ANNUAL REPORT

2025–2026

CITY OF
TEA TREE GULLY
Naturally Better



The City of Tea Tree Gully's Annual Report 2025–2026 provides details on our performance against our 2025–2026 Annual Business Plan and Budget, as well as the outcomes and objectives of our Strategic Plan 2030.

This publication has been developed in compliance with the *Local Government Act 1999 (SA)* and provides a comprehensive and transparent account of our performance, achievements, challenges and financial management from 1 July 2025 to 30 June 2026.

For more information, visit **cttg.sa.gov.au**

The City of Tea Tree Gully recognises this City's considerable natural and cultural heritage, including thousands of years of Traditional Custodianship by the Kaurna people and the more recent contributions from all who live here.

We build on this heritage today by respecting and listening to each other, being receptive to new ideas and acting wisely for the current and future well-being of our community.



Contents

Introduction 4

City profile 6

Council employee snapshot 8

Reporting on strategic plan themes and objectives 10

Strategic direction and achievements 18

Reporting our progress on 2025–2026 targets 26

Our Council 29

Mayor and Elected Members 30

Elector representation 31

Decision-making structure 34

Allowances, training, gifts and benefits 38

Behavioural management 43

Confidentiality provisions 44

Internal review of Council decisions 52

Audit and Risk Committee activities report 53

Our organisation 57

Organisational structure 58

Staff profile 59

Our reporting 63

Policies, registers and codes 64

Freedom of information 65

Competitive tendering arrangements 67

Community land and Council facilities 68

Local nuisance and littering complaints 69

Event sponsorship 70

Our finances 73

Financial overview 74

Annual Business Plan 2025–2026 performance 76

Financial statements 78

Cover: The Tea Tree

Delivering for our community

The City of Tea Tree Gully delivered significant projects, programs and services during the 2025–2026 financial year to enhance the lives of residents.

From major new sporting and recreation facilities to revitalised public spaces and community infrastructure, Council continued to invest in the places that bring people together.

New purpose-built clubrooms were delivered for Tea Tree Gully Tennis Club, Tea Tree Gully Gymsports and Modbury Sporting Club. Upgrades to Hope Valley Sporting Club and improvements at Burragah Reserve and Modbury Tennis Club strengthened opportunities for local sport and recreation. An indoor baseball training facility was also constructed at Illyarrie Reserve.

At Tea Tree Gully Library, a new Changing Places facility was created to provide an accessible toilet for people with high support needs. The children's area of the library also underwent an upgrade with a theme based on the lifecycle of a butterfly.

The historic Tea Tree Gully township was revitalised through upgrades to Haines Memorial Park and Gilmour Reserve and the creation of a local history trail. This forms part of a multi-million, multi-year renewal project for the township.

Work also commenced on the next stage of the Tilley Recreation Park Masterplan, including a new dog park and car park.

Council thanks the State Government for financial contributions to a number of these projects.

The annual events calendar brought fun and connection to thousands of people. Highly successful major events included the inaugural A Day in the Gully music festival and annual favourites: Civic Park Carols, Touch a Truck and Muddy Hands.

Hundreds of additional Council-run community activities, such as the Worldly Cafe event series, also supported inclusion and connection.

Sfera's Park Suites and Convention Centre – purchased by Council as a strategic land acquisition in early 2025 – was renamed The Tea Tree in early 2026 following community engagement on the name. The centre continues to offer quality events, accommodation and dining to the community, and a return on the investment.

Alongside these achievements, high-quality services – such as waste collection, library services, verge maintenance and the care of our parks, reserves and community facilities – continued to be delivered.

Council's financial performance remains strong, enabling investment in key infrastructure and services, while maintaining long-term financial sustainability.

Through strong leadership and community engagement, opportunities will continue to be created for connection, to care for our environment and resources, and make decisions that ensure our City remains a great place to live, visit, work or invest.

Finally, we thank our residents, community organisations, volunteers, elected members and staff for their support and commitment to our community.



Marijka Ryan | Mayor



Ryan McMahon | CEO



City profile

A snapshot of key information about our City, including geographical, economic, demographic and event data.



66%
urban area

34%
rural area

9,521 ha
total land area

1,305 ha
open space

607
parks and reserves

127
playgrounds

100,000
street trees

22.39%
tree canopy cover

579 km
sealed roads

1,235 km
kerbs and gutters

591 km
sealed footpaths

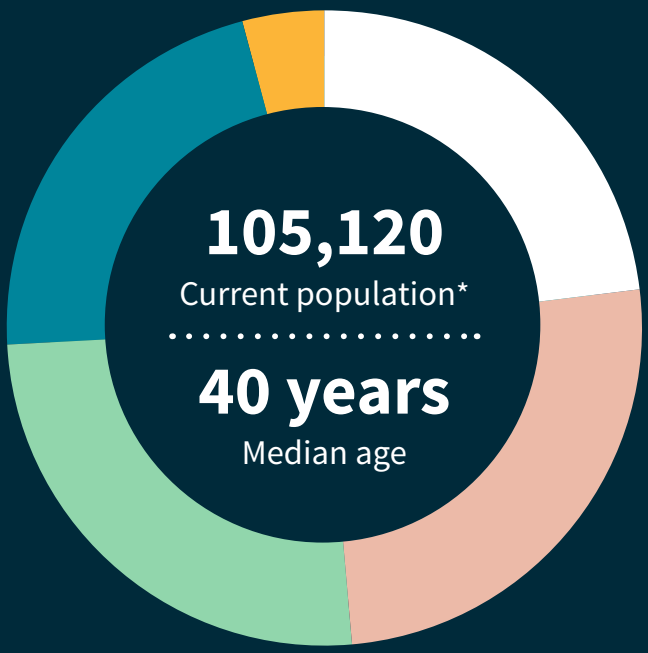
92 km
unsealed footpaths

41,032
dwellings*

2.5
people per household*

6,538
active trading businesses

$4.5b
Gross Regional Product



- 0–19 years (23.1%)
- 20–39 years (30.5%)
- 40–59 years (25.8%)
- 60–79 years (21.3%)
- 80+ (5.1%)

29,188
families

15.09%
undertaking voluntary work

27.14%
of residents born overseas

56.87%
with tertiary qualifications

36
major events held

179,239
Waterworld attendances

15,321
tonnes of food and organic material diverted from landfill and turned into compost

1,090
Mini Muncher kitchen caddies distributed to residents

3.98m
kerbside bin collections

47,221
volunteer hours completed

329,023
total library attendance

3,190
program sessions and events offered

70,528
program and event attendance across the City

43
community engagement activities

** Remplan*

Council employee snapshot

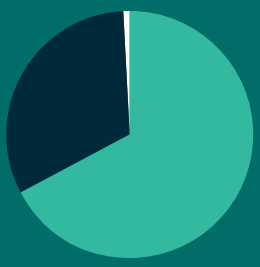


Female: 51%
202 staff

Male: 48%
191 staff

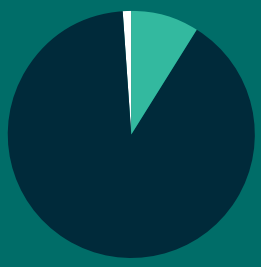
Not specified: 1%
3 staff

Indoor workforce



Female	Male	Not specified
67.3%	**32%**	**0.7%**
192 staff	91 staff	2 staff

Outdoor workforce

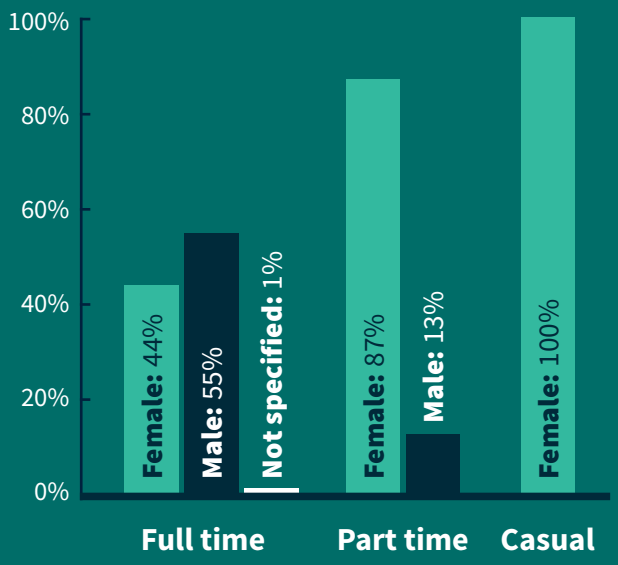


Female	Male	Not specified
9.1%	**90%**	**0.9%**
10 staff	100 staff	1 staff

Leadership: Sphere of influence

2/5 of the Executive Leadership Team identify as female

Employment Type



Key initiatives

- Flexible career pathways, study support and training and development opportunities
- Leadership development training
- Recruitment training
- White Ribbon accreditation (which includes a gender pay gap audit)
- RDOs and flexible working arrangements

Reporting on strategic plan themes and objectives

THEME 1

OUR COMMUNITY

We create opportunities for people to connect with one another and to their local community.

Aspirations		Wellbeing Pillars	Performance Indicators
1.1	Our programs, events and services are accessible, inclusive and adaptable to meet community needs	• Healthy • Safe • Prosperous • Connected • Vibrant • Liveable	• Number of initiatives delivered which respond to the needs of the community • New initiatives this FY that are aimed specifically at improving accessibility for all
1.2	Diversity is welcomed and celebrated	• Safe • Connected • Vibrant • Liveable	• Number of programs, events and services pitched at diverse target groups • Population increase • Progress of Disability Access and Inclusion Plan
1.3	People feel a sense of belonging, inclusion and connection	• Safe • Connected	• Number of art and culture initiatives • % of people reporting increased levels of connectedness through programs, events and services
1.4	The safety and wellbeing of our community is a priority	• Healthy • Safe • Prosperous • Connected • Liveable	• Number of volunteering opportunities • Number of attendees participating in physical activity within the City • Number of initiatives that provide opportunities for social connection • Personal Wellbeing Index Score



Key Highlights

- Delivered 428 community initiatives responding to local needs, including ongoing support through collaborative and affordable food programs such as Easy Feast meal packs.
- Introduced 33 new initiatives focused on improving accessibility and inclusion.
- Delivered 455 programs and events, 44 targeted at diverse community groups, strengthening multicultural participation and engagement.
- Endorsed a comprehensive Disability Access and Inclusion Plan for 2026–2030.
- Delivered 139 arts and cultural initiatives, including the successful Worldly Café series celebrating our communities diverse cultures and traditions.
- 64,357 participants (91.25%) reported increased feelings of connectedness through Council programs, events and services.
- Supported a strong volunteer network of offering 68 volunteering opportunities to our 384 volunteers.
- Enabled more than 722,000 participants to engage in physical activity programs and facilities.
- A population increase from 104,590 to 105,120
- Delivered 408 initiatives supporting social connection, including new programs creating safe connection for men in isolation from all backgrounds.
- Maintained a strong Personal Wellbeing Index score of 76 with a wellbeing improvement score 4.8/5

THEME 2

OUR ECONOMY



Our city is the place to invest, work and do business.

Aspirations		Wellbeing Pillars	Performance Indicators
2.1	Our centres are vibrant with Modbury Precinct as the region's key activity centre	• Prosperous • Connected • Vibrant • Liveable	• Index score for strategic themes in bi-annual Modbury Precinct Performance Report
2.2	Our economy is innovative, prosperous and diverse and is underpinned by sustainable population growth	• Prosperous • Vibrant • Liveable	• Number of initiatives which support local business • Diversity of our industry profile • Gross Domestic Product
2.3	Our community has leadership and employment capabilities	• Prosperous	• Number of initiatives that build community capacity • Number of initiatives implemented from economic development plan

Key Highlights

- 154 one-on-one small business advisory sessions and 7 business workshops supporting local business growth and capability development.
- Increased support for local spending through the Shop Local Gift Card program, with 1,327 cards purchased and more than $28,000 redeemed.
- Expanded business engagement through a monthly newsletter reaching 9,389 recipients, with open rates increasing rom13% to 22%.
- Introduced a "Supplying to Council" information session to help local businesses access procurement opportunities.
- Local economy continued to grow, with Gross Domestic Product increasing to $4.519 billion, up from $4.1 billion in 2023.
- Delivered 116 initiatives that built community leadership and employment capability.
- Progressed development of a new Economic Development Strategy for implementation in FY2027.
- Identified the top 3 employers across our City, Health Care and Social Assistance (20%); Retail Trade (15%); Education and Training (12%).

THEME 3

OUR ENVIRONMENT

We are leaders in how we manage and care for our environment and resources.

Aspirations	Wellbeing Pillars	Performance Indicators
3.1 Biodiversity, green spaces and tree canopy are valued, enhanced and protected	• Healthy • Vibrant • Liveable	• Trend of green coverage on land under Council's care and control • Hectares revegetated
3.2 We practice the responsible and sustainable use of resources	• Healthy • Prosperous • Liveable	• Mains water usage • Number of renewable energy initiatives delivered • Waste diverted from landfill • Progress of environmental management framework
3.3 We are resilient to extreme weather events, bushfires and environmental risks	• Healthy • Safe • Liveable	• Stormwater management plans developed for key watercourses • Number of hazard reduction and mitigation initiatives

Key Highlights

- Maintained 21% green coverage across land under Council care and control.
- Expanded biodiversity efforts through the revegetation of an additional 1.5 hectares, bringing the total revegetated area to 44 hectares.
- Reduced mains water usage to 402 megalitres (estimated), compared with 576 megalitres in FY2025.
- Strengthened renewable energy commitments through expansion of Council's Power Purchase Agreement to include Monarto battery storage.
- Diverted 15,321 tonnes of green waste from landfill, converting it into compost, a substantial increase in diversion from FY2025 12,960 tonnes.
- Endorsed key environmental strategies including the Water Strategy, Energy Strategy and Biodiversity Strategy.
- Continued regional stormwater planning to improve long-term flood resilience.
- Delivered extensive hazard reduction activities, including roadside fuel reduction – 85 sites, firebreak maintenance – 20 sites, fire access track maintenance – 40 sites, conducted 1,088 property inspections and presented 2 community education sessions.
- Reviewed and strengthened key emergency management plans. Including Emergency Management Plan 2026-30; Bushfire Mitigation Framework 2026-30; Incident Management Policy; Business Continuity Management System.

THEME 4

OUR PLACES

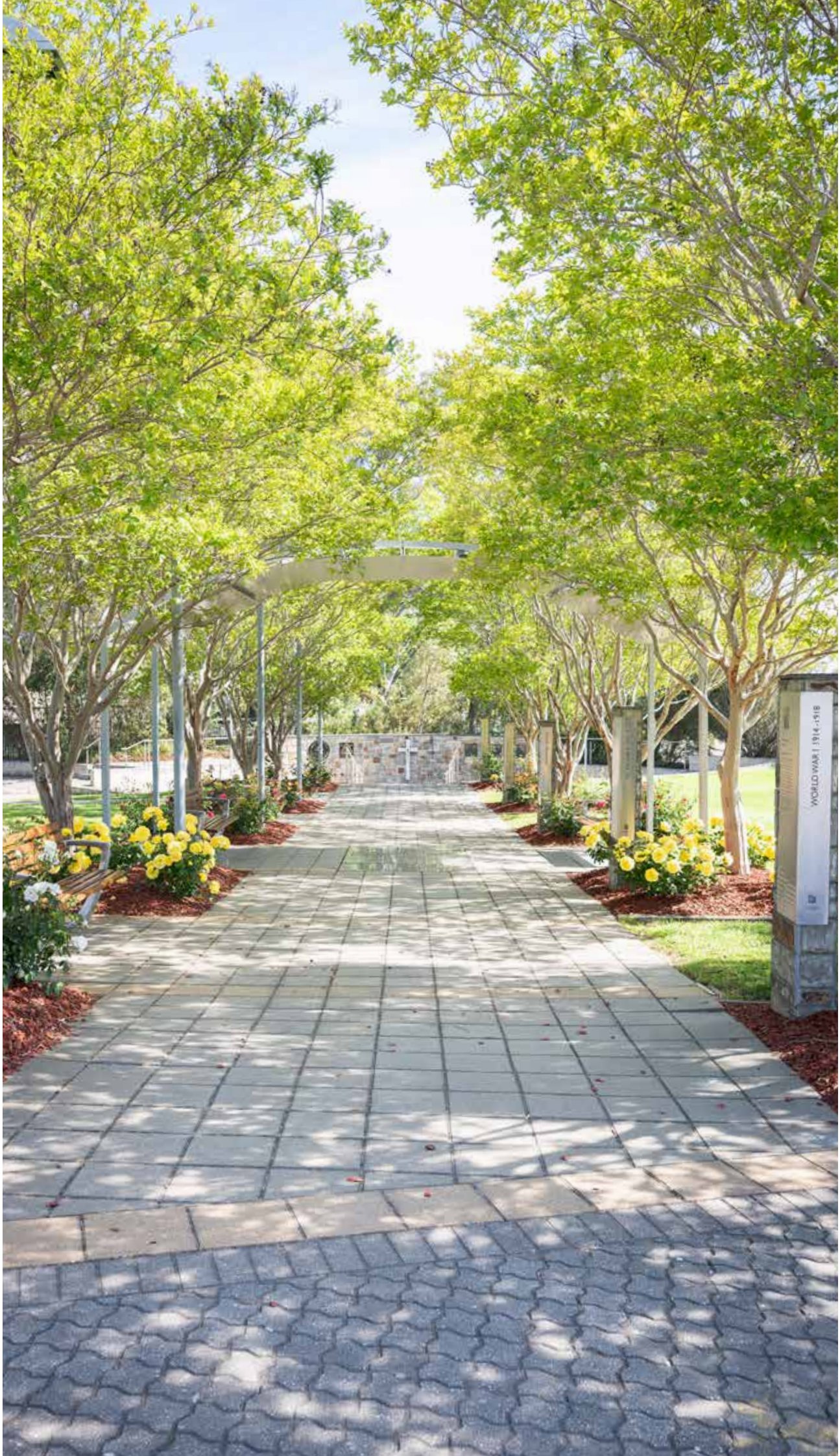


We create places where people enjoy living and spending time because they are appealing, safe, accessible and interesting.

Aspirations	Wellbeing Pillars	Performance Indicators
4.1 Our public places are attractive, adaptable and fit for purpose	• Prosperous • Connected • Vibrant • Liveable	• Progress of Main Roads and Gateways project • Maintenance in accordance with service levels
4.2 Our City has a diversity of housing	• Prosperous • Connected • Vibrant	• Number of new dwellings and diversity of dwelling typologies approved (including affordable housing) • Number of new residents
4.3 Our neighbourhoods are well planned, safe, connected and accessible with a focus on active methods of travel	• Healthy • Safe • Connected • Liveable	• Community satisfaction with footpaths and local roads • Percentage of residents able to easily get to places they need to • Investment in upgrades to improve access to play spaces and council facilities • Play spaces which have inclusive elements • Number of initiatives implemented from the City Masterplan

Key Highlights

- Progressed major infrastructure upgrades through the Main Roads and Gateways Project, completing the North-East Road Tea Tree Gully Township Section and Stage 2 Grand Junction Road.
- Achieved 79% of reactive maintenance service levels, supporting the quality of public assets.
- Approved 336 new dwellings, including 20 affordable homes, supporting housing diversity across the city.
- Recorded strong community satisfaction, with 69% satisfaction for footpaths and local roads.
- 88% of residents reported being able to easily access the places they need (Community Wellbeing Survey).
- Increased investment in play space upgrades following the adoption of the State of Play framework.
- Expanded playspace design outcomes, ensuring all new play spaces include inclusive elements and accessible furniture.
- Continued development of the City Masterplan, establishing a long-term vision for future growth and connectivity.


WORLD WAR I 1914 - 1918

THEME 5

OUR LEADERSHIP

We are trusted to make good decisions that are in the best interest of our community.

Aspirations		Wellbeing Pillars	Performance Indicators
5.1	Our service provision is sustainable and adaptable	• Prosperous • Liveable	• Operating surplus ratio • Number of continuous improvement initiatives and service reviews
5.2	We have an innovative approach to customer service that provides a positive customer experience and adapts to changing needs	• Prosperous • Connected	• Net promoter score • Customer satisfaction with services delivered by Council
5.3	Our engagement is meaningful and we keep our community informed about Council initiatives	• Prosperous • Connected	• Opportunity to have your say • Communications reach
5.4	Our planning and decision making is evidence based, consistent and focused on outcomes for the future	• Safe • Prosperous • Liveable	• Measure growth of the maturity of our data • Value of initiatives delivered as identified in asset management plans • Number of priority advocacy projects receiving attention from other levels of government



Key Highlights

- Forecast Total Operating Surplus of $7.754m
- Completed seven service reviews to improve service delivery and organisational performance.
- Implemented a revised Continuous Improvement framework to strengthen future service effectiveness and sustainability outcomes.
- Achieved 88% overall satisfaction with Council communications, significantly exceeding the target of 66%, based on the 360 Feedback Survey completed by 714 respondents.
- Increased community voice opportunities, with 39 statutory and non-statutory engagement processes undertaken (up from 22 in FY2025).
- Continued to strengthen community engagement practices and ensure residents have meaningful opportunities to contribute to Council decision-making.
- Maintained a focus on evidence-based decisions by strengthening Council's data maturity and operational efficiency through targeted digital transformation initiatives, including enhancements to Salesforce and TechnologyOne and the implementation of Oracle HCM.
- Strengthened long-term financial and asset sustainability through the adoption of the Strategic Asset Management Plan 2025–2034, providing a structured framework to manage, maintain and renew Council assets to meet current and future community needs.
- Advocated for key community priorities through engagement with State Election candidates and Ministers, securing attention for strategic projects including the Tea Tree Gully Sporting Club, Elliston Reserve, Hope Valley Reservoir, Highbury Aqueduct, Hope Valley Bowling Club, Golden Grove High School Shared Gym and Maxlay Reserve.

Strategic direction and achievements

Council uses a suite of strategic management plans to set its priorities and guide decision making and annual business planning, including budgeting.

The Strategic Plan 2030 is the lead document in Council's strategic planning framework. It articulates our vision and aspirations for the community – that is, everyone who lives in, works in or visits the City of Tea Tree Gully.

Community wellbeing is at the heart of the plan, which aims to build a healthy community that enjoys a quality lifestyle.

To ensure that we have the flexibility to adjust to changing priorities and build our capacity, we have also developed a plan geared towards improving the way we do business.

In working towards this vision, the 2025–2026 Annual Business Plan and Budget identified key projects, programs and services that we anticipated would deliver on the aspirations and objectives identified in these plans.



CEO Key Performance Indicators 2025–2026

1. STRATEGIC PROJECTS

Measure		Target	Status
1.1	Delivery of Program and Events Framework	On track against plan	**Completed** Council's Program and Events Framework has supported the engagement of more than 70,000 people through 4,190 sessions across 455 programs and events. Participants reported strong outcomes, with 97% having a positive experience, 87% feeling more connected to others, 73% strengthening connections with family, friends and community, 86% gaining new skills, and an average wellbeing improvement score of 4.8 out of 5.
1.2	Finalisation of Waste Collections Contract	Contract finalised	**Completed** Tender process completed and contract awarded, with a report provided to Council at its meeting 23 September 2025.
1.3	Delivery of Council's major projects	Project delivery	**Completed** Major Projects delivered: • Modbury Sporting Clubroom Redevelopment • Tea Tree Gully Tennis Clubroom Redevelopment • Tea Tree Gully Gymsports Redevelopment • Hope Valley Sporting Club amenities upgrades • Illyarrie Indoor Training Facility • 98% Progress on Tea Tree Gully Township Streetscape and Reserves Upgrades.

Measure		Target	Status
1.4	Progress discussions at the Modbury Precinct Committee regarding the future aspirations for the precinct	Meetings held and actions progressed / completed	**Completed** Council established the Modbury Precinct Committee (MPC) on 24 June 2025. The Committee met September 2025, February and May 2026, providing input into the Towards 2050 Community Conversation and future growth planning for the Modbury Precinct. Elected Member workshops were held in April and June 2026 to consider draft strategy principles and growth areas. Infrastructure planning has commenced, investor engagement is underway, and progress remains on track.
1.5	Progress development of City Masterplan	Prepare draft Housing Diversity and Integrated Transport Strategies	**Completed** Council received outcomes of the Towards 2050 Community Conversation in March 2026. Draft principles and investigation areas for the Housing Diversity Strategy and Integrated Transport Strategy were identified, with Council adopting the Principles and Investigation Areas report including the strategy development roadmap, at its meeting 28 July 2026.
1.6	Progress of Golden Grove Code Amendment	Commercial negotiations and infrastructure agreements presented to Council	**Completed** Council received a report on associated infrastructure agreements November 2025. Council has continued engagement with consultants, landowners, developers and local MPs. The Golden Grove Code Amendments were approved by the Minister on 13 January 2026, with Land Management Agreements for the rezoned properties progressing on schedule.

2. STRATEGIC PRIORITIES

Measure		Target	Status
2.1	Progress of the Building Optimisation Agreed Actions	On track against actions	**Completed** A review of Council's building assets against the Building Optimisation Framework has been completed, with findings presented to Elected Members June 2026. The outcomes will inform future Buildings Asset Management planning and the development of the City Masterplan.
2.2	Progress of delivery of City Maintenance Uplift Plan	Develop priority matrix plan and report to Service Review Committee	**Completed** The Uplift Priority Matrix has been developed and reported to the Service Review Committee, supporting the ongoing delivery of community uplift projects. Performance updates on the were provided to the Committee July 2025, April 2026 and July 2026.
2.3	Integrate Sfera's Function Centre into the Council	Achievement of Earnings Before Interest Tax Depreciation Amortisation (EBITDA) of +10% or -10% of Q3 Budget Review	**Completed** Sfera's Function Centre has recorded a financial surplus of $651,027 for the 2025–2026 financial year against the Council report of 24 September 2024 which forecast $587k.

3. ORGANISATIONAL – ASSETS & CAPITAL WORKS

Measure		Target	Status
3.1	Capital works projects completed by 30 June each financial year	=/> 90% delivery of Council's planned capital works programs	**Completed** Progress on planned capital works programs: • Road program – 95% complete • Open Space projects – 92% complete • Footpath program – 100% complete • Asset management plan building renewals – 100% complete • Irrigation program – construction commenced with 8 out of 10 sites completed (2 sites outstanding due to weather and seasonal timing impacts) • Modbury Tennis (Ashley Avenue) – court reconstruction – 100% complete • **Overall total – 94.5% complete**
3.2	Development of Strategic Asset Management Plan (AMP)	Strategic AMP endorsed by Audit and Risk Committee	**Completed** Strategic Asset Management Plan 2025–2034 endorsed by the Audit and Risk Committee 16 June 2026 and adopted by Council 30 June 2026.
3.3	Development of 3 year forward capital works program (renewal) for key asset classes	Development of forward program	**Completed** A three year forward Capital Works Program has been completed. Elected Members were engaged as part of the budget development process, with the program endorsed June 2026.

4. ORGANISATIONAL GROWTH

Measure	Target	Status
4.1 Customer Experience Indicators: • Overall satisfaction with Council communications • Enquiry resolution at the first point of contact	Satisfaction = 66% Resolution = 86%	**Completed** • Overall satisfaction with Council communications: 88% • Enquiry resolution at the first point of contact: 90.3%
4.2 Cascade a leadership development program to next level of leaders	Program developed	**Completed** Program developed and implemented. • Elevate Emerging Leaders completed • Team Leaders coaching completed
4.3 WHS performance	Maintain Scheme Rebate compared to rolling 5-year average	**Completed** WHS Rebate action plan monitoring was complete on 24 October 2025. Council received 100% for WHS.
4.4 Delivering on Council's resolutions	>90% Council resolutions completed or on time within Council's control	**Completed** 168 total Council actions – 100% completed on time within Council's control.

Measure		Target	Status
4.5	Continuous improvement of organisational effectiveness and efficiency (demonstrating value for money)	Undertake four service reviews	**Completed** 7 service reviews completed: • Information technology structure review • Marketing and communications review • Business continuity program review • Future provision of burial services • Future state of lease and property management • Governance reform • Contractor services
4.6	Performance against Council's adopted budget	Deliver an operating surplus adjusted for extraordinary items	**Completed** An operating surplus of $7.754m was reported against a forecast budget of $5.346m for the financial year ended 30 June 2026.

5. RELATIONSHIPS

Measure		Target	Status
5.1	Actively engages and maintains effective relationships with internal and external stakeholders to progress CTTG growth	Promotions of State Elections CTTG priorities campaign Continue leadership development	**Completed** State Elections CTTG priorities campaign achieved objectives through having information to support conversations with respective candidates. The following commitments were obtained: • Tea Tree Gully Sporting Club • Elliston Reserve • Hope Valley Reservoir • Highbury Aquaduct • Hope Valley Bowling Club • Golden Grove High School Gym
5.2	Promote, maintain and grow a culture with CTTG	Culture Survey Baseline established	**Completed** A Culture Survey baseline was established in September 2025 and reported to Council. A total of 606 comments were received and benchmarked by the provider against reporting tool averages, with monthly monitoring against these benchmarks subsequently commenced. The July 2026 survey results showed positive organisation-wide improvement, with overall employee satisfaction increasing from 76 to 80, an improvement of 4 points (5.3%) over the baseline year. Gains were achieved across all key measures, including Leadership, Employee Experience, Communication, Trust, Psychological Safety and Customer Focus, with Customer Focus reaching a high-performing score of 85. These results demonstrate continued progress in strengthening organisational culture while reinforcing the organisation's established strengths of care, support, reliability, motivation and customer focus.

Reporting our progress on 2025–2026 targets

A series of performance indicators have been developed to measure our progress against the strategic objectives in the Strategic Plan 2030. Our wellbeing pillars underpin our Strategic Plan and contribute to a healthy, safe, prosperous, connected, vibrant and liveable community.



Measures of success

Community wellbeing indicators	2025–2026 Results	2026–2027 Targets
Diversity is welcomed and celebrated in the City of Tea Tree Gully	78%	78%
The City of Tea Tree Gully is a good place to raise a family	94%	95%
The City of Tea Tree Gully is a good place to grow old	86%	85%
The City of Tea Tree Gully is a place of growth and prosperity	76%	78%
I feel safe being out in parks and public spaces in my local community	82%	84%

Capital works indicators	2025–2026 Results	2026–2027 Targets
Capital works projects completed by 30 June 2026	94%	90%

Customer service indicators	2025–2026 Results	2026–2027 Targets
Overall satisfaction with Council communications	88%	66%
Enquiry resolution at the first point of contact	90.3%	86%


Studio
GIANT
SNAKES & LADDERS



OUR COUNCIL

The City of Tea Tree Gully is divided into six wards and represented by the Mayor and 12 Elected Members, elected by the local community every four years.

The roles of the Mayor and Elected Members are specified within the *Local Government Act 1999*, the legislation that provides the framework for councils to operate in South Australia.

Elected Members play a vital leadership role in representing the interests of the community and setting the vision and strategic direction of Council.

Mayor and Elected Members

(as at 30 June 2026)

Mayor



Marijka Ryan
marijka.ryan@cttg.sa.gov.au
0408 656 362

Balmoral Ward



Cr Irena Zagladov
irena.zagladov@cttg.sa.gov.au
0493 376 325



Cr Rob Unger
rob.unger@cttg.sa.gov.au
0416 116 654

Drumminor Ward



Cr Kimberley Drozdoff
kimberley.drozdoff@cttg.sa.gov.au
0413 830 392



Cr Lyn Petrie
lyn.petrie@cttg.sa.gov.au
0401 031 542

Pedare Ward



Cr Bernie Keane
bernie.keane@cttg.sa.gov.au
0407 560 215



Cr Donna Proleta
donna.proleta@cttg.sa.gov.au
0433 750 832

Hillcott Ward



Cr Kristianne Foreman
kristianne.foreman@cttg.sa.gov.au
0419 608 661



Cr Sandy Keane
sandy.keane@cttg.sa.gov.au
0419 850 779

Steventon Ward



Cr Lucas Jones JP
lucas.jones@cttg.sa.gov.au
0425 411 618



Cr Jessica Hawkvelt
jessica.hawkvelt@cttg.sa.gov.au
0432 170 364

Water Gully Ward



Cr Marina Champion
marina.champion@cttg.sa.gov.au
0402 741 897

Vacant

Note: There is a vacancy in Water Gully Ward due to the resignation of Cr Blake Lawrenson on 5 January 2026.

Elector representation

Periodic review of elector representation

Under Section 12 of the *Local Government Act 1999*, councils in South Australia are required to conduct a comprehensive review of their elector representation arrangements. The purpose of this review is to determine whether changes to the council's composition or ward structure would benefit the community.

This review must be undertaken at least once during each prescribed period, as set out in the Local Government (General) Regulations 2013 and published by notice in the South Australian Government Gazette. The City of Tea Tree Gully last undertook a review between October 2024 and October 2025. The next representation review required to be undertaken has not been published in the Government Gazette.

Review process

The review process is governed by sections 12, 26, and 33 of the *Local Government Act 1999*, which outline the steps councils must follow. Areas considered in this type of review include:

- Whether the Council area should be divided into wards and/or whether existing wards should be abolished
- The number of councillors that should represent the community
- The boundaries or names of wards, if there are to be any.

Public consultation

As required, Council must issue a public notice to inform the community about the Representation Review Report and invite written submissions.

- The report is to be made available for public inspection.
- Individuals who submit written feedback are to be given the opportunity to present their views in person or through a representative.

Following the consultation period:

- The Public Consultation Submissions Report and Community Engagement Outcomes Report are noted by Council.
- Council then resolves to finalise the Representation Review Report and submit it to the Electoral Commissioner, along with all received submissions, for certification.

Certification and implementation

The Electoral Commissioner will assess whether the review meets all legislative requirements. If not satisfied, the Commissioner will return the report to Council with a written explanation, requiring further action before resubmission.

Once certified, the approved representation arrangements will take effect from polling day at the next periodic election in April 2027.

Council representation

The City of Tea Tree Gully is represented by 13 Elected Members:

- 1 Mayor, elected by the entire community
- 12 Councillors, with two Councillors representing each of the six wards

Councillor vacancy

A vacancy occurred in the Water Gully Ward following the resignation of a Councillor, effective 5 January 2026. A supplementary election was not held because the casual vacancy occurred, at that time, within 12 months before polling day for a periodic election.

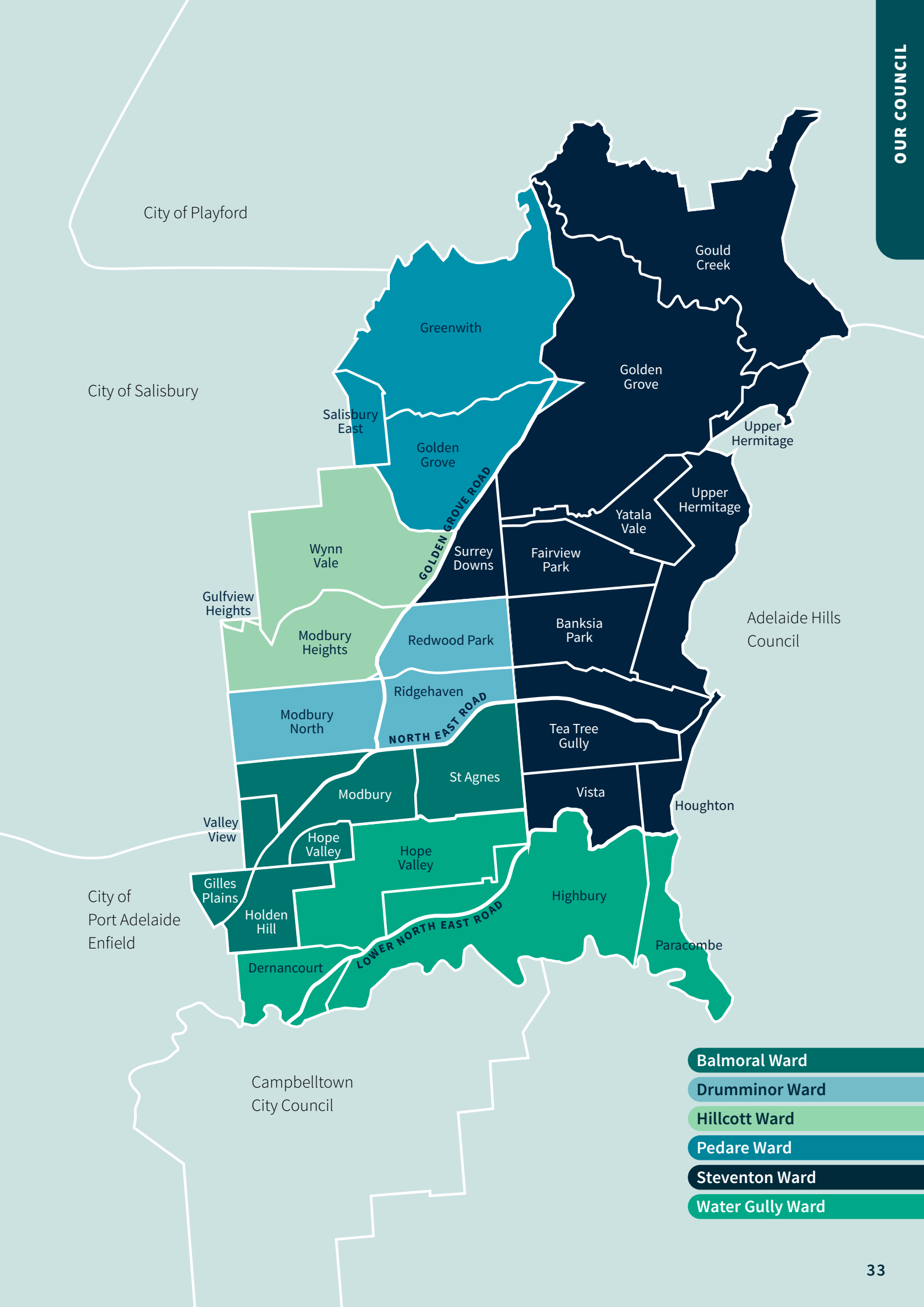
Representation quota

The Elected Members collectively represent 75,534 electors across the City. This equates to approximately 5,810 electors per Elected Member – one of the highest representation ratios among the 68 councils in South Australia.

Comparative representation

The chart below compares the representation quota (number of electors per elected member) of the City of Tea Tree Gully with other relevant councils. The quota is calculated by dividing the total number of electors by the number of elected members for each council.

Council name	Number of Elected Members	Number of electors	Representation quota
Onkaparinga	13	137,246	10,557
Salisbury	15	99,472	6,631
Tea Tree Gully	13	75,534	5,810
Charles Sturt	17	92,189	5,422
Marion	13	69,637	5,356
Port Adelaide Enfield	18	92,413	5,134
Playford	16	78,937	4,933
Campbelltown	11	37,996	3,454
Adelaide Hills	13	31,925	2,455


City of Playford
City of Salisbury
City of Port Adelaide Enfield
Campbelltown City Council
Adelaide Hills Council
Gould Creek
Greenwith
Golden Grove
Salisbury East
Golden Grove
Upper Hermitage
Upper Hermitage
Yatala Vale
GOLDEN GROVE ROAD
Wynn Vale
Surrey Downs
Fairview Park
Gulfview Heights
Modbury Heights
Redwood Park
Banksia Park
Ridgehaven
Modbury North
NORTH EAST ROAD
Tea Tree Gully
St Agnes
Modbury
Vista
Houghton
Valley View
Hope Valley
Hope Valley
Gilles Plains
Holden Hill
Highbury
LOWER NORTH EAST ROAD
Paracombe
Dernancourt
Balmoral Ward
Drumminor Ward
Hillcott Ward
Pedare Ward
Steventon Ward
Water Gully Ward

Decision-making structure

Council's formal decision-making structure is made up of the Council and four committees established under section 41 of the *Local Government Act 1999*, in addition to two other committees established under other legislation as at 30 June 2026. All section 41 committees report directly to Council.

Decisions made at these meetings provide direction for the ongoing operation of Council.

These meetings are open to the public and the documentation for each meeting (notice of meeting, agenda with reports, attachments and minutes) is published on our website (where appropriate).

The Modbury Precinct Committee was established under section 41 of the *Local Government Act 1999* and commenced in September 2025. Membership of the committee included all Elected Members. The committee was terminated (dissolved) in May 2026 following a resolution of Council.

A summary of the committees is given here. More information about their membership and relevant roles and functions can be found on our website under Council and Committee Meeting Information.

Council also maintains a Delegations Register on our website to support efficient and effective decision making.

Council

Membership	Mayor and 12 Elected Members
Time	Meets twice monthly on the second and fourth Tuesday of the month (no meetings between 15 December and 15 January)
Focus	• Committee recommendations, management reports and information reports • Deputations, public forums and petitions • Motions with/without notice and questions with/without notice

Audit and Risk Committee

Membership	One Elected Member and four independent members (including Presiding Member)
Time	Meets at least once a quarter on the third Tuesday of the month
Focus	• Internal and external audit • Risk management and internal controls • Financial and business reporting

Governance and Policy Committee

Membership	Five Elected Members (including Presiding Member)
Time	Meets once a quarter
Focus	Development and review of key Council documents including policies and codes

CEO Performance Review Committee

Membership	Four Elected Members (including Presiding Member)
Time	Meets as required each year
Focus	• Review and management of CEO's performance and remuneration • Assisting in recruitment of a CEO (where required)

Service Review Committee

Membership	Six Elected Members (including Presiding Member)
Time	Meets once a quarter on the third Tuesday of the month
Focus	Review of all services and operational delivery



Council meeting attendance

Meeting date	Mayor Ryan	Cr Proleta	Cr B Keane	Cr Hawkvelt	Cr Jones	Cr Zagladov	Cr Unger	Cr Petrie	Cr Drozdoff	Cr Lawrenson	Cr Champion	Cr S Keane	Cr Foreman
08 Jul 2025	✓	✓	✓	✓	✓	✓	✓	✗	✓	✓	✓	✓	✗
22 Jul 2025	✓	✓	✗	✓	✓	✓	✓	✓	✓	✓	✗	✓	✓
06 Aug 2025	✓	✓	✗	✓	✓	✓	✓	✓	✗	✓	✓	✓	✓
12 Aug 2025	✓	✓	✗	✓	✓	✓	✗	✓	✓	✗	✓	✓	✓
26 Aug 2025	✓	✓	✓	✓	✗	✗	✓	✗	✓	✗	✓	✓	✓
09 Sep 2025	✓	✓	✓	✓	✓	✗	✓	✓	✓	✓	✓	✓	✓
23 Sep 2025	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
14 Oct 2025	✓	✓	✓	✓	✓	✓	✗	✗	✓	✓	✓	✓	✓
28 Oct 2025	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
11 Nov 2025	✓	✓	✓	✓	✓	✓	✓	✗	✓	✓	✓	✓	✓
20 Nov 2025	✓	✓	✓	✗	✗	✗	✓	✓	✓	✗	✓	✓	✗
09 Dec 2025	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
27 Jan 2026	✓	✓	✓	✓	✓	✓	✓	✓	✓	-	✓	✓	✓
10 Feb 2026	✓	✓	✓	✓	✓	✓	✓	✓	✓	-	✓	✓	✓
24 Feb 2026	✓	✓	✓	✓	✓	✓	✓	✓	✓	-	✓	✓	✓
10 Mar 2026	✓	✓	✓	✓	✗	✓	✓	✓	✓	-	✓	✓	✓
24 Mar 2026	✓	✓	✓	✗	✗	✓	✓	✓	✓	-	✓	✓	✓
14 Apr 2026	✓	✓	✓	✗	✓	✓	✓	✓	✓	-	✓	✓	✗
28 Apr 2026	✓	✓	✓	✓	✓	✓	✓	✓	✓	-	✓	✓	✓
12 May 2026	✓	✓	✓	✓	✓	✓	✓	✓	✓	-	✓	✓	✓
26 May 2026	✓	✓	✓	✓	✗	✗	✓	✗	✓	-	✓	✓	✓
9 Jun 2026	✓	✓	✓	✓	✗	✓	✓	✗	✓	-	✓	✓	✓
30 Jun 2026	✓	✓	✓	✓	✗	✓	✓	✓	✓	-	✓	✓	✓
Total	**23** of 23	**23** of 23	**20** of 23	**20** of 23	**16** of 23	**19** of 23	**21** of 23	**17** of 23	**22** of 23	**9** of 12	**22** of 23	**23** of 23	**20** of 23

Committee meeting attendance

	Governance and Policy Committee *Inclusive of 3 meetings*	Service Review Committee *Inclusive of 3 meetings*	CEO Performance Review Committee *Inclusive of 3 meetings*	Modbury Precinct Committee *Inclusive of 3 meetings*	Audit and Risk Committee *Inclusive of 4 meetings*	Council Assessment Panel *Inclusive of 7 meetings*
Mayor Ryan	N/A	3 of 3	*Presiding Member* 1 of 1[2]	2 of 3	1 of 1[1]	N/A
Cr Jones	*Presiding Member* 2 of 3	N/A	*Presiding Member* 2 of 2[3]	2 of 3	N/A	N/A
Cr Unger	3 of 3	*Presiding Member* 2 of 3	N/A	3 of 3	3 of 3[4]	N/A
Cr Zagladov	2 of 3	1 of 1[5]	N/A	2 of 3	*Presiding Member* 3 of 3[6]	N/A
Cr Hawkvelt	3 of 3	N/A	2 of 2[7]	*Presiding Member* 2 of 3	N/A	N/A
Cr Champion	N/A	3 of 3	1 of 1[8]	2 of 3	N/A	N/A
Cr Drozdoff	N/A	N/A	N/A	2 of 3	N/A	N/A
Cr Foreman	3 of 3	2 of 3	2 of 2[9]	3 of 3	N/A	5 of 7
Cr B Keane	N/A	N/A	3 of 3	3 of 3	N/A	N/A
Cr S Keane	N/A	N/A	3 of 3	3 of 3	N/A	N/A
Cr Lawrenson[10]	0 of 1	0 of 1	N/A	0 of 1	N/A	1 of 1
Cr Petrie	N/A	N/A	N/A	3 of 3	N/A	N/A
Cr Proleta	N/A	3 of 3	N/A	0 of 3	N/A	1 of 1[11]

1. *Mayor Ryan's ARC term commenced on 9 June 2026 (her term included 1 meeting).*
2. *Mayor Ryan's CEO PRC term commenced on 24 March 2026 and she was appointed Presiding Member on 26 May 2026 (her term included 1 meeting).*
3. *Cr Jones resigned from CEO PRC on 4 May 2026 (his term included 2 meetings).*
4. *Cr Unger resigned from ARC on 26 May 2026 (his term included 3 meetings).*
5. *Cr Zagladov SRC term commenced on 27 January 2026 (her term included 1 meeting).*
6. *Cr Zagladov resigned from ARC on 21 May 2026 (her term included 3 meetings).*
7. *Cr Hawkvelt resigned from CEO PRC on 24 March 2026 (her term included 2 meetings).*
8. *Cr Champion's CEO PRC term commenced on 27 May 2026 (her term included 1 meeting).*
9. *Cr Foreman resigned from CEO PRC on 27 May 2026 (her term included 2 meetings).*
10. *Cr Lawrenson resigned on 5 January 2026 (his term included 1 GPC meeting, 1 MPC meeting, 1 SRC meeting and 1 CAP meeting.*
11. *Cr Proleta attended the 1 meeting where the Lead Elected Member was absent, achieving 100% attendance in her capacity as Deputy Elected Member for CAP.*

Allowances, training, gifts and benefits

Allowances

Elected Members receive an annual allowance to assist them in undertaking their functions and duties.

These allowances are set by the independent Remuneration Tribunal of South Australia in accordance with the provisions of section 76 of the *Local Government Act 1999*.

Elected Members may also receive support in performing their duties as prescribed in the *Local Government Act 1999* and Council's Elected Member Support and Training Policy. The Policy, as well as a register that records all Elected Members' allowances and support, is available to view on our website.

Other allowances

External independent members of two of Council's committees are paid a sitting fee to attend meetings.

Audit and Risk Committee	Allowance paid (per meeting)
Presiding Independent Member	$900
Independent members	$500

Council Assessment Panel	Allowance paid (per meeting)
Presiding Member	$682.17
Independent Member	$558.15
Elected Member	$310.07

Elected Member	Allowances paid July 2025 – June 2026
Mayor Marijka Ryan	$101,316.15
Cr Lucas Jones *(Presiding Member of Governance and Policy Committee, Presiding Member of CEO Performance Review Committee up to 4 May 2026 and Deputy Mayor from 30 November 2026 to 9 December 2026)*	$31,661.32
Cr Rob Unger *(Presiding Member of Service Review Committee)*	$31,661.32
Cr Irena Zagladov *(Presiding Member of Audit and Risk Committee up to 21 May 2026)*	$30,758.77
Cr Jessica Hawkvelt *(Deputy Mayor up to 29 November 2025 and Presiding Member of Modbury Precinct Committee up to 26 May 2026)*	$30,751.43
Cr Kristianne Foreman *(Deputy Mayor from 10 December 2025)*	$28,900.14
Cr Marina Champion	$25,329.05
Cr Kimberley Drozdoff	$25,329.05
Cr Bernie Keane	$25,329.05
Cr Sandy Keane	$25,329.05
Cr Lyn Petrie	$25,329.05
Cr Donna Proleta	$25,329.05
Previous Elected Members	
Cr Blake Lawrenson *(resigned from Council on 5 January 2026*	$12,898.90

Gifts and benefits

There were 24 gifts declared as provided to members of the Council during the relevant financial year:

Name of person	From whom (name and organisation)	Reason for offer and acceptance	Description of gift of benefit	Estimated value	Declined or accepted (If accepted, what was done with the gift)
Cr Jessica Hawkvelt	City of Tea Tree Gully	A Day in the Gully	x2 tickets	$250	Accepted – attended event
Cr Kimberley Drozdoff	City of Tea Tree Gully	A Day in the Gully	x2 tickets	$250	Accepted – attended event
Cr Marina Champion	City of Tea Tree Gully	A Day in the Gully	x2 tickets	$250	Accepted – attended event
Cr Lucas Jones	City of Tea Tree Gully	A Day in the Gully	x2 tickets	$250	Accepted – attended event
Cr Rob Unger	City of Tea Tree Gully	A Day in the Gully	x2 tickets	$250	Accepted – attended event
Cr Kristianne Foreman	Member of Wynn Vale Community Garden	Attended community garden event; condiments unavailable for purchase. Later was offered condiments.	2 jars of chilli jam and a bottle of zucchini pickles	$30	Accepted
Cr Kristianne Foreman	Golden Grove Central Districts Baseball Club	Ladies Day	Ticket	$40	Accepted – attended event
Cr Kristianne Foreman	Tea Tree Players Theatre	Guest of Cr Hawkvelt for the 50th anniversary event	Bottle of wine, drink and food	$50	Accepted – attended event

Name of person	From whom (name and organisation)	Reason for offer and acceptance	Description of gift of benefit	Estimated value	Declined or accepted (If accepted, what was done with the gift)
Cr Jessica Hawkvelt	Tea Tree Gully Tennis Club	100th Event	Tickets for Jessica Hawkvelt and guest	$100	Accepted – attended event
Cr Jessica Hawkvelt	Tea Tree Players Theatre	50th anniversary event	Invitation for 2 including finger food, drink and bottle of wine	$50	Accepted – attended event
Cr Rob Unger	Glenn Docherty, Mayor of Playford	Invited to attend as guest of Glenn Docherty	1 ticket to Adelaide United vs Central Coast Mariners FC, and hospitality in the ComwireIT Club at Hindmarsh Stadium	Approx. $300	Accepted – attended event
Cr Rob Unger	Glenn Docherty, Mayor of Playford	Invited to attend as guest of Glenn Docherty	1 ticket to Adelaide United v. Melbourne City FC, and hospitality in the ComwireIT Club at Hindmarsh Stadium	Approx. $300	Accepted – attended event
Mayor Marijka Ryan	Premier of South Australia	To foster constructive relationships with the Premier and State Government representatives, network with mayors and support intergovernmental collaboration	Adelaide BP Grand Final –one-day attendance for the Mayor and partner to the State Suite; hospitality and entrance to the race	$600	Accepted – attended event

Name of person	From whom (name and organisation)	Reason for offer and acceptance	Description of gift of benefit	Estimated value	Declined or accepted (If accepted, what was done with the gift)
Cr Jessica Hawkvelt	Trees for Life	Attended in capacity as Deputy Mayor	-	$30	Accepted – attended event
Cr Marina Champion	City of Tea Tree Gully	Prayer Breakfast	Breakfast	$40	Accepted – attended event
Cr Irena Zagladov	City of Tea Tree Gully	Prayer Breakfast	Breakfast	$40	Accepted – attended event
Cr Rob Unger	City of Tea Tree Gully	Prayer Breakfast	Breakfast	$40	Accepted – attended event
Cr Jessica Hawkvelt	City of Tea Tree Gully	Prayer Breakfast	Breakfast	$40	Accepted – attended event
Cr Kimberley Drozdoff	City of Tea Tree Gully	Prayer Breakfast	Breakfast	$40	Accepted – attended event
Cr Kristianne Foreman	City of Tea Tree Gully	Prayer Breakfast	Breakfast	$40	Accepted – attended event
Mayor Marijka Ryan	City of Tea Tree Gully	Prayer Breakfast	Breakfast	$40	Accepted – attended event
Mayor Marijka Ryan	Pedare Christian College, Gleeson College and Golden Grove High School	Networking and relationship building with local schools	Combined Boards Dinner	$40	Accepted – attended event

Development and training

The City of Tea Tree Gully is committed to providing training and development activities for Elected Members in accordance with the Elected Member Support and Training Policy.

During 2025–2026, the training and development program for Elected Members included a range of professional learning opportunities and workshop discussion topics such as:

- Waste Management
- Main Roads and Gateways
- Customer Experience training
- Sfera's Renaming
- Golden Grove Code Amendment
- Croquet Club
- Strategic Planning
- Council Leadership
- Personal Branding and Networking
- Ombudsman Findings
- Future Burial options
- Housing Diversity and Integrated Transport Strategies
- Waterworld Masterplan Implementation
- City Tour – Capital Works Program
- Budget and Financial Sustainability
- Review of policies
- Building Optimisation
- Professional development forums

A register that records all Elected Members' training and development costs is available to view on our website.

Council invested approximately $19,219 to provide this training and development.

The following table provides a summary of the details of any interstate and international travel (excluding prescribed interstate travel) undertaken by members of the Council during the relevant financial year funded in whole or in part by the Council. The costings are as at 30 June 2026.

Name	Training	Cost
Mayor Marijka Ryan	Australian Local Government Association (ALGA) National General Assembly (including registration, flights and accommodation)	$2,833.19

Behavioural management

Elected Member Behavioural Standards

The following table provides a summary of complaints about Elected Member behaviour:

Complaint about	Number of alleged contraventions	Costs incurred by Council for dealing with complaint
Member behaviour	4	$6,132
Health and safety	4	$182,460



Confidentiality provisions

While Council and committee meetings are generally conducted in public, in the interest of the broader community it may be necessary to restrict public access to discussion and/or documents.

During 2025–2026, 28 items were considered in accordance with section 90(3) of the *Local Government Act 1999*, where it was necessary to exclude the public from the discussion of a particular matter.

The following table summarises the number of occasions that the provisions listed in section 90(2) (excluding the public during debate) or section 91(7) (documents to be kept confidential for a period of time) were used during the 2025–2026 financial year. The confidential status was current at 30 June 2026.

Date of meeting	Council / committee	Subject matter	Section 90(2)	Section 90(3)	Section 91(7)	Confidentiality status
30 June 2026	Council	Appointment of Qualified Independent Person for CEO Performance Review	1	1	1	Order released on 13 July 2026
30 June 2026	Council	Recommendations from the CEO Performance Review Committee Meeting held on 2 June 2026	1	1	1	Order released on 13 July 2026
9 June 2026	Council	Audit and Risk Committee – Appointment of Independent Member and Presiding Member and Terms of Reference	1	1	0	No retention order
2 June 2026	CEO Performance Review Committee	CEO Performance Review	1	1	1	Order released on 13 July 2026
19 May 2026	Modbury Precinct Committee	Presentation – Future Plans for Westfield Tea Tree Plaza	1	1	0	No retention order
12 May 2026	Council	Golden Grove Code Amendment – Deed and LMA Obligations Update	1	2	1	Order remains
14 April 2026	Council	External Audit Report – Food Safety Management	1	1	1	Order released on 6 July 2026

Date of meeting	Council / committee	Subject matter	Section 90(2)	Section 90(3)	Section 91(7)	Confidentiality status
24 March 2026	Council	Advice relating to Council Resolutions	1	1	1	Order remains
17 March 2026	Audit and Risk Committee	External Audit Report – Food Safety Management	1	1	0	No retention order
17 February 2026	Modbury Precinct Committee	Modbury Precinct Update	1	1	1	Order remains
9 December 2025	Council	2026 City of Tea Tree Gully Australia Day Awards	1	1	1	Order released on 27 January 2026
9 December 2025	Council	Request for Support	1	2	1	Order remains
3 December 2025	Audit and Risk Committee	Local Government Mutual Risk Schemes Membership Benefits Summary 2025–2026	1	1	1	Order remains
20 November 2025	Special Meeting of Council	Land update	1	1	1	Order remains
20 November 2025	Special Meeting of Council	Golden Grove Code Amendment and Associated Infrastructure Agreements	1	2	1	Order remains
11 November 2025	Council	Presentation – Golden Grove Code Amendment Update	1	2	0	No retention order
28 October 2025	Council	Appointment of Council Assessment Panel Members	1	1	1	Order released on 3 November 2025
17 October 2025	Council	Recommendations from the CEO Performance Extension of Hender Consulting Contract	1	1	0	No retention order

Date of meeting	Council / committee	Subject matter	Section 90(2)	Section 90(3)	Section 91(7)	Confidentiality status
14 October 2025	Council	Recommendations from the CEO Performance and Remuneration Review 2024–2025	1	1	1	Order released on 13 July 2026
7 October 2025	CEO Performance Review Committee	CEO Performance and Remuneration Review 2024–2025	1	1	1	Order released on 13 July 2026
23 September 2025	Council	Tender Recommendation – C242505 Kerbside Collection Services	1	3	1	Order remains with partial order released on 16 January 2026
10 September 2025	Modbury Precinct Committee	Terms of Reference and Future Meetings	1	2	0	No retention order
9 September 2025	Council	CEO Performance Review 2024–2025 and Key Performance Indicators for 2025–2026	1	1	0	No retention order
26 August 2025	Council	Land Investigation	1	1	1	Order remains
6 August 2025	Special Meeting of Council	Land Investigation	1	2	1	Order released on 20 January 2026
22 July 2025	Council	Motion without Notice – Strategic Land Investigation	1	1	1	Order released on 21 January 2026
22 July 2025	Council	Venue renaming for Sfera's Park Suites and Convention Centre	1	1	1	Order released on 30 October 2025
Total orders			**27**	**35**	**20**	

A total of 17 confidential retention orders expired, ceased to apply or were revoked (or partly revoked) during 2025–2026 (including 5 orders and 1 partial order which were made in 2025–2026).

There were 46 confidential retention orders under section 91(7) that remained operative as at 30 June 2026 (made after 15 November 2010). Of these, 9 are listed in the above table, with the remaining 37 operative as at 30 June 2026 listed below:

Date of meeting	Council / committee	Subject matter	Section 90(3)
24 June 2025	Council	Status update – RFT C242505: Council waste and recycling services	(b) (d)
10 June 2025	Council	Contract extension – Processing co-mingled recyclables	(b) (d)
27 May 2025	Council	Strategic Land Acquisition Update	(b)
6 February 2025	Special Meeting of Council	Strategic Land	(b)
12 November 2024	Council	Notice of Motion – Strategic Land	(b)
12 November 2024	Council	SACAT Complaint 2023/SA001373 – Update	(j)
24 September 2024	Council	Strategic Land, Modbury	(b)
13 August 2024	Council	Grant Funding Application – One Tree Hill Road Upgrade, Golden Grove	(b)
1 August 2024	Special Council	Strategic Land Acquisition	(b)
1 August 2024	Special Council	Modbury Central Phase 1 Prudential Report	(b)

Date of meeting	Council / committee	Subject matter	Section 90(3)
1 August 2024	Special Audit and Risk Committee	Modbury Central Phase 1 Prudential Report	(b)
25 June 2024	Council	Civic Park Precinct (Modbury Central) Vision	(b)
28 May 2024	Council	SACAT Complaint 2023/SA001373 Outcome – former Mayor Kevin Knight	(i)
28 May 2024	Council	Sale of Land for Non Payment of Council Rates	(a)
13 February 2024	Council	Public Lighting	(i)
13 February 2024	Council	Civic Park Precinct Vision Update	(b)
28 February 2023	Council	Harpers Field Community Building and Clubrooms Construction – Tender Recommendation	(b) (k)
11 October 2022	Council	Third Party Provisional Report – 2022/00900	(j)
1 September 2022	Special Meeting of Council	Third Party Provisional Report – 2021/01843	(j)
23 August 2022	Council	Golden Grove Residential & Commercial Code Amendment and infrastructure deeds	(d) (m)
14 June 2022	Council	Correspondence from Ombudsman – Complaint relating to the Investigation Process for Third Party Referrals	(j)
26 April 2022	Council	Golden Grove Residential and Commercial Code	(m)
28 September 2021	Council	Public Lighting	(i)
8 June 2021	Council	Notice of Motion – Apology to Edinburgh Reserve Petition Group	(i)

Date of meeting	Council / committee	Subject matter	Section 90(3)
4 May 2021	Special Meeting of Council	Deputy Mayor Report – in relation to Council Resolution Number 780 from the Special Meeting of Council 17 March 2021	(j)
23 March 2021	Special Meeting of Council	Public Statement – Third Party Referral	(j)
17 March 2021	Special Meeting of Council	Deputy Mayor Report – Third Party Referral – Final Report – 2020/005321	(j)
17 March 2021	Special Meeting of Council	Chief Executive Officer Report – Third Party Referral – Final Report – 2020/005321	(j)
23 February 2021	Council	Third Party Referral – Final Report – 2020/003687	(a)
27 October 2020	Council	Deputy Mayor Report – Third Party Referral – Final Report – 2020/002486, 2020/003501, 2020/003535, 2020/003646, 2020/005321	(j)
27 October 2020	Council	Deputy Mayor Report – Third Party Referral – Final Report – 2020/002094	(a) (e) (j)
25 August 2020	Council	Third Party Referral considerations	(j)
14 July 2020	Council	Third Party Referral	(j)
29 June 2020	Council	Complaint lodged by Mr Kevin Knight against Chief Executive Officer	(a) (h) (j)
25 February 2020	Council	Third Party Referral – 2020/002486	(j)
25 February 2020	Council	Third Party Referral – 2020/002094	(a) (e) (f) (g) (j)
27 August 2019	Council	Sale of Land for Non Payment of Council Rates	(a)

The following table identifies the grounds on which the Council considered the matters and determined to exclude the public from the discussion and the related documentation.

This differs from the total number of confidential orders as a number of confidential orders fell under more than one ground [subparagraph of section 90(3)(a)-(o)].

Section 90(3) subparagraph – grounds on which the matter was considered	Total
Section 90(3)(a) information the disclosure of which would involve the unreasonable disclosure of information concerning the personal affairs of any person (living or dead)	9
Section 90(3)(b) information the disclosure of which – (i) could reasonably be expected to confer a commercial advantage on a person with whom the council is conducting, or proposing to conduct, business, or to prejudice the commercial position of the council; and (ii) would, on balance, be contrary to the public interest	13
Section 90(3)(c) information the disclosure of which would reveal a trade secret	0
Section 90(3)(d)(i) and (ii) commercial information of a confidential nature (not being a trade secret) the disclosure of which – (i) could reasonably be expected to prejudice the commercial position of the person who supplied the information, or to confer a commercial advantage on a third party; and (ii) would, on balance, be contrary to the public interest	7
Section 90(3)(e) matters affecting the security of the council, members or employees of the council, or council property, or the safety of any person	0
Section 90(3)(f) information the disclosure of which could reasonably be expected to prejudice the maintenance of law, including by affecting (or potentially affecting) the prevention, detection or investigation of a criminal offence, or the right to a fair trial	0
Section 90(3)(g) matters that must be considered in confidence in order to ensure that the council does not breach any law, order or direction of a court or tribunal constituted by law, any duty of confidence, or other legal obligation or duty	0

Section 90(3) subparagraph – grounds on which the matter was considered	Total
Section 90(3)(h) legal advice	1
Section 90(3)(i) information relating to actual litigation, or litigation that the council or council committee believes on reasonable grounds will take place, involving the council or an employee of the council	0
Section 90(3)(j) information the disclosure of which – (i) would divulge information provided on a confidential basis by or to a Minister of the Crown, or another public authority or official (not being an employee of the council, or a person engaged by the council); and (ii) would, on balance, be contrary to the public interest	3
Section 90(3)(k) tenders for the supply of goods, the provision of services or the carrying out of works	1
Section 90(3)(m) information relating to a proposal to prepare or amend a designated instrument under Part 5 Division 2 of the *Planning, Development and Infrastructure Act 2016* before the draft instrument or amendment is released for public consultation under that Act	0
Section 90(3)(n) information relevant to the review of a determination of a council under the *Freedom of Information Act 1991*	0
Section 90(3)(o) information relating to a proposed award recipient before the presentation of the award	1
Total instances of 90(3) subparagraphs used	**35**

Internal review of Council decisions

The *Local Government Act 1999* provides for any individual to ask for a review of a decision made by Council, its employees or other persons acting on behalf of the Council.

During the 2025–2026 period, Council received 11 applications for an internal review of a decision, as summarised in the table below.

The Internal Review of Council Decisions Policy is available on our website.

Subject matter	Number of applications	Decision outcome
Review decision of Council to retain tree on Thomson Drive, Fairview Park	1	Decision upheld
Review decision of Council to retain new street tree planting on Flockhart Avenue, Valley View	1	Decision upheld
Review decision of Council to not further prune or remove tree in Deakin Reserve	1	Decision upheld
Complaint handling, confidentiality breaches, lack of communication	1	Decision upheld
Review decision of Council to install and retain yellow lines and parking signage on Riley Street, Holden Hill	1	Decision overturned
Review decision of Council to not provide maintenance services to footpath at Bourke place, Golder Grove	1	Decision upheld
Review decision of Council to not remove and replace tree on Kurrajong Street, Surrey Downs	1	Decision upheld
Review decision of Council to not install streetlight glare shields at Parkview Drive, Tea Tree Gully	1	Decision upheld
Review decision of Council to not further prune trees on Payne Street, Hope Valley	1	Decision upheld
Review decision of Council to retain street tree on Montrose Place, Golden Grove	1	Decision upheld
Review decision of Council to not further prune a street tree on Parkview Drive, Tea Tree Gully	1	Decision upheld
Total number of applications	**11**	

Audit and Risk Committee activities report

Requirements of the Audit and Risk Committee

This report provides a summary of the Audit and Risk Committee's activities for the Financial Year 1 July 2025 – 30 June 2026. The Committee has undertaken the discharge of its duties in accordance with the following:

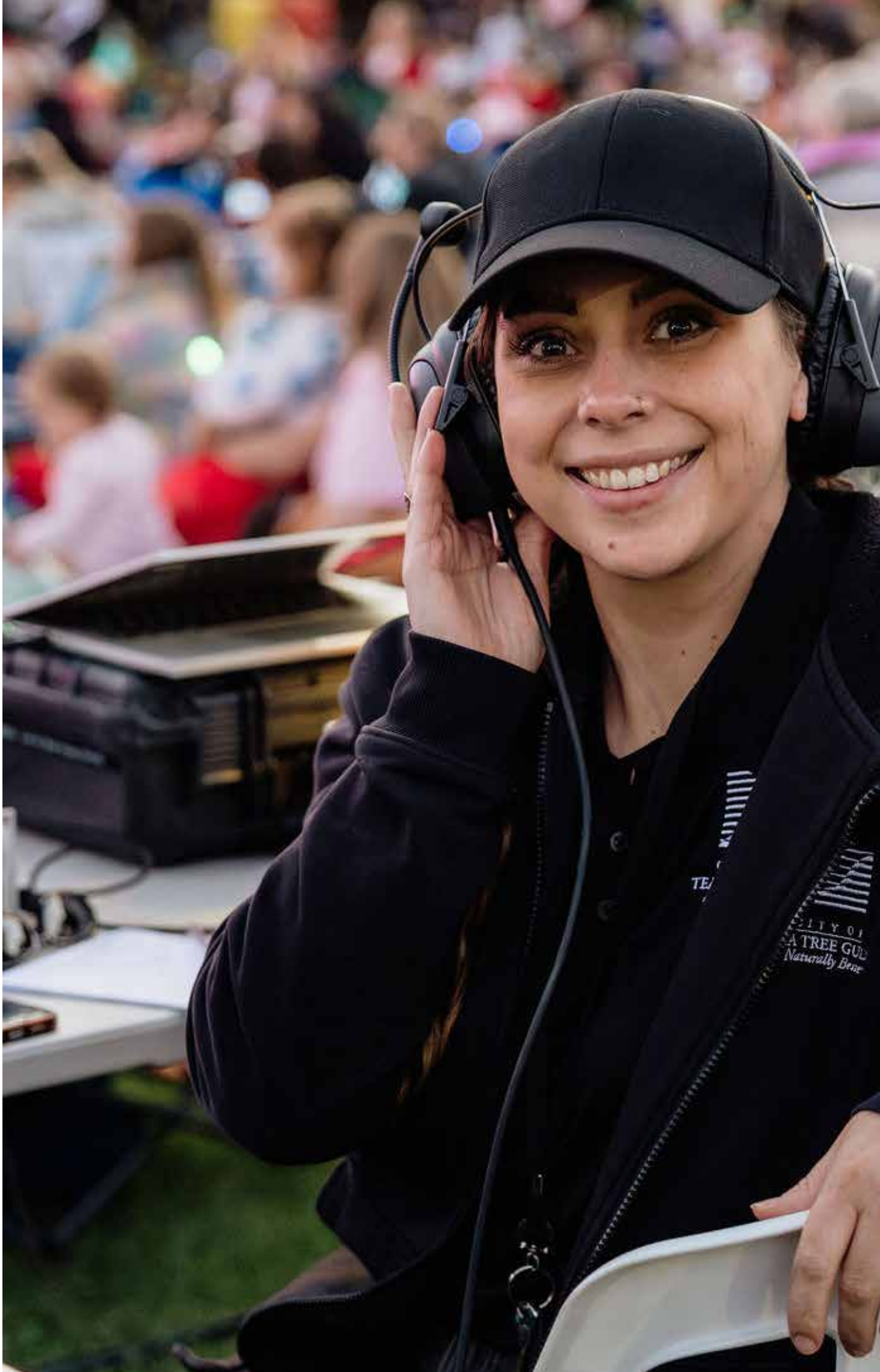
- *Local Government Act 1999*
- *Local Government (Financial Management) Regulations 2011*
- Audit and Risk Committee's Terms of Reference (TOR).

Audit and Risk Committee summary of activities

Activity	Received by Audit and Risk Committee
Financial management reporting (TOR 2.1, 2.2, 2.5, 2.6)	
Annual financial statements	• Audited Financial Statements 2024–2025 (September 2025)
Internal control assessment	• Internal Control Assessment 2025–2026 (May 2026)
Financial budget and planning	• Draft Long Term Financial Plan 2026–2035 (September 2025) • Draft Long Term Financial Plan 2027–2036 (March 2026) • Draft Annual Budget for the Financial Year Ending 30 June 2027 (June 2026) • Budget Adoption and Rates Declaration for the Financial Year Ending 30 June 2027 • First Quarter Budget Review 2025–2026 (December 2025) • Second Quarter Budget Review 2025–2026 (March 2026) • Third Quarter Budget Review 2025–2026 (June 2026) • Treasury Report on Council Funding (December 2025) • ESCOSA Report and Council Response (March 2026) • Council Response to ESCOSA Consultation Draft: Local Government Advice Scheme Second Cycle: Framework and Approach (June 2026)

Strategic management plans and business plans (TOR 2.2)	
Strategic management plans	• Strategic Asset Management Plan 2025–2034 (June 2026)
Business and financial plans	• Draft Long Term Financial Plan 2026–2035 (May September 2025) • Draft Long-Term Financial Plan 2027–2036 (March 2026) • Budget Adoption and Rates Declaration for the Financial Year Ending 30 June 2027 (including Annual Business Plan 2026–2027) (June 2026)
External audit (TOR 2.5, 2.6, 2.9, 2.11)	
External audit plan and reporting	• Annual External Audit Plan 2025–2026 (June 2026) • External Auditors Interim Management Letter 2025–2026 (June 2026) • External Audit Report – Food Safety Management (March 2026)
Internal audit (TOR 2.3, 2.7, 2.8)	
Internal audit plan	• Internal Audit Plan 2026–2027 (June 2026) • Internal Audit Plan Status Update (September 2025, December 2025, March 2026, June 2026)
Internal audit reports	• Tender Management (September 2025) • Delegations and Authorisations (December 2025) • Payroll (December 2026) • Accreditation Credentials (June 2026)
Internal audit agreed actions status reporting	• Internal Audit Agreed Actions Update (September 2025, March 2026) • Internal Audit Agreed Actions Update – High and Extreme Risk Rated Actions (December 2025, June 2026)
Council response to internal audit agreed actions	• Water Strategy (March 2026) • Biodiversity Strategy (March 2026) • Energy Strategy (March 2026) • Strategic Asset Management Plan 2025–2034 (June 2026)

Risk management (TOR 2.9, 2.10, 2.13)	
Strategic and organisational risk review	• Strategic Risk Management Report (December 2025, June 2026)
Emerging key risks	• Strategic Emerging Risks (September 2025, December 2025, March 2026, June 2026)
Key risk presentations	• Waterworld Safety (September 2025) • Business Continuity Management (December 2025) • Artificial Intelligence in Council (June 2026)
Building Fire Safety Committee	• Annual Building Fire Safety Committee Report (September 2025)
Incident and emergency management	• Council Incident Management Arrangements – Higher Risk Weather Season 2025–2026 (December 2025)
Insurance reports	• Council Insurance Policy and Premiums Analysis (September 2025) • Local Government Mutual Liability Risk Schemes Membership Benefits Summary 2025–2026 (December 2025)
Review policies relevant to the functions of the committee	• Assets Capitalisation Policy (September 2025) • Asset Revaluation Policy (September 2025)
Committee Governance (TOR 7.1, 7.2, 7.3, 7.4)	
Resolutions status report	• Status Report on Audit and Risk Committee Resolutions (Council report) (September 2025, December 2025, March 2026, June 2026)
Internal audit processes	• Annual Report on Internal Audit Processes 2024–2025 (September 2025)
Committee self-assessment	• Audit and Risk Committee Annual Self-Assessment 2025 (December 2025) • Audit and Risk Committee Self-Assessment Survey Results 2025 (March 2026)
Committee work plan	• Audit and Risk Committee Work Plan 2025–2026 (September 2025, December 2025, March 2026, June 2026)





OUR ORGANISATION

We're a high-performing, progressive and dynamic organisation committed to making a positive difference in people's lives through the provision of quality services and infrastructure.

Our people are our greatest asset and are critical to achieving our vision for our City and community. We provide a safe and secure working environment and seek to develop our people and build on our service-based culture. Diversity and inclusion are encouraged, as is open, transparent and accountable decision making.

Organisational structure

Our organisational structure enables us to deliver varied and responsive services to meet the diverse needs of our community.

Our organisation is structured into the following five portfolios, each led by an Executive Leadership Team member (Chief Executive Officer and four General Managers):

- Office of the Chief Executive Officer
- Strategy and Finance
- City Operations
- Corporate Services
- Community Services

Teams within each department perform specific functions, collaborate on projects and share their particular knowledge and expertise across the organisation.



Staff profile

Executive remuneration

For financial year 2025–2026, our Executive Leadership Team (ELT) consists of the Chief Executive Officer (CEO) and four General Managers (GMs).

- The CEO receives a fuel allowance as reimbursement of his private vehicle for work purposes.
- The CEO receives an additional 1.6 weeks of annual leave per annum.
- The GMs are entitled to salary sacrifice in respect of a motor vehicle.
- GMs are provided with a mobile phone, laptop and notebook computer. The Employer will not require GMs to pay for reasonable private calls made within Australia using their Employer-provided mobile phone.
- Professional development – the Employer agrees to provide GMs with professional development opportunities to meet the performance criteria in their employment agreement.
- Some GMs receive an additional 3 days of annual leave per annum.

Interstate and international travel

The CEO attended the Annual Local Government Association (ALGA) Annual General Meeting (AGM) in Canberra on 24–25 June 2026 at a total cost of approx. $1,200 (including travel, accommodation, transport and meals)

Two team leaders and one team member attended a TechOne conference in Sydney on 23–24 October 2025 at a total cost of approx. $3,256.41 (including travel, accommodation, transport and meals).

Gifts received

A summary of gifts received above the value of $50 follows:

Position	Date offered or received	Name of person/ organisation providing the gift or benefit	Description of gift or benefit	Reason for acceptance	Estimated value
Team Leader Horticulture	24 July 2025	ACW Group Pty Ltd	Merchandise (clothing)	Accepted as a gift with purchase	$150.00
Community Safety Officer	4 September 2025	Bing Intelligent Communication	Raffle prize (bottle of gin)	Accepted raffle prize at the APA conference	$70.00
Senior Advisor WHS	18 September 2025	Rehab Management	Raffle prize (Apple Airpods 4)	Accepted raffle prize at Self Insurers of South Australia (SISA) Conference	$189.00
IT Support Officer	26 September 2025	LGITSA Conference	Lego set	Raffle Prize	$100.00
Senior Network Administrator	26 September 2026	LGITSA Conference	Two bottles of wine	Raffle Prize	$50.00
Senior Library CX Officer	29 November 2025	The Gawler Book Knot	Flowers	Gift from the members of a book discussion group	$60.00
Field Officer Concreter/ Pavior & Concrete Trainee	14 January 2026	Resident	Four bottles of wine	Gift	$160.00
x5 Marketing and Event Staff	28 February 2026	Standing Room Only	A Day in the Gully ticket	Marketing and Event staff working the event stayed at the event when their shift was completed – ticket was gifted by the promoter	$375.00
Team Leader Arboriculture	7 May 2026	Sherrin Rentals	Two dozen Krispy Kreme doughnuts	Gift provided outside of a robust procurement process	$53.90




A DAY ON THE GULLY



OUR REPORTING

Transparent and accountable governance underpins our business and demonstrates that we're operating in the best interests of our community.

Council has a number of legislative obligations for corporate reporting. Our ethical, transparent and accountable reporting framework ensures future sustainability, effective use of resources, and that we meet our legal obligations.

Policies, registers and codes

Policies

All City of Tea Tree Gully policies, including those required by legislation, are available on our website.

Registers

The *Local Government Act 1999* and the *Local Government (Elections) Act 1999* require Council to establish various registers.

The City of Tea Tree Gully has established the following registers in accordance with the provisions of the relevant legislation.

- Community Land Register
- Confidential and Released Documents for Council and Committee Meetings Register
- Delegations Register
- Elected Member Allowances and Benefits Register
- Elected Member Gifts Register
- Elected Member Information or Briefing Session Register
- Elected Member Training & Development Register
- Employee Gifts and Benefits Register
- Fees and Charges Register
- Register of Interests (Elected Members, Independent Committee Members [where relevant], Staff [where relevant] and Council Assessment Panel members)
- Register of By-laws and Certified Copies. The City of Tea Tree Gully has the following by-laws:
  - Permits and penalties
  - Roads
  - Local government land
  - Moveable signs
  - Waste management
  - Dogs
  - Cats
- Register of Remuneration, Salaries and Benefits
- Road Register
- Voters roll

Note: Council does not have a Register of Building Upgrade Agreements as it has no such agreements in place.

Codes

Codes of conduct or practice kept as required by the *Local Government Act 1999* include:

- Code of Practice – Access to Council and Committee Meetings and Documents
- Code of Practice for Meeting Procedures
- Elected Member Behavioural Management Policy
- Employee Conduct Policy.

Other public documents

A number of other Council documents (including Council's Annual Business Plan and Annual Report) are made available for public inspection at the Civic Centre, in accordance with section 132 and Schedule 5 of the *Local Government Act 1999*.

Many of these documents are available on our website.

Freedom of information

The *Freedom of Information Act 1991* extends to every person the right to access information held by state and local government agencies.

To access information in accordance with the *Freedom of Information Act 1991*, a person must submit an application clearly specifying the nature of the information required.

The City of Tea Tree Gully received 19 applications during the 2025–2026 financial year.

Applications received	**2024–2025**	**2025–2026**
Total applications received	36	19
Applications brought forward from the previous year	0	2
Applications determined	31	19
Applications transferred in full	0	0
Applications withdrawn	3	1
Lodgement by MP (no payment required)	5	2
Lodged by concession (fees waived)	9	5
Personal applications	28	13
Non-personal applications	8	6
Determination outcomes		
Full release	4	3
Partial release	21	13
Refused release	6	2
Withdrawn	3	1
Clauses and reasons for refusal referenced		
Reason for restricted/refusal – exempt agencies	0	0
Reason for restricted/refusal – record does not exist/documents not held	0	0

Applications received	2024–2025	2025–2026
Clauses and reasons for refusal referenced (cont.)		
Reason for restricted/refusal – personal affairs (clause 6)	23	12
Reason for restricted/refusal – business affairs (clause 7)	0	2
Reason for restricted/refusal – incomplete (section 15)	2	0
Reason for restricted/refusal – unreasonable diversion of resources (section 18(1))	0	0
Reason for restricted/refusal – abuse of rights/purpose (section 18(2))	0	0
Reason for restricted/refusal – fees not paid/ no payment received (clause 18(3))	1	0
Reason for restricted/refusal – exempt (section 20(1))	23	15
Reason for restricted/refusal – documents otherwise accessible (section 20(1)(b))	0	0
Internal review		
Applications for internal review	2	1
Internal review determined	2	1
Internal review transferred in full	0	0
Internal review withdrawn	0	0
Internal review decision confirmed	2	0
Internal review decision reversed	0	0
Internal review decision varied	0	1
External review		
Applications for external review	1	1
External review withdrawn	1	0
External review decision confirmed	0	1
External review decision reversed	0	0
External review decision varied	0	0

Competitive tendering arrangements

In accordance with Australia's National Competition Policy (Clause 7) requirements, Council can report as follows:

1. While Council was engaged in many negotiations for the provision of goods and services to the public for the 2025–2026 financial year, some of which were of a business nature, it was concluded that none of these could be regarded as significant.
2. In relation to the complaints procedure, implemented in compliance with National Competition Policy, Council does not have any complaints pending. When complaints are received, they are dealt with according to Council's General Complaints Policy.

Procurement Policy

For tendering and general procurement practices, Council has a Procurement Policy in place, which has been developed and adopted in accordance with Part 4 of the *Local Government Act 1999*.

This policy is underpinned by the following key procurement principles:

- Value for money
- Open and fair competition
- Professional integrity and probity
- Client service provision
- Management of risk
- Accountability
- Simplicity
- Local industry sourcing.

Twenty-eight tenders were competitively tendered in accordance with Council's Procurement Policy during 2025–2026. These included contracts for plant, services, consultants, maintenance, horticulture, construction and roadworks, with some works and services bundled into one competitive tender process.

All tenders are evaluated fairly, equitably and transparently, using Council's adopted tender selection system to assess the quality of the tenderer and their ability to meet specification and performance requirements.

Where appropriate, and given an equal outcome of the evaluation process, preference is given to local companies over those based elsewhere in SA. In addition to our comprehensive tendering process, our Council's policy provides guidance on any requests for quotation for works and services valued at less than $200,000.

The works and services are typically quoted on a competitive basis, with assessment criteria aligned to our Procurement Policy.

Council accesses a number of sector-wide procurement arrangements, such as the Local Government Association Procurement contracts. These sector-wide contracts are governed by those organisations' independent procurement policies.

During 2025–2026, Council did not terminate any business dealings bound by competitive neutrality provisions. Competitive neutrality provisions and full-cost attribution continue to be applied to all business reviews as part of Council's Continuous Improvement Program.

By-laws review

There are currently no existing or proposed by-laws restricting competition.

Community land and Council facilities

Council has 607 reserves under its care classified as community land, including sporting hubs and community buildings, open space, playgrounds and reserve furniture, creek lines and drainage reserves, screening reserves and plantations.

The *Local Government Act 1999* requires Council to prepare and adopt community land management plans.

These plans provide clarity and certainty to the community about the development and management of community land.

Changes to community land management plans during 2025–2026 are listed in the Register of Amendments on Council's website.

A new community land management plan is to be prepared in due course for community land with cultural and heritage value.

Community land management plans are available on our website.

Community Land Register

Section 207 of the *Local Government Act 1999* requires Council to keep a register of all community land within its boundaries. This register is available on our website.

In 2025–2026, capital improvement works were carried out on a number of our properties.

These are listed in our Annual Business Plan which is available on our website.

Facilities available for hire range from clubrooms and community halls to reserves and recreation centres. Most may be hired under a seasonal permit, casual hire application, or lease or licence arrangement.

Currently there are 45 endorsed leases and 19 licences to community groups and sporting clubs within the Council area.

Local nuisance and littering complaints

The table below shows the number of complaints received under the *Local Nuisance and Litter Control Act 2016* for the 2025–2026 financial year.

	Litter	Nuisance
Regulation 5(a)		
Complaints of local nuisance or littering received by Council	302	397
Regulation 5(b)		
(i) Offences under the Act that were expiated	63	16
(ii) Offences under the Act that were prosecuted	0	0
(iii) Nuisance abatement notices or litter abatement notices issued	0	9
(iv) Civil penalties negotiated under section 34 of the Act	0	0
(v) Applications by the Council to the Court for orders for civil penalties under section 34 of the Act	0	0
and the number of orders made by the Court for those applications	0	0

Event sponsorship

Major events

Major events continue to be highly valued by the community, providing opportunities for social connection, community pride and economic activity across the City of Tea Tree Gully. These events play an important role in fostering community wellbeing and showcasing the City as a vibrant destination for residents and visitors alike.

In the 2025–2026 financial year, the major events program successfully delivered a total of 32 events, comprising:

- 6 major community events
- 5 citizenship ceremonies
- Annual Australia Day Awards Ceremony
- 8 official events celebrating Council's major projects and infrastructure
- 12 events delivered by external event organisers.

One of the highlights of the year was the inaugural A Day in the Gully music festival, which attracted more than 10,000 attendees despite challenging weather conditions. Delivered through a partnership with an independent festival organiser, the event established itself as a significant contributor to the local economy, generating increased visitation, supporting local businesses, and enhancing the region's cultural and tourism profile.

Climate conditions remain a significant consideration for event planning and delivery. During the year, several events across the City were impacted by extreme weather, including excessive heat, heavy rainfall and lightning, resulting in cancellations, postponements or event modifications. Despite these challenges, the major events program continued to deliver successful outcomes for the community.

Event attraction program

Council's event attraction program continues to support community-led events that strengthen social connections, celebrate diversity, and contribute to a vibrant and active City. Through the provision of financial and in-kind assistance, Council continued to help local organisations and event organisers deliver live events and experiences that bring people together and create opportunities for community participation.

In 2025–2026, support was provided for the following events:

- Tea Tree Gully Art Show
- Tea Tree Gully Prayer Breakfast
- Adelaide Easter Carnivale
- Golden Grove Science Fair.

The following events were approved for support but were subsequently cancelled:

- TTG SAAL Skins Sprint Carnival
- Diwali Utsav 2025.

Council remains committed to supporting events that enrich community life, strengthen civic pride, and contribute to an inclusive and vibrant City.







OUR FINANCES

We're committed to strong and sustainable financial management.

Achieving and maintaining financial sustainability is a key long-term objective. Financial sustainability enables the delivery of services and infrastructure to meet growing community needs. The financial statements included in this section provide information on the financial performance of Council.

Financial overview

The City of Tea Tree Gully manages assets valued at approximately $2.1 billion. These include land, community buildings, library collections, recreational facilities, equipment, roads, footpaths, bridges, traffic control systems and stormwater infrastructure.

To maintain these assets and ensure the ongoing delivery of services, Council generates revenue primarily through rates and receives supplementary funding from both the Australian Government and the South Australian Government.

When setting annual rates, Council remains committed to balancing affordability for residents and businesses with the need to fund essential services.

Council's annual budget is shaped by the Financial Sustainability Policy and the Long-Term Financial Plan (LTFP) 2026–2035, which is guided by five key principles:

- Maintain existing assets at current service levels
- Continue asset reviews, reinvesting proceeds from any sales back into the community
- Keep debt within the targeted range
- Exercise strict control over operating expenditure
- Allocate funding within the capital works program for new or unforeseen projects

The following summary outlines Council's financial performance for the 2025–2026 financial year in alignment with these principles.

Operating surplus

In line with the Financial Sustainability Policy, Council aims to achieve a budget surplus. For 2025–2026, Council recorded an operating surplus of $7.754 million (excluding new capital revenues), a decrease of $0.937 million from the $8.691 million surplus in 2024–2025. This result meets the financial target.

Asset renewal and depreciation

A key measure of whether or not a council is renewing or replacing its assets at the same rate that its overall stock of assets is wearing out is the asset renewal funding ratio (ARFR). This is calculated by measuring expenditure on renewal or replacement of assets relative to the recorded rate of planned asset renewal for the same period.

Council aims to have capital outlay on renewing or replacing assets (net of proceeds from the sale of replaced assets) as greater than 90% but less than 110% of planned asset renewal over a rolling three-year period. The ARFR for the 2025–2026 financial year was 92%, which was within the target range.

Debt management

Council's LTFP sets a goal to maintain debt within a targeted range, measured by the Net Financial Liabilities Ratio (NFLR). This ratio compares net financial liabilities (total liabilities minus financial assets) to total operating revenue.

At the end of 2025–2026, Council's net financial liabilities stood at $29.8 million, resulting in an NFLR of 23%, which is below the target range of 25–35%.

Review of assets

Council continues to actively review its asset base in accordance with the Strategic Plan 2030 and supporting infrastructure and asset management plans, ensuring alignment with long-term planning objectives.

Council rates

Since adopting a differential rating system in July 2012, Council has been able to better manage valuation fluctuations and ensure fair contributions from commercial and industrial properties. This system supports economic development and capital growth.

In 2025–2026, rates were set to cover the cost of existing services, both mandatory and discretionary, as well as future projections outlined in the LTFP and the infrastructure and asset management plans.

Further details are available in the Annual Business Plan.

Financial statements

Audited financial statements for the City of Tea Tree Gully are included in this Annual Report and are also available on Council's website.

Auditor remuneration

The remuneration payable to Council's auditor for the annual audit was $40,526 (plus GST). No other remuneration was payable to the auditor for the 2025–2026 financial year.

Annual Business Plan 2025–2026 performance

Council adopted the Annual Business Plan 2025–2026 on 30 June 2025. This plan outlines financial year goals, including service delivery, programs, projects, budget forecasts, and rate changes.

A summary of actual financial performance compared to budget projections is provided in the table on page 77.

Credit cards

To improve efficiency, Council uses credit cards for certain transactions. In 2025–2026, total payments made via credit card amounted to $5.1 million (excluding GST). Robust procedures and internal controls are in place to ensure all transactions are properly reviewed and processed.

Indicators	Formula	LGA suggested range	Council target	2025–2026	2024–2025	2023–2024
Operating surplus	Operating income less operating expenses	Break even or better over 5 years	Break even or better over 3 years	$7.754m	$8.691m	$1.214m
Adjusted operating surplus ratio	Operating surplus as a percentage of total operating revenue	0% – 15%	2.5% – 10%	3.4%	4.5%	4.7%
Net financial liabilities ratio including land held for sale	Total liabilities less financial assets divided by operating revenue	0% – 100%	25% – 35%	23%	23%	15%
Net financial liabilities including land held for sale	Total liabilities less financial assets divided by operating revenue	–	–	$29.8m	$27.34m	$14.13m
Net financial liabilities ratio excluding land held for sale	Total liabilities less financial assets	–	–	23%	23%	15%
Net financial liabilities excluding land held for sale	Total liabilities less financial assets	–	–	$29.8m	$27.25m	$15.6m
Asset renewal funding ratio	Expenditure on renewal and replacement of assets less disposal proceeds from replaced assets/ depreciation expenses	90% – 110% over a rolling 3-year period	90% – 110% over a rolling 3-year period	92%	93%	95%
Fiscal balance	Net lending position or net borrowing requirement in the uniform presentation of finances table	–	–	($2.747m)	($17.2m)	($5.8m)

Financial statements

General purpose financial statements
for the year ended 30 June 2026.

City of Tea Tree Gully

GENERAL PURPOSE FINANCIAL STATEMENTS

for the year ended 30 June 2026

CITY OF
TEA TREE GULLY
Naturally Better

City of Tea Tree Gully

General Purpose Financial Statements

for the year ended 30 June 2026

Contents Page

Council certificate 2

Principal Financial Statements

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

Notes to and forming part of the Financial Statements 7

Independent Auditor's Report – Financial Statements 44

Independent Auditor's Report – Internal Controls 45

Certificates of Audit Independence

Council Certificate of Audit Independence 46
Audit Certificate of Audit Independence 47

City of Tea Tree Gully

General Purpose Financial Statements

for the year ended 30 June 2026

Certification of Financial Statements

We have been authorised by the Council to certify the financial statements in their final form.

In our opinion:

- the accompanying financial statements comply with the *Local Government Act 1999, Local Government (Financial Management) Regulations 2011* and Australian Accounting Standards,
- the financial statements present a true and fair view of the Council's financial position at 30 June 2026 and the results of its operations and cash flows for the financial year,
- internal controls implemented by the Council provide a reasonable assurance that the Council's financial records are complete, accurate and reliable and were effective throughout the financial year,
- the financial statements accurately reflect the Council's accounting and other records.

Ryan McMahon
Chief Executive Officer

22 September 2026

Marijka Ryan
Mayor

22 September 2026

City of Tea Tree Gully

Statement of Comprehensive Income

for the year ended 30 June 2026

$ '000	Notes	2026	2025
Income			
Rates	4a	101,133	97,064
Statutory charges	4b	3,012	2,804
User charges	4c	8,049	5,369
Grants, subsidies and contributions - operating	4g	11,076	9,943
Grants, subsidies and contributions - capital	4g	2,110	1,323
Investment income	4d	345	385
Reimbursements	4e	179	125
Other income	4f	2,612	3,203
Total income		128,516	120,216
Expenses			
Employee costs	5a	42,956	40,437
Materials, contracts and other expenses	5b	56,336	50,409
Depreciation, amortisation and impairment	5c	19,928	20,359
Finance costs	5d	1,542	320
Total expenses		120,762	111,525
Operating surplus / (deficit)		7,754	8,691
Amounts received specifically for new or upgraded assets	4g	6,663	16,796
Asset disposal and fair value adjustments	6	(1,256)	1,464
Net surplus / (deficit)		13,161	26,951
Other comprehensive income			
Amounts which will not be reclassified subsequently to operating result			
Changes in revaluation surplus - I,PP&E	11a	180,864	135,614
Total amounts which will not be reclassified subsequently to operating result		180,864	135,614
Total other comprehensive income		180,864	135,614
Total comprehensive income		194,025	162,565

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

City of Tea Tree Gully

Statement of Financial Position

as at 30 June 2026

$ '000	Notes	2026	2025
ASSETS			
Current assets			
Cash and cash equivalent assets	7a	9,594	2,554
Trade and other receivables	7b	9,851	8,702
Inventories	7c	22	3
Subtotal		19,467	11,259
Non-current assets held for sale	18	–	92
Subtotal		–	92
Total current assets		19,467	11,351
Non-current assets			
Other non-current assets	8	19,280	29,652
Infrastructure, property, plant and equipment	9	2,260,716	2,068,418
Investment property	9	14,657	–
Total non-current assets		2,294,653	2,098,070
TOTAL ASSETS		2,314,120	2,109,421
LIABILITIES			
Current liabilities			
Trade and other payables	10a	7,748	15,051
Borrowings		6,000	–
Provisions	10b	5,696	5,735
Total current liabilities		19,444	20,786
Non-current liabilities			
Borrowings		29,000	17,000
Provisions	10b	803	787
Total non-current liabilities		29,803	17,787
TOTAL LIABILITIES		49,247	38,573
Net assets		2,264,873	2,070,848
EQUITY			
Accumulated surplus		473,026	459,578
Asset revaluation reserves	11a	1,791,847	1,610,983
Other reserves	11b	–	287
Total council equity		2,264,873	2,070,848
Total equity		2,264,873	2,070,848

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

City of Tea Tree Gully

Statement of Changes in Equity

for the year ended 30 June 2026

$ '000	Notes	Accumulated surplus	Asset revaluation reserve	Other reserves	Total equity
2026					
Balance at the end of previous reporting period		459,578	1,610,983	287	2,070,848
Net surplus / (deficit) for year		13,161	–	–	13,161
Other comprehensive income					
- Gain (Loss) on Revaluation of I,PP&E	9	–	180,864	–	180,864
Other comprehensive income		–	180,864	–	180,864
Total comprehensive income		13,161	180,864	–	194,025
Transfers between reserves		287	–	(287)	–
Balance at the end of period		473,026	1,791,847	–	2,264,873
2025					
Balance at the end of previous reporting period		432,627	1,475,369	287	1,908,283
Net surplus / (deficit) for year		26,951	–	–	26,951
Other comprehensive income					
- Gain (Loss) on Revaluation of I,PP&E	9	–	135,614	–	135,614
Other comprehensive income		–	135,614	–	135,614
Total comprehensive income		26,951	135,614	–	162,565
Balance at the end of period		459,578	1,610,983	287	2,070,848

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

City of Tea Tree Gully

Statement of Cash Flows

for the year ended 30 June 2026

$ '000	Notes	2026	2025
Cash flows from operating activities			
Receipts			
Rates receipts		100,626	94,224
Statutory charges		3,012	2,804
User charges		8,854	5,906
Grants, subsidies and contributions		11,458	10,325
Investment receipts		345	385
Reimbursements		179	125
Other receipts		4,535	4,274
Payments			
Payments to employees		(42,899)	(40,072)
Payments for materials, contracts and other expenses		(67,394)	(59,104)
Finance payments		(1,542)	(320)
Net cash provided by (or used in) operating activities	13b	17,174	18,547
Cash flows from investing activities			
Receipts			
Grants utilised for capital purposes		2,110	1,323
Amounts received specifically for new or upgraded assets		6,663	7,421
Sale of replaced assets		85	333
Sale of surplus assets		207	4,257
Payments			
Expenditure on renewal/replacement of assets		(18,377)	(17,151)
Expenditure on new/upgraded assets		(19,007)	(41,113)
Net cash provided (or used in) investing activities		(28,319)	(44,930)
Cash flows from financing activities			
Receipts			
Proceeds from borrowings		18,000	17,000
Proceeds from bonds and deposits		185	58
Net cash provided by (or used in) financing activities		18,185	17,058
Net increase (decrease) in cash held		7,040	(9,325)
plus: cash & cash equivalents at beginning of period		2,554	11,879
Cash and cash equivalents held at end of period	13a	9,594	2,554

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

City of Tea Tree Gully

Notes to and forming part of the Financial Statements

for the year ended 30 June 2026

Contents of the Notes accompanying the General Purpose Financial Statements

Note	Details	Page
1	Summary of Material Accounting Policies	8
2	Financial indicators	15
3	Uniform presentation of finances	18
4	Income	19
5	Expenses	21
6	Asset disposal and fair value adjustments	23
7	Current assets	24
8	Non-current assets	24
9	Infrastructure, Property, Plant & Equipment	
10	Liabilities	30
11	Reserves	31
12	Assets subject to restrictions	32
13	Reconciliation to Statement of Cash Flows	32
14	Financial instruments	33
15	Capital Expenditure Commitments	37
16	Leases	38
17	Superannuation	39
18	Non-current assets held for sale and discontinued operations	40
19	Contingencies and assets/liabilities not recognised in the balance sheet	41
20	Events after the balance sheet date	42
21	Related party transactions	43

Notes to and forming part of the Financial Statements

for the year ended 30 June 2026

Note 1. Summary of Material Accounting Policies

The principal accounting policies adopted by Council in the preparation of these financial statements are set out below.

These policies have been consistently applied to all the years presented, unless otherwise stated.

(1) Basis of preparation

1.1 Compliance with Australian Accounting Standards

This general purpose financial report has been prepared on a going concern basis using the historical cost convention in accordance with Australian Accounting Standards as they apply to not-for-profit entities, other authoritative pronouncements of the Australian Accounting Standards Board, Interpretations and relevant South Australian legislation.

The financial report was authorised for issue by certificate under regulation 15 of the *Local Government (Financial Management) Regulations 2026* dated 22 September 2026.

1.2 Critical accounting estimates

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates and requires management to exercise its judgement in applying Council's accounting policies.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are specifically referred to in the relevant sections of these Notes.

1.3 Rounding

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

1.4 Estimates and assumptions

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates and requires management to exercise its judgement in applying Council's accounting policies.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are specifically referred to in the relevant sections of these Notes.

(2) The local government reporting entity

City of Tea Tree Gully is incorporated under the South Australian Local Government Act 1999 and has its principal place of business at 571 Montague Road, Modbury.

(3) Income recognition

The Council recognises revenue under *AASB 1058 Income of Not-for-Profit Entities* (AASB 1058) or *AASB 15 Revenue from Contracts with Customers* (AASB 15) when appropriate.

In cases where there is an 'enforceable' contract with a customer with 'sufficiently specific' performance obligations, the transaction is accounted for under AASB 15 where income is recognised when (or as) the performance obligations are satisfied (i.e. when it transfers control of a product or service to a customer). Revenue is measured based on the consideration to which the Council expects to be entitled in a contract with a customer.

In other cases, AASB 1058 applies when a not-for-profit (NFP) entity enters into transactions where the consideration to acquire an asset is significantly less than the fair value of the asset principally to enable the entity to further its objectives. The excess of the asset recognised (at fair value) over any 'related amounts' is recognised as income immediately, except in the case where a financial asset has been received to enable the council to acquire or construct a recognisable non-financial asset that is to be controlled by the council. In this case, the council recognises the excess as a liability that is recognised over time in profit and loss when (or as) the entity satisfies its obligations under the transfer.

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Note 1. Summary of Material Accounting Policies (continued)

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

	Cash Payment Received	Annual Allocation	Difference
2020/21	$3,865,290	$3,847,133	- $18,157
2021/22	$5,068,633	$4,016,655	+ $1,051,968
2022/23	$5,441,189	$4,328,286	+ $1,112,903
2023/24	$ 745,691	$ 4,730,566	- $ 3,984,875
2024/25	$ 6,889,362	$ 4,725,478	+ $ 2,163,884
2025/26	$ 6,326,921	$ 4,880,024	+ $ 1,446,897

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

The Operating Surplus Ratio disclosed in Note 2 has also been calculated after adjusting for the distortions resulting from the differences between the actual grants received and the grants entitlements allocated.

(4) Cash, cash equivalents and other financial instruments

Cash Assets include all amounts readily convertible to cash on hand at Council's option with an insignificant risk of changes in value with a maturity of three months or less from the date of acquisition.

Receivables for rates and annual charges are secured over the subject land, and bear interest at rates determined in accordance with the *Local Government Act 1999*. Other receivables are generally unsecured and do not bear interest.

All receivables are reviewed as at the reporting date and adequate allowance made for amounts the receipt of which is considered doubtful.

All financial instruments are recognised at fair value at the date of recognition, except for trade receivables from a contract with a customer, which are measured at the transaction price. A detailed statement of the accounting policies applied to financial instruments forms part of Note 14.

(5) Inventories

Inventories held in respect of stores have been valued by using the weighted average cost on a continual basis, after adjustment for loss of service potential. Inventories held in respect of business undertakings have been valued at the lower of cost and net realisable value.

5.1 Real estate assets developments

Properties not acquired for development, but which Council has decided to sell as surplus to requirements, are recognised at the carrying value at the time of that decision.

Certain properties, auctioned for non-payment of rates in accordance with the Local Government Act but which failed to meet the reserve set by Council and are available for sale by private treaty, are recorded at the lower of the unpaid rates and charges at the time of auction or the reserve set by Council. Holding costs in relation to these properties are recognised as an expense when incurred.

(6) Infrastructure, property, plant and equipment

continued on next page ...

Note 1. Summary of Material Accounting Policies (continued)

6.1 Initial recognition

All assets are initially recognised at cost. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition.

All non-current assets purchased or constructed are capitalised as the expenditure is incurred and depreciated as soon as the asset is held “ready for use”. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition, including architects' fees and engineering design fees and all other costs incurred. The cost of non-current assets constructed by the Council includes the cost of all materials used in construction, direct labour on the project and other overhead cost directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner by management.

6.2 Materiality

Assets with an economic life in excess of one year are only capitalised where the cost of acquisition exceeds materiality thresholds established by Council for each type of asset. In determining (and in annually reviewing) such thresholds, regard is had to the nature of the asset and its estimated service life.

Examples of capitalisation thresholds applied during the year are given below. No capitalisation threshold is applied to the acquisition of land or interests in land.

Office Furniture & Equipment	$3,000
Fleet & Plant	$3,000
Buildings - new construction/extensions	$5,000
Information Technology	$3,000

6.3 Subsequent recognition

All material asset classes are revalued on a regular basis such that the carrying values are not materially different from fair value. Significant uncertainties exist in the estimation of fair value of a number of asset classes including land, buildings and associated structures and infrastructure. Further detail of these uncertainties, and of existing valuations, methods and valuers are provided at Note 9.

6.4 Depreciation of non-current assets

Other than land, all infrastructure, property, plant and equipment assets recognised are systematically depreciated over their useful lives on a straight-line basis which, in the opinion of Council, best reflects the consumption of the service potential embodied in those assets.

Depreciation methods, useful lives and residual values of classes of assets are reviewed annually.

Major depreciation periods for each class of asset are listed below. Depreciation periods for infrastructure assets have been estimated based on the best information available to Council, but appropriate records covering the entire life cycle of these assets are not available, and extreme care should be used in interpreting financial information based on these estimates.

Plant, Furniture & Equipment

Office Equipment	3 to 10 years
Office Furniture	4 to 20 years
Plant and Equipment	3 to 8 years
Technology	3 to 15 years

Building & Other Structures

Footings	60 years
Envelope	45 to 60 years
Fitout - Flooring	15 to 35 years
Fitout - Internal	30 to 60 years
Roof	10 to 60 years
Mechanical Services	15 to 40 years
Fire Services	40 years
Hydraulics	50 to 60 years

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Note 1. Summary of Material Accounting Policies (continued)

Electrical	50 to 60 years
Infrastructure	
Road – Formation	Indefinite
Road – Pavement	40 to 250 years
Road – Seal	15 to 60 years
Kerb and Gutter	80 to 200 years
Footpaths	15 to 200 years
Bridges	30 to 250 years
Traffic Control	40 to 150 years
Stormwater	50 to 200 years
Signage	5 to 7 years
Other Assets	
Wetlands	100 to 200 years
Irrigation Systems	25 to 40 years
Public Lighting	33 to 60 years
Playing Courts	10 to 200 years
Playgrounds	20 to 65 years

6.5 Impairment

Assets whose future economic benefits are not dependent on the ability to generate cash flows, and where the future economic benefits would be replaced if Council were deprived thereof, are not subject to impairment testing.

Other assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount (which is the higher of the present value of future cash inflows or value in use).

Where an asset that has been revalued is subsequently impaired, the impairment is first offset against such amount as stands to the credit of that class of assets in Asset Revaluation Reserve, any excess being recognised as an expense.

6.6 Borrowing costs

Borrowing costs in relation to qualifying assets (net of offsetting investment revenue) have been capitalised in accordance with *AASB 123 Borrowing Costs*. The amounts of borrowing costs recognised as an expense or as part of the carrying amount of qualifying assets are disclosed in Note 5, and the amount (if any) of interest revenue offset against borrowing costs in Note 4.

(7) Investment property

Investment property
Investment property comprises land and/or buildings that are principally held for long-term rental yields, capital gains or both.

Investment property is carried at fair value, representing an open-market value determined periodically by external valuers.

Council's Investment Properties were valued by APV Valuers and Asset Management as at 1 July 2025.

(8) Payables

8.1 Goods and services

Creditors are amounts due to external parties for the supply of goods and services and are recognised as liabilities when the goods and services are received. Creditors are normally paid 30 days after the month of invoice. No interest is payable on these amounts.

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Note 1. Summary of Material Accounting Policies (continued)

8.2 Payments received in advance and deposits

Amounts other than grants received from external parties in advance of service delivery, and security deposits held against possible damage to Council assets, are recognised as liabilities until the service is delivered or damage reinstated, or the amount is refunded as the case may be.

(9) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred and are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the income statement over the period of the borrowings using the effective interest method.

Borrowings are carried at their principal amounts which represent the present value of future cash flows associated with servicing the debt. Interest is accrued over the period to which it relates, and is recorded as part of “Payables”.

(10) Employee benefits

10.1 Salaries, wages and compensated absences

Liabilities for employees’ entitlements to salaries, wages and compensated absences expected to be paid or settled within 12 months of reporting date are accrued at nominal amounts (including payroll based oncosts) measured in accordance with AASB 119.

Liabilities for employee benefits not expected to be paid or settled within 12 months are measured as the present value of the estimated future cash outflows (including payroll based oncosts) to be made in respect of services provided by employees up to the reporting date. Present values are calculated using government guaranteed securities rates with similar maturity terms.

Weighted avg. discount rate 4.578% (2024/25, 3.373%)

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

10.2 Superannuation

The Council makes employer superannuation contributions in respect of its employees to the Hostplus Superannuation Scheme. The Scheme has two types of membership, each of which is funded differently. Details of the accounting policies applied and Council’s involvement with the schemes are reported in Note 17.

(11) Provisions for reinstatement, restoration and rehabilitation

Close down and restoration costs include the dismantling and demolition of infrastructure and the removal of residual materials and remediation and rehabilitation of disturbed areas. Estimated close down and restoration costs are provided for in the accounting period when the obligation arising from the related disturbance occurs and are carried at the net present value of estimated future costs.

Although estimated future costs are based on a closure plan, such plans are based on current environmental requirements which may change. Council’s policy to maximise recycling is extending the operational life of these facilities, and significant uncertainty exists in the estimation of the future closure date.

(12) Leases

The Council assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

12.1 Council as a lessee

The Council recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Short-term leases and leases of low-value assets

The Council applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date). It also applies the low-value assets

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Note 1. Summary of Material Accounting Policies (continued)

recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

(13) GST implications

In accordance with UIG Abstract 1031 “Accounting for the Goods & Services Tax”

- Receivables and Creditors include GST receivable and payable.
- Except in relation to input taxed activities, revenues and operating expenditures exclude GST receivable and payable.
- Non-current assets and capital expenditures include GST net of any recoupment.
- Amounts included in the Statement of Cash Flows are disclosed on a gross basis.

(14) New accounting standards and UIG interpretations

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

The AASB has issued Australian Accounting Standards and Interpretations which are not mandatorily effective at 30 June 2026, these standards have not been adopted by Council and will be included in the financial statements on their effective date. Where the standard is expected to have a significant impact for Council then further information has been provided in this note.

The following list identifies all the new and amended Australian Accounting Standards, and Interpretation, that were issued but not yet effective at the time of compiling these statements that could be applicable to Councils.

Effective for NFP annual reporting periods beginning on or after 1 January 2026

- AASB 2025-2 Amendments to Australian Accounting Standards - Classification and Measurement of Financial Instruments

- AASB 2024-3 Amendments to Australian Accounting Standards – Annual Improvements Volume 11 [AASB 1, AASB 7, AASB 9, AASB 10 and AASB 107]

Effective for NFP annual reporting periods beginning on or after 1 July 2026 for public sector

- AASB 17 Insurance Contracts (amended by AASB 2020-5, AASB 2024-1, AASB 2024-8 and AASB 2024-9 Insurance Contracts in the Public Sector)

Effective for NFP annual reporting periods beginning on or after 1 January 2028

- AASB 2014-10 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (amended by AASB 2015-10, AASB 2017-5, AASB 2024-7 and AASB 2025-4)

- AASB 18 Presentation and Disclosure in Financial Statements

(15) Comparative figures

To ensure comparability with the current reporting period’s figures, some comparative period line items and amounts may have been reclassified or individually reported for the first time within these financial statements and/or the notes.

(16) Disclaimer

Nothing contained within these statements may be taken to be an admission of any liability to any person under any circumstance.

(17) Business Acquisition and Goodwill

Amounts below appear in whole dollars.
Goodwill of $281,000 was recognised during the financial year ended 30 June 2025 as part of the acquisition of the venue and accommodation business located at 191 Reservoir Road, Modbury. The goodwill represents the excess of the consideration transferred over the fair value of the net identifiable assets acquired.

- **Consideration Transferred:** $725,000
- **Fair Value of Net Identifiable Assets Acquired:** $444,000

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Note 1. Summary of Material Accounting Policies (continued)

- **Goodwill Recognised:** $281,000

Date of Acquisition: 4 March 2025.

Accounting Standard: This business combination and the subsequent recognition of goodwill were accounted for in accordance with AASB 3 Business Combinations.

Impairment Testing: In accordance with AASB 3, the goodwill is tested for impairment at least annually or more frequently if events or changes in circumstances indicate that the carrying amount may not be recoverable.

During the financial year ended 30 June 2026, following the change in business name and associated rebranding of the acquired business, management assessed the carrying value of the goodwill and determined that the goodwill had been fully utilised in generating the expected economic benefits from the acquisition. As a result, the full goodwill balance of $281,000 was written off and recognised as an impairment expense in the Statement of Comprehensive Income for the year ended 30 June 2026. Consequently, no goodwill remained recognised on the Statement of Financial Position as at 30 June 2026.

Notes to and forming part of the Financial Statements

for the year ended 30 June 2026

Note 2. Financial indicators

	Indicator 2026	Indicators 2025	2024	2023
Financial Indicators overview *These Financial Indicators have been calculated in accordance with Information paper 9 - Local Government Financial Indicators prepared as part of the LGA Financial Sustainability Program for the Local Government Association of South Australia.*				
1. Operating Surplus Ratio Operating surplus / Total operating income *This ratio expresses the operating surplus as a percentage of total operating revenue.*	**6.0%**	7.2%	1.1%	9.3%
2. Net Financial Liabilities Ratio Net financial liabilities / Total operating income *Net Financial Liabilities are defined as total liabilities less financial assets (excluding equity accounted investments in Council businesses). These are expressed as a percentage of total operating revenue.*	**23%**	23%	15%	9%
Adjustments to Ratios *In recent years the Federal Government has made advance payments prior to 30th June from future year allocations of financial assistance grants, as explained in Note 1. These Adjusted Ratios correct for the resulting distortion in key ratios for each year and provide a more accurate basis for comparison.*				
Adjusted Operating Surplus Ratio Operating surplus / Total operating income	**3.4%**	4.5%	4.7%	8.3%
Adjusted Net Financial Liabilities Ratio Net financial liabilities / Total operating income	**21%**	20%	18%	10%
3. Asset Renewal Funding Ratio Asset renewals / Infrastructure and Asset Management Plan required expenditure *Asset renewals expenditure is defined as capital expenditure on the renewal and replacement of existing assets relative to the optimal level planned, and excludes new capital expenditure on the acquisition of additional assets.*	**92%**	93%	95%	62%

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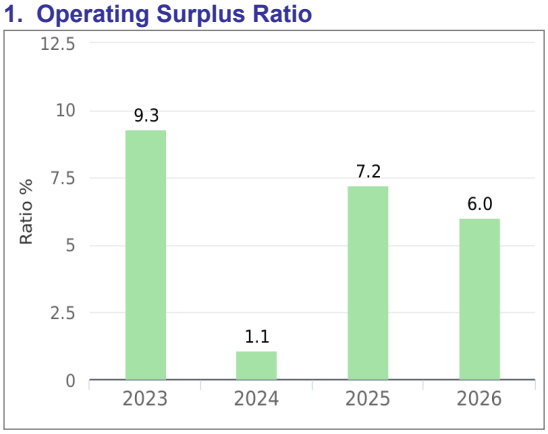
City of Tea Tree Gully

Notes to and forming part of the Financial Statements
for the year ended 30 June 2026

Note 2. Financial indicators (continued)

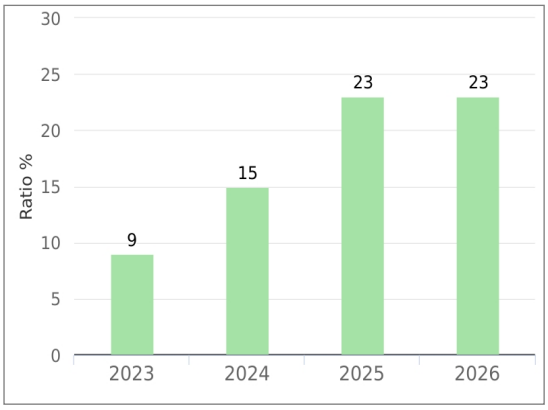
Financial indicators - graphs

1. Operating Surplus Ratio



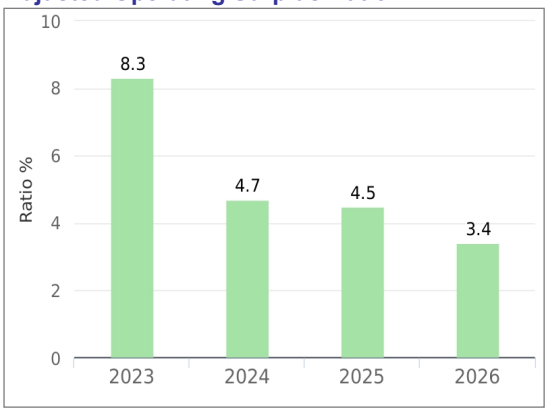
Purpose of operating surplus ratio	Commentary on 2025/26 result
	2025/26 ratio 6.0%
This indicator is to determine the percentage the operating revenue varies from operating expenditure	Operating Surplus Ratio is the operating surplus (deficit) before capital. The Operating Surplus Ratio for 2025/26 is 6.0% which is within the Council's target of 2.5% to 10%.

2. Net Financial Liabilities Ratio



Purpose of net financial liabilities ratio	Commentary on 2025/26 result
	2025/26 ratio 23%
This indicator shows the significance of the net amount owed to others, compared to operating revenue	The Net Financial Liabilities Ratio for 2025/26 is 23% which is under the Council's target of 25% - 35%.

Adjusted Operating Surplus Ratio



Purpose of adjusted operating surplus ratio	Commentary on 2025/26 result
	2025/26 ratio 3.4%
This indicator is to determine the percentage the operating revenue (adjusted for timing differences in the Financial Assistance Grant) varies from operating expenditure	The Adjusted Operating Surplus Ratio is the operating surplus (deficit) before capital adjusted for timing differences from the Financial Assistance Grants and Supplementary Road Funding payments. The Adjusted Operating Surplus Ratio for 2025/26 is 3.4% which is within Council's target of 2.5% - 10%.

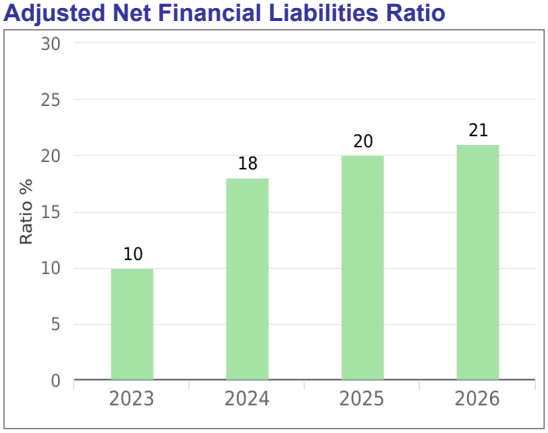
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City of Tea Tree Gully

Notes to and forming part of the Financial Statements
for the year ended 30 June 2026

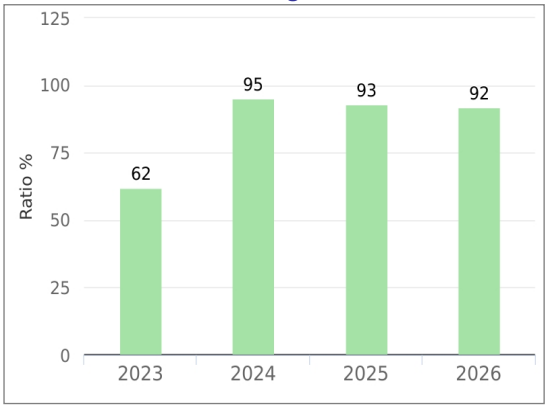
Note 2. Financial indicators (continued)

Adjusted Net Financial Liabilities Ratio



Purpose of adjusted net financial liabilities ratio	Commentary on 2025/26 result
	2025/26 ratio 21%
This indicator is to determine the percentage the operating revenue (adjusted for timing differences in the Financial Assistance Grant) varies from operating expenditure	The Adjusted Net Financial Liabilities Ratio for 2025/26 is 21% which is under Council's target of 25% - 35%.

3. Asset Renewal Funding Ratio



Purpose of asset renewal funding ratio	Commentary on 2025/26 result
	2025/26 ratio 92%
This indicator aims to determine if assets are being renewed and replaced in an optimal way	The Asset Renewal Funding Ratio for 2025/26 is 92% which is within the target ratio of 90% - 110% over a three year rolling period.

City of Tea Tree Gully

Notes to and forming part of the Financial Statements

for the year ended 30 June 2026

Note 3. Uniform presentation of finances

$ '000	2026	2025

The following is a high-level summary of both operating and capital investment activities of the Council prepared on a modified Uniform Presentation Framework basis, adjusted for timing differences associated with prepaid Federal assistance Grants required to be recognised as revenue on receipt in accordance with Australian Accounting Standards.

All Councils in South Australia have agreed to summarise annual budgets and long-term financial plans on the same basis.

The arrangements ensure that all Councils provide a common 'core' of financial information, which enables meaningful comparisons of each Council's finances.

Income		
Rates	101,133	97,064
Statutory charges	3,012	2,804
User charges	8,049	5,369
Grants, subsidies and contributions - capital	2,110	1,323
Grants, subsidies and contributions - operating	11,076	9,943
Investment income	345	385
Reimbursements	179	125
Other income	2,612	3,203
Total Income	128,516	120,216
Expenses		
Employee costs	(42,956)	(40,437)
Materials, contracts and other expenses	(56,336)	(50,409)
Depreciation, amortisation and impairment	(19,928)	(20,359)
Finance costs	(1,542)	(320)
Total Expenses	(120,762)	(111,525)
Operating surplus / (deficit)	7,754	8,691
Less: grants, subsidies and contributions - capital	(2,110)	(1,323)
Adjusted Operating surplus / (deficit) before capital amounts	5,644	7,368
Net outlays on existing assets		
Capital expenditure on renewal and replacement of existing assets	(18,377)	(17,151)
Add back depreciation, amortisation and impairment	19,928	20,359
Add back proceeds from sale of replaced assets	85	333
	1,636	3,541
Net outlays on new and upgraded assets		
Capital Expenditure on New and Upgraded Assets	(19,007)	(41,113)
Add back grants, subsidies and contributions - capital	2,110	1,323
Add back amounts received specifically for new and upgraded assets	6,663	7,421
Add back proceeds from sale of surplus assets (including investment property, real estate developments and non-current assets held for resale)	207	4,257
	(10,027)	(28,112)
Adjusted annual net impact to financing activities (surplus/(deficit))	(2,747)	(17,203)

City of Tea Tree Gully

Notes to and forming part of the Financial Statements

for the year ended 30 June 2026

Note 4. Income

$ '000	2026	2025
(a) Rates		
General rates		
General rates	101,008	96,887
Less: discretionary rebates, remissions and write-offs	(2,086)	(1,964)
Total general rates	98,922	94,923
Other rates (including service charges)		
Landscape levy	2,211	2,141
Total other rates (including service charges)	2,211	2,141
Total rates	101,133	97,064
(b) Statutory charges		
Planning, Development and Infrastructure Act fees	1,324	1,109
Animal registration fees and fines	661	606
Parking fines / expiation fees	959	1,020
Other licences, fees and fines	68	69
Total statutory charges	3,012	2,804
(c) User charges		
Sales - general	3,278	790
Sundry	1,048	357
Admission Fees, Cemeteries and Rents	3,723	4,222
Total user charges	8,049	5,369
(d) Investment income		
Interest on investments		
- Local Government Finance Authority	148	111
- Banks and other	197	274
Total investment income	345	385

continued on next page ...

City of Tea Tree Gully

Notes to and forming part of the Financial Statements

for the year ended 30 June 2026

Note 4. Income (continued)

$ '000	2026	2025
(e) Reimbursements		
Other	179	125
Total reimbursements	179	125
(f) Other income		
Rebates received	1,444	1,859
Sundry	1,168	1,344
Total other income	2,612	3,203
(g) Grants, subsidies and contributions		
Capital grants, subsidies and contributions		
Amounts received specifically for new or upgraded assets	6,663	16,796
Total amounts received for new or upgraded assets	6,663	16,796
Other grants, subsidies and contributions - capital		
Other grants, subsidies and contributions - capital	2,110	1,323
Total Other grants, subsidies and contributions - capital	2,110	1,323
Other grants, subsidies and contributions - operating		
Other grants, subsidies and contributions - operating	11,076	9,943
Other grants, subsidies and contributions - operating		
Total other grants, subsidies and contributions - operating	11,076	9,943
Total grants, subsidies and contributions	19,849	28,062
(i) Sources of grants		
Commonwealth Government	12,305	9,682
State Government	7,111	18,367
Other	433	13
Total	19,849	28,062

Notes to and forming part of the Financial Statements
for the year ended 30 June 2026

Note 5. Expenses

$ '000	Notes	2026	2025
(a) Employee costs			
Salaries and wages		34,254	32,194
Employee leave expense		3,968	4,125
Superannuation - defined contribution plan contributions	17	3,816	3,447
Superannuation - defined benefit plan contributions	17	442	480
Workers' compensation insurance		1,770	1,481
Less: capitalised and distributed costs		(1,294)	(1,290)
Total operating employee costs		42,956	40,437
Total number of employees (full time equivalent at end of reporting period)		350	366
(b) Materials, contracts and other expenses			
(i) Prescribed expenses			
Auditor's remuneration			
- Auditing the financial reports		41	33
Bad and doubtful debts		15	54
Elected members' expenses		420	406
Election expenses		38	107
Subtotal - prescribed expenses		514	600
(ii) Other materials, contracts and expenses			
Contractors		21,918	20,750
Energy		3,523	3,463
Legal expenses		894	588
Levies paid to Government - Landscape levy		2,197	2,131
Levies - other		171	137
Parts, accessories and consumables		9,116	6,308
Sundry		854	763
Contractors - Waste		6,349	5,735
Contractors - Consultants Fees		1,769	1,480
Advertising		160	173
Fringe Benefits		21	20
Insurance		1,939	1,687
Licence Fees		2,141	1,638
Water Rates		1,669	2,006
Levies - Solid Waste Levy		3,101	2,930
Subtotal - Other material, contracts and expenses		55,822	49,809
Total materials, contracts and other expenses		56,336	50,409

continued on next page ...

City of Tea Tree Gully

Notes to and forming part of the Financial Statements

for the year ended 30 June 2026

Note 5. Expenses (continued)

$ '000	2026	2025
(c) Depreciation, amortisation and impairment		
(i) Depreciation and amortisation		
Buildings and other structures	3,123	3,566
Infrastructure		
- Stormwater drainage	2,491	2,477
- Roads	5,982	5,980
- Footpaths	1,661	1,668
- Bridges	99	97
- Traffic Control Devices	558	525
- Lighting	570	541
Plant and equipment	1,379	1,428
Furniture and fittings	134	107
Technology	748	1,003
Playground Equipment	471	428
Irrigation Systems	654	617
Fencing and Other Landscaping	930	861
Sporting Courts, Facilities	606	563
Playing Field Formation	219	215
Carpark Facilities	303	283
Subtotal	19,928	20,359
Total depreciation, amortisation and impairment	19,928	20,359
(d) Finance costs		
Interest on loans	1,235	83
Bank Fees & Other Finance Charges	307	237
Total finance costs	1,542	320

City of Tea Tree Gully

Notes to and forming part of the Financial Statements

for the year ended 30 June 2026

Note 6. Asset disposal and fair value adjustments

$ '000	2026	2025
Infrastructure, property, plant and equipment		
(i) Assets renewed or directly replaced		
Proceeds from disposal	85	317
Less: carrying amount of assets sold	(35)	(75)
Gain (loss) on disposal	50	242
(ii) Assets surplus to requirements		
Proceeds from disposal	207	4,257
Less: carrying amount of assets sold	(1,513)	(3,043)
Gain (loss) on disposal	(1,306)	1,214
Fair value adjustments		
Revaluation decrements expensed	–	8
Total fair value adjustments	–	8
Net gain (loss) on disposal or revaluation of assets	(1,256)	1,464

City of Tea Tree Gully

Notes to and forming part of the Financial Statements

for the year ended 30 June 2026

Note 7. Current assets

$ '000	2026	2025
(a) Cash and cash equivalent assets		
Cash on hand and at bank	9,594	2,554
Total cash and cash equivalent assets	9,594	2,554
(b) Trade and other receivables		
Rates - general and other	5,659	5,152
Accrued revenues	417	198
Debtors - general	1,390	1,558
GST recoupment	959	1,013
Prepayments	1,456	812
Subtotal	9,881	8,733
Less: provision for expected credit losses	(30)	(31)
Total trade and other receivables	9,851	8,702
(c) Inventories		
Stores and materials	22	3
Total inventories	22	3

Note 8. Non-current assets

$ '000	2026	2025
Other non-current assets		
Capital work in progress	19,280	29,371
Goodwill	–	281
Total other non-current assets	19,280	29,652

Goodwill and Business Acquisition

Amounts below appear in whole dollars ($).
Goodwill of $281,000 was recognised during the financial year ended 30 June 2025 as part of the acquisition of the venue and accommodation business located at 191 Reservoir Road, Modbury. The goodwill represents the excess of the consideration transferred over the fair value of the net identifiable assets acquired.

- **Consideration Transferred:** $725,000
- **Fair Value of Net Identifiable Assets Acquired:** $444,000
- **Goodwill Recognised:** $281,000

Date of Acquisition: 4 March 2025.

During the financial year ended 30 June 2026, following the change in business name and associated rebranding of the acquired business, management assessed the carrying value of the goodwill and determined that the goodwill had been fully utilised in generating the expected economic benefits from the acquisition. As a result, the full goodwill balance of $281,000 was written off and recognised as an impairment expense in the Statement of Comprehensive Income for the year ended 30 June 2026. Consequently, no goodwill remained recognised on the Statement of Financial Position as at 30 June 2026.

Notes to and forming part of the Financial Statements

for the year ended 30 June 2026

Note 9. Infrastructure, Property, Plant & Equipment

Infrastructure, property, plant and equipment

		as at 30/06/25				Asset movements during the reporting period							as at 30/06/26			
$ '000	Fair Value Level	At Fair Value	At Cost	Accumulated Depreciation	Carrying amount	Asset Additions New / Upgrade	Asset Additions Renewals	WDV of Asset Disposals	Depreciation Expense (Note 5c)	WIP Transfers	Tfrs to/from Inv. Properties	Revaluation Increments to Equity (ARR) (Note 11)	At Fair Value	At Cost	Accumulated Depreciation	Carrying amount
Land - community	3	963,078	–	–	963,078	238	32	–	–	1,374	–	105,898	1,070,622	–	–	1,070,622
Land - other	2	57,283	–	–	57,283	1,255	–	(304)	–	1	(9,649)	16,515	65,101	–	–	65,101
Buildings and other structures	3	104,592	25,284	(61,222)	68,654	4,362	2,940	(605)	(2,225)	16,339	–	37,591	149,721	7,302	(29,967)	127,056
Buildings and other structures	2	30,172	–	(1,482)	28,690	457	–	(20)	(898)	–	(5,009)	12,758	50,977	458	(15,457)	35,978
Infrastructure																
- Stormwater drainage	3	269,278	3,348	(52,075)	220,551	322	207	(5)	(2,491)	890	–	1,361	269,278	6,461	(54,904)	220,835
- Roads	3	667,903	6,674	(204,350)	470,227	941	2,815	(39)	(5,982)	144	–	2,902	667,903	14,721	(211,616)	471,008
- Footpaths	3	146,890	4,304	(29,381)	121,813	2,082	629	(45)	(1,661)	1,522	–	771	146,890	9,449	(31,228)	125,111
- Bridges	3	9,746	57	(2,657)	7,146	–	–	–	(99)	68	–	44	9,746	186	(2,773)	7,159
- Traffic Control Devices	3	35,430	1,000	(9,380)	27,050	123	556	(1)	(558)	54	–	169	35,430	1,962	(10,000)	27,392
- Lighting	3	14,816	876	(4,729)	10,963	326	225	(16)	(570)	1,542	–	77	14,816	3,054	(5,323)	12,547
Plant and equipment		–	19,490	(14,487)	5,003	–	724	(30)	(1,379)	183	–	–	–	20,101	(15,600)	4,501
Furniture and fittings		–	1,699	(733)	966	12	178	–	(134)	48	–	–	–	1,936	(868)	1,068
Library books		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Technology		–	10,631	(8,534)	2,097	–	345	–	(748)	–	–	–	–	10,977	(9,282)	1,695
Playground Equipment	3	12,156	2,361	(3,980)	10,537	108	12	–	(471)	952	–	428	12,156	4,030	(4,622)	11,564
Irrigation Systems	3	19,982	1,520	(8,460)	13,042	179	113	(8)	(654)	882	–	520	19,982	3,554	(9,462)	14,074
Fencing and Other Landscaping	3	32,912	3,118	(15,622)	20,408	362	602	–	(930)	892	–	819	32,912	6,427	(17,187)	22,152
Sporting Courts, Facilities	3	22,533	2,106	(7,971)	16,668	–	580	–	(606)	169	–	646	22,533	3,830	(8,906)	17,457
Playing Field Formation	3	9,387	120	(3,176)	6,331	96	170	–	(219)	128	–	250	9,387	895	(3,526)	6,756
Carpark Facilities	3	21,685	1,555	(5,329)	17,911	35	342	(67)	(303)	607	–	115	21,685	2,583	(5,628)	18,640
Total infrastructure, property, plant and equipment		2,417,843	84,143	(433,568)	2,068,418	10,898	10,470	(1,140)	(19,928)	25,795	(14,658)	180,864	2,599,139	97,926	(436,349)	2,260,716
Comparatives		2,280,670	31,465	(415,483)	1,896,652	26,890	9,240	(1,528)	(20,359)	21,927	–	135,614	2,417,843	84,143	(433,568)	2,068,418

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Notes to and forming part of the Financial Statements

for the year ended 30 June 2026

Note 9. Infrastructure, Property, Plant & Equipment (continued)

Investment property

		Asset movements during the reporting period								
		as at 30/06/25					as at 30/06/26			
$ '000	Fair Value Level	At Fair Value	At Cost	Accumulated Depreciation	Carrying amount	Tfrs to/from Inv. Properties	At Fair Value	At Cost	Accumulated Depreciation	Carrying amount
Land	2	–	–	–	–	9,649	9,649	–	–	9,649
Buildings and structures	2	–	–	–	–	5,009	5,077	–	(69)	5,008
Total investment property		–	–	–	–	14,658	14,726	–	(69)	14,657
Comparatives		–	–	–	–	–	–	–	–	–

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Note 9. Infrastructure, Property, Plant & Equipment (continued)

Valuation of infrastructure, property, plant & equipment and investment property

Valuation of assets

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

AASB 13 Fair Value Measurement requires all assets and liabilities measured at fair value to be assigned to a "level" in the fair value hierarchy as follows:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Refer to Note 9 for the disclosure of the Fair Value Levels of Infrastructure, Property, Plant and Equipment Assets.

Information on valuations

Fair value hierarchy level 2 valuations - Certain land, and the buildings and structures thereon, are shown above as being based on fair value hierarchy level 2 valuation inputs. They are based on prices for similar assets in an active market, with directly or indirectly observable adjustments for specific advantages or disadvantages attaching to the particular asset.

Fair value hierarchy level 3 valuations of land - Valuations of Crown land, community land and land subject to other restrictions on use or disposal, shown above as being based on fair value hierarchy level 3 valuation inputs, are based on prices for similar assets in an active market, but include adjustments for specific advantages or disadvantages attaching to the particular asset that are not directly or indirectly observable in that market, or the number and / or amount of observable adjustments of which are so great that the valuation is more fairly described as being based on level 3 valuation inputs.

Fair value hierarchy level 3 valuations of buildings, infrastructure and other assets - There is no known market for buildings, infrastructure and other assets. These assets are valued at depreciated current replacement cost. This method involves:

- The determination of the cost to construct the asset (or its modern engineering equivalent) using current prices for materials and labour, the quantities of each being estimated based on recent experience of this or similar Councils, or on industry construction guides where these are more appropriate.
- The calculation of the depreciation that would have accumulated since original construction using current estimates of residual value and useful life under the prime cost depreciation method adopted by Council.

This method has significant inherent uncertainties, relying on estimates of quantities of materials and labour, residual values and useful lives, and the possibility of changes in prices for materials and labour, and the potential for development of more efficient construction techniques. Accordingly, formal sensitivity analysis does not provide useful information.

Transfers between fair value hierarchy levels

In the course of revaluing (name the asset classes), the nature of the inputs applied was reviewed in detail for each asset and where necessary, the asset reassigned to the appropriate fair value hierarchy level. Such transfers take effect as at the date of the revaluation.

Other information

Upon revaluation, the current new replacement cost and accumulated depreciation are re-stated such that the difference represents the fair value of the asset determined in accordance with *AASB 13 Fair Value Measurement*: accumulated depreciation is taken to be the difference between current new replacement cost and fair value. In the case of land, current replacement cost is taken to be the fair value.

Highest and best use

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

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Notes to and forming part of the Financial Statements
for the year ended 30 June 2026

Note 9. Infrastructure, Property, Plant & Equipment (continued)

Transition to AASB 13 - Fair Value Measurement

The requirements of AASB 13 Fair Value Measurement have been applied to all valuations undertaken since 1 July 2013 as shown by the valuation dates by individual asset classes below.

Land & Land Improvements

Council being of the opinion that it is not possible to attribute a value sufficiently reliably to qualify for recognition, land under roads has not been recognised in these reports.

Freehold land and land over which Council has control, but does not have title, is recognised on the cost basis.
No capitalisation threshold is applied to the acquisition of land or interests in land.
Estimated future costs of reinstatement of land, capitalised in accordance with AASB 116.16(c) are reviewed annually (see Note 1).

Land assets were valued by APV Valuers and Asset Management as at 1 July 2025.

Buildings & Other Structures

Buildings and other structures are generally recognised at fair value, based on current market values. However, special purpose buildings (such as public toilets) for which there is no market are valued at depreciated current replacement cost. Buildings that Council does not intend to replace at the end of their useful life are valued at the market value of the "highest and best" use.

Buildings and Other Structures assets were valued by APV Valuers and Asset Managementas as at 1 July 2025 to reflect their service potential.

Infrastructure

Infrastructure assets were valued by APV Valuers and Asset Management as at 30 June 2023 to reflect their service potential. Infrastructure assets were indexed as at 30 June 2026 using the Australian Bureau of Statistics data.

Stormwater Drainage
- Basis of valuation: Fair Value
- Date of valuation: 30 June 2023
- Valuer: APV Valuers & Asset Management, 3/97 Pirie St, Adelaide SA 5000

Roads
- Basis of valuation: Fair Value
- Date of valuation: 30 June 2023
- Valuer: APV Valuers & Asset Management, 3/97 Pirie Street, Adelaide SA 5000

Footpaths
- Basis of valuation: Fair Value
- Date of valuation: 30 June 2023
- Valuer: APV Valuers & Asset Management, 3/97 Pirie Street, Adelaide SA 5000

Bridges
- Basis of valuation: Fair Value
- Date of valuation: 30 June 2023
- Valuer: APV Valuers & Asset Management, 3/97 Pirie Street, Adelaide SA 5000

Traffic Control Devices
- Basis of valuation: Fair Value
- Date of valuation: 30 June 2023
- Valuer: APV Valuers & Asset Management, 3/97 Pirie Street, Adelaide SA 5000

Lighting
- Basis of valuation: Fair Value
- Date of valuation: 30 June 2023
- Valuer: APV Valuers & Asset Management, 3/97 Pirie Street, Adelaide SA 5000

continued on next page ...

Note 9. Infrastructure, Property, Plant & Equipment (continued)

Plant, Furniture & Equipment

These assets are recognised on the cost basis.

Playground Equipment

Playground equipment was revalued by APV Valuers and Asset Management in 2024 to reflect service potential. Condition based assessment was undertaken as part of the valuation on 30 June 2024. Playground Equipment assets were indexed as at 30 June 2026 using the Australian Bureau of Statistics data.

- Basis of valuation: Fair Value
- Date of valuation: 30 June 2024
- Valuer: APV Valuers & Asset Management, 3/97 Pirie Street, Adelaide SA 5000

Irrigation Systems

Irrigation assets were revalued by APV Valuers and Asset Management in 2024 to reflect service potential.
Condition based assessment was undertaken as part of the valuation on 30 June 2024. Irrigation Systems assets were indexed as at 30 June 2026 using the Australian Bureau of Statistics data.

- Basis of valuation: Fair Value
- Date of valuation: 30 June 2024
- Valuer: APV Valuers & Asset Management, 3/97 Pirie Street, Adelaide SA 5000

Fencing and Other Landscaping

Fencing assets were revalued by APV Valuers and Asset Management in 2024 to reflect service potential.
Condition based assessment was undertaken as part of the valuation on 30 June 2024. Fencing and Other Landscapting assets were indexed as at 30 June 2026 using the Australian Bureau of Statistics data.

- Basis of valuation: Fair Value
- Date of valuation: 30 June 2024
- Valuer: APV Valuers & Asset Management, 3/97 Pirie Street, Adelaide SA 5000

Sporting Courts and Facilities

Sporting Courts and Facilities were valued by APV Valuers to reflect their service potential as at 30 June 2024. Full condition based assessment was undertaken as part of the revaluation on 30 June 2024. Sporting Courts and Facilities assets were indexed as at 30 June 2026 using the Australian Bureau of Statistics data.

- Basis of valuation: Fair Value
- Date of valuation: 30 June 2024
- Valuer: APV Valuers & Asset Management, 3/97 Pirie Street, Adelaide SA 5000

Playing Field Formation

Playing Field Formation were valued by APV Valuers and Asset Management in 2024 to reflect service potential. Playing Field Formation assets were indexed as at 30 June 2026 using the Australian Bureau of Statistics data.

- Basis of valuation: Fair Value
- Date of valuation: 30 June 2024
- Valuer: APV Valuers & Asset Management, 3/97 Pirie Street, Adelaide SA 5000

Investment Property

Investment property comprises land and/or buildings that are principally held for long-term rental yields, capital gains or both. Investment property is carried at fair value, representing an open-market value determined periodically by external valuers. Council's Investment Properties were valued by APV Valuers and Asset Management as at 1 July 2025.

City of Tea Tree Gully

Notes to and forming part of the Financial Statements

for the year ended 30 June 2026

Note 10. Liabilities

$ '000	2026 Current	2026 Non Current	2025 Current	2025 Non Current
(a) Trade and other payables				
Goods and services	309	–	406	–
Payments received in advance	1,115	–	6,924	–
Accrued expenses - employee entitlements	1,056	–	976	–
Accrued expenses - other	4,863	–	6,545	–
Deposits, retentions and bonds	346	–	161	–
Other	59	–	39	–
Total trade and other payables	7,748	–	15,051	–
(b) Provisions				
Employee entitlements (including oncosts)	5,696	803	5,735	787
Total provisions	5,696	803	5,735	787

City of Tea Tree Gully

Notes to and forming part of the Financial Statements
for the year ended 30 June 2026

Note 11. Reserves

$ '000	as at 30/06/25 Opening Balance	Increments (Decrements)	Transfers	Impairments	as at 30/06/26 Closing Balance
(a) Asset revaluation reserve					
Land - community	859,246	105,898	–	–	965,144
Land - other	23,993	16,515	–	–	40,508
Buildings and other structures	7,999	50,349	–	–	58,348
Infrastructure					
- Stormwater drainage	168,621	1,361	–	–	169,982
- Roads	377,986	2,902	–	–	380,888
- Footpaths	91,809	771	–	–	92,580
- Bridges	5,321	44	–	–	5,365
- Traffic Control Devices	19,323	169	–	–	19,492
- Lighting	2,104	77	–	–	2,181
Plant and equipment	75	–	–	–	75
Playground Equipment	2,862	428	–	–	3,290
Irrigation Systems	2,686	520	–	–	3,206
Fencing and Other Landscaping	12,737	819	–	–	13,556
Sporting Courts, Facilities	4,357	646	–	–	5,003
Playing Field Formation	629	250	–	–	879
Carpark Facilities	8,699	115	–	–	8,814
Other assets	22,536	–	–	–	22,536
Total other assets	22,536	–	–	–	22,536
Total asset revaluation reserve	1,610,983	180,864	–	–	1,791,847

$ '000	as at 30/06/25 Opening Balance	Tfrs to Reserve	Tfrs from Reserve	Other Movements	as at 30/06/26 Closing Balance
(b) Other reserves					
Developer Contribution Reserve	186	–	(186)	–	–
Pathways North East Reserve	101	–	(101)	–	–
Total other reserves	287	–	(287)	–	–

Purposes of reserves

Asset revaluation reserves
The asset revaluation reserve is used to record increments and decrements arising from changes in fair value of non current assets (less any subsequent impairment losses, where applicable).

Developer Contribution Reserve
The Developer Contribution Reserve is a reserve where contributions are made to fund infrastructure projects in particular areas. These works are now complete.

Pathways North East Reserve
The Pathways North East Reserve is a reserve to fund youth projects. This is no longer required.

Notes to and forming part of the Financial Statements

for the year ended 30 June 2026

Note 12. Assets subject to restrictions

Council does not hold any assets subject to restrictions.

Note 13. Reconciliation to Statement of Cash Flows

$ '000	Notes	2026	2025

(a) Reconciliation of cash

Cash assets comprise highly liquid investments with short periods to maturity subject to insignificant risk of changes of value. Cash at the end of the reporting period as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

Total cash and equivalent assets	7	9,594	2,554
Balances per Statement of Cash Flows		9,594	2,554

(b) Reconciliation of Operating Result

Net surplus/(deficit)	13,161	26,951
Non-cash items in income statements		
Depreciation, amortisation and impairment	19,928	20,359
Fair value adjustments	–	(8)
Grants for capital acquisitions treated as investing activity	(8,773)	(12,428)
Net (gain)/loss on disposals	1,256	(1,456)
	25,572	33,418
Add (less): changes in net current assets		
Net (increase)/decrease in receivables	(1,148)	(3,874)
Change in allowances for under-recovery of receivables	(1)	(2)
Net (increase)/decrease in inventories	(19)	83
Net (increase)/decrease in other assets	281	(281)
Net increase/(decrease) in trade and other payables	(7,488)	(11,059)
Net increase/(decrease) in unpaid employee benefits	(23)	262
Net cash provided by (or used in) operations	17,174	18,547

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Note 13. Reconciliation to Statement of Cash Flows (continued)

(c) Financing arrangements

Unrestricted access was available at balance date to the following lines of credit:		
Bank overdrafts	300	300
Corporate credit cards	800	900
LGFA cash advance debenture facility	47,000	42,000

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice.

Council has access to cash facilities of $47 million and minimises interest expense by transferring funds between cash at bank and the debenture facility.

Note 14. Financial instruments

Recognised financial instruments

Bank, deposits at call, short term deposits

Accounting Policy:
Initially recognised at fair value and subsequently measured at amortised cost; interest is recognised when earned.

Terms & Conditions:
Deposits are returning fixed interest rates between 4.35% and 4.65% (2025: 3.85% and 4.15%).

Carrying Amount:
Approximates fair value due to the short term to maturity.

Receivables - rates and associated charges

Accounting Policy:
Initially recognised at fair value and subsequently measured at amortised cost. An impairment provision is recognised using the expected credit loss method.

Terms & Conditions:
Secured over the subject land, arrears attract interest of 4.75% (2025: 4.75%). Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries in the State.

Carrying Amount:
Approximates fair value (after deduction of any allowance).

Receivables - fees and other charges

Accounting policy:
Initially recognised at fair value and subsequently measured at amortised cost. An impairment provision is recognised using the expected credit loss method.

Terms and conditions:
Unsecured, and do not bear interest. Council is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Council's boundaries.

Carrying amount:
Approximates fair value (after deduction of any allowance).

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Notes to and forming part of the Financial Statements
for the year ended 30 June 2026

Note 14. Financial instruments (continued)

Receivables - other levels of government

Accounting policy:
Initially recognised at fair value and subsequently measured at amortised cost. An impairment provision is recognised using the expected credit loss method.

Terms and conditions:
Amounts due have been calculated in accordance with the terms and conditions of the respective programs following advice of approvals, and do not bear interest. All amounts are due by Departments and Agencies of State and Federal Governments.

Carrying amount:
Approximates fair value.

Liabilities - creditors and accruals

Accounting policy:
Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Council.

Terms and conditions:
Liabilities are normally settled on 30 day terms.

Carrying amount:
Approximates fair value.

Liabilities - interest bearing borrowings

Accounting Policy:
Loans and interest-bearing Cash Advance Debenture loans are recognised as financial liabilities, with interest expense calculated on the outstanding principal.

Terms & Conditions:
Secured over future revenues, borrowings are repayable; interest is charged at variable rates between 5.35% and 5.85% (2025: 5.0% and 5.50%).

Carrying Amount:
Approximates fair value.

Liabilities - leases

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

continued on next page ...

City of Tea Tree Gully

Notes to and forming part of the Financial Statements
for the year ended 30 June 2026

Note 14. Financial instruments (continued)

$ '000	Due < 1 year	Due > 1 year and ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
Financial assets and liabilities					
2026					
Financial assets					
Cash and cash equivalents	9,594	–	–	9,594	9,594
Receivables	8,793	–	–	8,793	8,395
Total financial assets	18,387	–	–	18,387	17,989
Financial liabilities					
Payables	6,633	–	–	6,633	6,633
Current borrowings	6,000	–	–	6,000	6,000
Non-current borrowings	–	29,000	–	29,000	29,000
Total financial liabilities	12,633	29,000	–	41,633	41,633
Total financial assets and liabilities	31,020	29,000	–	60,020	59,622
2025					
Financial assets					
Cash and cash equivalents	2,554	–	–	2,554	2,554
Receivables	7,947	–	–	7,947	7,890
Total financial assets	10,501	–	–	10,501	10,444
Financial liabilities					
Payables	8,127	–	–	8,127	8,127
Non-current borrowings	–	17,000	–	17,000	17,000
Total financial liabilities	8,127	17,000	–	25,127	25,127
Total financial assets and liabilities	18,628	17,000	–	35,628	35,571

	2026		2025	
$ '000	Weighted Avg Interest Rate	Carrying Value	Weighted Avg Interest Rate	Carrying Value
Fixed interest rates	5.85%	35,000	5.50%	17,000
		35,000		17,000

Net fair value
All carrying values approximate fair value for all recognised financial instruments. There is no recognised market for the financial assets of the Council.

Risk exposures

Credit Risk represents the loss that would be recognised if counterparties fail to perform as contracted. The maximum credit risk on financial assets of the Council is the carrying amount, net of any impairment. All Council investments are made with the SA Local Government Finance Authority and are guaranteed by the SA Government. Except as detailed in Notes 5 & 6 in relation to individual classes of receivables, exposure is concentrated within the Council's boundaries, and there is no material exposure to any individual debtor.

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Notes to and forming part of the Financial Statements

for the year ended 30 June 2026

Note 14. Financial instruments (continued)

Market Risk is the risk that fair values of financial assets will fluctuate as a result of changes in market prices. All of Council's financial assets are denominated in Australian dollars and are not traded on any market, and hence neither market risk nor currency risk apply.

Liquidity Risk is the risk that Council will encounter difficulty in meeting obligations with financial liabilities. In accordance with the model Treasury Management Policy (LGA Information Paper 15), liabilities have a range of maturity dates. Council also has available a range of bank overdraft and standby borrowing facilities that it can access.

Interest Rate Risk is the risk that future cash flows will fluctuate because of changes in market interest rates. Council has a balance of both fixed and variable interest rate borrowings and investments. Cash flow fluctuations are managed holistically in seeking to minimise interest costs over the longer term in a risk averse manner.

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City of Tea Tree Gully

Notes to and forming part of the Financial Statements
for the year ended 30 June 2026

Note 14. Financial instruments (continued)

Expected credit losses (ECL)

Council uses an allowance matrix to measure expected credit losses for receivables from individual customers, which comprise a large number of small balances. As rates and annual charges are secured over subject land no allowance for such receivables is made. Impairment analysis is performed each reporting date. ECLs are based on credit history adjusted for forward looking estimates and economic conditions.

Note 15. Capital Expenditure Commitments

$ '000	2026	2025
Capital commitments		
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:		
Buildings	928	10,273
City Beautification	558	33
Sporting courts/pitch renewal/Open Space	1,019	1,389
Other projects	945	1,603
	3,450	13,298
These expenditures are payable:		
Not later than one year	3,450	13,298
	3,450	13,298

City of Tea Tree Gully

Notes to and forming part of the Financial Statements

for the year ended 30 June 2026

Note 16. Leases

(i) Council as a lessee

Council does not have any Leases.

(ii) Council as a lessor

Leases Providing Revenue to the Council

Council owns various buildings, plant and other facilities that are available for hire or lease (on a non-cancellable basis wherever practicable) in accordance with the published revenue policy.

$ '000	2026	2025
Future minimum rentals receivable under non-cancellable operating leases as at 30 June, are as follows:		
Not later than one year	391	364
Later than one year and not later than 5 years	721	642
Later than 5 years	1,023	474
	2,135	1,480

Notes to and forming part of the Financial Statements

for the year ended 30 June 2026

Note 17. Superannuation

The Council makes employer superannuation contributions in respect of its employees to Hostplus (formerly Statewide Super and Local Government Superannuation Scheme). There are two types of membership, each of which is funded differently. Permanent and contract employees of the South Australian Local Government sector with Salarylink benefits prior to 24 November 2009 have the option to contribute to the Accumulation section and/or Salarylink. All other employees (including casuals) have all contributions allocated to the Accumulation section.

Accumulation only members

Accumulation only members receive both employer and employee contributions on a progressive basis. Employer contributions are based on a fixed percentage of ordinary time earnings in accordance with superannuation guarantee legislation (12.00% in 2025/26; 11.50% in 2024/25). No further liability accrues to the Council as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

Salarylink (Defined Benefit Fund) members

Salarylink is a defined benefit scheme where the benefit payable is based on a formula determined by the member's contribution rate, number of years and level of contribution and final average salary. The Salarylink (Defined Benefit Fund) is not available to new members. Approximately 11% of Council staff remain members of the Defined Benefit Fund, with the balance participating in accumulation-style superannuation arrangements. Council makes employer contributions to Salarylink as determined by the Fund's Trustee based on advice from the appointed Actuary. The rate is currently 6.3% (6.3% in 2024/25) of "superannuation" salary.

In addition, Council makes a separate contribution of 3% of ordinary time earnings for Salarylink members to their Accumulation account. Employees also make member contributions to the Salarylink section of the Fund. As such, assets accumulate in the Salarylink section of the Fund to meet the member's benefits, as defined in the Trust Deed, as they accrue.

The Salarylink section is a multi-employer sponsored plan. As the Salarylink section's assets and liabilities are pooled and are not allocated by each employer, and employees may transfer to another employer within the local government sector and retain membership of the Fund, the Actuary is unable to allocate benefit liabilities, assets and costs between employers. As provided by AASB 119.34(a), Council does not use defined benefit accounting for these contributions.

The most recent actuarial investigation was conducted by the Fund's actuary, Louise Campbell, FIAA, of Willis Towers Watson as at 30 June 2026 and any employer contribution rate change recommended by the actuary at this review is likely to be effective from 1 July 2027. The Trustee has determined that the current funding arrangements are adequate for the expected Salarylink liabilities. However, future financial and economic circumstances may require changes to Council's contribution rates at some future time.

Contributions to other superannuation schemes

Council also makes contributions to other superannuation schemes selected by employees under the "choice of fund" legislation. All such schemes are of the accumulation type, where the superannuation benefits accruing to the employee are represented by their share of the net assets of the scheme, and no further liability attaches to the Council.

City of Tea Tree Gully

Notes to and forming part of the Financial Statements
for the year ended 30 June 2026

Note 18. Non-current assets held for sale and discontinued operations

$ '000	2026	2025
Carrying Amounts of Assets and Liabilities		
Assets		
Land	–	92
Total assets	–	92
Net assets	–	92

Council has resolved to dispose parcels of land and portions of parcels of land.

As the consideration expected to be received exceeds the carrying amount, these assets has been recognised at the carrying amount.

Notes to and forming part of the Financial Statements

for the year ended 30 June 2026

Note 19. Contingencies and assets/liabilities not recognised in the balance sheet

The following assets and liabilities do not qualify for recognition in the Statement of Financial Position, but knowledge is considered relevant to the users of the financial report in making and evaluating decisions about the allocation of scarce resources.

1. Land under roads

As reported in the Financial Statements, Council is of the opinion that it is not possible to attribute a value sufficiently reliably for these assets to qualify for recognition, and accordingly land under roads has not been recognised in the reports. Land acquired for road purposes during the year is initially recognised at cost, but transferred to fair value at reporting date, effectively writing off the expenditure.

At reporting date, Council controlled 602 km of road reserves of average width 15 metres.

2. Potential insurance losses

Council is a multi-purpose organisation providing a large range of building, parks infrastructure, playgrounds and other facilities accessible to the public. At any time, it is likely that claims will have been made against Council that remain unsettled.

Council insures against all known insurable risks using a range of insurance policies, each of which is subject to deductible "insurance excesses", the amount of which varies according to the class of insurance.

Council has recognised the potential losses arising from claims known at reporting date based on average historical net cost (including insurance excess) of similar types of claims. Other potential claims not reported to Council may have existed at reporting date.

3. Bank guarantees

Amounts below appear in whole dollars ($).

Council has guaranteed certain loans and other banking facilities advanced to community organisations and sporting bodies, amounting to $91,231 (2024-25: $201,201) at reporting date.

The Tea Tree Gully Sporting Club currently has an outstanding debt to Council of $84,000 related to the club's required contribution towards the sportsfield lighting upgrade. Following discussions with club representatives, Council is satisfied that the club has a viable repayment plan in place and is committed to reducing the debt within an acceptable timeframe.

4. Legal expenses

Council is the planning consent authority for its area under the Planning, Development and Infrastructure Act 2016 (as amended). Pursuant to that Act, certain persons aggrieved by a planning decision of the Council may appeal. It is normal practice that parties bear their own legal costs. At the date of these reports, Council had notice of three appeals against planning decisions made prior to reporting date. All known costs have been recognised, but the amount of further costs cannot be known until the appeals are determined.

5. Contingent liabilities

A contingent liability is a potential liability that may occur in the future, such as pending lawsuits or honoring product warranties.

In a lawsuit alleging unpaid consulting fees, Trans Tasman Energy Group Pty Ltd (TTEG) has filed a claim for $7.3 million plus costs and interest against the State of South Australia and 61 Respondent Councils in the Supreme Court of South Australia. The Local Government Association of SA is acting as the Councils' agent and is coordinating a joint defence of the proceedings on behalf of the 61 Respondent Councils. Approximately $440,852.58 is Council's proportionate share of the damages that TTEG is claiming, plus expenses and interest. Council's legal counsel was unable to predict a likely monetary settlement at the time of writing.

6. Other events

Council has a comprehensive Safety First Strategy in place to ensure compliance with the Work, Health and Safety Legislation and the WorkCover Performance Standards for Self-Insured Employers. Our Council is also a member of the Local Government Workers Compensation Scheme.

City of Tea Tree Gully

Notes to and forming part of the Financial Statements

for the year ended 30 June 2026

Note 20. Events after the balance sheet date

Events that occur after the reporting date of 30 June 2026, up to and including the date when the financial statements are "authorised for issue" have been taken into account in preparing these statements.

Council has adopted the date of receipt of the Auditors' Report as the appropriate "authorised for issue" date relating to these General Purpose Financial Statements.

Council is not aware of any "non-adjusting events" that merit disclosure.

Notes to and forming part of the Financial Statements

for the year ended 30 June 2026

Note 21. Related party transactions

Key management personnel

Transactions with key management personnel

The Key Management Personnel of the Council include the Mayor, Councillors, CEO and certain prescribed officers under section 112 of the Local Government Act 1999. In all, 32 persons were paid the following total compensation:

$ '000	2026	2025
The compensation paid to key management personnel comprises:		
Executive Staff (5)	1,299	1,255
Non-Executive Staff (14)	2,495	2,312
Elected Members (13)	420	406
Total	4,214	3,973

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

Receipts from key management personnel comprise:

Other than amounts paid as ratepayers or residents (e.g. rates, swimming pool entry fees, etc.), Council received the following amounts in total:

Council's Executive and Management staff have access to enter into a salary sacrificed arrangement for the private use of a motor vehicle. Any Fringe Benefits tax liability that arises for such use is calculated and deducted from their salary to fully offset the Fringe Benefits Tax payable.

Council contains some key management personnel that have relationships with parties that Council may transact with on a regular basis. Relationships include: Adelaide University Sport and Fitness Association Inc., ALGWA SA Branch, Animal Welfare League, Ardtornish Primary School, Australian Labor Party SA, Australian Services Union, Banksia Park International School, Beautique Catering, Community Centres SA, Elizabeth and Districts Junior Soccer Association, Every Life Matters Salisbury Suicide Prevention Network, Gleeson College,Golden Grove Children’s Centre, Golden Grove High School Governing Council, Golden Grove Cricket Club, Golden Grove Netball Club, Golden Grove Tennis Club, Golden Grove Recreation and Arts Advisory Group, Highbury Primary School, Justice of Peace for State of SA, Kidsafe SA, LCS Landscapes, Lobethal Netball Club, Local Government IT SA, Local Government Financial Management Group, Local Government Finance Authority, Modbury High School, Neighbourhood Watch (Various Branches), Northern Healthcare Volunteer Association, North East Hockey Club, Progressive Left Unions and Sub-Branches, Public Libraries SA, Rotary Club of Salisbury, Rotary "Say No To Domestic Violence" Committee, Royal Association of Justices, St Francis Xavier Primary School,St John Ambulance, Tea Tree Gully Community Services Forum, Wynn Vale Primary School.

The nature of these organisation's activities with Council typically include the provision of services to Council, and lease property from Council; they may also be the recipient of grants from Council. Transactions with these organisations are immaterial in amount and nature.

Key management personnel and their close family members may have a committee role with these organisations and/or access their services. All matters when addressed by Council staff are covered by Council's conflict-of-interest procedures.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE CITY OF TEA TREE GULLY

Opinion

We have audited the accompanying financial report of the City of Tea Tree Gully, which comprises the statement of financial position as at 30 June 2026, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and the Certification of the Financial Statements.

In our opinion, the financial report gives a true and fair view of the financial position of the City of Tea Tree Gully as of 30 June 2026, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards and the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (including Independence Standards) (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Report

Management is responsible for the preparation of the financial report, which gives a true and fair view in accordance with Australian Accounting Standards and the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011*, and for such internal control as the committee and management determines is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the entity'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 management either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the entity's financial reporting process.

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An association of legally independent firms

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Advisors
Accountants
Auditors

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with 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 our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our auditor's report.

BENTLEYS SA AUDIT PARTNERSHIP



DAVID PAPA
PARTNER

Dated at Adelaide this 6th day of October 2026

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INDEPENDENT ASSURANCE REPORT ON INTERNAL CONTROLS OF THE CITY OF TEA TREE GULLY

Opinion

We have audited the compliance of the City of Tea Tree Gully (the Council) with the requirements of *Section 125 of the Local Government Act 1999* in relation to the Internal Controls established by the Council to ensure that financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities for the period 1 July 2025 to 30 June 2026 are in accordance with legislative provisions.

In our opinion, the Council has complied, in all material respects, with *Section 125 of the Local Government Act 1999* in relation to Internal Controls, established by the Council in relation to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities so as to provide reasonable assurance that the financial transactions of the Council have been conducted properly and in accordance with legislative provisions for the period 1 July 2025 to 30 June 2026.

Limitation on Use

This report has been prepared for the members of the Council in accordance with *Section 129 of the Local Government Act 1999* in relation to Internal Controls specified above. We disclaim any assumption of responsibility for any reliance on this report to any persons or users other than the members of the Council, or for any purpose other than that for which it was prepared.

Limitations of Controls

Because of the inherent limitations of any internal control structure it is possible that, even if the controls are suitably designed and operating effectively, the control objectives may not be achieved so that fraud, error, or non-compliance with laws and regulations may occur and not be detected.

An assurance engagement on internal controls is not designed to detect all instances of controls operating ineffectively as it is not performed continuously throughout the period and the tests performed are on a sample basis. Any projection of the outcome of the evaluation of controls to future periods is subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with them may deteriorate

Independence

In conducting our engagement, we have complied with the independence requirements of the Australian professional accounting bodies.

Member of Allinial GLOBAL
An association of legally independent firms

A member of Bentleys, a network of independent advisory and accounting firms located throughout Australia, New Zealand and China that trade as Bentleys. All members of the Bentleys Network are affiliated only, are separate legal entities and not in partnership. Liability limited by a scheme approved under Professional Standards Legislation. A member of Allinial Global – an association of independent accounting and consulting firms.

Advisors
Accountants
Auditors

The Council's Responsibility for the Internal Controls

The Council is responsible for implementing and maintaining an adequate system of internal controls, in accordance with *Section 125 of the Local Government Act 1999* in relation to Internal Controls, to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property, and incurring of liabilities are in accordance with legislative provisions.

Our Responsibility

Our responsibility is to express an opinion on the Council's compliance with *Section 125 of the Local Government Act 1999* in relation only to the Internal Controls established by the Council to ensure that financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities, based on our procedures. Our engagement has been conducted in accordance with applicable Australian Standards on Assurance Engagements ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* and ASAE 3150 *Assurance Engagement on Controls*, issued by the Australian Auditing and Assurance Standards Board, in order to state whether, in all material respects, the Council has complied with *Section 125 of the Local Government Act 1999* in relation only to the Internal Controls specified above for the period 1 July 2025 to 30 June 2026. ASAE 3000 also requires us to comply with the relevant ethical requirements of the Australian professional accounting bodies.

Our procedures included obtaining an understanding of internal controls in relation to the receipt, expenditure and investment of money, the acquisition and disposal of property and the incurring of liabilities, evaluating management's assessment of these internal controls, assessing the risk that a material weakness exists, and testing and evaluating the design and implementation of controls on a sample basis on the assessed risks.

BENTLEYS SA AUDIT PARTNERSHIP



DAVID PAPA
PARTNER

Dated at Adelaide this 6th day of October 2026

City of Tea Tree Gully

General Purpose Financial Statements

for the year ended 30 June 2026

Certification of Auditor Independence

To the best of our knowledge and belief, we confirm that, for the purpose of the audit of City of Tea Tree Gully for the year ended 30 June 2026, the Council's Auditor, Bentleys SA has maintained its independence in accordance with the requirements of the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* made under that Act.

This statement is prepared in accordance with the requirements of Regulation 22(3) *Local Government (Financial Management) Regulations 2011.*

Ryan McMahon
Chief Executive Officer

Daniel Edgecombe
Presiding Member, Audit and Risk Committee

Date: 15 September 2026

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Certification of Auditor Independence

I confirm that, for the audit of the financial statements of the City of Tea Tree Gully for the year ended 30 June 2026, I have maintained my independence in accordance with the requirements of APES 110 – Code of Ethics for Professional Accountants (including Independence Standards), Part 4A published by the Accounting Professional and Ethical Standards Board, in accordance with the Local Government Act 1999 and the Local Government (Financial Management) Regulations 2011 made under that Act.

This statement is prepared in accordance with the requirements of Regulation 22 (5) Local Government (Financial Management) Regulations 2011.

Bentleys SA Audit Partnership

David Papa
Partner
Dated at Adelaide this 15th day of September 2026

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CITY OF
TEA TREE GULLY
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