instruments and financial risk management (continued)

Council manages its exposure to liquidity risk by maintaining sufficient cash deposits and undrawn facilities to cater for unexpected volatility in cash flows. Unrestricted access was available at balance date to undrawn facilities listed below:

	2025 \$ '000	2024 \$ '000
Bank overdraft facility	500	500
Purchase card facility	1,839	1,849
Working capital facility - Queensland Treasury Corporation	100,000	100,000
Balance at end of the year	102,339	102,349

The following table sets out the liquidity risk of financial liabilities (excluding lease liabilities - refer note 13) held by Council. The amounts disclosed in the maturity analysis represent the contractual undiscounted cashflows at balance date.

	0 to 1 year \$ '000	1 to 5 years \$ '000	Over 5 years \$ '000	Total contractual cash flows \$ '000	Carrying amount \$ '000
2025					
Payables	79,562	–	–	79,562	79,562
Loans - QTC	59,655	229,644	258,378	547,677	429,037
	139,217	229,644	258,378	627,239	508,599
2024					
Payables	86,668	–	–	86,668	86,668
Loans - QTC	54,106	207,961	191,186	453,253	372,382
	140,774	207,961	191,186	539,921	459,050

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.

(e) 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

Exposure to interest rate risk arises on investments and borrowings with QTC and other financial institutions in which a future change in interest rates will affect future cash flows. In relation to QTC loans, Council holds fixed rate loan products. Consequently, Council's borrowings are not subject to interest rate risk and therefore no sensitivity analysis is required.

Council does not undertake any hedging of interest rate risk.

Sensitivity analysis of cash balances

Sensitivity analysis depicts what effect a reasonable possible change in interest rates (assumed to be 1%) would have on the profit and equity, based on the carrying values of cash balances at the end of the reporting period. The calculation assumes that the change in interest rates would be held constant over the period. If the rates increased by 1% the impact would be an increase in profit of \$1,876,202 (2024: \$300,358), an equal amount in the reverse direction is possible for a decrease in rates.

Notes to the Financial Statements

for the year ended 30 June 2025

Note 25. National Competition Policy

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

- water and sewerage
- waste management and recycling

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

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

The following activity statements are for activities subject to the competitive code of conduct:

	Water and sewerage 2025 \$ '000	Waste management and recycling 2025 \$ '000
Revenue for services provided to the Council	30,360	16,548
Revenue for Services provided to external clients	215,958	56,222
Community service obligations	3,762	376
Less: Expenditure	(176,435)	(60,525)
Surplus	73,645	12,621

Description of CSO's provided to business activities:

Activities	CSO description	Actual \$'000
Townsville Water	Concessions on water and waste water utility charges	3,762
Resource Recovery	Concessions on landfill charges, community clean-up events and other waste and recycling services	376

Notes to the Financial Statements

for the year ended 30 June 2025

Note 26. Transactions with related parties

	2025 \$ '000	2024 \$ '000
(a) Transactions with Townsville Breakwater Entertainment Centre Joint Venture		
Payment of working capital required under management agreement	277	220
Capital works funding contribution	118	-
Building and property insurance	83	80
Other expenditure	23	40
	<u>501</u>	<u>340</u>

(b) Transactions with NQ Spark Pty Ltd

Interests in NQ Spark Pty Ltd is disclosed in Note 1(b).		
Other revenue received by Council (recovery of expenses)	(22)	(57)
Materials and other service providers paid by Council	67	82
Debt forgiven	-	174
	<u>45</u>	<u>199</u>

(c) Transactions with North Rail Yard Developments Pty Ltd

Interests in North Rail Yard Developments Pty Ltd is disclosed in Note 1(b).		
Funding for operations	550	315
Materials and other service providers paid by Council	69	6
Grant received from Queensland Treasury	(2,000)	-
Grant from Queensland Treasury paid to North Rail Yard Developments	2,000	-
Return of funding for operations	(316)	-
	<u>303</u>	<u>321</u>

(d) Transactions with key management personnel (KMP)

KMP include the Mayor, Councillors and Council's senior management staff (Chief Executive Officer and directors). The compensation to the KMP for the financial year was as follows:

Short-term employee benefits	3,792	3,546
Post-employment benefits	356	346
Long-term benefits	26	30
Termination benefits	309	1,774
	<u>4,483</u>	<u>5,696</u>

(e) Transactions with other related parties

Other related parties include 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 or dependent of a KMP, child or dependent of a KMP's spouse and any other family member expected to be influenced by a KMP in their dealings with Council.

There were no material transactions between other related parties in the period. There were no KMP family members employed by Council during the financial year.

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

Note 26. Transactions with related parties (continued)

	2025 \$ '000	2024 \$ '000
(f) Outstanding balances		
Receivables from NQ Spark Pty Ltd	5	63
	5	63

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

There are entities and individuals identified as related parties of Council that also live and operate within the Townsville region. On a regular basis ordinary citizen transactions occur between Council and its related parties. Some examples include:

- Payment of rates
- Use of Council facilities such as swimming pools and libraries
- Dog registration

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

General Purpose Financial Statements

for the year ended 30 June 2025

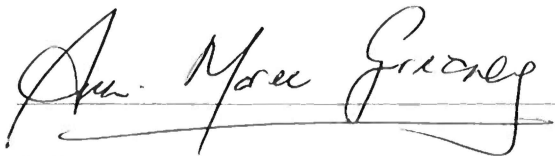
Management Certificate

for the year ended 30 June 2025

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

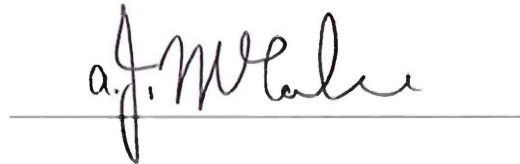
In accordance with Section 212(5) of the Regulation, we certify that:

- i. the prescribed requirements of the *Local Government Act 2009* and Local Government Regulations 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 2 to 38, 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.



Acting Mayor

Dated this 30th day of October 2025



Chief Executive Officer

Dated this 30th day of October 2025

INDEPENDENT AUDITOR'S REPORT

To the councillors of Townsville City Council

Report on the audit of the financial report

Opinion

I have audited the financial report of Townsville City Council.

The financial report comprises the statement of financial position as at 30 June 2025, 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 Acting Mayor and Chief Executive Officer.

In my opinion, the financial report:

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

Basis for opinion

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

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

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

Other information

The councillors are responsible for the other information.

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

At the date of this auditor's report, the available other information in Townsville City Council's annual report for the year ended 30 June 2025 was the current year financial sustainability statement, current year financial sustainability statement - contextual ratios (unaudited) and the 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 councillors for the financial report

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

The councillors are also responsible for assessing the 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. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of my responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:
https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf

This description forms part of my auditor's report.

Report on other legal and regulatory requirements

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

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

Prescribed requirements scope

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



Sri Narasimhan
as delegate of the Auditor-General

31 October 2025

Queensland Audit Office
Brisbane

Current-year Financial Sustainability Statement
for the year ended 30 June 2025

	Target Tier 2	Actual 2025	5 Yr Av. 2021-25
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Audited ratios

Council's performance at 30 June 2025 against key financial ratios and targets.
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 2024. The amounts used to calculate the six reported measures are prepared on an accrual basis and are drawn from Council's audited general purpose financial statements for the year ended 30 June 2025.

Liquidity

1. Unrestricted cash expense coverage ratio	>2 months	5.8 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 unrestricted cash expense cover ratio is above target.

Operating Performance

2. Operating surplus ratio	>0%	(0.6)%	(3.3)%
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.			

Ratio indicates Council has achieved a marginal deficit in its operational result.

3. Operating cash ratio	>0%	30.2%	29.9%
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.			

Results are above target indicating Council is generating sufficient cash to fund operating activities.

Asset management

4. Asset sustainability ratio	>60%	35.4%	70.7%
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.			

Ratio reflects deferral of renewal projects to the 2025/26 financial year, primarily resulting from the reallocation of resources to natural disaster recovery efforts.

5. Asset consumption ratio	>60%	65.8%	64.9%
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.			

Ratio indicates Council's assets are being consumed in line with estimated useful lives.

Debt servicing capacity

6. Leverage ratio	0-4 times	2.6 times	2.9 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.			

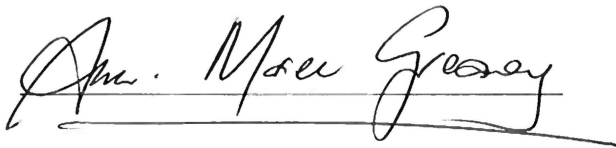
Results have met the target.

Certificate of Accuracy (audited ratios)
for the year ended 30 June 2025

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.



Acting Mayor

Dated this 30th day of October 2025



Chief Executive Officer

Dated this 30th day of October 2025

INDEPENDENT AUDITOR'S REPORT

To the Councillors of Townsville City Council

Report on the Current-Year Financial Sustainability Statement

Opinion

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

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

Basis of opinion

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

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

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

Emphasis of matter – basis of accounting

I draw attention to Note 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 councillors are responsible for the other information.

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

At the date of this auditor's report, the available other information in Townsville City Council's annual report for the year ended 30 June 2025 was the general-purpose financial statements, current-year financial sustainability statement - contextual ratios (unaudited), 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 councillors for the current year financial sustainability statement

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

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

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

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

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

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

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



31 October 2025

Sri Narasimhan
as delegate of the Auditor-General

Queensland Audit Office
Brisbane

Current-year Financial Sustainability Statement
for the year ended 30 June 2025

	Target Tier 2	Actual 2025	5 Yr Av. 2021-25
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Contextual ratios (unaudited)

The current year financial sustainability statement is a special purpose statement prepared in accordance with the requirements of the Local Government Regulation 2012 and the Financial Management (Sustainability) Guideline 2024. The amounts used to calculate the 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 2025.

Financial Capacity

1. Council controlled revenue	N/A	89.4%	90.7%
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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.

Results indicate consistent generation of operating revenue from rates, levies and charges.

2. Population growth	N/A	1.7%	0.8%
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Population growth is a key driver of a council's operating income, service needs, and infrastructure requirements into the future.

Results indicate increased migration to Townsville.

Asset management

3. Asset renewal funding ratio	N/A	93.9%	N/A
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The asset renewal funding ratio measures the ability of a council to fund its projected infrastructure asset renewal/replacements in the future.

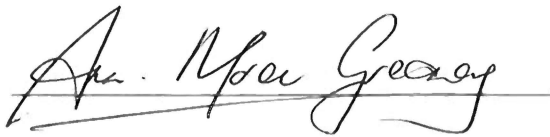
Ratio indicates Council is appropriately funding and delivering on the required capital program.

Certificate of Accuracy (contextual ratios - unaudited)
for the year ended 30 June 2025

Certificate of Accuracy (contextual ratios - unaudited)

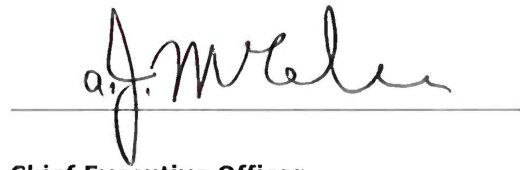
This current-year financial sustainability statement has been prepared pursuant to Section 178 of the Local Government Regulation 2012 (the Regulation).

In accordance with Section 212(5) of the Regulation we certify that this current year financial sustainability statement has been accurately calculated.



Acting Mayor

Dated this 30th day of October 2025



Chief Executive Officer

Dated this 30th day of October 2025

Unaudited Long Term Financial Sustainability Statement

prepared as at 30 June 2025

	Target 2025	Actual 2025	2026	2027	2028	2029	Forecast		2030	2031	2032	2033	2034	2035
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Measures of financial sustainability

Council's performance at 30 June 2025 against key financial ratios and targets.

Liquidity

1. Unrestricted cash expense coverage ratio	> 2 months	5.8 months	Ratio N/A for long-term sustainability statement											
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The unrestricted cash expense cover ratio is an indicator of the unconstrained liquidity available to council to meet ongoing and emergent financial demands, which is a key component to solvency. It represents the number of months council can continue operating based on current monthly expenses.

Operating Performance

2. Operating surplus ratio	> 0%	(0.6)%	(2.0)%	0.2%	0.3%	0.5%	2.0%	3.0%	3.0%	3.5%	3.6%	4.0%
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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	> 0%	30.2%	29.9%	31.5%	31.1%	31.5%	32.0%	32.5%	32.4%	32.6%	32.6%	32.8%
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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.

Asset Management

4. Asset sustainability ratio	> 60%	35.4%	61.6%	71.4%	60.9%	60.2%	61.6%	61.5%	61.6%	56.1%	60.3%	59.8%
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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.

Unaudited Long Term Financial Sustainability Statement

prepared as at 30 June 2025

	Target 2025	Actual 2025	2026	2027	2028	2029	Forecast					
							2030	2031	2032	2033	2034	2035
5. Asset consumption ratio	> 60%	65.8%	79.3%	75.9%	75.6%	75.0%	73.9%	74.4%	74.5%	75.3%	76.0%	76.7%

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	N/A	93.9%	Ratio N/A for long-term sustainability statement									
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The asset renewal funding ratio measures council's ability to fund its projected infrastructure asset renewal/replacements in the future.

Debt servicing capacity

7. Leverage ratio	0 - 4 times	2.6 times	2.8 times	2.5 times	2.2 times	2.0 times	1.7 times	1.5 times	1.3 times	1.1 times	1.0 times	0.8 times
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The leverage ratio is an indicator of council's ability to repay its existing debt. It measures the relative size of council's debt to its operating performance.

Financial Capacity

8. Council controlled revenue	N/A	89.4%	94.2%	93.4%	92.3%	91.8%	91.4%	91.4%	91.6%	91.6%	91.8%	91.7%
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Council controlled revenue is an indicator of council's financial flexibility, ability to influence its operating income, and capacity to respond to unexpected financial shocks.

9. Population growth	N/A	1.7%	1.5%	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%
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Population growth is a key driver of council's operating income, service needs, and infrastructure requirements into the future.

Financial Management Strategy

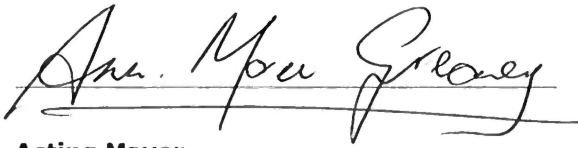
Council measures revenue and expenditure trends over time as a guide to future requirements and to make decisions about the efficient allocation of resources to ensure the most effective provision of services. Council ensures that its financial management strategy is prudent and that its long-term financial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

Certificate of Accuracy - Long-term Financial Sustainability Statement
prepared as at 30 June 2025

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.



Acting Mayor

Dated this 30th day of October 2025



Chief Executive Officer

Dated this 30th day of October 2025



townsville.qld.gov.au