Attachment Under Separate Cover

Ordinary Council Meeting – 26 October 2026

Agenda Item - Discretionary Rebate - The Salvation Army Australia

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The Salvation Army Australia
(Social Fund)



Be the hope

ANNUAL REPORT 2025


“You are not here in the world for yourself. You have been sent here for others. The world is waiting for you!”
~ Salvation Army co-founder Catherine Booth
BELIEVE IN
good
THE SALVATION ARMY

This report covers the social work of The Salvation Army in Australia. This work is also underpinned by 295 corps (churches/faith communities) across Australia.

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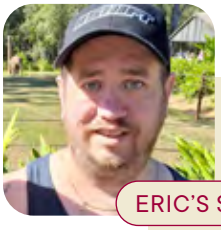

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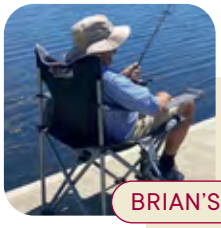
ERIC'S STORY

Faith, love and second chances



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A life transformed



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Contact us

salvationarmy.org.au

International Headquarters
101 Queen Victoria Street, London
EC4V 4EH
United Kingdom

Australia Headquarters
95-99 Railway Road,
Blackburn VIC 3130
Ph: 13 72 58

New South Wales/Australian Capital Territory Division
261-265 Chalmers Street,
Redfern NSW 2016
Ph: (02) 9264 1711

Queensland Division
GPO Box 2210,
Brisbane QLD 4001
Ph: (07) 3222 6666

South Australia/Northern Territory Division
PO Box 300, Fullarton SA 5063
Ph: (08) 8408 6900

Tasmania Division
PO Box 219, Moonah TAS 7009
Ph: (03) 6228 8400

Victoria Division
PO Box 220, Mitcham VIC 3132
Ph: (03) 8872 6400

Western Australia Division
PO Box 8498, Perth Business Centre
WA 6849
Ph: (08) 9260 9500

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Our Vision and Mission

Our Vision

Wherever there is hardship or injustice, Salvos will live, love and fight, alongside others, to transform Australia one life at a time with the love of Jesus.

Our Mission

The Salvation Army (TSA) Australia is a Christian movement dedicated to sharing the love of Jesus.

We share the love of Jesus by:

- Caring for people
- Creating faith pathways
- Building healthy communities
- Working for justice



The Salvation Army Foundations – Our Vision and Mission

Click or scan to view a video about TSA's vision and mission.

Our Values and Commitment to Inclusion and Reconciliation

Values

Recognising that God is already at work in the world we value:

- Integrity
- Respect
- Collaboration
- Compassion
- Diversity

Our Commitment to Inclusion



The Salvation Army Australia acknowledges the Traditional Owners of the land on which we meet and work and pay our respect to Elders past, present and future.

We value and include people of all cultures, languages, abilities, sexual orientations, gender identities, gender expressions and intersex status. We are committed to providing programs that are fully inclusive. We are committed to the safety and wellbeing of people of all ages, particularly children.

As a movement, we believe inclusivity is achieved by treating all people with dignity, compassion and respect. We deliver programs with cultural sensitivity and work with diverse groups to best understand their needs. This includes people of all cultures, languages, capacities, sexual orientations, gender identities and/or expressions.

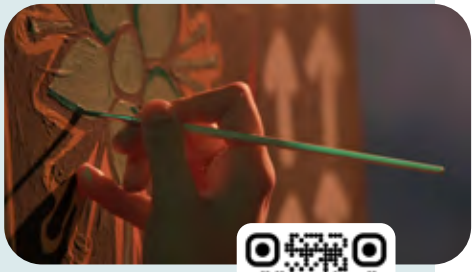
This year's National Reconciliation Week theme: *Be a Voice for Generations*.

Colonel Winsome Merrett, Chief Secretary, reiterated The Salvation Army's ongoing commitment to reconciliation through our Innovate Reconciliation Action Plan. Since its launch in December 2020, the Army has now completed all 89 deliverables of the plan.



The Salvation Army Foundations - Our Values and Commitment to Inclusion

Click or scan to view a video about TSA's values and commitment to inclusion.



National Reconciliation Week 2025: Bridging Now to Next

Click or scan to view the video from Reconciliation Australia.

Message from the Territorial Commander

What an incredible time it was when General Lyndon Buckingham and Commissioner Bronwyn Buckingham visited Australia in August 2024. The Salvation Army's world leaders toured six states in seven days, taking the theme of 'Pre-eminence' (that in everything Jesus would have pre-eminence). Their messages built strongly on the rallying cry of the Australia Territory – 'Jesus-centred, Spirit-led, hope revealed'.

This rallying cry has also set a foundational tone for the Australia Territory's Spiritual Life Committee, Board and management. The desire is that Jesus would be the centre of all that we are and do, that we would be a missional movement that is faithful to him, and that in all that we do and all that we are, he has the pre-eminence.

The Spiritual Life Committee has been working on key projects to shape the strategy we will use to guide us into the future, remaining organisationally faithful and true to who God called us to be.

We believe that we are at our best when people are transformed – body, mind, and soul; when we have services that wrap around the person; when we can take people on a journey of discipleship; and when we cover everything in prayer.

We're about people discovering life in all its fullness, and we believe this happens best when they undertake the journey with Jesus.

I could share many stories of this kind of transformation: a woman who experienced domestic violence and was supported by two Salvation Army 'angels' to achieve full recovery; a young girl who dropped out of school but later joined one of our schools, found hope and a future, and now sings in a church worship group; and a young man who had lost all hope and was about to take his own life, when one of our officers felt compelled to visit him and saved his life. That's why we do what we do.

I want to thank each of you for the part you play in being a hope-giver and a hope-bringer. From the person who volunteers to our employees, members, supporters, teams, partners and donors – a huge thank you.

To management, led by the Chief Secretary Colonel Winsome Merrett; to our Board, who are also passionate about the mission and strategic direction; to our Spiritual Life Team, who keep Jesus central; and to all who serve – thank you.

With you, we stride towards an incredible future, bringing life and hope to a world that desperately needs it.

Grateful to you and for you.

Bless you,



Miriam Gluyas (Commissioner)
Territorial Commander
Chair of the Board

Message from the Chief Secretary

In the early morning of Christmas Day 1974, Cyclone Tracy hit Darwin and in its damaging wake, left fear, sadness, deprivation and uncertainty in the community. As a resident of Darwin at that time, I experienced for myself the resilience of the people of Darwin, and the immediate and desperately needed support of The Salvation Army to that community.

In late 2024, as The Salvation Army commemorated the 50th anniversary of these events, and the lives impacted by them, we recognised that our response at that time was the beginning of a strengthened and more organised approach to assisting those in need, through natural disasters and other events that create fear, insecurity, and both material and spiritual need.

This approach is exemplified in the ongoing work of The Salvation Army Emergency Services, which in 2025 have provided immediate financial and practical assistance in response to natural disasters including major flooding in the New South Wales mid-north and Hunter regions, extensive bushfires in South Australia and Victoria, and Cyclone Alfred in Queensland.

Throughout Australia, Salvation Army workers have provided food, financial support, financial counselling, chaplaincy, and importantly, friendship and community to thousands of people. They have provided aged care, employment services, funerals and support to victims of domestic violence and members of our defence forces. Together, through our holistic approach to those we support and assist, we are helping to bring about spiritual and social transformation to individuals and families throughout our land.

I am grateful to those who so willingly perform these acts of service, as well as to those who support the work of The Salvation Army in order to make this possible. I would like to thank the Territorial Commander, Chair of the Board, Commissioner Miriam Gluyas, and the Board members whose support and advice has been crucial to our thinking and operations.

To our management team, I give my sincere thanks for your hard work and support. Also to our officers, employees and volunteers: our organisation depends on your loyal service and we are grateful for you.

To those government departments who see our work and collaborate in enabling it, and to our wonderful donors who continue to recognise the worth of our mission and generously support it: without you, we would be unable to pursue our vision of transforming Australia, one life at a time, with the love of Jesus. We are so grateful to you each.

Finally, I want to reaffirm our commitment to reconciliation through our Stretch RAP (Reconciliation Action Plan), which expands on our initial RAP plan to guide our ongoing engagement with Aboriginal and Torres Strait Islander people as we develop and implement new and continuous reconciliation initiatives.

This will be my last Annual Report as Chief Secretary of The Salvation Army Australia Territory. I want to acknowledge and welcome my successor, Colonel John Chamness, and again express my deep appreciation to our personnel and supporters who have regularly inspired and encouraged me with their passion and commitment to our mission and to those we serve.

God bless you,



Winsome Merrett (Colonel)
B.Sp.Thy., MA Arts (Theological studies) A.Mus.A
Chief Secretary
Chair of the Executive Mission Council Australia Territory

Our Governance

2024-25 Territory Board

The Board is responsible for providing governance oversight to the Australia Territory in accordance with Australian law, all requirements under International Headquarters' Orders and Regulations, and the principles of theology, mission, integrity and compliance.

The Board is also responsible for strategically positioning the Australia Territory so that it has a sustainable, major influence on Australian society, and to provide advice and assistance to the Trustees.

The Board is chaired by the Territorial Commander and is accountable to the General for its responsibilities.

Board membership for the period 1 July 2024 to 30 June 2025 is as listed:

- Commissioner Miriam Gluyas, Chair
- Major Kevin Lumb, Alternate Chair
- Mr Richard Grellman AM, Lead Independent
- Mr Greg Couttas, Chair, Audit and Risk Committee
- Ms Desley Hargreaves PSM, Chair, Quality and Safety Committee
- Ms Felicity Natoli, Chair, Professional Standards Committee
- Mr Adrian Appo OAM
- Dr Ian Brown
- Colonel Winsome Merrett
- Captain Colin Reynolds
- Captain Leisa Humbley
- Auxiliary-Lieutenant Rosy Keane



Commissioner Miriam Gluyas
(Chair)



Major Kevin Lumb
(Alternate Chair)



Mr Richard Grellman AM
(Lead Independent)



Mr Greg Couttas
(Chair, Audit and Risk Committee)



Ms Desley Hargreaves PSM
(Chair, Quality and Safety Committee)



Ms Felicity Natoli
(Chair, Professional Standards Committee)



Mr Adrian Appo OAM



Dr Ian Brown



Colonel Winsome Merrett



Captain Colin Reynolds



Captain Leisa Humbley



Auxiliary-Lieutenant Rosy Keane

Board visits

In August 2024, the Board travelled to the South Australia Division to visit different expressions of The Salvation Army. In April 2025, the Board visited the Victoria Division.

Board Committees

Audit and Risk Committee

The purpose of this committee is to ensure the integrity of the financial statements, the risk management framework and the system of internal controls, such that these align with The Salvation Army's values and meet its legislative and regulatory obligations.

Nominations Committee

The purpose of this committee is to fairly and objectively identify and nominate suitably qualified candidates for appointment to the Board.

Professional Standards Committee

The purpose of this committee is to define and promote within The Salvation Army a world's best-practice response to allegations of abuse and ensure The Salvation Army is actively enhancing child safety within the Australian community.

Quality and Safety Committee

The purpose of this committee is to define and promote a culture of continuous quality improvement and consumer safety that aligns with The Salvation Army's values and meets its legislative and regulatory obligations.

Remuneration Committee

The purpose of this committee is to assist and advise the Board on matters relating to remuneration for employees in senior roles as described in the Committee's Terms of Reference.

Spiritual Life Committee

The purpose of this committee is to improve the depth and breadth of the spiritual life of The Salvation Army in Australia; and to guide the movement so that it operates in accordance with its God-given mission – 'Share the love of Jesus by caring for people, creating faith pathways, building healthy communities and working for justice.'

The Under-35 Board Participant Program



Dr Britta Lacey

In April 2021, the Board approved the concept of an Under-35 Board Participant Program. This initiative ensures that the under-35 cohort of Salvationists is able to participate in the governance of The Salvation Army in Australia.

Dr Britta Lacey, a General Practitioner based in Brisbane and a senior soldier at the North Brisbane Corps, was appointed to the Board in August 2024 as part of the Under-35 Board Participant Program.

As participating observers, the Under-35 Board Participants attend all Board meetings with full access to the information being considered at each meeting and any additional communications provided to the Board. This position does not carry a Board vote. However, full participation in all Board discussions is encouraged.

Find out more about The Salvation Army Australia leadership at **salvationarmy.org.au/about-us/leadership-and-structure/australian-leadership**

The Salvation Army Australia Highlights 2024-25

Nearly 1.75M sessions of care provided

ACROSS ALL OUR SOCIAL PROGRAMS

1.05M+ nights
of accommodation were provided across all our social programs

228,500+ people assisted

$24.1M+ of financial assistance provided
in cash, gift cards, vouchers, bill payment and disaster relief

FAITH MINISTRY

22,600+ people supported
through chaplaincy

548,000+ of church attendances
on Sundays and weekdays

11% increase in number of church attendances
compared to last year



266,000+ meals provided
by corps (church/faith communities)

EMERGENCY RELIEF & COMMUNITY SERVICES

$18.3M+ of financial assistance provided

136,700 people assisted



52,000+ people received food parcels

29,000+ people received material aid

All data were accurate at the time of publishing.

MONEYCARE

Nearly 11,000 people provided financial counselling

FAMILY & DOMESTIC VIOLENCE

12,600+ people supported
who experienced family violence

HOMELESSNESS

38,000+ people assisted
who were homeless or at risk of homelessness

1.4M+ meals provided
to people who accessed homelessness services





YOUTH

59,500+ bed nights provided
to young people at risk of, or experienced homelessness

Nearly 1050 young people assisted
with learning how to drive

ADDICTION

More than 220,000 sessions of care provided
to people impacted by addiction

SALVOS STORES

52M items kept in circulation and out of landfill

EPLUS

More than 42,000 job seekers assisted
to look for employment

10,300+ job seekers gained employment



EMERGENCY SERVICES

650 responses to disasters
such as fires, floods or power outages.

46% increase in the number of volunteers

AGED CARE

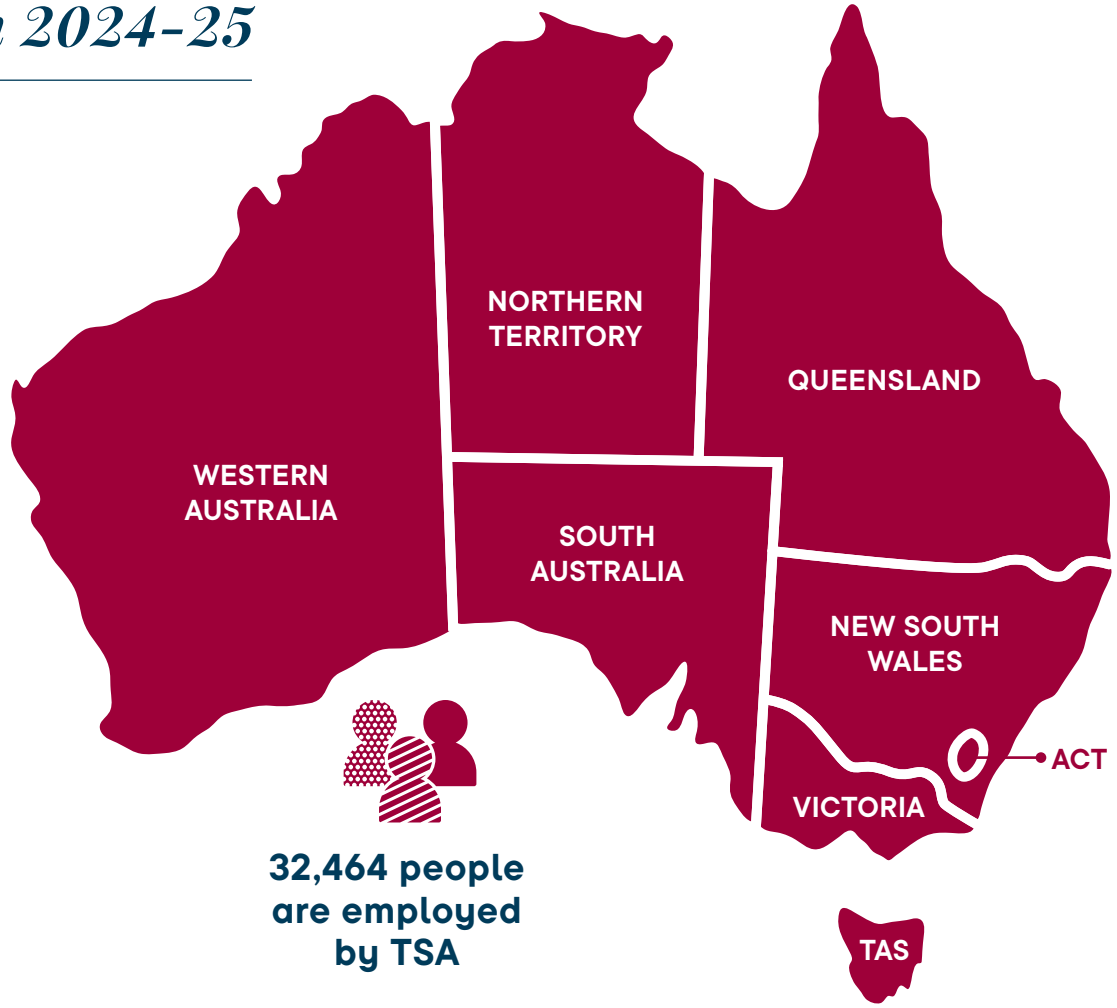
More than 157,700 visits to people
who received in-home care

SALVOS FUNERALS

600 families served
with 'at-need' funeral services


THE SALVATION ARMY
THE SALVATION ARMY

The Salvation Army Australia Territory Workforce Snapshot in 2024-25



32,464 people are employed by TSA

Victoria

Employees	2944
Officers*	490
Volunteers^	6223
Total	**9657**

New South Wales

Employees	2980
Officers*	457
Volunteers^	5257
Total	**8694**

Queensland

Employees	1595
Officers*	310
Volunteers^	4092
Total	**5997**

Western Australia

Employees	854
Officers*	102
Volunteers^	2407
Total	**3363**

South Australia

Employees	649
Officers*	117
Volunteers^	2102
Total	**2868**

Tasmania

Employees	376
Officers*	29
Volunteers^	658
Total	**1063**

Australian Capital Territory

Employees	275
Officers*	33
Volunteers^	286
Total	**594**

Northern Territory

Employees	153
Officers*	16
Volunteers^	59
Total	**228**

**Officers both active and retired*
^Numbers based on total average

Living our mission



Across all expressions of The Salvation Army in Australia, from our corps and faith communities to our social programs, community services and mission enterprises, we are united in sharing the love of Jesus by:

- Caring for people
- Creating faith pathways
- Building healthy communities
- Working for justice

This is our Mission, and it shapes everything we do. The examples shared here offer a glimpse into how these four elements are brought to life in local communities. While each story may highlight a specific aspect, every expression of The Salvation Army incorporates all parts of our Mission.



Caring for people

Supporting those experiencing hardship, through practical assistance and providing a listening ear, we create space for hope and positive change.

Social Mission | Aged Care | Salvos Funerals


THE SALVATION ARMY



Caring for people:

Social Mission

The Salvation Army's Social Mission programs are committed to delivering inclusive, high-quality social services that reflect the love of Jesus. Through this care, we aim to walk alongside individuals as they embrace transformation and build hope for a brighter future.

Our Social Mission work focuses on four key areas of need:

- Reducing the harm caused by alcohol and other drugs
- Addressing homelessness
- Supporting those impacted by family and domestic violence
- Empowering and supporting young people

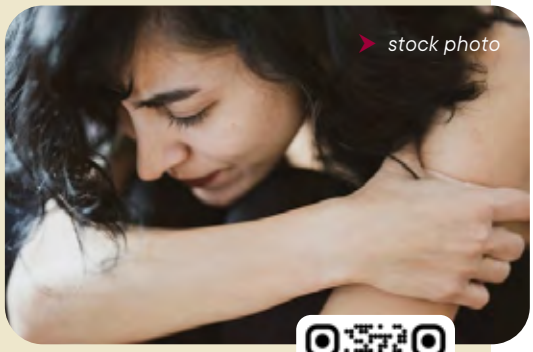
12,600+ people supported
who experienced family and domestic violence

Nearly 116,500 of sessions of care provided
to people experiencing family and domestic violence

FAMILY AND DOMESTIC VIOLENCE

Award-winning Alexis Model leading family violence prevention

In 2024, The Salvation Army's Alexis Family Violence Response Model, delivered in partnership with Victoria Police, won a national Silver Award at the Australian Crime and Violence Prevention Awards. Supporting around 160 victim-survivors and 160 perpetrators each year, Alexis embeds specialist practitioners in police stations to provide early, coordinated and trauma-informed responses. Independent research shows an 85 per cent reduction in family violence recidivism for clients, demonstrating the model's effectiveness in keeping families safe and building trust between victim-survivors and police.



stock photo

Click or scan to read more about how the Alexis team helped Sarah* build trust in the police and open up about her experience.



Family Empowerment facilitators Zoe Lang (2508 Salvos), Lisa Clancy (First Floor Program) and Lauren Martin (2508 Salvos).

Seeing change in Helensburgh, NSW

In the small town of Helensburgh (NSW), lives are being transformed through the *See Change* program. *See Change* is a six-week course developed by The Salvation Army and the University of Wollongong to help people navigate personal and family challenges. Since 2022, Helensburgh's 2508 Salvos have run five courses, creating a safe space where participants can be "totally authentic and vulnerable," says Mission Leader Lauren Martin.

"We've had people come through who struggle with anger, chronic health issues, or unhealthy coping mechanisms," she shares. "But what we see most often is what I call a 'self-worth deficit'. If we can help people truly see their value, powerful change starts to happen."

Every participant has reported an increase in self-worth, with one woman saying the course "probably saved my life". In 2025, the program expanded with the *Family Empowerment Program*, offering 12 months of mentorship and support to help families build a better future, even in the face of ongoing challenges. "It's about holistic support for as long as it's needed," Lauren says. "We want to see individuals and families in 2508 thrive."

125,200+ nights provided
for refuge or emergency accommodation due to family and domestic violence

HOMELESSNESS

The Beacon Homelessness Centre in Perth

The Beacon stands as a lighthouse of hope for people experiencing homelessness. As The Salvation Army's largest homelessness facility in Australia, they are committed to offering more than just a bed but a pathway forward.

Through case management, crisis intervention, allied health services and personal development programs, The Beacon helps individuals leave stronger and more capable than when they arrived. It's a place where dignity is restored and futures are rebuilt.

"We want people to walk out with more than they came in with – more confidence, more support and more hope," says a team member. At The Beacon, every person is seen, supported and reminded that change is possible.



Click or scan to view the video from this story.

Nearly 357,000 sessions of care provided

to people who were at risk of or experiencing homelessness

Nearly 702,900 crises' beds provided

to people who experienced homelessness



Amelia Natoli (right) with TSA Tasmanian Schools Engagement Program Leader Ashleigh Cowell and blankets from the drive.



Michael West, Salvation Army Emergency Services Response Coordinator for Tasmania, with Rug Up Tassie *blankets.*

Salvos partner with ABC to keep Tasmanians rugged up over winter

Each winter, The Salvation Army teams up with ABC Hobart to deliver warmth and care through the *Rug Up* Tassie blanket drive. With a goal of 500 hand-knitted blankets, Tasmanians from all walks of life contribute 20cm squares, some just one, others entire blankets, to wrap those doing it tough in comfort and community.

"It's freezing in Tasmania (over winter), so there's a practical element," says Amelia Natoli, The Salvation Army's External Communications Manager. "But it's also a message: 'You mean a lot to someone. You are worth hours of their time.'"

Blankets are thoughtfully matched to recipients, with frontline workers selecting colours and patterns that reflect personal stories, even favourite footy teams. For those rebuilding after family violence or hardship, these blankets offer more than warmth; they offer hope.

ABC Hobart Manager Samantha Stayner calls the drive "a beautiful expression of what a community can do," and praises the Salvos' presence across Tasmania: "It's literally a beautiful, warm and fuzzy feeling."

YOUTH SERVICES

Gardening transforming young lives at Upton Road

One of the many goals of The Salvation Army Youth Services Upton Road program (Vic.) is to provide a beautiful space and low-pressure environment for young people to thrive. The refuge offers gardening activities that allow participants who have experienced homelessness to learn new skills, build confidence and connect with the community. The program not only enhances their wellbeing but also supports them in achieving sustainable housing and a brighter future.



Click or scan to view the video from this story.

ALCOHOL AND OTHER DRUGS

Faith, love and second chances

Eric's story is one of survival, surrender and slow rebuilding. Removed from a family marked by addiction and violence, Eric was adopted into a loving home, but the trauma lingered. Addiction followed him into adulthood, leading to crime, broken relationships and years of trying to quit substances that kept pulling him back.

"I hit many rock-bottom points before the heart attack," Eric says. "As people say in recovery groups, you hit rock bottom then you find a trapdoor and keep going."

Minutes from death, wheeled into emergency surgery, Eric prayed his first real prayer. "Please, Lord, if you save me, I will change my life." That moment marked a turning point. Recovery wasn't instant, but it was real. Through support groups, volunteering and eventually employment with The Salvation Army, Eric found purpose and community.

Today, he helps serve hundreds of meals each week, mentors others and openly shares his story. "Every morning, I thank God for granting me another day," he says. "I want others to know God and to realise that God really can change lives for good."

Perth partnership having an impact

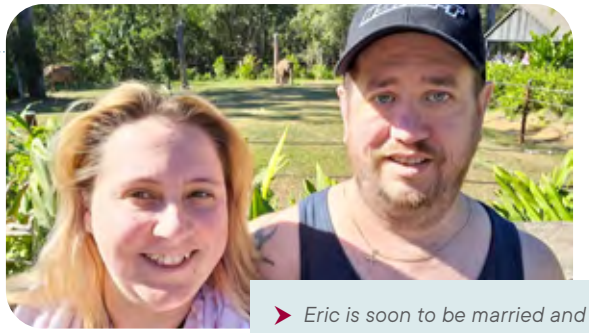
In Armadale (WA), a new partnership between The Salvation Army and alternative education provider Alta-1 is changing lives. With shared visions of transformation "one life at a time", this collaboration brings together vocational training, mental health support, and hands-on experience in places like the Garden of Hope.

Young people are learning barista skills, horticulture, and hospitality but more importantly, they're finding purpose and connection.

"There's a lot of material aid available," says Major Nikki Curtis, "but how can we make a significant difference to families? Maybe it's one family at a time and that will be systemic change."

From coffee vans to aged care partnerships, this hub is becoming a model for how community, education and mission can work together to create generational impact.

Nearly 4800+ young Australians supported



Eric is soon to be married and now works for The Salvation Army.

Assisted 11,700+ people with addiction to alcohol, other drugs, or gambling at rehabilitation services



Caring for people:

Aged Care*

The Salvation Army Aged Care's approach to delivering holistic services to older Australians across the country includes the strategic aspiration of increasingly supporting older people who are the most vulnerable to more closely align with The Salvation Army's Mission and Vision. This work continues in the context of the new Aged Care Act 2024 (Cth), which regulates aged care services funded by the Commonwealth Government.

Successes for Salvos Home Care

Salvos Home Care successfully won a tender to extend the ACT Health contract to operate Burrangiri Aged Care Respite Centre in Rivett for another two years, to provide much-needed care and support to both day and overnight respite clients and their carers. The Salvos Home Care team also started offering in-home care services in South Australia.

In addition to supporting older Australians though its Commonwealth Home Support funded Allied Health clinic in Modbury, Salvos Healthlink.

The New South Wales Home Care service successfully underwent an accreditation audit by the Aged Care Quality and Safety Commission, with no areas of concern identified. The audit covered all NSW locations – Port Macquarie, Central Coast and metropolitan Sydney.

2500+ people cared for
in residential aged care facilities

nearly 1825 people
received in-home care

280 low cost units provided
to elderly Australians in need

Salvos Home Care's in-home care services continue to operate in Queensland, Victoria, Tasmania and the Australian Capital Territory, serving approximately 1800 people. In addition, the National Disability Insurance Scheme (NDIS) services, supported by Salvos Home Care, provided 19,647 visits to support clients across the country, most of whom live in one of The Salvation Army Aged Care's residential aged care centres. With 58 participants receiving such a high volume of one-on-one support, this reflects a strong commitment to helping participants feel connected with their communities, supported and cared for.

A life transformed

Brian, a resident of Gill Waminda Aged Care Centre in Goulburn (NSW), has continued to develop his confidence and skills with the support of his NDIS Support Workers. "Life before I came in here was a mess," he says. "It was my own fault to let it get that way, but it got that far, and I couldn't do anything about it." Today, five years since he first arrived at the centre, his NDIS Support Worker, Amy, proudly reflects on Brian's transformation. "Brian has been fully rehabilitated in the five years he's been here," she says. "He is very proud of the man he is today."



Click or scan to read more on Brian's story.

Reviewing and revitalising Residential Services

While The Salvation Army divested two of its residential aged care centres in Central West NSW, and one co-located retirement village, it continues to support NDIS participants in this region to ensure continuity of care.

The Salvation Army Aged Care was also successful in its application for two Federal Australian Government Aged Care Capital Assistance Program capital grants under the specialist homeless scheme.

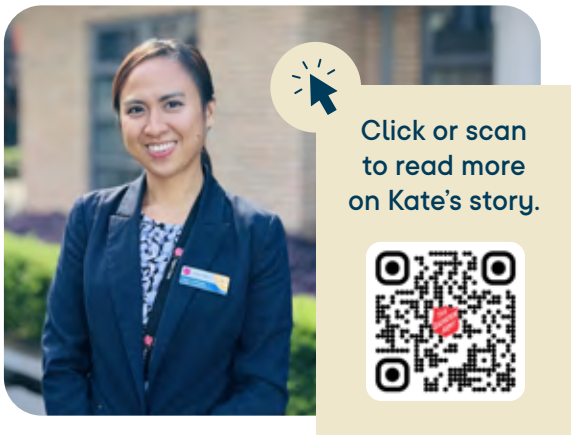
Montrose Aged Care Centre, a specialised 44-bed centre catering to vulnerable men in Balmain, in inner Sydney, was awarded $1,580,191 and James Barker House Aged Care Centre a centre supporting vulnerable older Australians in Footscray, Melbourne's west, was awarded $5,025,001. Both centres will undertake capital works to revitalise resident rooms and wings.

The number of people served through The Salvation Army's nineteen Aged Care centres was 2544. These residents, and Salvos Home Care participants, were supported by 2468 of staff members, with a 6.4 per cent increase in the number of people joining the team over the last financial year.

Inspiring lives

Kate, a Care Manager at Macquarie Lodge Aged Care Centre in Arncliffe (NSW), began her Salvation Army journey when she was 21 years old. Last year, she celebrated 10 years of work and, throughout her time, has progressed in her role, first starting as a Care Service Employee in 2013 before becoming a Registered Nurse in 2017 and the Clinical Coordinator in 2019. She has been the Care Manager since 2021.

"What I find most rewarding working in the aged care industry is the deep connection I form with residents and their loved ones, right from the moment they arrive at the centre," she says. "I pay close attention to their likes, dislikes and what gives meaning to their lives. As I build these relationships, I am there for them during their most vulnerable moments, offering them comfort and reassurance."



Click or scan to read more on Kate's story.

Supporting the Salvos

The Salvation Army Aged Care's retirement villages, located in Queensland and New South Wales, consist of 364 individual apartments supporting older Australians to live life at their own pace and on their own terms. Of these, there are 280 low-cost units nationally. Residents of Collaroy's Warringah Place Retirement Village (NSW), supported a Red Shield Appeal promotional event at Salvos Ambassador Jamie Durie's house, with live weather crosses on *Weekend Sunrise*. The residents reported having a great morning to support this important Salvos event.

** The Salvation Army's Mission Enterprises deliver Mission and use commerce to generate surpluses for other Salvation Army mission expressions or to maximise enterprise sustainability and impact. These enterprises include: Aged Care, Employment Plus, Salvos Stores, Salvos Funerals, Salvation Army Housing.*



Caring for people:

Salvos Funerals*

2024-25 Salvos Funerals highlights:

Generated $2.5M revenue turnover

Served 600 families with 'at-need' funeral services

Generated $2.5M+ in prepaid contracts

5 site locations throughout Australia

Extending hope and honour across generations

In 2025, Salvos Funerals continued its mission of compassion, dignity and affordability, serving approximately 600 families with at-need funeral services. Since launching in Sydney in March 2017, we have now supported over 4000 families, offering solace and practical help during life's most difficult moments.

This year marked a significant milestone with our successful expansion into South East Queensland, where we began offering affordable cremation services from late February 2025. This strategic move allows us to reach more Australians in need, particularly those facing financial hardship and reinforces our commitment to national accessibility.

We continue to build trust through our prepaid funeral services, now holding over $2.5 million in contracts in trust. These figures reflect not just financial growth, but the deepening impact of our work in communities across the country.

Salvos Funerals remains a vital expression of The Salvation Army's mission - bringing dignity, hope and care to every farewell. As we grow and evolve, we carry forward the legacy of those who came before us, ensuring that every life is honoured with respect and love.

Legacy of compassion: The Harris family

One of the most moving moments this year came through our service to the Harris family, who entrusted Salvos Funerals with the farewell of their beloved patriarch.

During the arrangement, the family shared a poignant memory: the father of the deceased often spoke of the Salvos chaplains who would appear in the trenches during the darkest nights, when he served on the frontline as an infantryman on the North African front in World War Two, bringing hot cocoa, snacks and a spirit of hope. These simple acts of kindness left a lasting impression, lifting spirits in times of fear and uncertainty, and as cherished stories passed down to future generations.

That legacy endured. The Harris family became generous long-time supporters of The Salvation Army, and when they learned about Salvos Funerals, they knew it was the right choice. Their story is a powerful reminder of how acts of compassion ripple across generations, and how the work of The Salvation Army continues to honour the past while serving the present.

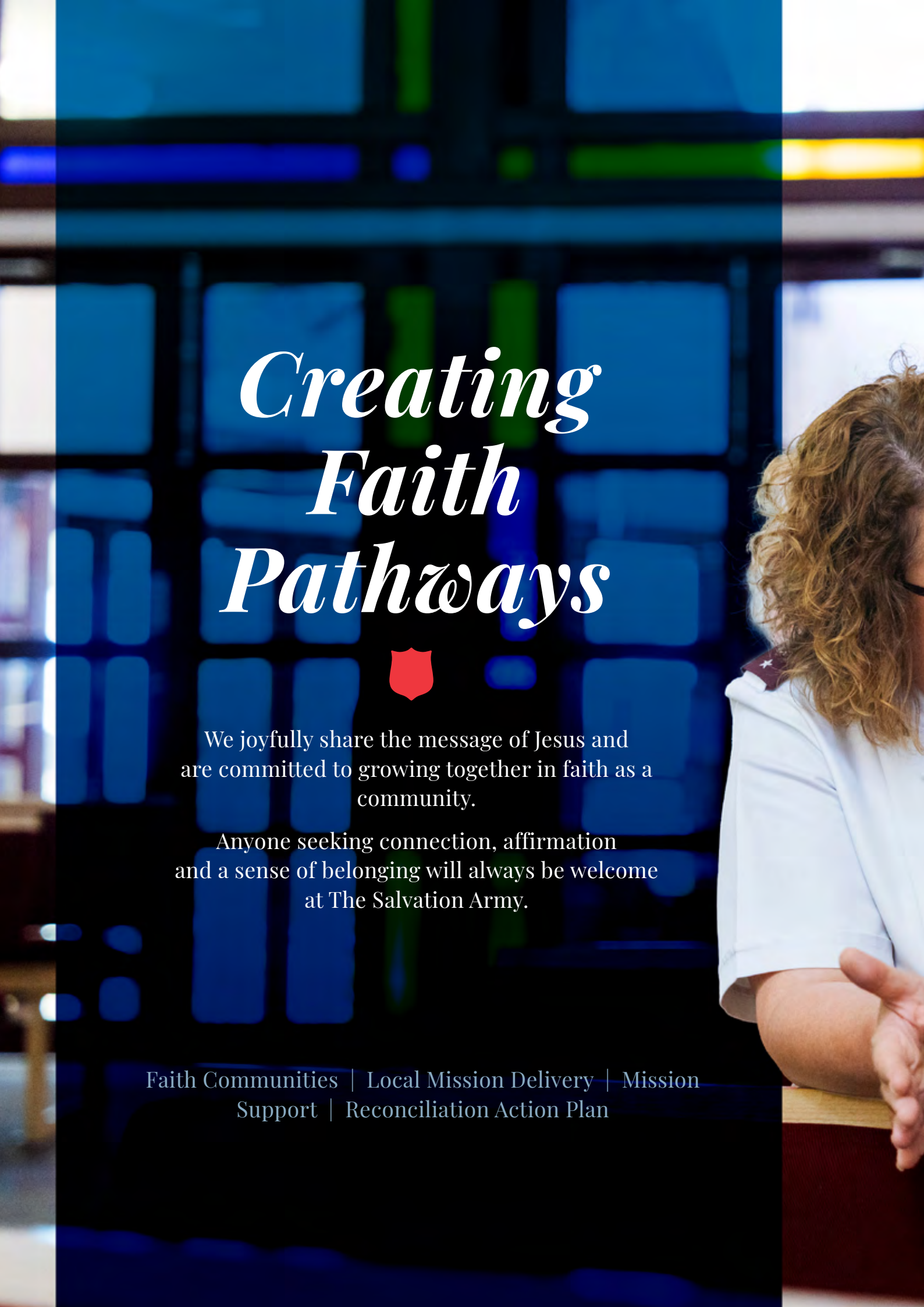
** The Salvation Army's Mission Enterprises deliver Mission and use commerce to generate surpluses for other Salvation Army mission expressions or to maximise enterprise sustainability and impact. These enterprises include: Aged Care, Employment Plus, Salvos Stores, Salvos Funerals, Salvation Army Housing.*

Creating Faith Pathways

We joyfully share the message of Jesus and are committed to growing together in faith as a community.

Anyone seeking connection, affirmation and a sense of belonging will always be welcome at The Salvation Army.

Faith Communities | Local Mission Delivery | Mission Support | Reconciliation Action Plan



Creating Faith Pathways:

Faith Communities

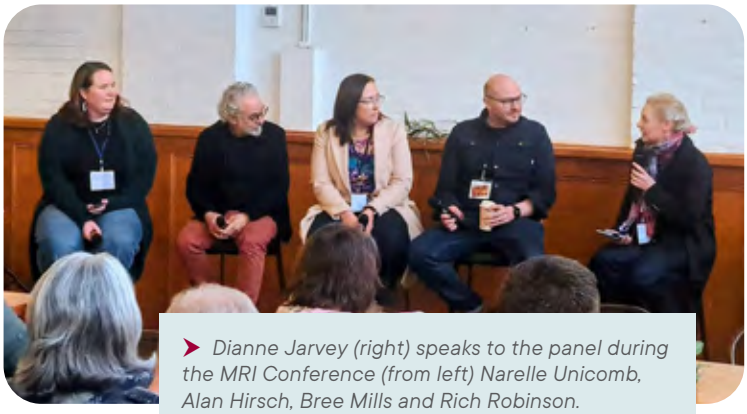
Nearly 39,000 women's ministries group and activities attendances
5% increase from 2023-24

2300+ parent and toddler group activities attendances

Movement Renewal Initiative – finding a way in the fiery chaos

The Salvation Army is investing in the future health of its faith communities through the Movement Renewal Initiative (MRI).

Participants in the first 2024 cohort said the training shifted ingrained mindsets and provided a framework for fresh mission and ministry, with a central focus on growing God's Kingdom.



Dianne Jarvey (right) speaks to the panel during the MRI Conference (from left) Narelle Unicomb, Alan Hirsch, Bree Mills and Rich Robinson.

"There's hope rising again for our corps and for the movement to flourish. I'm learning that some of what I've learnt I need to unlearn to embrace what God is revealing," said Major Pete Brookshaw from Morley Corps (WA).

Delivered by the Movement Leaders Collective, including Alan Hirsch and Rich Robinson, MRI brought faith expression leaders together from across Australia for fortnightly online training with a view to gaining a deeper understanding of how to birth a Jesus movement, how to develop culture, and how to implement key ideas and practices to release movement potential and multiply.

Major Dianne Jarvey, Secretary for Faith Communities Development, stated that the primary goal of the training is to revitalise The Salvation Army through local mission and systemic change. "MRI is more than a course, it's an opportunity for the entire organisation to seek Jesus and rediscover fresh, innovative ways to engage with our mission, renew our purpose and inspire lasting impact across every level."

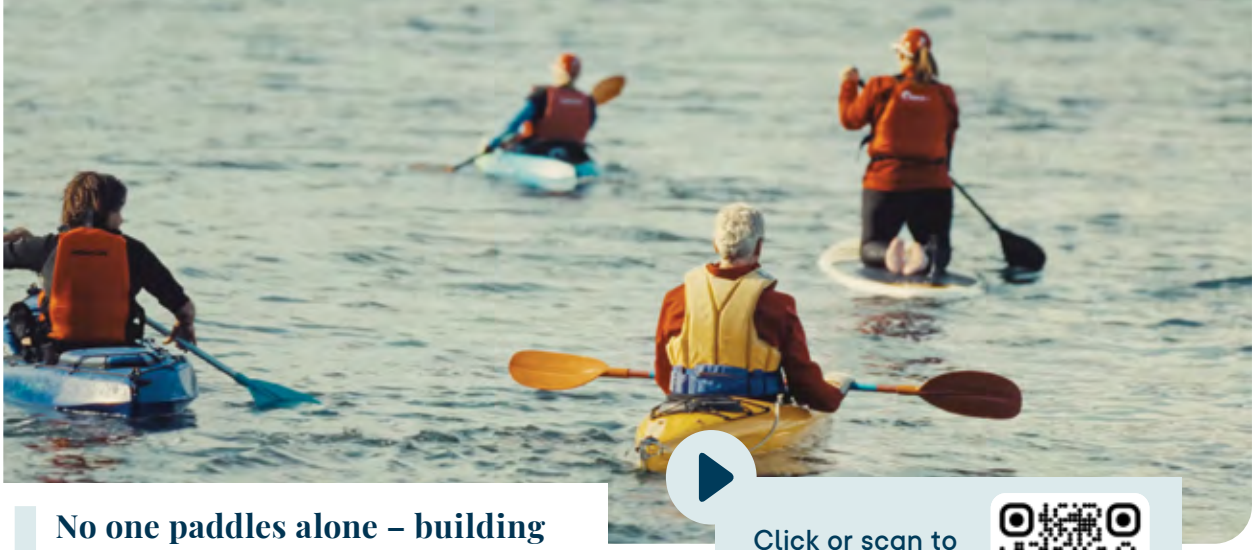
Major John Viles, from Tweed Heads Corps (NSW), said "MRI reminds frontline ministry that change toward God's preferred future for the Army is not just possible … but actually within their grasp."

He said the key for Salvation Army leaders undertaking the initiative is to intentionally set aside time to seek and pray for God's direction and act on it.

Captain Paul Trotter, from Hobsons Bay Corps (Vic.), said, "I keep hearing you have permission to do something new … but the 'what' and 'how' are often missing. MRI has given me a framework to do the new and explore, and I am seeing results." Paul said he's now using the MRI principles and through discipleship studies exploring and discovering where God is already at work.

The 2025 Movement Renewal Initiative cohort included a diverse group of individuals, including those from social programs, Salvos and Family Stores, chaplains, corps leaders, lay leaders, ministry workers, employees and Area Officers.

> "We gathered as a united community to dive into discussions about our mission and explore how we can work together more effectively. It was a fantastic opportunity to connect and collaborate!" said Dianne.



Click or scan to view the video from this story.

No one paddles alone – building hope and community on the water

"Paddlers Against Poverty is a 'Community of Hope' (an open, inclusive group) based around kayaking and standup paddle-boarding and being on the water," said Major Joel Clifford, who leads the group in Hobart, Tasmania.

The paddlers meet for a monthly paddle, canoe or kayak together, often followed by afternoon tea. The event is a place for connection and support within the community.

"Paddle-boarding is a passion of mine," shares Joel. "I really love it. And I'm like, what if I use that and turn that into something that other people could join with, and we could create a community based on that, on the water? It could be a place where people could [also] find a place to give back, service, find faith and develop their faith, that doesn't look like church on a Sunday morning."

Breaking down walls

For group member Dee, the whole paddle-boarding journey has been transformational. "Everybody has been so welcoming," she said, "and also really accepting of where I'm at."

Joel has seen the positive impact of the group on its members. "It has been really amazing to see how God has moved in and through our group," he said. "Slowly [people's] walls have been broken down just because they have somebody to talk to, people who validate their feelings, people who care about them, people who show the practical love of God to them no matter what.

For Joel, and for Paddlers Against Poverty, "creating faith pathways and creating community and caring for people is really important for us.

"We have this pathway where people can come and find a sense of belonging, and then as we go paddling, we encourage people to look and see where God is at work around them.

> "Being out in a place like this is just an incredible opportunity to see God in a different way."

Find your place at Katherine Corps

In Katherine (NT), The Salvation Army is offering more than just services; it's offering a place to belong. The Katherine Corps operates as a vibrant community hub, providing showers, toilets, case management and creative activities like weaving and boomerang making. For those navigating addiction, homelessness, or hardship, it's a space where dignity is restored and healing begins.

Recognised as an A-grade service, the centre meets critical needs with compassion and cultural sensitivity. Whether someone is accessing support or simply sharing a cuppa, the message is clear: you are welcome here and you are not alone.



Click or scan to view the video from this story.

Creating Faith Pathways:

Local Mission Delivery

More than 153,700 sessions of care

Nearly 48,000 people with food parcels

Coffeetunity – hospitality training in southern Tasmania

Coffeetunity began three years ago when The Salvation Army received an unused coffee trailer. Captains Jess Ffrost-Boyd and Craig Boyd turned it into a free one-on-one barista training program, offering volunteer work experience to help participants build skills, confidence and stronger resumes.

Partnering with Business Employment Southeast TAS (BEST), the program provides wraparound support including career coaching, resume help, and interview prep, allowing participants to leave with more than just a certificate.

After being invited by Sorell Council to operate at the local basketball stadium, Coffeetunity expanded into food service, giving trainees experience in cooking, prep and kitchen operations. As a result it seems young people are gaining confidence, discovering their value, and stepping into new opportunities.



Click or scan to view the video from this story.



Captain Darrell Wilson speaking at the Rev Shed at the 'key handover' of a repaired vehicle that was donated to a community member.

Rockingham car ministry putting the rev back into people's lives

In Rockingham (WA), The Salvation Army is helping people rebuild their lives through a unique partnership with South Coast Baptist College's Rev Shed mentoring program. Donated second-hand cars are repaired by students and then gifted to individuals and families who need reliable transport.

The program gives students hands-on experience while offering practical support to those facing financial hardship, housing instability or barriers to employment. Captain Darrell Wilson recalls gifting a restored car to a single mother whose vehicle had broken down, leaving her unable to get her children to school or appointments. "She was really grateful," he says.

The initiative is supported through the Centre of Hope, Rockingham's drop-in centre offering wraparound services and referrals. Relaunched after COVID-19, the program continues to grow despite rising costs and demand for second-hand vehicles. As Darrell puts it, "A car isn't a house, but it can be somewhere safe, a way to get around, a way to get back into work. It can be the start of something."

Creating Faith Pathways:

Mission Support

260 corps (churches/ faith communities) run community support activities



The VAMP team – Mornington Corps Officer Major Debbie Taylor, DJ David Williamson and Dave Parker, Community Music Activities Coordinator.

Mornington Salvos get into the groove with disco for NDIS participants

At Mornington Salvos (Vic.), the VAMP Music Disco is more than just a weekly dance party, it's a space where people of varied abilities are free to express themselves, connect and feel joy. Created by Dave Parker, a former music teacher and wellbeing coordinator, VAMP blends interactive percussion, singing, dancing and DJ-led music into a sensory-rich experience for NDIS participants.

But behind the music is something deeper. "As a person of faith," Dave says, "I try to create some experience for people who are normally excluded that resembles or could simulate what it might be like to be in the presence of the kingdom of God."

From tambourines to Djembe drums, from Abba to Ghostbusters music, participants bring their song requests, their energy, and their whole selves. It's a place where everyone is welcome, where no one is left out, and where the joy of music is shared in every beat.

Artwork artists: Sue Hodges, Glenn Westwood, James Algeo



Creating Faith Pathways:

Reconciliation Action Plan

Stretch RAP launch marks 'courageous and essential' progress towards reconciliation

In June 2025, The Salvation Army launched its Stretch Reconciliation Action Plan (RAP), marking a significant step forward in its reconciliation journey. Joining only a small number of non-profits at this advanced stage, the Stretch RAP embeds reconciliation initiatives into core business practices with six key commitments including Truth-Telling, Cultural Safety and Social Justice Advocacy. Reconciliation Australia praised the Army's truth-telling as "courageous and essential," positioning the organisation as a leader in driving meaningful change alongside First Nations peoples.



View the Reconciliation Action Plan 2025 Artwork Animation on YouTube.



The cutting of the cake ceremony at the Stretch RAP launch.



Building Healthy Communities

Building meaningful connections that foster growth allows us to experience the unity of being part of a community aligned with God's purpose.

Community Engagement | Salvation Army Emergency Services | Salvos Stores | Employment Plus


THE SALVATION ARMY
Salvos Community Connect
Thanks fo
Visiting
See you next tim



Building Healthy Communities:

Community Engagement

The Salvation Army is committed to building thriving communities for the future through its community engagement services. Across Australia, we offer a wide range of initiatives and programs that provide practical help, emotional care and spiritual support – transforming lives and strengthening communities.

Through the Community Engagement department, we support mission expressions and local communities via Chaplaincy, Salvation Army Emergency Services, Red Shield Defence Services, and Community Services. Community Services includes programs such as Moneycare, national corps-based social initiatives, and Doorways.

DOORWAYS EMERGENCY RELIEF

Opening the door to better holistic care for a community in need

Asking for help isn't easy. For many who walk through the doors of a Salvation Army centre, it takes immense courage to admit they're struggling – whether with addiction, financial hardship or simply trying to get through the day. That's why Doorways exists: to offer emergency relief and holistic case management with dignity, compassion and respect.

In 2022, a national model was introduced to strengthen Doorways' reach and consistency. A recent evaluation, led by Research Analyst Belinda Hendrickson, involved site visits to 22 locations and conversations with over 70 individuals, including people with disabilities, First Nations community members, refugees and those facing complex challenges.

"We saw how much strength it takes to ask for help," Belinda says. "And how connection through programs, case management, or simply being seen can change someone's outlook and wellbeing."



In Alice Springs: (Back row from left) Paul Tanner, Mel Birch, Maria Anderson, Belinda Hendrickson, Andy Head. (Middle row from left) Lee Quan, Emma Scott, Emmanuel Migi, Anne Dunn. (Front row from left) Minn Sultan, Netty Sultan.

The evaluation revealed that when corps and Doorways teams collaborate effectively, the impact is transformative. People feel less alone, more confident and better equipped to face the future. The findings will guide ongoing improvements, ensuring that every person who reaches out is met with understanding, not judgment.

COMMUNITY SERVICES

Dignity in shopping – Salvos Life Essentials Supermarket at St Marys

In the midst of a cost-of-living crisis, access to basic essentials can be the difference between surviving and slipping further into hardship. At St Marys Corps (NSW), the Life Essentials Supermarket is offering more than just groceries, it's restoring dignity and choice to individuals and families doing it tough.

With shelves stocked with fresh produce, meat, toiletries and household items, the supermarket is designed to feel like a regular shopping experience, not a handout. For many, especially those navigating addiction recovery or financial instability, this kind of support helps stabilise life and rebuild confidence.

"It's not just about food," says a team member. "It's about creating a space where people feel respected and empowered."



Click or scan to view the video from this story.

RED SHIELD DEFENCE SERVICES

Standing with veterans

Across Australia, The Salvation Army continues to walk alongside veterans facing homelessness, mental health challenges, and the complex transition to civilian life.

Guided by the Royal Commission into Defence and Veteran Suicide, we're strengthening partnerships, enhancing chaplain training and adapting programs to better support those who have served our nation.



Read more on how Captain Ali McKeand (right) is leading this mission of hope and practical support.



Building Healthy Communities:

Salvation Army Emergency Services (SAES)

From emergency response to early recovery, we stand with communities to provide financial, material, emotional and spiritual support so lives can be re-established after disaster.

In the aftermath of a disaster, it's easy to feel overwhelmed by the enormity of what needs to be done. You don't have to take that journey alone. The Salvation Army is available to provide advice and clarity, to make sense of what the next steps are and to help you regain some control over the situation. The Salvos are here to support you for as long as it takes to recover.



Northern Rivers Team Leaders Captains Phil and Donna Sutcliffe (right) with volunteers who travelled from Sydney and Canberra to assist with relief efforts.



Volunteer Kevin Lawler serves two policemen.



The Pine Rivers team (from left) Major Donna Todd, Renee Thompson, Chris Brindley, and Aux-Lieuts Alli and Liam Holland.



SAES volunteers Michelle and John Ault serving hot drinks at Runaway Bay Indoor Stadium on the Gold Coast.

As Cyclone Alfred hovered near the Australian east coast in early March 2025, Salvation Army Emergency Services (SAES) teams were preparing to respond to the Category 2 system due to hit landfall. At the same time, The Salvation Army launched the Cyclone Alfred Appeal and released $600,000 from Red Shield Appeal funds, along with an extra $400,000 pledged by Woolworths and the NAB Foundation to fund the recovery.

Although the cyclone was downgraded, almost 250,000 properties were left without power. At the cyclone's peak, SAES supported up to 13 evacuation centres across South East Queensland and the Northern Rivers region of New South Wales. Thanks to the generosity of our donors, supporters and 95 volunteers, SAES provided 8924 hearty meals and refreshments, as well as psychological first aid and a friendly chat, to first responders and residents displaced by the cyclone and subsequent flooding.

Lismore Corps Officer Captain Phil Sutcliffe noted that, although community members had more time to prepare for this emergency, stress levels were significantly higher than in previous events, as many in the area were still recovering from the record-breaking floods of 2022 that caused extensive damage.

"In Lismore, there is a huge sense of relief that the river didn't peak," he said. "Our biggest issue is that this has brought up a whole fresh sense of trauma from 2022 and that will be our continued ongoing work after the evacuation centres close – to support communities to get back to normality."

As the evacuation centres closed, The Salvation Army supported eight state government recovery hubs in New South Wales and managed an online and phone application process in Queensland to provide hardship grants to community members.

During the recovery phase:

$1.77M distributed in financial assistance

5614 grants issued

7018 adults and 3871 children had been supported

NORTH EAST QUEENSLAND MONSOON

In February 2025, a once-in-a-lifetime flood crisis loomed over northern Queensland and after days of heavy rain, Townsville, Innisfail, Ingham, Gordonvale, Cardwell and many surrounding areas of the Hinchinbrook Region were inundated with floodwater.

Queensland Premier David Crisafulli warned North Queensland residents that rain, flooding, power outages and critical infrastructure damage could get worse.

“This is a serious event,” he said, describing the flooding as monsoonal and a “once-in-a-century occurrence”.

SAES General Manager Daryl Crowden said the Salvos were “bringing people, support and resources” to Townsville and would remain engaged with Queensland and the local governments for as long as necessary.

“Many of those sitting in an evacuation centre, or staying with friends or family, are wondering what they will return to.”

SAES emergency response teams supported four evacuation centres in Townsville and Ingham, providing 3105 hot meals and refreshments in the first two weeks of the floods.

Thanks to over 60 officers, employees and volunteers from across four states – and the SAES team - over $940,000 in hardship grants were distributed and 5349 people were supported by the Salvos. The Salvation Army supported 13 recovery hubs where 3124 individual assessments were processed and 435 people received psychological first aid.



“Joe’s spirit is one of resilience and unwavering optimism,” said Territorial Envoy Margaret Coombridge, Recovery Coordinator Vic/Tas, pictured with Joe.

Joe steps up

In Crystal Creek, Joe, a proud farmer, saw his home spared from the worst of the floods, losing only a kilometre of fencing. While others around him faced immense hardship, he stepped up to support his neighbours. However, when access roads were cut off, he, too, needed help. The Salvation Army Response Team ensured that food and essential supplies reached him and his community, carrying boxes over a rail bridge in the rain to ensure the Crystal Creek Community Hall, a refuge for locals, was well stocked with essential supplies.

“They didn’t let a little rain stop them,” Joe said with a grin, full of gratitude for the efforts made on his community’s behalf. At 70, his spirit of resilience and unwavering optimism was a reminder of the strength found in small communities during crisis. His story, like so many others, highlights the privilege of coming alongside those impacted by disasters and offering hope where it is needed most.

> “I want to pass on my thanks to the team, they went above and beyond, and we’re all so grateful for it,” Joe said.

NSW MID NORTH COAST FLOODS

In response to devastating floods across the NSW Mid North Coast in late May, SAES teams provided vital support to evacuees and emergency personnel. Operating across 16 evacuation centres, SAES served 3105 hot meals and refreshments in the first two weeks, despite road closures and difficult conditions.

Volunteers from five states contributed 2659 hours to both response and recovery efforts. SAES distributed $1,148,900 in hardship grants and facilitated psychological first aid for 535 people in eight recovery hubs. During the recovery phase, 7769 adults and 2219 children were supported by the Salvos.



Norm Archer from SAES NSW says the Salvos worked hard to support those affected by flooding on the NSW Mid North Coast.

GRAMPIANS BUSHFIRES, VICTORIA

Victorian SAES volunteers from across the state joined forces to feed the many community members displaced by the Grampians National Park bushfire crisis in December 2024.

The team provided more than 1400 meals to residents affected by the major bushfire that began on 17 December in the national park. Dry lightning started multiple fires in the southern part of the park. Additionally, the Salvos distributed a large amount of material aid to hundreds of people residing at council-run relief centres during the crisis.

More than 76,000 hectares of national park and agricultural land burned during a three-week period before the fire was contained, and four homes were lost.

"Boxing Day was very scary," said Adam Clark, Assistant Coordinator of the Victorian SAES.

"We didn't really know what was going to happen on Boxing Day. It was scary because all the intel (intelligence information supplied by local authorities) that was coming in from the government was that it was going to be like Black Saturday. That is what they were expecting in terms of the impact and certainly the weather. But they were very lucky that they could contain it pretty much within the national park, and when it came out onto private land, they could really tackle it."

During the recovery phase, SAES teams conducted 72 hours of phone assessments, resulting in a total of 57 combined council and service referrals of 85 adults and 38 children and $22,900 in community grants distributed.

Ongoing, The Salvation Army continues to work with the local communities through local corps (churches), Doorways (financial emergency services) and other Salvation Army services embedded in the region.



Secretary for Mission Lieutenant-Colonel Gregory Morgan (left) visited SAES teams working on the Grampians fires to offer encouragement.









SAES crews working hard to serve people affected by the Grampians bushfire crisis in December 2024.

SOUTH AUSTRALIA BUSHFIRES

The SAES provided 6639 meals to first responders and community members impacted by bushfires in the lower Flinders Ranges, South Australia, over 10 days in February 2024.

A South Australia Country Fire Service (CFS) spokesperson said the fires had burnt 3850 hectares of hard-to-access terrain, which was at least 20 per cent of Mount Remarkable National Park.

"The deployment has only been able to occur because of the amazing volunteers that have given so much time and effort," said Response Coordinator Major Reno Elms.

A fire fighter from the Willunga Brigade, Heath L'Estrange, was full of praise for The Salvation Army's presence at Wilmington.

"As a CFS firefighter who was at Wilmington earlier this week, I really want to express my gratitude and admiration for what all of the Salvos are doing up there," he said.



The Salvation Army Emergency Services crew on duty at the fires in the lower Flinders Ranges.

"All the Salvos I saw up there were run off their feet. They were working so hard, and likely not getting the gratitude that they deserve. I came home from Wilmington heavier than before I went up. The food was amazing, and you all seemed to care so much for our welfare. All that what you do doesn't go unnoticed, and you guys are the cogs keeping it all going up there. I think you are all extraordinary people."

WESTERN AUSTRALIA BUSHFIRES

As several fires destroyed bushland and threatened homes in Western Australia over the Christmas and New Year period, the SAES were on the ground catering to fire response teams.

The Lakes bushfire destroyed over 700 hectares of bush and one home. In four days, the WA SAES team supplied 1875 meals to firefighters The Country Women's Association also generously assisted SAES teams with catering.

WA Response Coordinator Benjamin Day said his teams were made up of great volunteers, staff and community groups who pitched in to help when called on.

"We've got our volunteers all chipping in in various different ways," he said. "It's not just emergency response; it's all the behind-the-scenes stuff that people don't see that happens on a daily basis that's really vital to ensure that we can have that really professional response."

In the past year, the WA SAES team supported a total of 114 incidents, including the search for seven missing people, providing 19,759 meals with 1056 volunteer shifts.





Volunteers are the backbone of the SAES crews.



Woolworths Group stands with the Salvos

Support Through Australian Natural Disasters (S.T.A.N.D) is a Woolworths Group program that raises vital funds for Australian charities that provide relief to communities in times of natural disaster. As The Salvation Army's principal disaster partner, Woolworths Group has actively and generously contributed to the Salvos emergency and disaster services since 2016.

In the 2025 financial year, the Woolworths community generously donated $2,019,436 to The Salvation Army Emergency Services. In the past nine years, the Woolworths community has donated an incredible $18,540,168.

Woolworths Group's support contributed to recovery grants distributed to individuals impacted by major events including the Bunbury Tornado in Western Australia, North Queensland Monsoon, Ex-Tropical Cyclone Alfred, Western Queensland Floods, and the Mid North Coast and Hunter Floods in New South Wales.

Their support also contributed to critical response improvements: four new mid-size catering trucks were deployed to Tasmania, Townsville, Cairns and South Australia; effective response times have been improved thanks to depot upgrades in Western Australia; and the Rockhampton depot rebuild has commenced. Additional improvements included new catering equipment in Tasmania and coffee machines installed in trucks across South Australia and Victoria. These enhancements strengthened our ability to serve communities with care, speed and dignity.



A pearl of a truck – honouring 30 years of service

Surprised and honoured, longtime SAES volunteer Pearl Dunn had a new emergency services truck named after her in recognition of over 30 years of service. Funded by Woolworths, 'Pearl' was unveiled at Pearl's retirement village in Melbourne, celebrating her enduring care for communities and first responders across emergency responses with The Salvation Army.



Building Healthy Communities:

Salvos Stores*

Doing 'good' better at Salvos Stores

In 2024-25, Salvos Stores continued to serve communities across Australia with purpose, resilience and innovation. While navigating tough retail conditions, our national network of stores delivered missional impact, advanced sustainability goals and deepened community connection – one life at a time.

Staying true to mission

We sold 52.86 million items in 2024-25, a 5.7 per cent increase on 2023-24 actuals, demonstrating continued growth in reuse and customer demand. This activity was supported by an estimated 120,000 home collections, helping Australians donate and shop more sustainably.

Our dedicated volunteer base contributed over 2.23 million hours across 471,437 sessions, with the national volunteer headcount reaching 9739 in June 2025. In a year of change and challenge, the generosity of our volunteers remained a cornerstone of our impact.

Chaplains completed an estimated 10,368 store visits in 2024-25 – nearly double the number from the year prior – offering pastoral care, encouragement and connection across our network. At the same time, our Contact Centres responded to 301,568 calls, ensuring customers, donors and those in need received timely and compassionate support.

Every donation sorted, item sold and volunteer hour contributed helps fund the broader work of The Salvation Army. In 2024-25, Salvos Stores generated a total surplus of $28.65 million, which was directed to support the wider work of The Salvation Army across Australia.

Customer and donor experience

2024-25 marked a major milestone in our retail transformation with the completion of the Charity Store system rollout to every Salvos Store across Australia. This achievement unified our operations under one retail platform for the first time since the Australia One transition, delivering better data around pricing and inventory management, plus consistency in back-of-house operations, reporting and customer service.

In 2024–25, we also launched Full Circle Rewards, a national customer loyalty program celebrating customers who give back to their community. By year end, over 300,000 new customers had joined the program, helping to build stronger customer relationships while reinforcing the values that underpin our work.

Investing in our people

This year also marked a leadership transition, with Nic Baldwin appointed as the new Head of Salvos Stores in May 2025. Nic brings a strong background in operations and team leadership, following the departure of long-standing National Director Matt Davis. Under Nic's guidance, Salvos Stores continues to build on Matt's legacy while navigating a dynamic and competitive retail landscape.

We deepened investment in our people through the national rollout of GIFTS training (Greet, Inform, Find, Thank, Salvos Style), our customer service framework designed to embed warmth, respect and care in every store interaction. Over the year, we also delivered 211 training sessions to more than 1399 team members, totalling 802 hours of learning, alongside 9564 online modules completed via Learn, our internal e-learning platform.

Staying focused on what matters

In the face of rising cost-of-living pressures, increased discount retail competition and changing customer expectations, Salvos Stores remained focused on three priorities: delivering strong funding for mission, growing our volunteer base and operating sustainably. These priorities guided store activity throughout 2024-25, bringing clarity to leadership and helping teams stay centred on what makes the greatest impact.

Refreshing our store network

Despite a soft first half, 2024-25 showed a positive turnaround in the latter part of the year. By returning to the basics and executing with discipline, stores began to regain traction – a trend continuing into 2025-26.

Over the year, 30 store projects were completed, including:

- 14 stores transitioned from corps (church) to Salvos Stores management
- 8 store relocations
- 5 new sites
- 2 expansions
- 1 rebuild

These projects not only enhanced our footprint but also refreshed how we show up in communities. At the same time, new in-store signage was rolled out to more than 30 stores, amplifying the mission and vision of The Salvation Army in our retail environments.

$28.6M+ surplus generated back to The Salvation Army

Generous volunteers have contributed 2.2M+ hours to Salvos Stores

Online retail continued to grow, with $10.75 million in sales across digital platforms – $7.07 million via our online store and $3.68 million through eBay. Together, these channels saw 319,800 items sold, helping us extend the life of quality goods while generating vital funding for mission.

Leading the way in textile recycling

In 2024-25, we began developing Australia's first fibre sorting facility, located at Carole Park, Queensland. Funded in partnership with the Queensland Government and due for completion in early 2026, the facility will enable advanced textile sorting and reuse at scale, positioning Salvos Stores at the forefront of the circular economy in Australia.

As the only national retailer operating at the intersection of sustainability, community service and commerce, Salvos Stores is uniquely placed to meet future challenges and opportunities. Whether it is offering affordable fashion with purpose, creating meaningful pathways to work or delivering financial support to life-changing programs, we remain a retailer with heart.

One life at a time

From our customers and donors to our volunteers and store teams, what we do matters – because every garment, every connection and every act of service supports someone in need.

In 2024-25, Salvos Stores continued to live out The Salvation Army's mission in practical, powerful ways. The year ahead will bring its own challenges, but with clear strategy, committed people and community at our core, we remain focused on what matters most: changing lives, one life at a time.

** The Salvation Army's Mission Enterprises deliver Mission and use commerce to generate surpluses for other Salvation Army mission expressions or to maximise enterprise sustainability and impact. These enterprises include: Aged Care, Employment Plus, Salvos Stores, Salvos Funerals, Salvation Army Housing.*



Building Healthy Communities:

Employment Plus*

Employment Plus began the 2024-25 financial year with a firm resolve to make the most of the opportunities our evolving industry presents. By branching out and expanding upon our services and reach, this year has seen us support more people in more areas of Australia.

In November, we launched our newest program, Parent Pathways. This program offers personalised and financial support to parents who are considering their next step, be it training, education or re-entering the workforce.

As the largest provider of the Parent Pathways program, Employment Plus is delivering the program from more than 50 locations across Victoria, SA and NSW. A voluntary program, Parent Pathways affords us the flexibility to support participants in a way that suits them and their families. And with 13 of our offices co-located with other Salvation Army programs, we have a unique ability to connect these parents with wrap-around support offered by the Salvos, ensuring the program is strongly aligned with our mission and vision to transform lives.

This year, our Disability Employment Services (DES) teams strengthened their ability to provide participants with holistic, wrap-around support by continuing to work closely with other Salvation Army services. DES teams partnered with local corps (churches) to host community expos, where individuals could access a wide range of support and resources locally. Our DES program is now more deeply embedded within The Salvation Army's national footprint, with 14 DES offices co-located at corps sites as of June 2025. This number is expected to grow to 21, reflecting our commitment to ensuring people with disability can more easily access the full breadth of services The Salvation Army offers, including housing support, financial assistance, community connection and spiritual care.

562,000+ appointments scheduled with participants

Our Workforce Australia (WfA) team's quality of service was recognised by the Department of Employment and Workplace Relations in February, after they undertook a mid-contract review of all WfA providers. Of the seven regions where Employment Plus delivers the WfA program, six received a contract extension of two years – the maximum extension available – and one was extended for another year. This ensures we will continue to deliver the WfA program until at least June 2027.

Supporting those who need it most

Driven by our vision of 'Work for all', Employment Plus has continued its efforts this year to seek and seize opportunities to assist more people, particularly those in hard-to-reach-groups, in more locations.

Our EPlus Local humanitarian initiative, which provides holistic and employment support to refugees and those seeking asylum, continues to

thrive. Delivered in partnership with the broader Salvation Army network, EPlus Local has grown from one location in 2018 to 10 sites in 2024-25. We also began piloting online delivery of the program, with the aim of making the program more accessible. The Employment Plus staff and Salvation Army volunteers who work together to deliver the EPlus Local service, supported 582 participants in the past 12 months.

Employment Plus has also built upon the existing support it provides to marginalised job seekers, through its work with correctional facilities in Queensland. What began with an invitation to present to staff at the Ipswich Parole Office in October 2024 has evolved into a growing partnership with Queensland Corrections that addresses the need to help inmates prepare for life after prison, with skills such as budgeting and employment support. The Steps of Freedom Initiative has already seen our teams meet with more than 900 pre-release prisoners.

This initiative builds upon the success of a partnership that was established in 2023 with the Alexander Maconochie Centre in the ACT, where Caitlin O'Connor, from our team in Canberra, has attended regularly since. Through Caitlin's work with the participants, she has demonstrated the transformative impact that we can make in the lives of these prisoners, by providing consistent support and encouragement.

The value of the work we are doing is not only in delivering services that no other providers are – it is in the acceptance, commitment and open arms that we bring to each of these interactions.

Looking ahead

In the final months of 2024-25, we turned our attention to the future, as we prepare for the launch of two new programs.

Employment Plus participated in the tender process for the Inclusive Employment Australia (IEA) service, which replaces the current DES program. Employment Plus was one of the few current DES providers to receive an increased caseload under the IEA program, with our number of participants set to quadruple when the program opens on 1 November 2025. This incredible growth in our program enables us to provide greater support to thousands more disadvantaged job seekers living with disability. With an estimated 175 sites to procure and set up, and approximately 100 new staff to hire and train, we look forward to embracing the considerable job ahead of us to ensure we are ready to open our doors on day one.

Launching on 1 November, Remote Australia Employment Services (RAES) will enable us to extend our footprint and expand upon the range of support already delivered by The Salvation Army in remote communities across Australia, by providing specialist and personalised employment support. With 86 per cent of RAES participants identifying as Aboriginal or Torres Strait Islander, the program also supports The Salvation Army's commitment to Closing the Gap and our Reconciliation Action Plan.

EISLA'S* STORY

Eisla struggled with addiction recovery and severe mental health barriers, all while trying to care for her five children as a single mother. She had been unemployed for 10 years before registering with Employment Plus and had little confidence that things would improve.

After a few months of working with Employment Plus, a housekeeping opportunity arose. Although this job was only temporary, it provided Eisla with the motivation and confidence she needed to look towards establishing a career.

Eisla and her employment consultant discussed possible career paths, and they developed a plan for her to pursue a career in aged care. He recognised that Eisla's lack of confidence needed to be addressed. He helped her arrange for dental work and assisted with the cost. They then arranged support with her reading and writing skills, helped her access counselling sessions and enrolled her in the Salvos' Positive Lifestyle Program. Once Eisla felt confident enough, her consultant referred her to a pre-employment program, which covered skills such as first aid, administering medication and compassionate care. Three months later, Eisla was accepted into an Aged Care Traineeship and has set herself a new goal of becoming a registered nurse.

Name has been changed

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Building Healthy Communities:

Salvation Army Housing (SAH)



Nearly 3000 people provided with housing
who were experiencing or at risk homelessness

Salvation Army Housing operates nationally as a community housing organisation that provides homes for individuals and families experiencing or at risk of homelessness, on low incomes, and people with specific support needs.

As of 30 June 2025, Salvation Army Housing managed nearly 2000 properties throughout Australia, providing long-term housing, transition housing as well as crisis and rooming house tenancies, supporting nearly 3000 people.

Salvation Army Housing sits under both the National Regulatory System, (NRSCH), and the Victorian Regulatory System, (VHR), with properties in all states and one territory, the ACT. Salvation Army Housing is fully compliant under both regulatory schemes.

As a not-for-profit organisation, registered charity and a public company limited by guarantee, Salvation Army Housing operates under the auspices of The Salvation Army to address the needs of people at all stages of their life, as well as their housing requirements. This includes early intervention – to address the risk of homelessness, emergency accommodation and crisis response, transition to more stable accommodation and supporting a move to independence.

Salvation Army Housing is in the unique position of having the support of The Salvation Army in all aspects, that helps us provide holistic assistance to our tenants. This wrap-around support for people in our care includes financial assistance and counselling, spiritual support, case management, rehabilitation services, family and domestic violence support services, youth services and employment assistance.

We are especially proud of the partnerships we have built with governments, councils and our local mission delivery partners across The Salvation Army. These relationships are vital in delivering integrated, holistic mission for spiritual and social transformation, while shaping communities grounded in love, respect and justice.

A home brings hope

Salvation Army Housing seeks to transform the lives of those experiencing housing hardship and injustice by providing low-cost accommodation, supporting those experiencing or at risk of homelessness, as well as socially disadvantaged members of our communities.

As a national provider, we have expanded our housing portfolio and strengthened our wrap-around support services to ensure tenants are not only housed but supported to thrive. We have opened new developments across Australia, which reflect our commitment to quality, sustainability, and community connection – places that are more than just buildings, but homes and Salvos communities where people belong.

2025 represented another significant step forward in both growth and maturity for Salvation Army Housing Property and Infrastructure. This past year demonstrated our commitment to growth with the delivery of:

- 16 apartments in Yarraville (Vic.);
- 2 townhouses in Maidstone (Vic.);
- 6 units in Cobden (Vic.);
- 23 apartments in Toowoomba (Qld); and
- 38 apartment refurbishment in Narrabundah (ACT)

We have executed construction contracts for:

- 21 townhouses in Warrnambool (Vic.);
- 40 apartments in Cairns (Qld); and
- 9 apartments in Warrawong, (NSW.

And we have new construction and housing projects in the pipeline for 13 suburbs across Australia.

Nearly 2000 properties were managed
to support SAH tenants

Women made up most of SAH tenants at 55%,
followed by men at 44% and other genders at 1%

Graham* thanks God for Salvos

Our new tenant Graham recently completed the alcohol and other drugs rehabilitation program at the Harry Hunter Rehabilitation Centre in Perth and is now transitioning into a supportive living environment with SAH.

For Graham, this transition marks a significant milestone. Rather than confronting everyday life without support, he is now integrated into a stable living arrangement, offering him structured independence alongside access to essential wraparound services. The accommodation is designed to help individuals maintain their recovery while fostering a sense of self-worth and stability. Expressing his gratitude, Graham shared, "I usually say thank God for the Salvos, and I do really mean that."

These words reflect the impact of comprehensive care on his life. His journey highlights Salvation Army Housing's commitment to providing not just housing, but a foundation that upholds human dignity and equips individuals with the resources and assistance to successfully reintegrate into society and start afresh.

Social Housing transformation in Yarraville

Salvos Housing transformed its Yarraville (Vic.) site by converting an ageing apartment block into 16 modern two-bedroom units. Thanks to funding from Homes Victoria, the new complex offers long-term housing to a diverse range of tenants, including single parents, mature-aged couples, and those requiring special care or carer support. Previously, the building housed only eight to 10 older units, but it now serves a wider and more flexible community through the Victorian Housing Register. A celebratory event marked the transformation, attended by The Salvation Army's Commissioner Miriam Gluyas, the Minister for Housing and Building Hon. Harriet Shing and Parliamentary Member for Footscray Ms Katie Hall.



Social Housing breaks new ground in Toowoomba

Salvation Army Housing opened its first social housing partnership development in Toowoomba (Qld), providing long-term housing for 23 families. Completed in June, the project addresses housing shortages by encouraging downsizing, freeing larger homes, and offering suitable housing for ageing Australians. The development includes communal spaces and wrap-around services, highlighting The Salvation Army's commitment to tenant care and community building. Funded by Queensland Government's QHIGI program and The Salvation Army philanthropic donations, it was inaugurated by Minister for Housing and Public Works and Minister for Youth Hon. Sam O'Connor and Territorial Commander Commissioner Miriam Gluyas.



Resident Simon* expressed gratitude for the opportunity to live securely saying, "I hope to be in Snell Street for the near future with mum and dad and live happily."

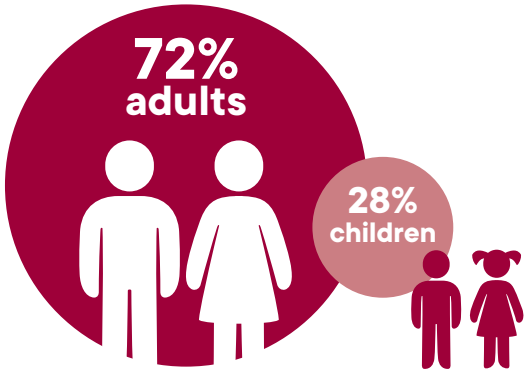
**All names have been changed*

Building Healthy Communities:

Salvation Army International Development (SAID)

Reach and impact in FY2024-25

70,742 people reached*



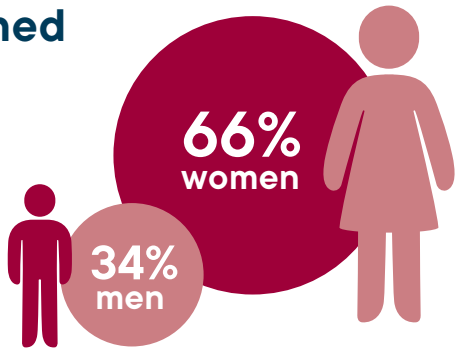
61% women and girls **39%** men and boys

Who benefitted from SAID's projects in 2024-25?

In 2024-25, SAID's community development projects directly impacted 70,742 people.** These people were all directly involved in project activities and benefitted from their participation in these activities. Outside of these beneficiaries, many other individuals were aided by SAID's community development projects, including family members of direct participants and community members.

Most people who benefitted directly from SAID's projects were adults, who made up 72 per cent of direct participants, while children made up 28 per cent of direct participants. More females than males benefitted directly from SAID's projects: 61 per cent of direct project participants were women and girls, while 39 per cent of direct project participants were men and boys.

5665 people with disability reached



People with disability

SAID is committed to working with our partners on increasing direct participation of people with disability in our projects. In 2024-25, 5665 (8 per cent) who directly participated in and benefitted from SAID community development projects had a disability. This is one per cent less than 2023-24 (9 per cent). Of the 5665 participants in 2024-25 who had a disability, 66 per cent were women and 34 per cent were men.

Project location

91% of people reached (64,329 – 60 per cent women and girls) lived in Africa (Kenya, Malawi, Rwanda, Tanzania and Uganda).

9% of people reached with a total of (6413 – 64 per cent women and girls) lived in the South Pacific and Asia (Indonesia, Papua New Guinea, the Philippines and Pakistan).

** Including 8 people (3 adults, 5 people under 18 years of age) who identified as non-binary.*

*** Please note: SAID works with The Salvation Army Sweden and Latvia; Norway, Iceland and The Faeroes; Switzerland, Austria and Hungary, United Kingdom and Ireland; Canada and Bermuda; New Zealand, Fiji, Tonga and Samoa Territories, as well as the Salvation Army World Service Office to support our projects.*



SAID's impact and commitment to learning

SAID collaborates closely with implementing partners and local consultants to conduct rigorous evaluations of our community development projects. Through external mid-term and end-term evaluations, we gain valuable insights into the impact of projects we support and apply lessons learned to enhance future initiatives. This commitment ensures we maximise benefits for the people and communities we serve. In 2024-25, SAID undertook eight evaluations. In Africa Zone, this included two mid-term evaluations, three end-term evaluations, and a synthesis report evaluating eight agriculture projects, while in South Pacific and East Asia Zone, two effectiveness reviews were conducted.

Agriculture Evaluation Synthesis

SAID's agricultural projects aim to empower vulnerable communities to realise their human rights and prosper economically and socially. These initiatives contribute to individual and community wellbeing, including through improvements in farming techniques, increased crop yields, reduced environmental impacts and increased sustainability, and supporting sustainable livelihoods.

In 2024, SAID commissioned an Agriculture Evaluation Synthesis to strengthen impact and learning across its agricultural portfolio. The study, completed in January 2025, reviewed eight projects implemented over five years in Kenya, Tanzania and Malawi, reaching over 12,000 farmers through investments of more than US$3.5 million.

Drawing on evaluations, partner consultations and food systems analysis, the synthesis explored outcomes in food security, livelihoods, inclusion and climate resilience. Findings were shared in a webinar with implementing and support partners, sparking dialogue and reflection. Importantly, the insights have already informed the design of two new agriculture projects. The synthesis marks a key step in strengthening the effectiveness and sustainability of SAID's agricultural programming.

Program Effectiveness Report

SAID's latest Program Effectiveness Report (released in November 2024) is SAID's second Effectiveness Report and is representative of our continuing commitment to transparency, quality improvement and community empowerment. This report draws on SAID's Theory of Change and the SAID Effectiveness Framework, which shape our programming portfolio. The report is data-driven and focused on learning and improvement, both of which are central to enhancing SAID's development effectiveness. The report examines quantitative and qualitative data from a range of sources to determine SAID's development effectiveness in 2023-24. The data focuses on project level results and, to a lesser extent, SAID's contributions to these results in supporting partners and projects. SAID's Effectiveness Reports contribute to organisational monitoring, evaluation and learning efforts by strengthening the information available about SAID's program outcomes. SAID is committed to continuous learning and improvement, using data and associated insights to bring positive change in the lives of individuals and communities we serve.



Working for justice

The Salvation Army actively works to address the social systems and structures that diminish people's dignity, striving to build a fairer society where everyone has the chance to flourish.

The Salvation Army works with governments at all levels to seek solutions to the disadvantage and hardship we see across Australia and address the drivers of injustice. The Policy and Advocacy and Government Relations teams work with state and territory-based External Communications teams and our service areas to provide consistent and compelling advice to decision-makers at every level.


BELIEVE IN
good



Working for justice:

Policy, Advocacy and Government Relations

Jennifer Kirkaldy, General Manager Policy and Advocacy, presenting the South Australian Stocktake findings to a candidate and community meeting in Adelaide.

Social justice and the election of the 48th Australian Parliament

In February 2025, The Salvation Army launched its second National Social Justice Stocktake. Building on the success of the 2022 Stocktake, the 2025 Stocktake provides a comprehensive picture of the issues Australians are concerned about nationally, for each state and territory and in every single federal electorate.

The Social Justice Stocktake demonstrated the extraordinary consistency in the social justice issues identified throughout Australia. An enormous 71 per cent of survey respondents reported that housing affordability and homelessness was a key issue in their community, demonstrating the widespread impact of the current housing crisis. The majority of respondents also agreed that mental health, financial hardship and access to health care were in the top five issues facing their communities. There was also an overwhelming sense of urgency in response to perceived governmental inaction – many respondents called on decision-makers to put politics aside and prioritise action.



Click or scan to view The Social Justice Stocktake 2025 report.

Government engagement in 2024-25:



400+ meetings, site visits and conversations



2000+ emails and letters exchanged

To ensure that these findings, and social justice more generally, were recognised as key issues in the election, we provided the reports to every current MP and Senator and every candidate seeking election with a published e-mail address. Crucially, we were not seeking to influence how anyone voted. We were ensuring that every person seeking to represent their community had access to what their community felt about social justice. Around 20 per cent of candidates and sitting members sought additional briefings, showing again how important social justice issues are to our community and our leaders.

Championing caring for people and communities

Caring for people is central to The Salvation Army's mission and we build relationships with those who are committed to amplifying care. This is just one of the reasons we were delighted to welcome Her Excellency the Honourable Ms Sam Mostyn AC, Governor-General of the Commonwealth of Australia, as Patron of The Salvation Army in November 2024.

It was wonderful to have Her Excellency launch the Red Shield Appeal in Canberra. Her address inspired a full house to reflect on the incredible importance of care, kindness and respect, and celebrated the enduring presence and work of The Salvation Army in communities right around Australia.

We look forward to continuing to work with the Governor-General as Patron in areas of mutual interest, including the important work we do which contributes to breaking cycles of family and domestic violence and uplifting the stories of care and compassion which transform lives and communities.

Assisting the South Australian Royal Commission

The South Australian Government is conducting a Royal Commission into Domestic, Family and Sexual Violence (the Royal Commission). The Salvation Army was able to feed into this inquiry based on our experience as a national provider of services for victim-survivors of family and domestic violence both nationally and in South Australia, and brought to the Commission's attention knowledge and reforms that our services have found to be effective in other jurisdictions in preventing and responding to family and domestic violence.

The Commissioner visited our South Australian services to see these practices in action, and learn first-hand our experience and approach to supporting victim-survivors. We were also able to share our insights into The Salvation Amy's models including our children's specialists and our Alexis Family Violence Response Model.

The Royal Commission released their report in August 2025 – With Courage: South Australia's vision beyond violence. We were encouraged to see many of our recommendations reflected in those made by the Royal Commission to the South Australian Government, and are hopeful that these recommendations will lead to improved outcomes for those impacted by family and domestic violence in South Australia.


Thank You
Australia!
THE SALVATION ARMY





Red Shield Appeal:

Thank you Australia!

With the theme, 'Be the Hope People Need', the 2025 Red Shield Appeal, The Salvation Army's main fundraising event, was launched at various events across the country, attended by dignitaries, corporate leaders, prominent philanthropists and senior Salvation Army personnel.

These events included several testimonial speakers, the presentation of awards for dedicated support and exceptional contributions to the work of The Salvation Army – the Others Award and the Eva Burrows Award – and raised essential funds to assist those in need.

Across Australia, many people are experiencing crises that most of us can't even imagine – extreme poverty, mental illness, domestic violence, homelessness, addiction, and more. The cost of living continues to be a pressing issue for many Australian households, especially those with low incomes. Over the past year, the price of essential items, such as food, transport and utilities has increased, further straining household finances. Housing prices and rental payments have surged, putting additional pressure on many households.

For those already facing financial hardship, the situation is even more precarious. Vulnerable groups, including low-income households, government support recipients, single-parent families and older Australians are struggling to make ends meet. Many are living on limited disposable income and can barely afford necessities such as food and healthcare. The rising costs are not just a financial burden but also a source of considerable stress and anxiety for many Australians.

Last year alone, The Salvation Army was able to distribute nearly $25 million in financial support and assist over 225,000 people across all our social programs. Over 350,000 sessions of care were provided to people who were at risk of or experienced homelessness, more than 25,000 people impacted by disaster received support, and 125,000+ nights of emergency accommodation were provided for those impacted by violence.

The 2025 Red Shield Appeal campaign brought to life the struggles of everyday Australians and in response, we set an ambitious Red Shield Appeal target of $38 million and asked all Australians to donate – to bring hope to people who thought things could never get better. This year the

Red Shield Appeal raised $45 million to provide assistance and care to people in need.

It was moving to see individual donors, corporate partners, celebrities, community members, first-time donors, faithful regulars, volunteers and employees come together during the Red Shield Appeal to provide support through events, volunteering and donations to help those in need.

Donations made to the appeal provide vitally needed funding for services and programs, enabling The Salvation Army to deliver on its mission across rural communities, cities and suburbs. Whether through accommodation and housing services, financial assistance, food vouchers, case management, emergency relief, addiction recovery services, advocacy and referrals, or local Salvation Army corps and community offerings, support of the appeal welcomes the lonely into a caring community, brings hope to people who thought things could never get better and makes new beginnings possible for people facing hardship and crisis right across Australia.

An example of this is a pioneering Women's Shed program breaking new ground at Bendigo Corps' Community Services causing much excitement among the local community. The program aimed at local women to enjoy the art of woodworking in a workshop group setting, plus be a focal point for social connection, has been the fulfilment of a long-term vision for the community hub.

Belinda Smith, Community Services Manager, said she had been asked by the local community to establish a women's workshop group for quite some time, but funding or the capacity to cater for such a group had not been available.

However, thanks to Red Shield Appeal funds, the Women's Shed program has now come to fruition with women meeting every Thursday morning to be part of the workshop group and learn woodworking skills. It's based at the Services' Community Shed premises, fondly known as 'The Shed', that offers an array of programs to the local community plus a fully equipped woodwork studio complete with machinery of all sorts and tools.

"The shed has met a critical need in the community. The feedback we're getting from their counsellors is the workshop stuff is just such a release for them," Belinda reports.

Cashless giving continues to grow year on year
increasing by 9% this year

$45 million was raised during Red Shield Appeal campaign

20,000+ volunteers were involved

Thanks to our generous donors and supporters this year, in total, the Red Shield Appeal raised an amazing $110.8 million to provide support and care to people in need. Your support of the Red Shield Appeal provides the necessary resources to enable us to continue meeting vulnerable people at their point of need and providing life-changing care to those who seek the Salvos every day for assistance.

I can't thank you enough for your continuing support, as well as the wonderful compassion you show towards fellow Australians in times of crisis – your support is a beacon of hope when they need it most.

Thank you for being part of the Salvos community and for your continued belief in our mission – together we will be the hope people need.

God bless you,



Rodney Walters (Colonel)
The Salvation Army Secretary for Communications

Key Supporter Acknowledgement

Thank you so much to every individual, family, company, organisation, community group, charitable trust and foundation that has helped us meet great human need in the Australian community. So many suffering people have experienced the transformation and new hope that has been made possible by your kindness and generosity.

We would also like to acknowledge and give thanks to all those donors who have given anonymously or made the powerful decisions to invest for generations to come via a gift in their Will. We can't honour you with a mention here, but we do extend our heartfelt thanks for your contribution and its impact.



Companies and Organisations

7-Eleven Australia

ADCO Constructions

AGL Energy Limited

Alinta Energy

Aurora Energy Pty Ltd

Bellrock Specialty Pty Limited

Blundstone Australia Pty Ltd

Cherry Collectables

Coca-Cola South Pacific Pty Ltd

Crown Resorts

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Kmart Australia Ltd

Lumo Energy Australia Pty Ltd

Macquarie Bank Limited

McCosker Contracting Pty Ltd

Mercer Investments (Australia) Limited

Myer

National Australia Bank

NSW Government - Department of Premier & Cabinet

Programmed Facility Management

Queenscliffe Holdings Pty Ltd

Queensland Government - Department of Families, Seniors, Disability Services & Child Safety

Queensland Government - Department of The Premier And Cabinet

Real Estate Institute of WA

Rotary Club of Perth Inc

SSJG Ministries Inc

State Government of Victoria, Department of Families, Fairness & Housing

Tasmanian Government, Department of Premier and Cabinet

Technology One Ltd

The Spiritual Kinship Society

Woolworths Limited

Individuals and Families

Dallas and Margaret Finney

Dr Bryant and Louise Macfie

Dr Michael Burgess

Henry F Foster

Hilary Wallace

Jean M Williamson

John Brett

Kate and Tony Robinson

Kathryn Greiner AO

Kaye Eichhorn

Mrs Everdina Gaemers

Mrs Wendy Stanford

Peter Routley

Phillip and Judy Paull

Rob Harding and Barbara Warhurst

Robert Rich

Roger Massy-Greene AM and Belinda Hutchinson AC

Russell J. Patterson

Shirley Uhrig and John A. Uhrig AC ✝

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Trusts and Foundations

A I Chapman Trust

ABC Giving Tree Committee

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Brazil Family Foundation

Brinsmead Hill Family Foundation

Burrows Family Foundation

Centenary Foundation - Warren Read Endowment

Colin Bisdee Trust

Collier Charitable Fund

Crown Resorts Foundation

Ebert Family Charitable Fund

Ennis Corporation Pty Ltd as trustee for The Inagh Foundation

Equity Trustees

Estate Melvie Mary Bennett

Ficus Foundation

Fitzpatrick Family Charitable Trust

Goldburg Family Foundation

Janice Spedding Testamentary Trust

Jones Day Foundation

Matana Foundation For Young People

Minderoo Foundation Trust

Myer Community Fund Ltd

NAB Foundation

Nigel & Patricia Peck Foundation

Patterson Legacy Foundation

Perpetual as trustee for The Lionel & Yvonne Spencer Trust

Perpetual Foundation

Perpetual Foundation - Eddy Dunn Endowment

Perpetual Foundation - Jack Tilburn Endowment

Perpetual Foundation - The Gloria McKerrow Endowment

Philandron Foundation

Property Industry Foundation Sydney

Queensland Gives By Queensland Community Foundation

Sargents Charity Limited

Sony Foundation Australia

Stan Perron Charitable Foundation

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The Channel 7 Telethon Trust

The D & X Williamson Family Charitable Fund

The Dick and Pip Smith Foundation

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The Manildra Foundation

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The Orloff Family Foundation

The Ragdoll Foundation Pty Ltd

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The Select Foundation

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The Sun Foundation Pty Ltd

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The Wheeler Family (NQ) Charitable Endowment

The William Angliss Charitable Fund

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Wythenshawe Pty Ltd as trustee for Wythenshawe Foundation


THE
SALVATION
ARMY

Financial Report:

The Salvation Army Australia Social Fund Aggregated Financial Report

For the year ended 30 June 2025

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The Salvation Army Australia

William and Catherine Booth – Co-Founders
Lyndon Buckingham – General
Miriam Gluyas – Territorial Commander

International Headquarters

101 Queen Victoria Street, London, EC4V 4EH

Australia Headquarters

95–99 Railway Road, Blackburn 3130
Telephone (03) 8878 4500
salvationarmy.org.au

Trustees' Report

The Trustees of The Salvation Army Australia Social Fund ("Social Fund") submit the following report, together with the financial statements, on the operations of the Social Fund for the financial year ended 30 June 2025 and the independent auditor's report thereon.

TRUSTEES

The Trustees of the entities which comprise the Social Fund at any time during or since the end of the financial year are:

Title	Full Name	Position	Date Appointed	Date Ceased
Commissioner	Miriam Joy Gluyas	Territorial Commander	21 February 2023	
Aux-Lieut	Rosemary Margaret Keane	Secretary for Spiritual Life Development	21 February 2023	
Colonel	Winsome Joy Merrett	Chief Secretary	11 January 2017	1 October 2025
Lieut-Colonel	Winsome May Mason	Assistant Chief Secretary	1 July 2020	15 January 2025
Captain	Colin Leslie Francis Reynolds	Board Member	1 July 2020	
Major	Stuart Norman McGregor Glover	Assistant Chief Secretary - Business	20 September 2021	
Lieut-Colonel	Gregory Mark Morgan	Secretary for Mission	1 July 2023	
Major	Kim Maree Haworth	Assistant Chief Secretary - Mission	15 January 2025	

PRINCIPAL ACTIVITIES AND OBJECTIVES

During the year, the principal continuing activities of the Social Fund comprised of:

- Aged Care
- Employment, education and training services
- Housing and homelessness programs
- Family and domestic violence programs
- Community support services
- Humanitarian services
- Overseas aid
- Chaplaincy programs
- Addiction, alcohol and other drugs programs
- Salvos Stores

The Social Fund provides welfare and social support services across Australia and overseas – in cities, country towns and rural communities. Our work touches every demographic and age group. The Social Fund is involved in national issues while also bringing hope to people who may be experiencing hardship or injustice. We speak about justice, compassion and other issues that support the welfare of others and view them as a whole person – body, mind and spirit.

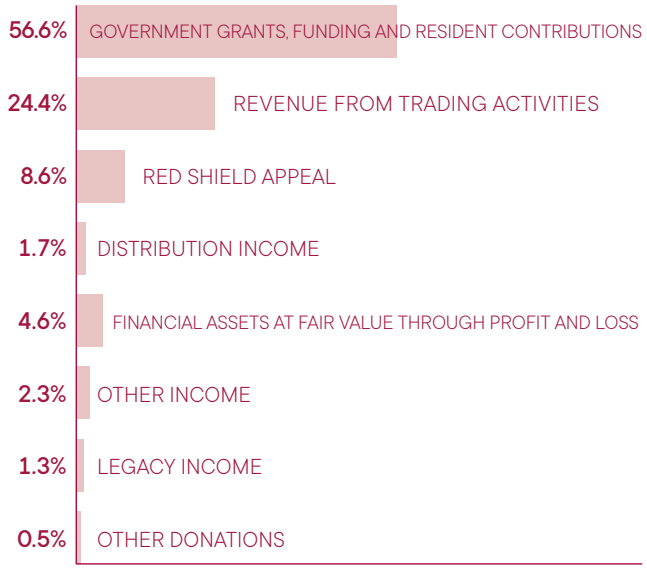
REVIEW OF OPERATIONS

The Social Fund's operating result was net income of $5.9m (2024: $54.7m net expenditure).

	2025 $000	2024 $000
Revenue and other income	1,294,783	1,261,877
Expenditure	(1,288,907)	(1,316,615)
Net Income/(Expenditure)	5,876	(54,738)

SOURCES OF INCOME

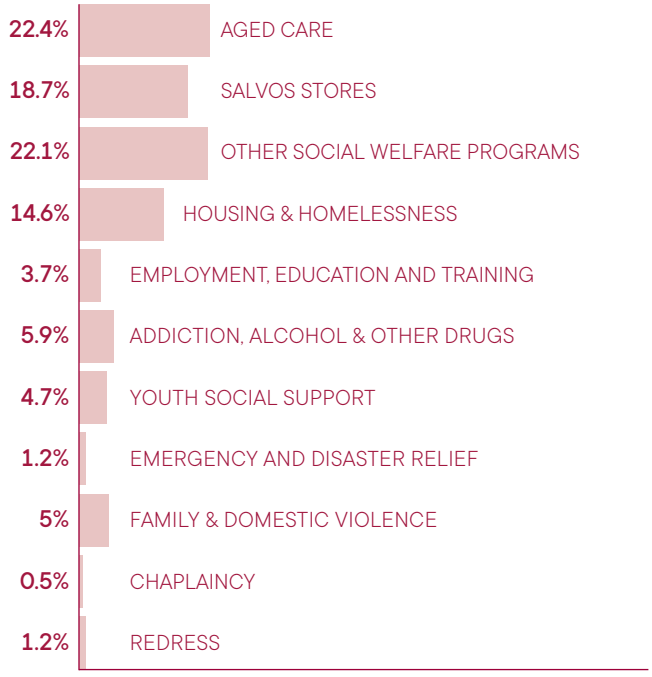
The following is a summary of the main sources of income for the Social Fund.



SOURCES OF INCOME	2025 $000	2024 $000
Government grants, funding and resident contributions	732,575	679,834
Revenue from trading activities	315,809	304,977
Red Shield Appeal	110,785	102,891
Distribution income	21,388	34,607
Financial assets at fair value through profit and loss	60,118	35,771
Other income	29,843	73,448
Legacy income	17,278	19,928
Other donations	6,987	10,421
Total Income	**1,294,783**	**1,261,877**

SOURCES OF EXPENDITURE

The following is a summary of expenditure including Redress and from within social program categories, in relation to social services provided by the various centres operating within the Social Fund.



SOURCES OF EXPENDITURE	2025 $000	2024 $000
Aged Care	288,855	292,354
Salvos Stores	240,756	246,467
Other Social Welfare Programs	283,968	233,857
Housing & Homelessness	187,255	157,812
Employment, Education and Training	47,714	46,797
Addiction, Alcohol & Other Drugs	76,394	76,566
Youth Social Support	60,189	58,887
Emergency and Disaster Relief	14,790	17,809
Family & Domestic Violence	63,919	54,077
Chaplaincy	7,330	7,150
Redress	17,737	124,839
Total Expenditure	**1,288,907**	**1,316,615**

The 2025 result included the following:

- Red Shield Appeal recorded income of $110.8m (2024: $102.9m) before fundraising expenses for the year ended 30 June 2025. Recorded within Red Shield Appeal income was $16.1m donor designated gifts including emergency appeals and disaster relief (2024: $16.3m). Fundraising expenses incurred were $28.2m (2024: $26.2m). The majority of expenditure was related to media, advertising, marketing and technology $17.2m (2024: $16.6m) (contained within 'Other expenses from ordinary activities', 'Professional fees expenses' and 'Information technology expenses') and Employee benefits expense $10.3m (2024: $9.6m). No Red Shield Appeal funds are used to cover Redress claims.

- Legacy income of $17.3m (2024: $19.9m) was received during the year. Legacy income received from one year to the next can fluctuate considerably, given the uncertain nature of this type of income. Apart from those bequests that specified particular programs or activities for which the funds have been set aside in reserves until able to be used, additional funding was able to be allocated towards the operational costs, as well as further funds being set aside for future capital expenditure requirements.

- Salvos Stores delivered modest sales growth compared to prior year noting challenging trading conditions due to continued pressure from cost of living.

- Government grants, funding and resident contributions of $732.5m (2024: $679.8m) has remained a strong funding source to continue to provide social support to the community.

- Included above in the summary expenditure table is $17.7m relating to Redress which includes $7.8m pertaining to the unwinding of discounting. The Salvation Army Australia Territory has publicly expressed it is deeply regretful of any incident of abuse perpetuated. The Salvation Army has engaged an independent third-party expert to assist in the determination of the provision having regard to developments during the year. For more details, refer to Note 11.

DEVELOPMENTS

The Salvation Army continues to provide community services, assistance and support to the community and its members ensuring care is provided to the most vulnerable in our communities. Many people in the community continue to experience hardships as a result of the instability and uncertainty driven by the rising costs of living.

Whilst there are no significant developments or changes to the overall operations of The Salvation Army, there is continued effort toward new initiatives to provide the best support to the community whilst also prioritising the importance of sustainable operations.

EVENTS SUBSEQUENT TO REPORTING DATE

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Trustees of the entities which comprise the Social Fund, to affect significantly the operations of the Social Fund, the results of those operations, or the state of affairs of the Social Fund, in future financial years.

ENVIRONMENTAL ISSUES

The Social Fund is subject to environmental regulations under the law of the Commonwealth and of the States. However, the governing body of the Social Fund believes that adequate systems are in place for the management of its environmental requirements and is not aware of any breach of those environmental requirements as they apply to the Social Fund.

INSURANCE OF OFFICERS

The Social Fund has, during the financial year, paid an insurance premium in respect of an insurance policy for the benefit of the Trustees and Officers of the Social Fund. The insurance is in the normal course of business and grants indemnity for liabilities permitted to be indemnified by The Salvation Army Australia Territory under Section 199 of the *Corporations Act 2001* (Cth). In accordance with commercial practice, the insurance policy prohibits disclosure of the terms of the policy including the nature of the liability insured against and the amount of the premium.

ROUNDING OF AMOUNTS

Amounts in this report have been rounded off to the nearest thousand dollars except where otherwise indicated.

AUDITOR

KPMG continues as the Social Fund's auditor at the date of this report.

LEAD AUDITOR'S INDEPENDENCE DECLARATION

The Lead auditor's independence declaration is set out on page 99 and forms part of the Trustees' report for the financial year ended 30 June 2025.

Signed in accordance with a resolution of the Trustees:



Stuart Glover
Assistant Chief Secretary - Business
TRUSTEE



Kim Haworth
Assistant Chief Secretary - Mission
TRUSTEE

Dated at Melbourne this 24th day of November 2025

Aggregated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2025

	Note	2025 $000	2024 $000
Revenue	2	**1,183,434**	1,118,051
Distribution income		**21,388**	34,607
Financial assets at fair value through profit and loss		**60,118**	35,771
Profit on sale of land and buildings		**6,125**	11,248
Other income		**23,718**	62,200
Total revenue and other income		**1,294,783**	1,261,877
Employee benefits expense		**(778,518)**	(724,301)
Depreciation expenses	6, 8	**(82,499)**	(78,923)
Information technology expenses		**(27,913)**	(23,173)
Welfare/Jobseeker expenses		**(82,108)**	(72,130)
Building/Occupancy expenses		**(115,920)**	(114,450)
Motor Vehicle expenses		**(13,815)**	(13,240)
Amenities and supplies		**(55,878)**	(56,780)
Professional fees expenses		**(33,534)**	(36,223)
Financing expenses		**(31,469)**	(20,652)
Redress provision expense	11	**(9,937)**	(124,839)
Other expenses from ordinary activities		**(57,316)**	(51,904)
Total expenses		**(1,288,907)**	(1,316,615)
Net income/(expenditure)		**5,876**	(54,738)
Total comprehensive income/(expenditure) for the year		**5,876**	(54,738)

The accompanying notes on pages 74 – 97 form part of these financial statements.

Aggregated Statement of Financial Position

As at 30 June 2025

	Note	2025 $000	2024 $000
ASSETS			
Current Assets			
Cash and cash equivalents		**87,526**	124,155
Trade and other receivables	4	**33,168**	33,509
Prepayments		**2,818**	2,110
Other financial assets	5	**8,707**	13,319
Inventories		**4,608**	5,219
Non-current assets held for sale		**3,135**	5,956
Total Current Assets		**139,962**	184,268
Non-Current Assets			
Trade and other receivables	4	**37,220**	35,990
Other financial assets	5	**736,985**	676,675
Property, plant and equipment	6	**810,330**	761,447
Right-of-use assets	8	**238,452**	226,700
Total Non-Current Assets		**1,822,987**	1,700,812
TOTAL ASSETS		**1,962,949**	1,885,080
LIABILITIES			
Current Liabilities			
Lease liabilities	8	**47,169**	46,647
Trade and other payables	9	**102,783**	95,757
Employee benefits	10	**58,767**	52,078
Provisions	11	**29,436**	22,350
Loans and borrowings	12	**287,906**	252,820
Total Current Liabilities		**526,061**	469,652
Non-Current Liabilities			
Lease liabilities	8	**195,723**	179,720
Employee benefits	10	**9,171**	9,578
Provisions	11	**165,773**	164,792
Loans and borrowings	12	**4,900**	5,893
Total Non-Current Liablities		**375,567**	359,983
TOTAL LIABILITIES		**901,628**	829,635
NET ASSETS		**1,061,321**	1,055,445
CAPITAL FUNDS			
Working Capital and Reserves Fund		**115,832**	243,817
Property contributions fund		**815,212**	681,913
Trusts and special purpose funds		**35,640**	43,098
Legacies		**94,637**	86,617
TOTAL CAPITAL FUNDS		**1,061,321**	1,055,445

The accompanying notes on pages 74 – 97 form part of these financial statements.

Aggregated Statement of Cash Flows

For the year ended 30 June 2025

	Note	2025 $000	2024 $000
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash receipts in the course of operations		**1,300,588**	1,267,226
Cash payments in the course of operations		**(1,264,308)**	(1,171,616)
Interest paid		**(13,601)**	(11,406)
Interest received		**17,991**	8,181
Net cash provided by/(used in) operating activities	13	**40,670**	92,385
CASH FLOWS FROM INVESTING ACTIVITIES:			
Payments for investments		**-**	(29,846)
Receipts from disposal of investments		**3,472**	64,995
Payments for property, plant and equipment		**(90,722)**	(81,553)
Proceeds from sale of property, plant and equipment		**18,265**	25,293
Net cash provided (used in)/by investing activities		**(68,985)**	(21,111)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Repayment of lease liabilities		**(46,823)**	(43,852)
Proceeds from residents' accommodation bonds and other deposits received		**99,323**	84,445
Repayment of residents' accommodation bonds and other deposits		**(60,814)**	(69,691)
Net cash provided (used in)/by financing activities		**(8,314)**	(29,098)
Net (decrease)/increase in cash and cash equivalents held		**(36,629)**	42,176
Cash and cash equivalents at beginning of year		**124,155**	81,979
Cash and cash equivalents at end of financial year		**87,526**	124,155

The accompanying notes on pages 74 – 97 form part of these financial statements.

Aggregated Statement of Changes in Funds

For the year ended 30 June 2025

2024	Working Capital and Reserves Fund $000	Property Contribution Fund $000	Trusts and Special Purpose Fund $000	Legacies $000	Total $000
Balance at 1 July 2023	345,288	627,238	55,758	81,899	1,110,183
Net expenditure	(54,738)	-	-	-	(54,738)
	290,550	627,238	55,758	81,899	1,055,445
Net transfers and allocations within other capital funds	(46,733)	54,675	(12,660)	4,718	–
Balance at 30 June 2024	**243,817**	**681,913**	**43,098**	**86,617**	**1,055,445**

2025	Working Capital and Reserves Fund $000	Property Contribution Fund $000	Trusts and Special Purpose Fund $000	Legacies $000	Total $000
Balance at 1 July 2024	243,817	681,913	43,098	86,617	1,055,445
Net income	5,876	-	-	-	5,876
	249,693	681,913	43,098	86,617	1,061,321
Net transfer and allocations within other capital funds	(133,861)	133,299	(7,458)	8,020	-
Balance at 30 June 2025	**115,832**	**815,212**	**35,640**	**94,637**	**1,061,321**

Social Fund has revised the presentation of the Aggregated Statement of Changes in Funds by combining 'Reserves' and 'Working Capital Fund' into one category 'Working Capital and Reserves Fund' to reduce complexity of presentation for users of this Aggregated Financial Report as both funds represent unrestricted funds.

The accompanying notes on pages 74 – 97 form part of these financial statements.

Notes to the Financial Statements

For the year ended 30 June 2025

1. MATERIAL ACCOUNTING POLICIES

The Salvation Army is a not-for-profit organisation and has been operating in Australia since 1880.

The Salvation Army Australia is domiciled in Australia and the address of the organisation's registered office is:

The Salvation Army Australia
95-99 Railway Rd,
Blackburn VIC 3130

The Salvation Army Australia Social Fund ('Social Fund') includes the following operations:

- The Salvation Army (Victoria) Property Trust (ABN 64 472 238 844) established pursuant to *The Salvation Army (Victoria) Property Trust Act 1930*;
- The Salvation Army (Tasmania) Property Trust (ABN 94 917 169 560) established pursuant to *the Salvation Army (Tasmania) Property Trust Act 1930*;
- The Salvation Army (South Australia) Property Trust (ABN 13 320 346 330) established pursuant to *The Salvation Army (South Australia) Property Trust Act 1931*;
- The Salvation Army (Western Australia) Property Trust (ABN 25 878 329 270) established pursuant to *The Salvation Army (Western Australia) Property Trust Act 1931*;
- The Salvation Army (Northern Territory) Property Trust (ABN 65 906 613 779) established pursuant to *the Salvation Army (Northern Territory) Property Trust Act 1976*;
- The Salvation Army (New South Wales) Property Trust (ABN 57 507 607 457) established pursuant to *The Salvation Army (New South Wales) Property Trust Act 1929*;
- The Salvation Army (Queensland) Property Trust (ABN 32 234 126 186) established pursuant to *the Salvation Army (Queensland) Property Trust Act 1930*;

- The Salvation Army (Victoria) Property Trust atf The Salvation Army (VIC) Social Work (ABN 18 730 899 453);
- The Salvation Army (Tasmania) Property Trust atf The Salvation Army (TAS) Social Work (ABN 23 860 168 024);
- The Salvation Army (South Australia) Property Trust atf The Salvation Army (SA) Social Work (ABN 45 781 882 681);
- The Salvation Army (Western Australia) Property Trust atf The Salvation Army (WA) Social Work (ABN 92 646 174 644);
- The Salvation Army (Northern Territory) Property Trust atf The Salvation Army (NT) Social Work (ABN 34 413 960 392);
- The Salvation Army (New South Wales) Property Trust atf The Salvation Army (NSW) Social Work (ABN 46 891 896 885);
- The Salvation Army (Queensland) Property Trust atf The Salvation Army (QLD) Social Work (ABN 22 035 976 360);

- The Salvation Army (Australia) Redress Limited (ABN 94 628 594 294);
- The trustee for The Salvation Army (Australia) Self Denial Fund (For Overseas Aid) (ABN 52 609 689 893);
- The trustee for The Salvation Army Aust Self Denial Fund (for Overseas Aid) (ABN 15 562 601 404);
- The Salvation Army Community Housing Service (ABN 47 152 257 728);
- Salvation Army Housing (ABN 59 608 346 934); and
- Salvation Army Housing (Victoria) (ABN 85 133 724 651).

(a) Basis of preparation

These special purpose aggregated financial statements are prepared for the purposes of fulfilling the financial reporting requirements of the Australian Charities and Not-for-profit Commission and comply with all of the recognition and measurement principles of Australian Accounting Standards except that the aggregated operations that comprise the Social Fund do not constitute a group for the purpose of *AASB 10 Consolidated Financial Statements*. The financial statement disclosures comply with the requirements of 'GPFS-Tier 2 SD' in accordance with '*AASB 1060 General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities*' adopted by the Australian Accounting Standards Board (AASB).

1. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(a) Basis of preparation (continued)

The aggregated financial statements comply with all the recognition and measurement requirements in Australian Accounting Standards, except for *AASB 10 Consolidated Financial Statements*. This aggregration does not meet the definition of a group as defined by *AASB 10*. See basis of aggregration in Note 1a 'Basis of aggregration'. In all other respects the aggregated financial statements have been prepared in accordance with the recognition and measurement requirements of Australian Accounting Standards.

These aggregated financial statements were authorised for issue by the Trustees on 24th November 2025.

Detail of the material accounting policies used in these aggregated financial statements are included in Note 1(b) - 1(q).

The financial report is presented in Australian dollars which is the functional currency of all operations. The financial statements have been prepared on the historical cost basis except for financial instruments and loans receivable which are measured at fair value.

All amounts in the financial report have been rounded to the nearest thousand dollars except where otherwise indicated.

In preparing these aggregated financial statements, management has made judgements, estimates and assumptions that affect the application of the Social Fund's accounting policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Going concern

Notwithstanding a 'current asset versus current liabilities' deficiency of $386,099k, the financial statements have been prepared on a going concern basis. The deficiency is mainly caused by the requirement under Australian Accounting Standards to classify all accommodation bonds ($284,715k) as current liabilities, as there is no unconditional right to defer payment for 12 months if residents were to depart an aged care centre. Based on past experience, the Social Fund believes that not all accommodation bonds will need to be refunded within the next 12 months. The Social Fund has a large investment portfolio which is classified as non-current however is highly liquid and can be called upon if required. Accordingly the financial statements have been prepared on a going concern basis, as the Trustees of the governing body expect to have sufficient funding available for the foreseeable future.

Basis of aggregation

The aggregated financial statements are prepared by aggregating the assets, liabilities, income and expenses and cash flows of the entities that comprise the Social Fund listed in Note 1. This aggregation includes entities where control has not been established. This aggregation does not meet the definition of a group as defined by *AASB 10 Consolidated Financial Statements*.

All intragroup balances (between the aggregated entities), and any unrealised gains and losses or income and expenses arising from intragroup transactions, are eliminated in preparing the aggregated financial statements. The aggregation has not resulted in any additional goodwill being recognised. The Social Fund has applied consistent accounting policies in the preparation and presentation of the aggregated financial statements.

(b) Property, plant and equipment

(i) Property, plant and equipment at cost

Items of property, plant and equipment are stated at cost, or if donated, at fair value of the asset on the date received less accumulated depreciation.

Property that is being constructed for future use is classified as 'Buildings under construction' and stated at cost until construction is complete, at which time it is reclassified as 'freehold buildings' or 'leasehold property'.

Upon disposal of freehold properties, the gain or loss on disposal is recorded in the Aggregated Statement of Profit and Loss and Other Comprehensive Income.

Notes to the Financial Statements

For the year ended 30 June 2025

1. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(b) Property, plant and equipment (continued)

(ii) Depreciation

With the exception of freehold land, depreciation is charged to the Aggregated Statement of Profit or Loss and Other Comprehensive Income on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Land is not depreciated. Depreciation commences from the date of acquisition or, in respect of constructed assets, from the time an asset is completed and ready for use.

The estimated useful lives in the current and comparative periods are as follows:

• Buildings	50 years
• Plant and Equipment (excluding motor vehicles)	4 years
• Motor Vehicles/Trucks/Airplanes/Helicopters	4 to 20 years
• Leasehold Improvements	Term of the lease

The residual value, the useful life and the depreciation method applied to an asset are reassessed annually.

(iii) Non-current assets held for sale

Non-current assets, or disposal groups, are classified as held-for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to dispose. Any impairment loss on a disposal group is allocated to the remaining assets on a pro rata basis, except that no loss is allocated to inventories, financial assets or employee benefit assets which continue to be measured in accordance with the Social Fund's other accounting policies. Impairment losses on initial classification as held-for-sale or held-for distribution and subsequent gains and losses on remeasurement are recognised in the Aggregated Statement of Profit or Loss and Other Comprehensive Income.

Once classified as held-for-sale, intangible assets and property, plant and equipment are no longer amortised or depreciated.

(iv) Asset sales

The gain or loss on disposal of all property, plant and equipment is determined as the difference between the carrying value of the asset at time of disposal and the net proceeds on disposal.

(c) Financial instruments

(i) Financial assets

Financial instruments are recognised initially on the date that the Social Fund becomes party to the contractual provisions of the instrument. All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

On initial recognition, the Social Fund classifies its financial assets into the following categories, those measured at:

- amortised cost
- fair value through profit or loss - FVTPL

Financial assets are not reclassified subsequent to their initial recognition unless the Social Fund changes its business model for managing financial assets.

Amortised cost

The Social Fund's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the Aggregated Statement of Financial Position.

1. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(c) Financial instruments (continued)

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Financial assets at fair value through profit or loss (FVTPL)
All financial assets not classified as measured at amortised cost as described above are measured at FVTPL.

Net gains or losses, including any interest or dividend income are recognised in profit or loss.

The Social Fund's financial assets measured at FVTPL comprise of managed funds and loan receivables in the Aggregated Statement of Financial Position.

Impairment of financial assets
Impairment of financial assets, held at amortised cost, is determined using the simplified approach in *AASB 9* which uses an estimation of lifetime expected credit losses. The Social Fund has determined the probability of non-payment of these financial assets and multiplied this by the amount of the expected loss arising from default.

The amount of any impairment is recorded in a separate allowance account with the loss being recognised in financing expenses. Once these financial assets are determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

(ii) Financial liabilities

The Social Fund measures all financial liabilities initially at fair value less transaction costs, and subsequently, financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Social Fund comprise trade payables, loans and borrowings and lease liabilities.

(d) Measurement of fair values

A number of the Social Fund's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Social Fund has an established control framework with respect to the measurement and disclosure of fair values. This includes management that has overall responsibilities for all significant fair value measurements, including Level 3 fair values, and reports directly to the Trustees.

The carrying amounts and fair value of the Social Fund financial assets, measured or disclosed at fair value are determined using a 3-level hierarchy, being:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets 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 assets either directly or indirectly
- Level 3: Unobservable inputs for the assets

The unlisted units in managed investment funds are level 2 financial assets and their carrying value approximates their fair market value.

Loan receivables include loans from 99 year leases that The Salvation Army purchased from independent living units to accommodate residents from one of its Independent Living Units to make way for an aged care development. The loan receivables are recognised at fair value net of a management fee payable over a maximum of 10 years and incorporate any fair value adjustment in relation to a terminal value. The terminal value results in The Salvation Army sharing in any capital gain or loss.

Notes to the Financial Statements

For the year ended 30 June 2025

1. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(e) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash at bank and cash in transit balances with an original maturity of 3 months or less from the acquisition date that are subject to an insignificant risk of change in their fair value.

(f) Accommodation Bonds

Many residents of aged care centres pay a refundable and amortisable accommodation bond to the Social Fund. The refundable portion is in the form of an interest free loan repayable in full.

Resident loans are non-interest bearing liabilities to residents of independent living units (ILUs). The loans represent the initial payments made by residents to The Salvation Army to gain entry to an independent living unit net of the accrued deferred management fee. The loans are payable to a resident on the termination of the resident's occupation rights to the independent living unit.

Notwithstanding the expected term of an occupany is several years, the resident has the option to cancel the residency agreement at any time. As this option consitutes a demand feature, the liability is not discounted. Liabilities to ILU residents are stated net of deferred management fees recoverable.

(g) Inventories

Inventories are stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. No value is assigned to donated goods where the value of the item is of nominal or low value.

Inventory is assessed on a regular basis, and slow moving or damaged items are provided for within a provision for stock obsolescence.

(h) Impairment of non-financial assets

The carrying amounts of the Social Fund's assets, other than inventories and financial instruments, are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists the asset's recoverable amount is estimated and is compared to the assets carrying value. An impairment loss is recognised if the carrying value of the asset exceeds the recoverable amount.

(i) Employee benefits

(i) Defined contribution superannuation funds

Obligations for contributions to defined contribution superannuation funds are recognised as an expense in the Aggregated Statement of Profit or Loss and Other Comprehensive Income as incurred.

(ii) Wages, salaries, annual leave and non-monetary benefits

Liabilities for employee benefits for wages, salaries and annual leave that are expected to be settled within 12 months of the reporting date represent present obligations resulting from employees' services provided to reporting date, are calculated at undiscounted amounts based on remuneration wage and salary rates that the Social Fund expects to pay as at reporting date including related on-costs.

(iii) Long-term service benefits

The Social Fund's net obligation in respect of long-term service benefits, is the amount of future benefit that employees have earned in return for their service in the current and prior periods. The obligation is calculated using expected future increases in wage and salary rates including related on-costs and expected settlement dates, and is discounted using the rates attached to high quality corporate bonds at the reporting date which have maturity dates approximating the term of the Social Fund's obligations. Remeasurements are recognised as income or expenditure in the Aggregated Statement of Profit and Loss and Other Comprehensive Income as incurred.

(j) Provisions

A provision is recognised in the Aggregated Statement of Financial Position when the Social Fund has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

(k) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST.

Cash flows in the Aggregated Statement of Cash Flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(l) Revenue and other income

(i) Other donations

Donations are recognised as revenue in the Social Fund to allow it to further its objectives. Where donations contain specific performance obligations, the revenue is recognised over time as work is performed. Where a donation does not have a specific condition, it is recognised as income when received.

(ii) Legacies income

Legacies are recognised when the Social Fund receives the legacy. Revenue from legacies comprising bequests of shares or other property are recognised at fair value, being the market value of the shares or property, at a point in time, when the Social Fund becomes legally entitled to the shares or property.

(iii) Red Shield Appeal donations

The Salvation Army Red Shield Appeal is an annual appeal. The amounts received and corresponding fundraising expenses are reflected in the financial report in the same year as the appeal. Red Shield Appeal monies are recognised as revenue where the Social Fund acquires or receives an asset (including cash) in exchange for no consideration, in order to further its objectives. In circumstances where there are sufficiently enforceable rights and/or sufficiently specific performance obligations, revenue is deferred initially as a liability and is then recognised when obligations or conditions are fulfilled.

(iv) Government grants

The Social Fund's social program activity is supported by grants received from the federal, state and local governments. Grants can be received on the condition of specified services being delivered, or conditions being fulfilled. Such grants are initially recognised as a liability called prepaid government funding and revenue is recognised as services are performed or conditions fulfilled. Revenue from grants, where there is a lack of enforceable rights and obligations and/or sufficiently specific performance obligations, is recognised when the organisation obtains control of the funds.

(v) Resident contributions and patient fees

Resident fee income is recognised over time as the service is delivered to the resident. Accrued resident income represents an estimate of fees due from residents not billed at balance date.

(vi) Government funding - fee for service

Revenue from employment administration services is recognised on a percentage completion basis over time. Revenue from employment outcomes is recognised at a point in time when the unconditional right to receive the outcome fee is earned.

(vii) Revenue from trading activities

Revenue from the sale of goods comprises revenue earned (net of returns, discounts and allowances) from the sale of goods for resale and gifts donated for resale. Sales revenue is recognised when the control of goods passes to the customer.

Notes to the Financial Statements

For the year ended 30 June 2025

1. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(l) Revenue and other income (continued)

(viii) Distribution income and Financial assets at FVTPL - net change in fair value

Distribution income comprises interest and dividends. Financial assets at FVTPL comprises the fair value (loss)/gain. The 'effective interest rate' is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset.

Interest income is recognised using the effective interest method. Dividend income is recognised in the Aggregated Statement of Profit and Loss and Other Comprehensive Income on the date on which the Social Fund's right to receive payment is established.

(ix) Contributions in Kind

No amounts are included in the aggregated financial statements for services donated by volunteers, or donated goods that have a low or nominal value.

(m) Expenses

Borrowing costs are expensed as incurred, and lease interest expense associated with lease liabilities, is included in financing expenses.

(n) Accounting estimate and judgments

The estimates and judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

(i) Key sources of estimation uncertainty

a) Note 11 contains information pertaining to the assumptions and inputs which underpin the Redress provision (including the unwinding of discounting).

b) Right of use assets and lease liability balances are subject to risk as the execution of lease extension options is uncertain and incremental borrowing rates are judgmental given the lessee assesses what the equivalent borrowing rate ought to be. Note 1(o) contains information about inputs required in formulating both right of use assets and lease liabilities.

(o) Leases

(i) Determining whether an arrangement contains a lease

At inception of a contract, the Social Fund assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Social Fund uses the definition of a lease in *AASB 16 Leases* along with the application guidance provided in the Standard.

(ii) Recognition

Lease terms

Property leases that are not peppercorn arrangements typically have a maximum term of up to 10 years from commencement, including the first renewal option. Property leases normally include provisions for annual increases in rental payments to reflect changes in fixed percentage increases and/or changes in the consumer price index (CPI)..

Motor vehicle leases are typically for a maximum period of 5 years, and are expected to run their full terms.

(o) Leases (continued)

(iii) Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease, which is the date on which the lessor makes the leased asset available to the Social Fund. The right-of-use asset is measured at cost, which comprises the initial present value amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset..

Where the Social Fund does not expect to obtain ownership of the leased asset at the end of the lease term, right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is shorter. Where the Social Fund expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is recognised over its estimated useful life. Right-of-use assets are subject to impairment. In addition, the right-of-use asset is periodically adjusted for any reassessments and modifications of the lease liability.

(iv) Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments that are not paid at the commencement date and are to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Social Fund's incremental borrowing rate. Lease payments comprise fixed payments (including any in-substance fixed payments), plus any variable lease payments that depend on an index or rate (initially measured using the index or rate as at the commencement date), less any lease incentives received, plus any amounts expected to be paid under residual value guarantees, plus the exercise price of a purchase option when the exercise of the option is reasonably certain to occur, plus any anticipated termination penalties.

The Social Fund has determined its incremental borrowing rates based on rates it would otherwise currently pay in respect to debt facilities for similar assets, adjusted to reflect the terms of the particular lease and the nature of the underlying leased asset.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in one or more of the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset, and/or to income or expenditure if the carrying amount of the right-of-use asset is fully written down.

Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

Extension and termination options are a feature of most of the property leases agreements that the Social Fund is a lessee party to. All extension and termination options held are exercisable only by the Social Fund and not by the respective lessor. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension and termination option. Extension options are only included in the lease term if the lease is reasonably certain to be extended. Decisions around lease term and the likelihood of extending a lease (where an extension option is available) are based on the class of asset, nature of the lease and the number of years remaining on the initial lease term. The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the Social Fund as lessee.

Notes to the Financial Statements

For the year ended 30 June 2025

1. MATERIAL ACCOUNTING POLICIES (CONTINUED)

(c) Leases (continued)

(iv) Lease liabilities (continued)

When the Social Fund renegotiates the contractual terms of a lease with the lessor, the accounting depends on the nature of the modification:

- if the renegotiation results in one or more additional assets being leased for an amount commensurate with the standalone price for the additional rights-of-use obtained, the modification is accounted for as a separate lease in accordance with the above policy;
- in all other cases where the renegotiations increase the scope of the lease, the lease liability is remeasured using the discount rate applicable on the modification date, with the right-of-use asset being adjusted by the same amount; and
- if the renegotiation results in a decrease in the scope of the lease, both the carrying amount of the lease liability and right-of-use asset are reduced by the same proportion to reflect the partial or full termination of the lease with any difference immediately recognised in income or expenditure. The lease liability is then further adjusted to ensure its carrying amount reflects the amount of the renegotiated payments over the renegotiated term, with the modified lease payments discounted at the rate applicable on the modification date. The right-of-use asset is adjusted by the same amount.

(v) Lease exemptions and elections

The Social Fund apply the practical expedient available under *AASB 16* to exclude short-term and low value leases from recognition as right-of-use assets and lease liabilities in their financial statements. Short-term leases are those which have a lease term of 12 months or less and do not provide the Social Fund with an option to purchase the leased asset. Low value leases are those whereby the underlying asset is valued less than or equal to $10,000 on an 'as new' basis as at the lease commencement date. Low value assets typically include computer equipment, small items of office furniture and mobile phones.

AASB 16 provides the option to elect, on an asset class-by-asset class basis, not to separate payments in respect to non-lease components (such as outgoings) from lease component payments, and measure the associated right-of-use asset and lease liability based on all of the payments under the agreement. The Social Fund has not applied this practical expedient and therefore has excluded any material non-lease component payments from the measurement of its right-of-use assets and lease liabilities.

The Social Fund has elected to apply incremental borrowing rates by class of asset. Classes include property and vehicles.

Peppercorn leases principally enable the Social Fund to further its objectives where a 'peppercorn' amount is paid as consideration to a lessor. The AASB issued *AASB 2018-8 Amendments to Australian Accounting Standards – Right-of-Use Assets of Not-for-Profit Entities*, which allows not-for-profit entities to elect to measure 'peppercorn' or concessionary leases at cost, rather than fair value. Peppercorn leases are incorporated within the 'Property' class of right-of-use lease assets.

(p) New Accounting Standards and Interpretations

New standards adopted during the year

A number of new standards, amendments to standards and interpretations are effective from 1 July 2024 but they do not have a material effect on the Social Fund.

New standards not yet adopted

A number of new standards are effective for annual periods beginning on or after 1 July 2025 and earlier application is permitted, however, the Social Fund has not early adopted the new or amended standards in preparing these aggregated financial statements..

None of these are expected to have a significant effect on the financial statements of the Social Fund.

(q) Income Tax

The Social Fund is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997* (Cth).

2. REVENUE

	2025 $000	2024 $000
Government grants	**539,715**	488,587
Government funding - fee for service	**89,502**	89,239
Resident contributions and patient fees	**103,358**	102,008
Revenue from trading activities	**315,809**	304,977
Red Shield Appeal donations	**110,785**	102,891
Legacy income	**17,278**	19,928
Other donations	**6,987**	10,421
Total Revenue	**1,183,434**	1,118,051

3. AUDITORS' REMUNERATION

	2025 $	2024 $
Audit services - KPMG Australia	**1,090,078**	1,137,274
Other services - KPMG Australia	**47,700**	249,076
Total Auditors' Remuneration	**1,137,778**	1,386,350

4. TRADE AND OTHER RECEIVABLES

	2025 $000	2024 $000
Current		
Accommodation Bond Rollovers	**809**	723
Loan Receivable - No Interest Loan Scheme	**1,816**	671
Sundry debtors	**30,543**	32,115
Total Current Trade and other receivables	**33,168**	33,509
Non-Current		
Accommodation Bond Rollovers	**4,694**	4,100
Loan Receivable - Independent Living Units	**13,234**	12,597
Loan Receivable - No Interest Loan Scheme	**355**	1,394
Independent Living Unit - Lease Refurbishment Contribution	**10,568**	9,830
Sundry debtors	**8,369**	8,069
Total Non-Current Trade and other receivables	**37,220**	35,990

Notes to the Financial Statements

For the year ended 30 June 2025

5. OTHER FINANCIAL ASSETS

	2025 $000	2024 $000
Current		
Short term deposits	**8,707**	13,319
Non-current		
Unlisted units in managed investment funds	**736,985**	676,675

6. PROPERTY, PLANT AND EQUIPMENT

	2025 $000	2024 $000
Freehold Land and Buildings		
Freehold land at cost	**152,923**	136,327
Buildings at cost	**849,452**	819,086
Accumulated depreciation	**(268,654)**	(255,984)
	733,721	699,429
Leasehold Improvements		
At cost	**26,478**	28,142
Accumulated depreciation	**(23,314)**	(23,726)
	3,164	4,416
Buildings under construction - at cost	**37,447**	26,914
Motor vehicles		
At cost	**9,281**	9,966
Accumulated depreciation	**(8,616)**	(9,080)
	665	886
Plant and equipment		
At cost	**103,295**	106,994
Accumulated depreciation	**(67,962)**	(77,192)
	35,333	29,802
Total property, plant and equipment	**810,330**	761,447

6. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Movements in carrying amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year.

	Freehold Land and Buildings $000	Buildings under construction - at cost $000	Plant and Equipment $000	Motor Vehicles $000	Leasehold Improvements $000	Total $000
Year ended 30 June 2024						
Balance at the beginning of year	668,985	33,739	26,964	1,011	4,207	734,906
Additions/Transfers in	66,925	73,966	19,534	346	1,573	162,344
Transfers out	-	(80,791)	-	-	-	(80,791)
Transfer to assets held for sale	(5,955)	-	-	-	-	(5,955)
Disposals	(14,714)	-	(3,199)	-	(13)	(17,926)
Depreciation	(15,812)	-	(13,497)	(471)	(1,351)	(31,131)
	699,429	**26,914**	**29,802**	**886**	**4,416**	**761,447**

	Freehold Land and Buildings $000	Buildings under construction - at cost $000	Plant and Equipment $000	Motor Vehicles $000	Leasehold Improvements $000	Total $000
Year ended 30 June 2025						
Balance at the beginning of year	699,429	26,914	29,802	886	4,416	761,447
Additions/Transfers in	66,975	96,943	18,902	217	319	183,356
Transfers out	-	(86,410)	-	-	-	(86,410)
Transfer to assets held for sale	(3,135)	-	-	-	-	(3,135)
Disposals	(13,176)	-	(559)	-	(20)	(13,755)
Depreciation	(16,372)	-	(12,812)	(438)	(1,551)	(31,173)
	733,721	**37,447**	**35,333**	**665**	**3,164**	**810,330**

7. COMMITMENTS

The Social Fund is constantly engaged in planned and ongoing construction projects requiring the commitment of significant funds.

	2025 $000	2024 $000
Less than 1 year	**92,610**	69,828
Between 1 to 5 years	**29,818**	25,566
Cost to complete Buildings under construction	**122,428**	95,394

8. LEASES

Right-of-use assets

	Property $000	Motor Vehicles $000	Total $000
Cost			
At 1 July 2023	320,753	12,015	332,768
Additions	24,603	5,781	30,384
Reassessments and modifications	59,473	716	60,189
Disposals	(10,998)	(3,273)	(14,271)
At 30 June 2024	**393,831**	**15,239**	**409,070**
Additions	14,200	5,963	20,163
Reassessments and modifications	47,934	1,080	49,014
Disposals	(22,136)	(3,510)	(25,646)
At 30 June 2025	**433,829**	**18,772**	**452,601**
Accumulated depreciation			
At 1 July 2023	131,856	7,363	139,219
Depreciation	44,688	3,104	47,792
Reassessments and modifications	9,496	50	9,546
Disposals	(10,998)	(3,189)	(14,187)
At 30 June 2024	**175,042**	**7,328**	**182,370**
Depreciation	47,632	3,694	51,326
Reassessments and modifications	5,212	887	6,099
Disposals	(22,136)	(3,510)	(25,646)
At 30 June 2025	**205,750**	**8,399**	**214,149**
Net carrying amount			
At 30 June 2024	218,789	7,911	226,700
At 30 June 2025	228,079	10,373	238,452

8. LEASES (CONTINUED)

Lease liabilities

	Property $000	Motor Vehicles $000	Total $000
At 1 July 2023	183,835	5,077	188,912
Additions	24,603	5,781	30,384
Interest expense	9,044	450	9,494
Lease liability payments	(49,784)	(3,562)	(53,346)
Reassessments and modifications	50,348	661	51,009
Disposals	-	(86)	(86)
At 30 June 2024	**218,046**	**8,321**	**226,367**
Included in the financial statements as:			
Current liabilties	43,808	2,839	46,647
Non-current liabilities	174,238	5,482	179,720
	218,046	**8,321**	**226,367**
At 1 July 2024	218,046	8,321	226,367
Additions	14,200	5,963	20,163
Interest expense	11,102	787	11,889
Lease liability payments	(54,420)	(4,292)	(58,712)
Reassessments and modifications	43,013	172	43,185
At 30 June 2025	**231,941**	**10,951**	**242,892**
Included in the financial statements as:			
Current liabilities	43,620	3,549	47,169
Non-current liabilities	188,321	7,402	195,723
	231,941	**10,951**	**242,892**

Amounts recognised in Cash Flows from Financing Activities in Aggregated Statement of Cash Flows:

	Property $000	Motor Vehicles $000
30 June 2024		
Lease liability payment	(40,740)	(3,112)
30 June 2025		
Lease liability payment	(43,318)	(3,505)

8. LEASES (CONTINUED)

Amounts recognised in Cash Flows from Operating Activities in Aggregated Statement of Cash Flows:

	Property $000	Motor Vehicles $000
30 June 2024		
Interest payment	(9,044)	(450)
30 June 2025		
Interest payment	(11,102)	(787)

Refer to Note 16 for further information on financial risk management, and maturity analysis covering contractual maturities representing undiscounted contractual cash flows of all lease liabilities recognised.

Other amounts recognised in the Aggregated Statement of Profit or Loss and Other Comprehensive Income

Amounts recognised in the Aggregated Statement of Profit or Loss and Other Comprehensive Income pertaining to short-term and low value leases under the practical expedient are:

	2025 $000	2024 $000
Short-term leases	**1,599**	1,164
Low-value assets	**2,347**	1,711
	3,946	2,875

Leases with significantly below-market terms and conditions ('Peppercorn')

The Social Fund has the right to use a number of properties for no or nominal rental payments in order to further the entity's not-for-profit objectives. The lease terms for these properties range from 1 - 92 years. The Social Fund is permitted to continue to use the properties provided that The Salvation Army's status as a not-for-profit entity does not change and that it continues to operate for the benefit of the community.

The Social Fund elected to measure the right of use asset arising from these leases at cost, which is based on the associated lease liability. The carrying amounts attributable to Peppercorn leases were as follows:

	2025 $	2024 $
Right of use assets	**32,144**	1,990
Accumulated depreciation	**(18,536)**	(828)
Total lease liability	**15,930**	1,224

9. TRADE AND OTHER PAYABLES

	2025 $000	2024 $000
Current		
Trade creditors and accruals	**62,096**	55,217
Prepaid government funding for social programs	**37,556**	36,019
Deferred Red Shield Appeal and other donations	**3,131**	4,521
Total Current Trade and other payables	**102,783**	95,757

10. EMPLOYEE BENEFITS

	2025 $000	2024 $000
Current		
Annual leave	**42,443**	36,912
Long service leave	**16,324**	15,166
	58,767	52,078
Non-Current		
Long service leave	**9,171**	9,578

The Social Fund contributed $69,958k (2024: $61,704k) on behalf of employees to the superannuation plans of their choice, in accordance with superannuation guarantee legislation.

11. PROVISIONS

	Accommodation bond rollovers $000	Redress $000	Make good of leased premises $000	Others $000	Total $000
At 1 July 2023	3,058	70,224	1,088	-	74,370
Provision used during the year	-	(14,672)	(174)	-	(14,846)
Provision reversed during the year	(1,149)	-	(176)	-	(1,325)
Provision made during the year	1,204	124,839	-	2,900	128,943
At 30 June 2024	**3,113**	**180,391**	**738**	**2,900**	**187,142**
Included in the financial statements as:					
Current liabilities	565	18,885	-	2,900	22,350
Non-current liabilities	2,548	161,506	738	-	164,792
	3,113	**180,391**	**738**	**2,900**	**187,142**

11. PROVISIONS (CONTINUED)

	Accommodation bond rollovers $000	Redress $000	Make good of leased premises $000	Others $000	Total $000
At 1 July 2024	3,113	180,391	738	2,900	187,142
Provision used during the year	-	(18,315)	(238)	-	(18,553)
Provision reversed during the year	(221)	-	(8)	-	(229)
Provision made during the year	1,029	9,937	383	7,700	19,049
Unwind of discount	-	7,800	-	-	7,800
At 30 June 2025	**3,921**	**179,813**	**875**	**10,600**	**195,209**
Included in the financial statements as:					
Current liabilities	599	18,237	-	10,600	29,436
Non-current liabilities	3,322	161,576	875	-	165,773
	3,921	**179,813**	**875**	**10,600**	**195,209**

Redress

The Salvation Army Australia Territory has publicly expressed it is deeply regretful of any incident of historical abuse perpetrated.

The Salvation Army has engaged an independent third-party expert to assist in the determination of the Redress provision. Factors that were considered were:

- Historical exposure to abuse and known cases of abuse
- Number of anticipated future claims and reopened cases
- Average settlement per claim
- Future inflation and current discount rates

In addition, the expert also had regard to industry experience and data observed from other comparable organisations.

The estimation of the total future cost included an allowance for the costs of open claims, claims handling costs, reopened claims and future reported claims received through legal representatives, or via the National Redress Scheme and those through The Salvation Army's internal redress scheme.

The Salvation Army acknowledges that the provision estimate is inherently judgemental, involves a degree of uncertainty and the assumptions used could vary as more claims are processed and new information becomes available. The provision therefore represents a 'best estimate' at reporting date based on the expert's advice. Future revisions to the estimate may occur as additional data is received and any unfavourable change in the assumptions underlying the determination of the provision, absent any other factors, will result in additional settlement payments beyond that which is currently provided.

Claims settled during the year amounted to $18,315k (2024: $14,672k). Provisions made during the year amounted to $9,937k which was expensed through 'Redress provision expense' and discount unwinding amounted to $7,800k which was expensed through 'Financing expenses'.

12. LOANS AND BORROWINGS

	2025 $000	2024 $000
Current		
Unsecured Loans	**1,020**	40
No Interest Loan Scheme	**2,171**	2,065
Accommodation Bonds	**284,715**	250,715
Total Current loans and borrowings	**287,906**	252,820
Non-Current		
Secured Loans	**4,300**	4,300
Unsecured Loans	**600**	1,593
Total Non-Current loans and borrowings	**4,900**	5,893

Accommodation Bonds

Accommodation Bonds are repayable to residents of aged care centres upon their vacating of the centres. When taking up residence at aged care centres, government legislation allows for residents to pay a refundable and an amortisable entry contribution to the Social Fund.

The refundable portion is in the form of an interest-free loan repayable in full, while the amortisable portion is amortised over five years and recognised as income.

These balances are required to be used for the benefit of aged care residents. The Salvation Army is required to ensure sufficient liquidity to enable it to repay the bonds as required.

As there is no unconditional right to defer payment for 12 months, these liabilities are recorded as current liabilities. Based on past experience, the Social Fund believes that not all accommodation bonds may need to be refunded within a given year.

No Interest Loan Scheme

The Salvation Army is an accredited provider of the No Interest Loan Scheme by Good Shepherd Australia New Zealand. The facility is offered by National Australia Bank and is payable on demand. The Scheme provides interest free loans for low-income earners to buy essential household items for terms of 12 to 18 months. The loan receivable is disclosed under 'Trade and other receivables'. Refer to Note 4.

Secured Loan

Secured Loan represents loans provided by government bodies towards the construction/purchase of social centres, secured against the properties. The loans are only repayable to the government bodies under certain default or closure circumstances. It is not foreseen that such circumstances will exist within the next 12 months.

Unsecured Loan

Unsecured Loan represents loans provided by government bodies towards the construction of aged care centres and Salvation Army Housing sites. The loans are only repayable to the government bodies under certain default or closure circumstances. It is not foreseen that such circumstances will exist within the next 12 months.

Notes to the Financial Statements

For the year ended 30 June 2025

13. RECONCILIATION OF NET INCOME TO CASH FLOWS FROM OPERATING ACTIVITIES

	2025 $000	2024 $000
Net income/(expenditure)	**5,876**	(54,738)
Adjustments for non-cash income and expenditure items contained within operating activities:		
- depreciation	**82,499**	78,923
- project write-offs	**2,563**	16,680
- net gain from sale of property, plant and equipment	**(6,125)**	(11,248)
- property contributed/donated	**(1,220)**	(2,284)
- legacy bequests received other than in the form of cash	**949**	(324)
- investment distributions reinvested	**-**	(7,089)
- financial assets at fair value (investments)	**(60,118)**	(35,771)
- other	**(2,083)**	(4,444)
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	**(2,950)**	(17,179)
- (increase)/decrease in prepayments	**(708)**	(337)
- (increase)/decrease in inventories	**611**	323
- increase/(decrease) in trade and other payables	**7,028**	7,834
- increase/(decrease) in employee benefits	**6,282**	9,266
- increase/(decrease) in provisions	**8,066**	112,773
Cashflows from operations	**40,670**	92,385

14. RELATED PARTIES

Key management personnel compensation

Key management personnel compensation comprised the following:

	2025 $000	2024 $000
Short-term employee benefits	**2,341**	1,621
Post-employment benefits	**146**	100
Other long-term benefits	**-**	-
Termination benefits	**-**	-
Share-based payments	**-**	-
	2,487	1,721

Compensation of the Social Fund's key management personnel includes salaries, allowances and contributions to superannuation or a post-employment defined benefit plan.

Key management personnel include officers of the Social Fund who receive remuneration in accordance with established Salvation Army guidelines. In addition, officers also receive medical benefits, accommodation and use of a motor vehicle at no cost as part of their officership, in accordance with established Salvation Army guidelines. No additional remuneration is received by these officers for acting in their capacity as key management personnel, within the Social Fund. There are no other transactions with key management personnel.

14. RELATED PARTIES (CONTINUED)

Related party transactions with General Fund

The Australian operations of The Salvation Army are part of an international Christian movement and have been operating since 1880. The Salvation Army's International Headquarters are located in London, England with The General as its head. In order for the movement to operate in Australia and hold property, seven State and Territory based statutory bodies corporate ("Property Trusts") were established. The corporate officers of the Property Trusts ("Trustees") are residents in Australia and are appointed by the General.

The Salvation Army Australia comprises two aggregated entities known as:

- The Salvation Army Australia Social Fund; and
- The Salvation Army Australia General Fund

Both entities are under common management of The Salvation Army Australia.

As set out in Note 1, the Social Fund is an aggregation of operations identified by their unique ABN. The General Fund is also an aggregation of operations identified by their ABN which are different to those of the Social Fund but remain under the common management of the The Salvation Army Australia.

The Social Fund's operation are supported by General Fund's treasury. General Fund also incorporates a portion of Social Fund's head office and departmental costs which, by way of transfer pricing, are charged to Social Fund. Social Fund bears eighty-five percent of General Fund's head office and departmental costs, and benefits from other income sources contained within General Fund. Social Fund's purchase of goods, services and contributions to projects from other income sources contained within General Fund are as follows:

	2025 $000	2024 $000
Social Fund's purchase of goods, services and contributions to projects from:		
The Salvation Army Australia General Fund	**185,402**	174,695
Social Fund's receipt of goods, services and contributions to projects from:		
The Salvation Army Australia General Fund	**21,250**	63,416
Amounts owed by The Salvation Army Social Fund to:		
The Salvation Army Australia General Fund	**-**	-
Amounts owed to The Salvation Army Social Fund by:		
The Salvation Army Australia General Fund	**-**	-

14. RELATED PARTIES (CONTINUED)

Related party transactions with other Salvation Army Territories

The Salvation Army Social Fund provides and receives funds for goods, services and contributions for projects, with other Salvation Army Territories across the world:

	2025 $000	2024 $000
Purchase of goods, services and contributions to projects		
The Salvation Army Caribbean Territory	**31**	7
The Salvation Army Brazil Territory	**-**	1
The Salvation Army Central Territory (United States of America)	**-**	8
The Salvation Army Democratic Republic of Congo Territory	**-**	3
The Salvation Army Eastern Europe Territory	**51**	1
The Salvation Army Eastern Territory (United States of America)	**-**	3
The Salvation Army Finland and Estonia Territory	**-**	3
The Salvation Army Ghana Territory	**-**	3
The Salvation Army Hong Kong and Macau Territory	**-**	3
The Salvation Army India Central Territory	**1**	31
The Salvation Army India Northern Territory	**45**	50
The Salvation Army Indonesia Territory	**100**	529
The Salvation Army International Headquarters	**932**	945
The Salvation Army Kenya East Territory	**646**	454
The Salvation Army Italy and Greece Command	**-**	1
The Salvation Army Kenya West Territory	**419**	287
The Salvation Army Latin America North Territory	**2**	30
The Salvation Army Malawi Territory	**1,563**	804
The Salvation Army Mexico Territory	**15**	-
The Salvation Army Netherlands, Czech Republic and Slovakia Territory	**1**	46
The Salvation Army New Zealand, Fiji, Tonga and Samoa Territory	**10**	11
The Salvation Army Nigeria Territory	**-**	71
The Salvation Army Pakistan Territory	**-**	5
The Salvation Army Papua New Guinea & Solomon Islands Territory	**927**	1,152
The Salvation Army Philippines Territory	**156**	125
The Salvation Army Rwanda and Burundi Territory	**209**	119
The Salvation Army Singapore, Malaysia, Myanmar and Thailand Territory	**145**	1
The Salvation Army South America West Territory	**-**	8
The Salvation Army Southern Africa Territory	**64**	323
The Salvation Army Sri Lanka Territory	**20**	1
The Salvation Army Swtizerland, Austria and Hungary Territory	**-**	38
The Salvation Army Tanzania Territory	**84**	350
The Salvation Army Uganda Territory	**158**	147
The Salvation Army Western Territory (United States of America)	**1**	-
The Salvation Army Zimbabwe and Botswana Territory	**-**	52
	5,580	5,612

14. RELATED PARTIES (CONTINUED)

	2025 $000	2024 $000
Recipient of goods, services and contributions to projects		
The Salvation Army New Zealand, Fiji, Tonga and Samoa Territory	**34**	180
	34	180
Amounts owed by The Salvation Army Social Fund		
The Salvation Army Indonesia Territory	**-**	1
The Salvation Army Kenya East Territory	**-**	100
The Salvation Army Netherlands, Czech Republic and Slovakia Territory	**5**	-
The Salvation Army Papua New Guinea & Solomon Islands Territory	**243**	-
	248	101

15. CONTINGENT LIABILITIES

Sale of aged care centres on 1 July 2005

On 1 July 2005, the Social Fund completed the sale of 19 sites catering for aged care hostels and nursing homes, as well as retirement living units to Retirement Care Australia (RCA). In addition, TriCare acquired the Hayville Retirement Village in Box Hill, Melbourne. The business sale agreements included various warranties from the Social Fund to the purchasers, whereby under certain circumstances, they may seek financial compensation from the Social Fund.

At 30 June 2025, the Trustees are of the opinion that provisions are not required in respect of these matters, as it is not probable that a future sacrifice of economic benefits will be required.

Capital grant funding

The Social Fund received $16,209k from the Housing Authority in Western Australia between 2012-2015 as part capital funding towards the provision of a homeless accommodation and support facility in Northbridge, Perth, Western Australia.

Under certain default or closure circumstances, the project agreement requires the Social Fund to repay these capital funds to the Housing Authority over a 30-year term, with the amount repayable reducing by 3.33% per annum upon the anniversary of the date of the project commissioning. As at 30 June 2025, the amount repayable would have been $11,024k (2024: $11,404k) and there were no events that required any repayment.

16. FINANCIAL RISK MANAGEMENT

The Social Fund has exposure to the following risks from their use of financial instruments.

- Credit risk
- Market risk
- Liquidity risk

This note presents information about the Social Fund's exposure to each of the above risks, their objectives, policies and processes for measuring and managing risk, and the management of capital. The Trustees of the entities which comprise the Social Fund consider the Social Fund's risk exposure to be within the risk appetite set by the Trustees, from their use of financial instruments. Further quantitative disclosures are included throughout this financial report.

The Social Fund has a proportion of its total assets in cash at bank and deposits at call. Management of the Social Fund regularly monitor the returns obtained on interest bearing deposits.

Credit risk

Credit risk is the risk of financial loss to the Social Fund if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Social Fund's receivables and cash and cash equivalents.

16. FINANCIAL RISK MANAGEMENT (CONTINUED)

Financial Assets

The Social Fund's cash and cash equivalents are held with major financial institutions that have a high credit rating. The majority of the Social Fund's other financial assets are comprised of investment funds with major financial institutions. Mercer manages these investments on behalf of the Social Fund and is responsible for the custodianship of these investments.

Trade receivables

The Social Fund's exposure to credit risk is influenced mainly by the individual characteristics of each counterparty. The Social Fund operates in the Australian region. The Social Fund has a concentration of transactions with reputable organisations, financial institutions and the Australian government, including the various Commonwealth and State departments, accordingly limiting its credit risk.

The Social Fund has established a credit policy under which the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all counterparties requiring credit over a certain amount. The Social Fund does not require collateral in respect of financial assets.

The Social Fund has established an allowance for impairment that represents an estimate of expected credit losses not incurred in respect of trade and other receivables and investments. The main component of this allowance are a specific loss component that related to individually significant exposures, and a collective loss component established for groups of similar assets in respect of losses that have been incurred but not yet identified. The collective loss allowance is determined based on historical data of payment statistics for similar financial assets.

Exposure to credit risk

The carrying amount of the Social Fund's financial assets represents the maximum credit exposure. The Social Fund's maximum exposure to credit risk at balance date was as follows:

	2025 $000	2024 $000
Cash and cash equivalents	**87,526**	124,155
Short term deposits	**8,707**	13,319
Receivables	**70,388**	69,499
Unlisted units in managed investment funds	**736,985**	676,675
Total	**903,606**	883,648

Trade and other receivables

The ageing of the Social Fund's receivables at the reporting date was:

	2025		2024	
	Gross $000	Impairment $000	Gross $000	Impairment $000
Not past due	**70,388**	-	69,499	-
Past due 0-30 days	**-**	-	-	-
Past due 31-120 days	**-**	-	-	-
	70,388	-	69,499	-

16. FINANCIAL RISK MANAGEMENT (CONTINUED)

Market risk

Interest rate risk
Management of the Social Fund ensures that a portion of its interest rate risk exposure is at fixed-rates.

Other market price risk
The Social Fund is exposed to market price risk which arises from unlisted units in managed investment funds. The primary goal of the Social Fund's investment strategy is to maximise investment returns whilst preserving investment capital and as such, manages the investments with regard to this approach and closely monitors market indices.

During the financial year management was assisted by Mercer.

Exposure to market risk

Management monitors movements in rates of return on a regular basis and ensures that returns are at market levels. No derivative contracts are used to manage market risk.

Profile
At the reporting date, the market profile of the Social Fund's financial instruments includes 29% Australian equities (2024: 27%), 27% Global equities (2024: 26%), 33% Fixed income (2024: 35%) and 11% Diversified debt (2024: 12%).

Liquidity risk

The Social Fund's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquid assets to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Social Fund's reputation. Management of the Social Fund aims to maintain the level of its cash and cash equivalents at an amount in excess of expected cash outflows on financial liabilities over the succeeding 60 days. The Social Fund's investments in unlisted unit trusts are readily convertible to cash within acceptable notice periods.

Exposure to liquidity risk
Management of the Social Fund monitors its cash flow requirements and ensures that it has sufficient cash on demand to meet expected operational expenses.

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements:

	Carrying Amount $000	Contractual Cash Flows $000	Within 1 year $000	1-5 years $000	Over 5 years $000
30 June 2024					
Trade and other payables	(55,217)	(55,217)	(55,217)	-	-
Loans and borrowings	(258,713)	(258,713)	(252,820)	(993)	(4,900)
Lease liabilities	(226,367)	(338,044)	(54,240)	(130,081)	(153,723)
	(540,297)	**(651,974)**	**(362,277)**	**(131,074)**	**(158,623)**
30 June 2025					
Trade and other payables	(62,096)	(62,096)	(62,096)	-	-
Loans and borrowings	(292,806)	(292,806)	(287,906)	-	(4,900)
Lease liabilities	(242,892)	(375,272)	(56,357)	(146,924)	(171,991)
	(597,794)	**(730,174)**	**(406,359)**	**(146,924)**	**(176,891)**

17. EVENTS AFTER THE END OF THE REPORTING PERIOD

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Trustees of the entities which comprise the Social Fund, to affect significantly the operations of the Social Fund, the results of those operations, or the state of affairs of the Social Fund, in future financial years.

Trustees' Declaration

In the opinion of the Trustees of the entities which comprise The Salvation Army Australia Social Fund ("Social Fund"):

(i) The accompanying aggregated financial statements and notes set out on pages 70 - 97 are drawn up so as to present fairly the financial position of the Social Fund as at 30 June 2025 and the results of its operations and its cash flows for the year then ended;

(ii) The aggregated financial statements and notes set out on pages 70 - 97 are in accordance with the *Australian Charities and Not-for-profits Commission Act 2012* (Cth), including:

  (i) presenting fairly in all material respects the Social Fund's financial position as at 30 June 2025 and of its performance, for the financial year ended on that date.

  (ii) comply with Australian Accounting Standards - Simplified Disclosure Requirements except that the aggregated entities that comprise the Social Fund do not consitute a group for the purposes of *AASB 10 Consolidated Financial Statements, and the Australian Charities and Not-for-profits Commission Regulation 2022* (Cth); and

(iii) There are reasonable grounds to believe that the Social Fund will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Trustees:



Stuart Glover
Assistant Chief Secretary - Business
TRUSTEE



Kim Haworth
Assistant Chief Secretary - Mission
TRUSTEE

Dated at Melbourne this 24th day of November 2025

Auditor's Independence Declaration under subdivision 60-C section 60-40 of Australian Charities and Not-for-profits Commission Act 2012

To the Trustees of The Salvation Army Australia Social Fund

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 30 June 2025 here have been:

i. no contraventions of the auditor independence requirements as set out in the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit; and

ii. no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

Chris Sargent

Partner

Melbourne

24 November 2025

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Independent Auditor's Report

To the Trustees of The Salvation Army Australia Social Fund

Opinion

We have audited the ***Aggregated Financial Report*** of The Salvation Army Australia Social Fund (the Aggregated Entity).

In our opinion, the accompanying Aggregated Financial Report of the Aggregated Entity is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission (ACNC) Act 2012*, including:

- giving a true and fair view of the Aggregated Entity's financial position as at 30 June 2025, and of its financial performance and its cash flows for the year ended on that date; and
- complying with *Australian Accounting Standards* to the extent described in Note 1 and Division 60 of the *Australian Charities and Not-for-profits Commission Regulations 2022 (ACNCR).*

The ***Aggregated Financial Report*** comprises:

- Aggregated statement of financial position as at 30 June 2025.
- Aggregated statement of profit or loss and other comprehensive income, aggregated statement of changes in funds, and aggregated statement of cash flows for the year then ended.
- Notes, including material accounting policies.
- Trustees' Declaration.

The Aggregated Entity consists of the Registered Entities being:

- The Salvation Army (Victoria) Property Trust,
- The Salvation Army (Tasmania) Property Trust,
- The Salvation Army (South Australia) Property Trust,
- The Salvation Army (Western Australia) Property Trust,
- The Salvation Army (Northern Territory) Property Trust,
- The Salvation Army (New South Wales) Property Trust,
- The Salvation Army (Queensland) Property Trust,
- The Salvation Army (Victoria) Property Trust atf The Salvation Army (VIC) Social Work,
- The Salvation Army (Tasmania) Property Trust atf The Salvation Army (TAS) Social Work,
- The Salvation Army (South Australia) Property Trust atf The Salvation Army (SA) Social Work,
- The Salvation Army (Western Australia) Property Trust atf The Salvation Army (WA) Social Work,
- The Salvation Army (Northern Territory) Property Trust atf The Salvation Army (NT) Social Work,
- The Salvation Army (New South Wales) Trust atf The Salvation Army (NSW) Social Work,
- The Salvation Army (Queensland) Property Trust atf The Salvation Army (QLD) Social Work,
- The Salvation Army (Australia) Redress Limited,
- The Salvation Army (Australia) Self Denial Fund (for Overseas Aid),
- The Salvation Army Aust Self Denial Fund (for Overseas Aid),
- The Salvation Army Community Housing Service,
- Salvation Army Housing,
- Salvation Army Housing (Victoria).

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Basis for opinion

We conducted our audit in accordance with *Australian Auditing Standards*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 Aggregated Entity in accordance with the auditor independence requirements of the ACNC Act 2012 and 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 fulfilled our other ethical responsibilities in accordance with these requirements.

Emphasis of matter – basis of preparation and restriction on use

We draw attention to Note 1 to the Aggregated Financial Report, which describes the basis of preparation.

The Aggregated Financial Report has been prepared for the purpose of fulfilling the Trustees' financial reporting responsibilities under the *ACNC Act 2012*. As a result, the Aggregated Financial Report and this Auditor's Report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Our report is intended solely for the Trustees of the Aggregated Entity and should not be used by parties other than the Trustees of the Aggregated Entity. We disclaim any assumption of responsibility for any reliance on this report, or on the Aggregated Financial Report to which it relates, to any person other than the Trustees of the Aggregated Entity or for any other purpose than that for which it was prepared.

Other Information

Other Information is financial and non-financial information in The Salvation Army Australia Social Fund's annual report which is provided in addition to the Aggregated Financial Report and the Auditor's Report. The Trustees are responsible for the Other Information.

The Other Information we obtained prior to the date of this Auditor's Report was the Trustees' report.

Our opinion on the Aggregated Financial Report does not cover the Other Information and, accordingly, we do not express any form of assurance conclusion thereon.

In connection with our audit of the Aggregated Financial Report, our responsibility is to read the Other Information. In doing so, we consider whether the Other Information is materially inconsistent with the Aggregated Financial Report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We are required to report if we conclude that there is a material misstatement of this Other Information, and based on the work we have performed on the Other Information that we obtained prior to the date of this Auditor's Report we have nothing to report.

Responsibilities of Management for the Aggregated Financial Report

Management are responsible for:

- Preparing the Aggregated Financial Report that gives a true and fair view in accordance with Australian Accounting Standards, the ACNC and ACNCR.
- Determining that the basis of preparation described in Note 1 to the Aggregated Financial Report is appropriate to meet the requirements of the ACNC. The basis of preparation is appropriate to meet the needs of the Trustees.
- Implementing necessary internal control to enable the preparation of an Aggregated Financial Report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.
- Assessing the Aggregated Entity's ability to continue as a going concern and whether the use of the going concern basis of accounting is appropriate. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate the Aggregated Entity and Registered Entities or to cease operations, or have no realistic alternative but to do so.

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

Auditor's responsibilities for the audit of the Aggregated Financial Report

Our objective is:

- to obtain reasonable assurance about whether the Aggregated 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 *Australian Auditing Standards* will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They 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 the Aggregated Financial Report.

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

We also:

- Identify and assess the risks of material misstatement of the Aggregated Financial Report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the Audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Aggregated Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or

conditions that may cast significant doubt on the Aggregated Entity and Registered Entities' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the Aggregated Financial Report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the Aggregated Entity and Registered Entities to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Aggregated Financial Report, including the disclosures, and whether the Aggregated Financial Report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Trustees of the Aggregated Entity regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

KPMG

Chris Sargent

Partner

Melbourne

24 November 2025

The Salvation Army Australia (Social Fund)

ANNUAL REPORT 2025

Jesus-centred
Spirit-led
hope revealed

Produced by:

The Salvation Army Australia
Communications Department

salvationarmy.org.au

13 SALVOS (13 72 58)

Printed on December 2025

Attachment Under Separate Cover

Ordinary Council Meeting – 26 October 2026

Agenda Item - Victor Harbor Integrated Transport Strategy

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VICTOR HARBOR INTEGRATED TRANSPORT STRATEGY

Revision 2
August 2026



smec
an SJ company

Acknowledgement of Country

The project team acknowledges the Ramindjeri and Ngarrindjeri people as the Traditional Custodians of the land and surrounding waters of Victor Harbor. We acknowledge their deep connection to Country and pay our respects to Elders past, present and emerging. This respect is extended to Aboriginal and Torres Strait Island people across Australia.

Alyenik Ramindjeri-Ngarrindjeri ruwi. Ya:ral-inti towun, nginti Ngul-ildal Ramindjeri-Ngarrindjeri meli. Kar yamalai ma:thawar alyenik ruw-ald.

This here is Ramindjeri-Ngarrindjeri land. When you tread, you should think of the Ramindjeri-Ngarrindjeri people. They are the first custodians of this land.



Project Team





The Victor Harbor Integrated Transport Strategy is an ongoing, collaborative project between SMEC and URPS. SMEC wishes to thank URPS for their support throughout this project, particularly with stakeholder engagement.

Acknowledgements

The project team wishes to acknowledge the key stakeholder that were engaged during the development of Revision 1 of the Victor Harbor Integrated Transport Strategy:

- City of Victor Harbor Elected Members and Council Staff
- Alexandrina Council Staff
- Representatives of the following State Government Agencies:
  - Department for Housing and Urban Development
  - Department for Infrastructure and Transport
  - Renewal SA
  - South Australian Public Transport Authority
- Local community members who enquired about the Victor Harbor Integrated Transport Strategy during its development

Revision History

The Victor Harbor Integrated Transport Strategy is a live document that is being updated throughout the completion of the project. Periodic revisions have been issued to the City of Victor Harbor to provide feedback.

A summary of each revision is provided below.

Revision	Date of Issue	Revision Notes
1	30th June 2026	Submission following completion of Phase 1 of project.
2	21st August 2026	• Updated following comments provided on Revision 1. • Document style updated for consistency with Council publications

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INTRODUCTION

Introduction

Planning for Growth

Victor Harbor, located about 80 km south of the Adelaide Central Business District (CBD), is a dynamic and vibrant regional coastal town. Victor Harbor forms part of the Southern Coastal (urban) Region of the Fleurieu Peninsula with Port Elliot, Middleton, and Goolwa (located in Alexandrina Council).

Victor Harbor is forecast for major growth. The Greater Adelaide Regional Plan (GARP) has identified Victor Harbor as a key growth region for South Australia to 2051 (and beyond). Victor Harbor has also been designated as a regional centre in the GARP, meaning it must accommodate population growth along with growth in providing services, functions, and facilities, to the local community and broader region.

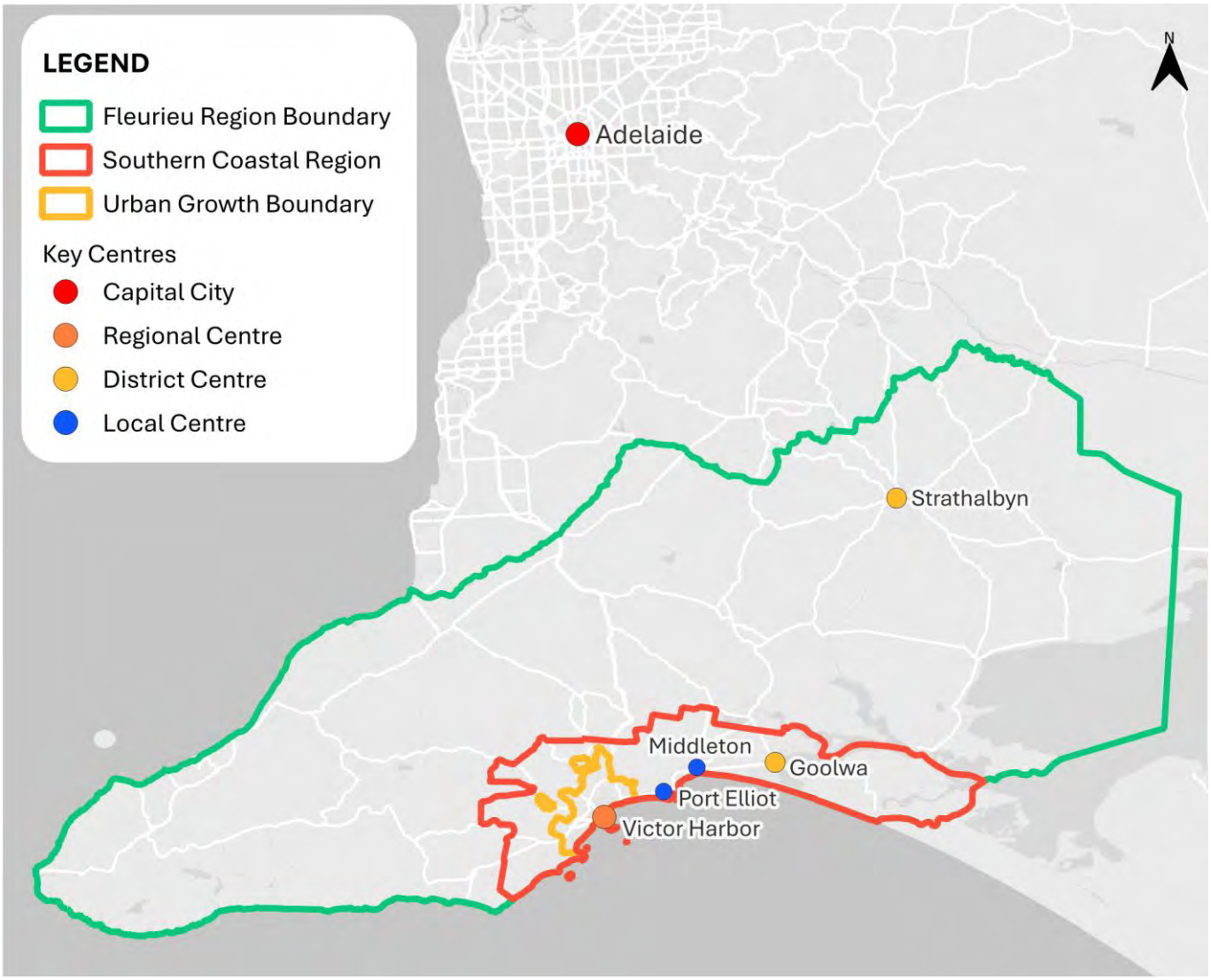


Figure 1: Geographic location of Victor Harbor

Victor Harbor has a clear growth vision:

The City of Victor Harbor is a place of choice to live, work, invest, and visit

Victor Harbor is a unique growth front within the GARP for several reasons:

- It is the only coastal regional centre outside of Metropolitan Adelaide (in the GARP).
- It has a unique historical character.
- It is a key destination for tourism and seasonal visitors.

The vision, combined with its unique features, are guiding the development of the future Victor Harbor.

The Future Victor Harbor

The Future Victor Harbor is forecast for major population growth. To guide this growth, the City of Victor Harbor (CoVH, Council) has prepared the Urban Growth Management Strategy (UGMS). The UGMS is Council's blueprint for managing urban growth to 2050 (and beyond) and has six principles guiding the changing needs of the growing community whilst protecting the unique aspects of Victor Harbor.



Figure 2: UGMS Vision and Principles

The UGMS has been developed to assist the City of Victor Harbor to proactively manage growth and planning. This is important because current planning must align to the GARP high population forecast trajectory, which would require acceleration of historical dwelling growth trends (refer below).

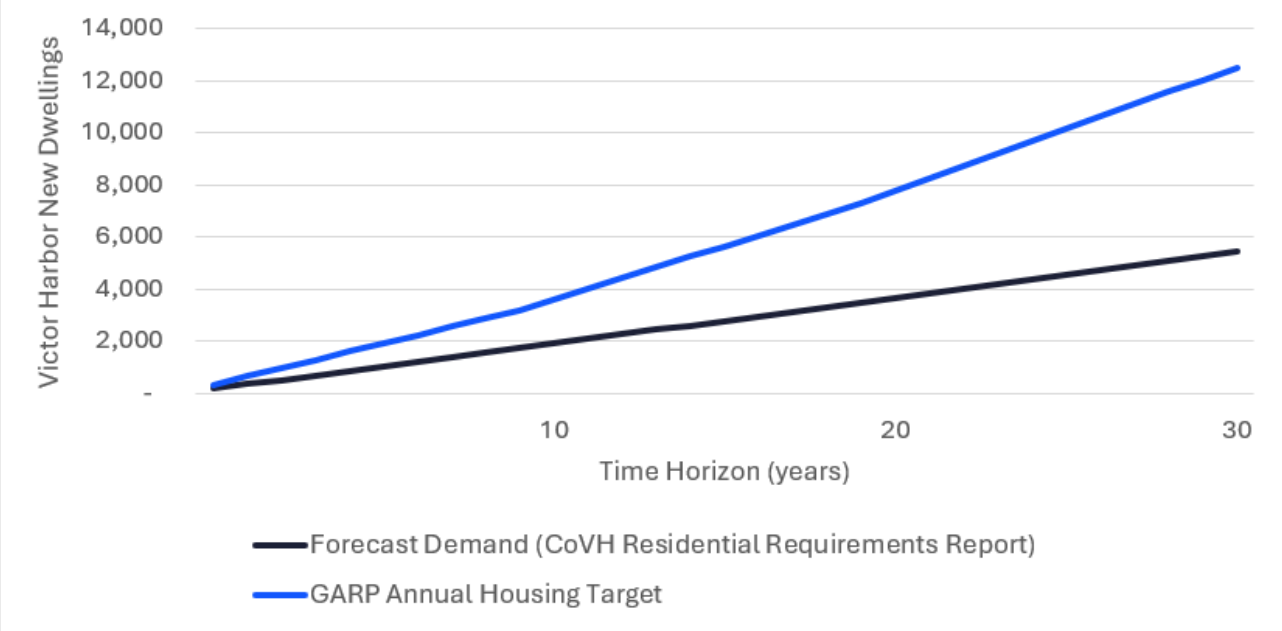


Figure 3: City of Victor Harbor dwelling growth trajectories

Supporting the forecast growth for Victor Harbor requires planning for services and infrastructure (UGMS Principle 3). Significant acceleration of growth cannot occur without an investment in infrastructure planning and delivery. This includes planning and development of a complete, integrated transport system that provides connectivity for the future community of Victor Harbor.

What is an Integrated Transport Strategy

The Transport Vision

The integrated transport strategy has been prepared with a vision for the future transport network of Victor Harbor. This vision statement was crafted to reflect the community feedback received

> *"A reliable transport network that moves our community, our goods, and our visitors safely and efficiently to their destination."*

during the development of the UGMS, and consultation completed during the development of the UGMS.

Where the Strategy Sits

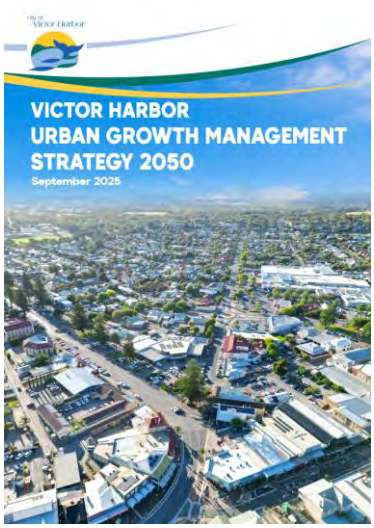
The Victor Harbor Integrated Transport Strategy (VHITS) provides a comprehensive, integrated plan guiding the evolution of Victor Harbor's transport system. The VHITS sits in a critical position from a Council planning perspective, at the interface between the overarching, long-term planning documents for the CoVH and State Government, and the annual planning and delivery of assets for Council.



Figure 4: Strategic position (red box) of the VHITS (source: UGMS, 2025)

The future vision and guiding principles for developing the VHITS have been defined by the three overarching strategic planning documents:

Table 1: Guiding strategic documents

Greater Adelaide Regional Plan	Community Plan 2030	Urban Growth Management Strategy
		
Vision Statement		
Living Locally in 20-minute neighbourhoods	Victor Harbor is a place of choice to live, work, invest, and visit.	
Key Transport opportunities		
• Services readily accessible by multiple modes of transport.	• Improving public transport • Connecting key areas with footpaths and bikeways • Providing access for all	

What the Strategy Entails

An integrated approach ensures that all components of the transport system (refer below) work cohesively to connect the current and future community of Victor Harbor with jobs, services, entertainment, and each other. The VHITS covers all components of transport and connectivity:

- The Road Network
- Parking
- Safety
- Public Transport (including ride share and taxis)
- Accessibility
- Technology
- Freight
- Walking and Cycling

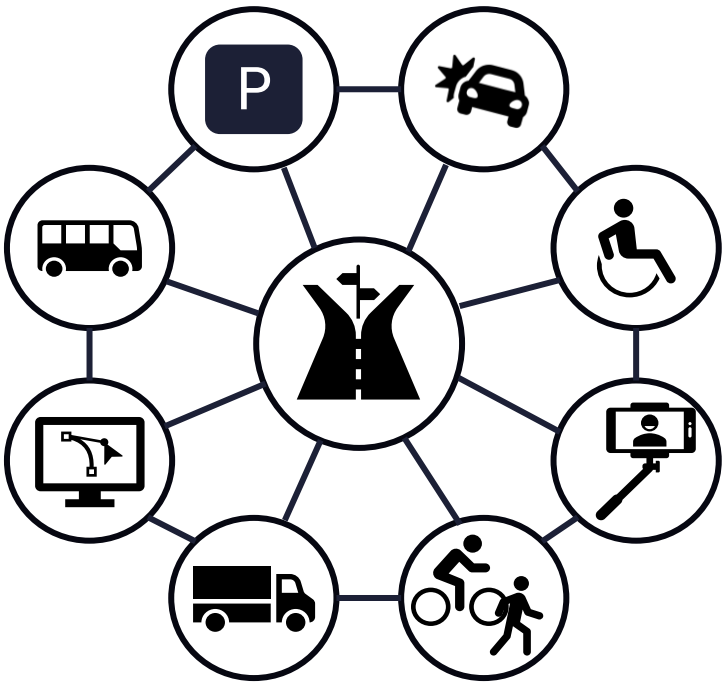


Figure 5: Integrated Transport Strategy considerations

The VHITS builds on existing transport plans and studies completed for the region and specific to Victor Harbor. Previous plans and studies have either focussed on broad regional transport (covering the Adelaide Hills and Fleurieu Peninsula) or focussed on distinct components of the transport system. These documents have been used as the building blocks for the VHITS, which marries together existing ideas and recommendations.

Table 2: Existing Transport Plans and Studies

Victor Harbor Transport Plans and Studies	
Victor Harbor Town Centre Traffic Movement and Car Parking Strategy Part B – Parking and Policy – 2017	Adelaide Hills – Fleurieu Peninsula Regional Public Transport Study – 2019
Victor Harbor Footpath and Pedestrian Strategy – 2022	Victor Harbor Bicycle Strategy – 2016 Victor Harbor Mountain Bike Strategy – 2021
2030 Regional Transport Plan (Southern and Hills LGAs) – 2021 Victor Harbor Mainstreet Precinct Master Plan – 2014	Victor Harbor Town Centre Traffic Movement and Car Parking Strategy Part A – Traffic Movement – 2017

How we are Delivering the Strategy

The VHITS will prepare Victor Harbor for the long term delivery of transport infrastructure. It is being delivered in an iterative manner to provide Council with a staged process to support the development of a robust transport strategy. The VHITS is being delivered over two phases answering the questions what do we have and need, and how do we get there?

Phase 1: What do we have and need?

Phase 1 identifies what type of transport infrastructure will be required to support the growth forecast within the GARP for Victor Harbor. An evidence base has been prepared covering:

- The transport network of Victor Harbor today, assessing available data.
- The transport network of the future, based on a transport model of Victor Harbor built for the VHITS.

Phase 1 has established how the network is currently performing, identifying opportunities and constraints, and assessing what infrastructure requirements should be delivered to support the forecast growth.

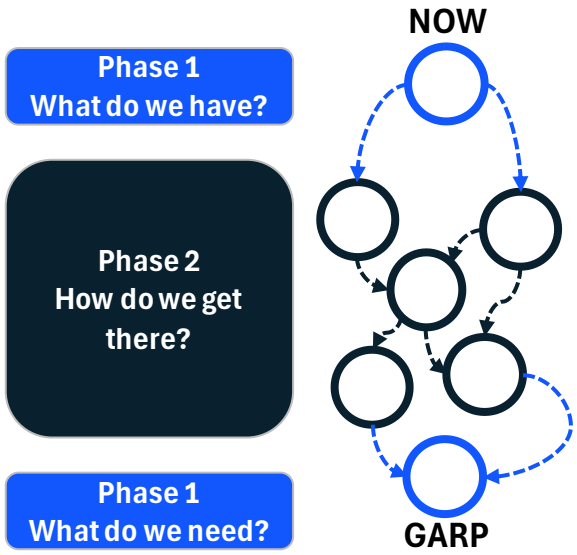
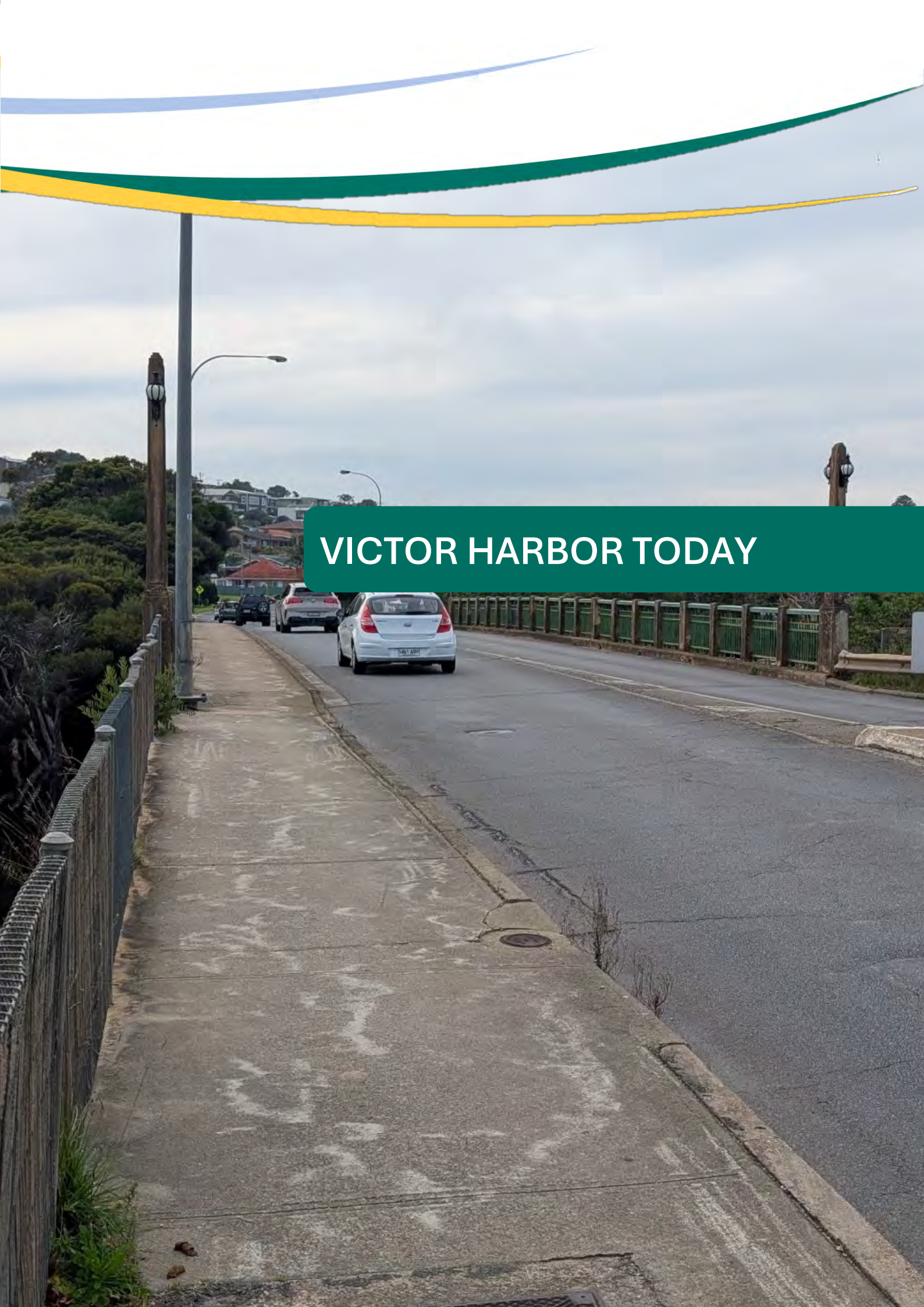


Figure 6: How the strategy will be delivered

Phase 2: How do we get there?

Phase 2 will provide Council with a delivery pathway for the required infrastructure upgrades. A set of trigger points will be determined based on population growth (both size and location) allowing for Council to be proactive in planning for delivery.

Phase 2 is planned for subsequent revisions of the VHITS.



VICTOR HARBOR TODAY

Victor Harbor Today

Understanding how the Victor Harbor transport network operates today helps us to understand the impact of the forecast growth and how this will impact on what interventions will be required to meet the vision for the transport network. Understanding the current operation of the network, the opportunities and deficiencies, provides a reference points for planning, especially in the short-term. The current transport network, primarily focussed within the urban growth boundary (refer below) is discussed. This is a consolidated version of the review documented in the Background Investigations Report, submitted to Council in June 2026.



Figure 7: Victor Harbor today review area

The Local Community

The City of Victor Harbor (LGA) encompasses an area of 346 square kilometres that includes a world class coastline and stunning rural vistas. The population of Victor Harbor is concentrated in four suburbs along the southern coastline. Victor Harbor, given its proximity to Adelaide, has two distinct population cohorts, permanent and seasonal, and consequently has unique travel characteristics.

The local community has several distinguishing trends (per the City of Victor Harbor Community Profile):

POPULATION

Population over 65: 42.2%
(Greater Adelaide: 18.7%)
Median Age: 60
(Greater Adelaide: 39)

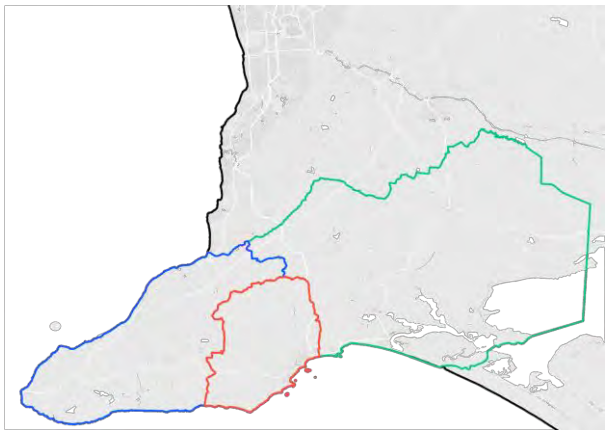
DWELLINGS

Unoccupied dwellings: 23.9%
(Greater Adelaide: 7.0%)

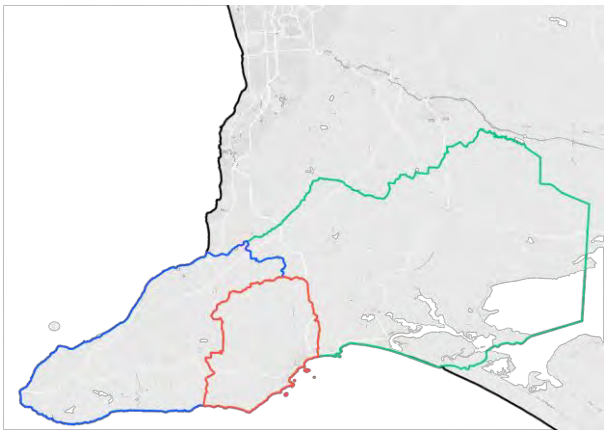
HOW PEOPLE TRAVELLED TO WORK (Live in Victor* | Work in Victor**)

	Live in Victor*	Work in Victor**
Private Vehicle	70.0%	72.1%
Walk only:	3.1%	3.1%
Work from Home:	11.3%	8.8%
Public Transport:	<1.0%	<1.0%
Cycling:	<1.0%	<1.0%
Didn't go to work:	13.2%	13.2%

WHERE PEOPLE WORK*



WHERE WORKERS COME FROM**



*Based on census data: Victor Harbor LGA as place of usual residence

**Based on census data: Victor Harbor LGA as Place of Work

Ageing Population

The current community is characterised by an ageing population. This requires careful consideration from a transport perspective. Older demographics typically require more directness (transport that is point to point) and provision to account for higher assisted mobility needs.

Seasonal Community

Victor Harbor is a favoured holiday destination, resulting in population swelling (growth) during several periods throughout the year. This places increased demand on the network, particularly for destinations that are popular tourist attractions (such as the town centre and the Victor Harbor Railway Station).

Private Vehicle Preference

The current network primarily services transport by private vehicles. This is typical of regional communities. Private vehicle travel will remain embedded as the mode of choice for most of the community without provision of viable alternatives that are reliable, efficient, and cater to the diverse community needs of Victor Harbor.

Regional Hub

Victor Harbor services the broader coastal Fleurieu Region. As the region grows, Victor Harbor can expect to continue servicing a broader community beyond the council boundary, particularly providing employment opportunities for residents of Alexandrina Council.

Seasonality and Tourism

Victor Harbor is a favoured holiday destination, forming part of the Fleurieu Peninsula tourism region that saw 893,000 overnight visitors and 2.6 million day trips in 2021 per the CoVH Council Area Profile (CoVH, 2023). Tourism and seasonal visitors cause large swells in the population. Hence, Victor Harbor experiences seasonal peaks as a major holiday and tourism destination. Noting that permanent infrastructure should service the local population, understanding seasonal demand helps understand the additional demand placed on the network. Seasonal variation can also indicate additional benefits to the network that service both local residents and seasonal visitors.

Victor Harbor has relatively lower rates of household occupancy (compared to Greater Adelaide) identified in the Council Area profile. Notably:

- Victor Harbor has a large ‘absent’ and ‘part time’ population. 23.9% of dwellings were unoccupied on Census night in 2021, compared with 7% in the Greater Adelaide region (ABS, 2021).
- There is an inconsistent trend in occupancy rate by suburb outside of the 2021 Census, which was likely impacted by the COVID-19 pandemic.

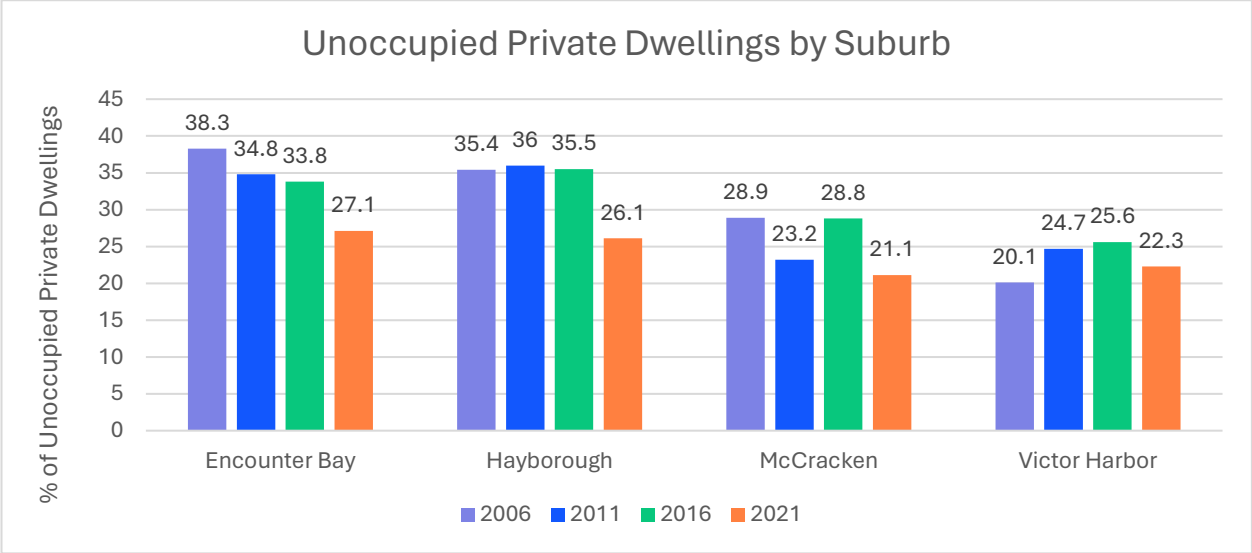


Figure 8: Unoccupied private dwellings by suburb (source: Council profile)

The Transport Network

The transport network of Victor Harbor must service a unique and changing community. Victor Harbor, and the broader southern coastal Fleurieu region are spread out (east to west) over 20-25kms. This makes the network long and unique for a regional area, requiring consideration of movement within and through Victor Harbor, and broadly connecting to neighbouring coastal townships and the Greater Adelaide area. There are distinct movement patterns that vary across the established town centre, residential suburbs, and the forecast growth regions.

The current transport network defines the need for an integrated transport strategy that supports the Community Vision of Victor Harbor. The network has been reviewed in detail across seven themes:

- Road Network
- Safety and Accessibility
- Freight
- Public Transport
- Car Parking
- Active Travel
- Seasonality and Tourism.

This review sets the baseline for current infrastructure and has been used to establish the current operation and connectivity within Victor Harbor.

Road Network

The road network of Victor Harbor is built around its two distinguishing geographic features:

1. Rivers – Bridges are required to traverse the Inman Valley River and Hindmarsh River
2. Beaches – Development has occurred closer to the coastline on relatively flat land and attractive lifestyle coastal living brings.

Map A1 displays the road network of Victor Harbor. The map shows the key structural points of the network, river crossings, Ring Road crossings, and main roundabouts. The map is colour coded according to the estimated Annual Average Daily Traffic (AADT) volume. The link colours range from green for relatively low AADT (0 – 500 vehicles per day), to purple for relatively high AADT (7,500 – 15,000 vehicles per day)

Map A1 shows that there is high connectivity in a (general) north-south direction (to and from the coastline) with multiple roads in this direction. Conversely, there is limited connectivity in an east-west direction, as bridges are required to cross the Hindmarsh River and Inman Valley River. These points act as 'funnels' for traffic moving in an east-west direction. Victor Harbor is also centralised around the town centre, meaning movements converge towards this point in the network.

There are two major east-west routes:

- The coastal route, comprising (from east to west) Hindmarsh Road, Torrens Street, and Victoria Street which is maintained by the State Government. This route runs through the town centre.
- The bypass route (maintained by Council), comprising (from east to west) Welch Road and Armstrong Road. This route diverts around the township between Waitpinga (west of Victor Harbor) and Port Elliot.

Map A1 shows how the road network is bisected by Armstrong Road. Armstrong Road serves as the main freight bypass for Victor Harbor, and bridges are required to cross this road (red circles in Map 1A).

The volumes observed on the road network (colour coded on Map 1A) are the results of the structure of the road network. High volumes were typically the result of traffic converging onto links east-west routes to cross the Hindmarsh River and Inman Valley River. This includes:

- Hindmarsh Road (purple), with traffic converging to and from the north (Adelaide, Mount Compass) on Victor Harbor Road / Adelaide Road and east (Port Elliot, Middleton, Goolwa) on Port Elliot Road.
- Victoria Street (purple), with traffic converging on Bay Road (Encounter Bay) and George Main Road.
- Torrens Street (purple), the main path through the town centre of Victor Harbor.
- Armstrong Road (red), which carries a relatively high volume of traffic.

The centralised nature of Victor Harbor results in converging traffic towards the town centre. The key links in the town centre include:

- Seaview Road (red), which carries a relatively high volume of traffic, converging at a roundabout with Torrens Street in the town centre.
- Coral Street (orange) and Eyre Terrace (yellow) that carry relatively moderate volumes of traffic in the town centre. Both these roads have level crossings.

High volumes roads require ongoing, active management to ensure they meet the needs of the community. Management of these roads is shared between Council and the State Government Department for Infrastructure and Transport (DIT), as listed below. The road classification (managed by DIT) typically dictates the responsible authority. The key distinction is that arterial roads facilitate inter-regional movement (between cities and townships), whereas sub-arterial, collector, and local roads facilitate intra-regional movement (within cities and townships).

Table 3: Key road maintenance responsibility and estimated daily volume

State Maintained			Council Maintained		
Name	**Classification**	**AADT**	**Name**	**Classification**	**AADT**
Hindmarsh Road	Arterial	9,500[1]	Armstrong Road	Sub-Arterial	7,200
Victoria Street	Sub-Arterial	9,300	Seaview Road	Sub-Arterial	7,100
Torrens Street	Arterial	8,500	Coral Street	Local	3,000
			Eyre Terrace	Collector	1,500

1. Volume running into Town Centre southwest of Hindmarsh Bridge

MAP A1 – ROAD NETWORK – ANNUAL AVERAGE DAILY TRAFFIC



Safety

Victor Harbor has a distinct mix of rural and urban environments that pose different safety risks to road users.

- In the rural region (north of Armstrong Road), the major contributing factor to safety are features of the road environment. These includes high speeds, low lighting, and road geometry (elevation changes and curvature).
- In the urban region (south of Armstrong Road), the major contributing factor to safety is the convergence of high traffic volumes, movements through these junctions, and high volumes in pedestrianised areas.

Map A2 shows high frequency crash locations in Victor Harbor. The areas with higher rates of casualty and fatality crashes correspond to the darker red areas, based on crash data for the past five years.

The key locations highlighted include:

- Victor Harbor Road, north of Armstrong Road. This has the highest crash rate in the urban growth boundary;
- The Port Elliot Road and Ocean Road junction;
- Armstrong Road near the junction with Greenhill Road; and
- The Town Centre.

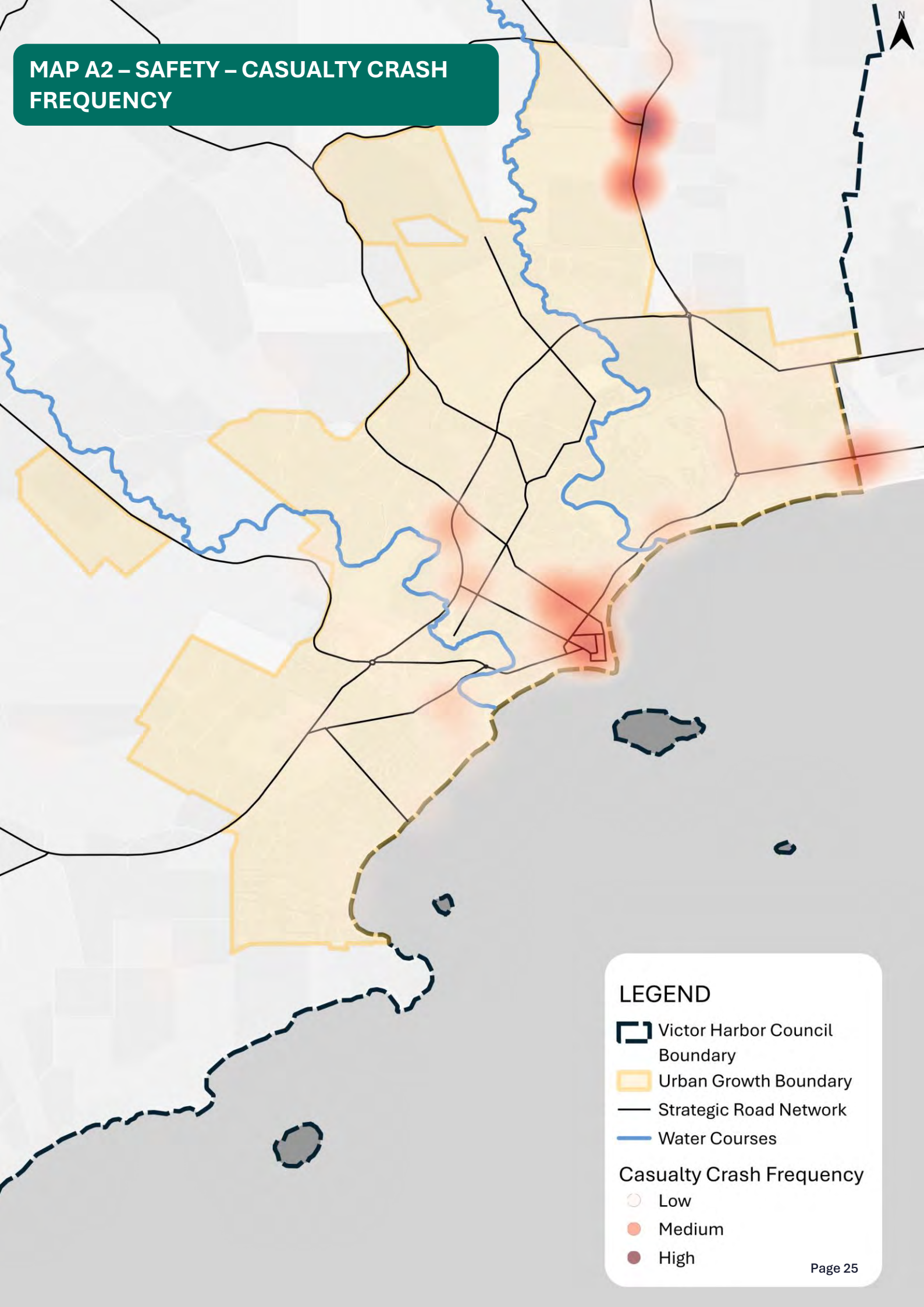
Victor Harbor presents a unique safety challenge because of the Cockle Train. There are three formal level crossings in the township:

- Coral Street, a manually operated boom gate.
- Eyre Terrace, which is uncontrolled.
- Grantley Avenue, which is uncontrolled.

The operating pattern of the Cockle Train, during peak holiday periods (which coincides with higher traffic volumes), and the presence of uncontrolled level crossings (there are no boom gates), pose a safety risks to drivers, cyclists and pedestrians, particularly tourists in an unfamiliar road environment.

SteamRanger Heritage Railway, the Cockle Train operators, produced annual safety performance reports up to 2021 documenting crashes (Category A occurrences) and near misses (Category B occurrences) of the rail line running through Victor Harbor. In the 2021 report (the most recently available report), a near hit was reported because of traffic queued across Grantley Avenue level crossing.

MAP A2 – SAFETY – CASUALTY CRASH FREQUENCY



Victor Harbor is working to address unsafe intersections with upgrades as required. Examples are provided below for the Grantley Avenue level crossing, and the intersection of Seaview Road, Carlyle Street, and Acraman Street.

Table 4: Safety improvements at intersections in Victor Harbor

Grantley Avenue Level Crossing
Layout

Description
The Grantley Avenue and Hindmarsh Road level crossing is shown above. The current layout of the site is relatively complicated, with limited storage that could produce queueing over the level crossing. The approach from Bridge Terrace has a stop line at the level crossing approach (on a grade) leading to a give-way line at Hindmarsh Road. The approach from Hindmarsh Road leads to a stop bar at the level crossing. It was also noted that temporary barriers have been installed to restrict right-hand turn movements from Hindmarsh Road. This was in response to the crash history for the site.

Seaview Road / Carlyle Street / Acraman Street



Seaview Road northern approach



Carlyle Street (eastern) approach

Description

An upgrade was recently installed at the intersection of Acraman Street, Seaview Road, and Carlyle Street to address the crash history. The treatment consists of contrasting pavement and asphalt painting, a widened painted median on both Seaview Road approaches, and a raised median bar treatment on Acraman Street and Carlyle Street with give-way priority. The intent of the treatment is to provide visual cues to drivers that there is an intersection approaching and that speeds should be reduced.

Accessibility

Accessibility is a core challenge identified within the Victor Harbor Community Plan.

> ***Council recognises that some people are more disadvantaged than others in being able to access services and facilities. Access and equ forms part of all our decision making and planning processes.***
>
> *Community Plan 2030 (City of Victor Harbor, 2020)*

From a transport perspective, accessibility is about ensuring ease of travel for the broader community to destinations of choice by mode. The specific characteristics of the local Victor Harbor community (older, car orientated movement) places an emphasis on all parts of a typical trip chain (a trip chain is the sequence of travel for someone's day, e.g. driving from home to the shops, then walking to a café, then driving to an appointment, then driving home) for decision making on planning the trip:

- Viability of different modes at the start of a person's journey.
- Safe passage, particularly for crossing high-volume roads leading to activity centres (which mixes relatively high pedestrian and vehicle movements).
- Consideration of mobility-compromised users in end of trip design (e.g. parking for people requiring wheelchairs or mothers with prams).

Council currently provides a form of accessible transport. The Southern Communities Transport Scheme (SCOTS) is a community-service initiative of the City of Victor Harbor and Alexandrina Council with funding from the Australian Government Department of Health and Aged Care, and the SA Government Department of Human Services. Residents of either council with limited mobility (inability to drive, poor access to PT) can book the service for transport on weekdays (excluding public holidays). The service is primarily for access to shopping precincts or attending medical appointments (Medi-ride).

SCOTS patronage for the past two most recent financial years is provided below. This highlights the take-up of the service and the value that an accessible service can provide.

Table 5: SCOTS patronage for the past two financial years

Financial Year	Intra Region (Goolwa and Victor Harbor)		External Area	
	Total Trips	Total Passengers (Passenger and Carer)	Total Trips	Total Passengers (Passenger and Carer)
2024 – 2025	4,214	4,801	5,722	6,595
2025 – 2026[1]	4,178	4,611	6,213	7,505

1. Numbers up to 18th June 2026

Freight

Victor Harbor is a freight connection point for the Southern Fleurieu region. The current and ongoing economic development goals of the region are reliant on the safe and efficient movement of freight throughout the network.

Map A3 shows the current freight network in Victor Harbor. The key part of the network is the South Coast Freight Route, shown by the solid and dashed navy line. The speed limits of the South Coast Freight Route are also shown by the line trim, green for 100 km/h, yellow for 80 km/h, and red for 60 km/h. Other designated freight routes are shown in blue. The insert map shows the number of permits granted by route in purple, with line thickness corresponding to a higher number of permits granted (the thickest line corresponds to 100 freight permit being held for a particular route).

The map distinguishes what parts of the South Coast Freight Route are 'gazetted (solid navy)', officially recognised by the National Heavy Vehicle Regulator (NVHR). The remainder of the route corresponds to links with a relatively high frequency of freight permits.

UGMS Objective – 3.7
Ensure the protection of the South Coast Freight Route
Target
Retention of the existing speed limit along the freight route
Action – 3.7a
Ensure that the future rezoning of land along the Regional Freight Route ensures that access to the freight route is minimised and where access is necessary, ensure that this access is designed in a manner to retain the existing speed limit along this route

Efficient operation as a freight route requires the following:

- Maintaining high speed (refer the UGMS).
- Providing freight-accessible connections at required points.
- Minimal conflict with vehicles and pedestrians.

Speeds limits vary considerably along Armstrong Road. The section between the Inman Valley River and Hindmarsh River operates at high speed (100 km/h). Developments adjacent to Welch Road, and access to the Encounter Bay Recreation Grounds have resulted in lower speed limits (60 km/h).

The low speed limit region of Armstrong Road is reflective of development in Encounter Bay. There are residential developments, the Encounter Community Centre, and the Encounter Bay Recreation Grounds that are connected to Armstrong Road. A pedestrian crossing (right) has also been installed near Ewen Terrace for crossing to the Encounter Bay Football Club. The features conflict with the desired function of the road being a high-speed freight bypass.

MAP A3 – SOUTH COAST FREIGHT ROUTE – GAZETTAL AND SPEED LIMITS



Highlighted roads (above) with freight permit requests. Thicker lines indicate higher request frequency

VICTOR HARBOR ROAD

ARMSTRONG ROAD

WATERPORT ROAD

HINDMARSH ROAD

INMAN VALLEY ROAD

SEAVIEW ROAD

CROZIER ROAD

TABERNACLE ROAD

WAITPINGA ROAD

THREE GULLIES ROAD

N

LEGEND

- Victor Harbor Council Boundary
- Urban Growth Boundary
- Strategic Road Network
- Water Courses

Regional Freight Route

- South Coast Freight Route Gazetted
- South Coast Freight Route Permit Only
- Other Freight Route Gazetted

South Coast Freight Route Speed Limits

- 60 km/h
- 80 km/h
- 100 km/h

Public Transport

Victor Harbor has limited usage of Public Transport (PT) because of the challenge with providing services that meet the diverse needs of the community.

Improving public transport is a significant challenge. Currently there are minimal connections to Adelaide and across the region, and there is a need for more public transport options locally.

Community Plan 2030 (City of Victor Harbor, 2020)

Services in Victor Harbor are characterised by:

- Long travel distances and large catchment areas; and
- Low service frequency.

Map A4 shows the current PT services in Victor Harbor, illustrating the large areas of coverage. PT services are divided into three types of services, all operated by Link SA.

1. Dial-a-Ride
2. Community services
3. Fixed route services

Dial-a-Ride

The Dial-a-Ride coverage area for Victor Harbor (and Port Elliot) is shown in blue. The service is a pre-booked service operating on weekdays between 8:45 AM – 3:15 PM (excluding public holidays). The bus is intended to support community passenger transport and operates point-to-point (like a taxi), intending to pick-up and drop-off groups of passengers. Map A4 shows the large coverage area of the service.

Community Services

Community services are local buses primarily for resident access to schools and community facilities. Map A4 shows the two services, the 1255 (green) which runs between Encounter Bay and the town centre, and the 1256 (red) which runs between Hayborough, McCracken, and the town centre. These services operate with one bus (per route) in the AM and PM peak period for weekdays.

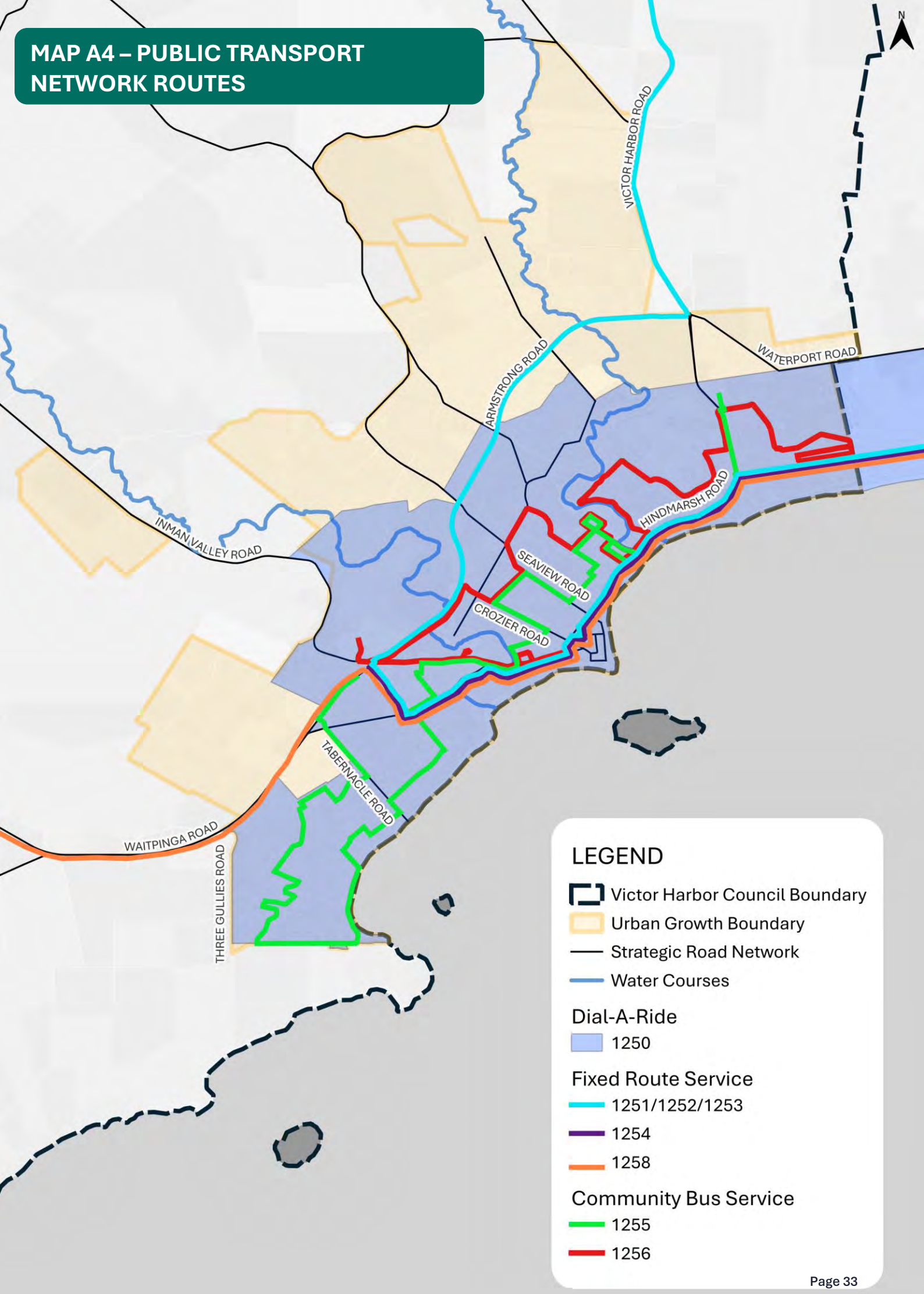
UGMS Objective – 3.9
Improve access and availability to public transport to, from and within Victor Harbor to reduce reliance on private vehicles
Target
Implementation of a regular and accessible public transport network that connects Victor Harbor to Seaford and Goolwa
Action – 3.9a
Collaborate with Southern and Hills Local Government Association to undertake a comprehensive review of the bus service contracts and network to integrate the metro and country bus service
Action – 3.9b
Advocate to State Government for funding to establish a regular and accessible public transport network to/from and within the Fleurieu Peninsula ahead of the high population growth anticipated by the GARP

Fixed Route Services

Fixed route services provide connections for travel across the Fleurieu Peninsula, between Goolwa, Middleton, Port Elliot, and Victor Harbor, with connections north to Adelaide, Noarlunga, Marion, and Cape Jervis. There is also a loop service running between Victor Harbor and Goolwa exclusively.

Map A4 shows these services. The 1251, 1252, and 1253 all run from Goolwa to Victor Harbor, the north towards Adelaide (the services vary by end point). The 1254 (purple) is a loop service between Goolwa and Victor Harbor. The 1258 (orange) continues west from Victor Harbor onto Cape Jervis (for access to the Kangaroo Island Ferry Terminal).

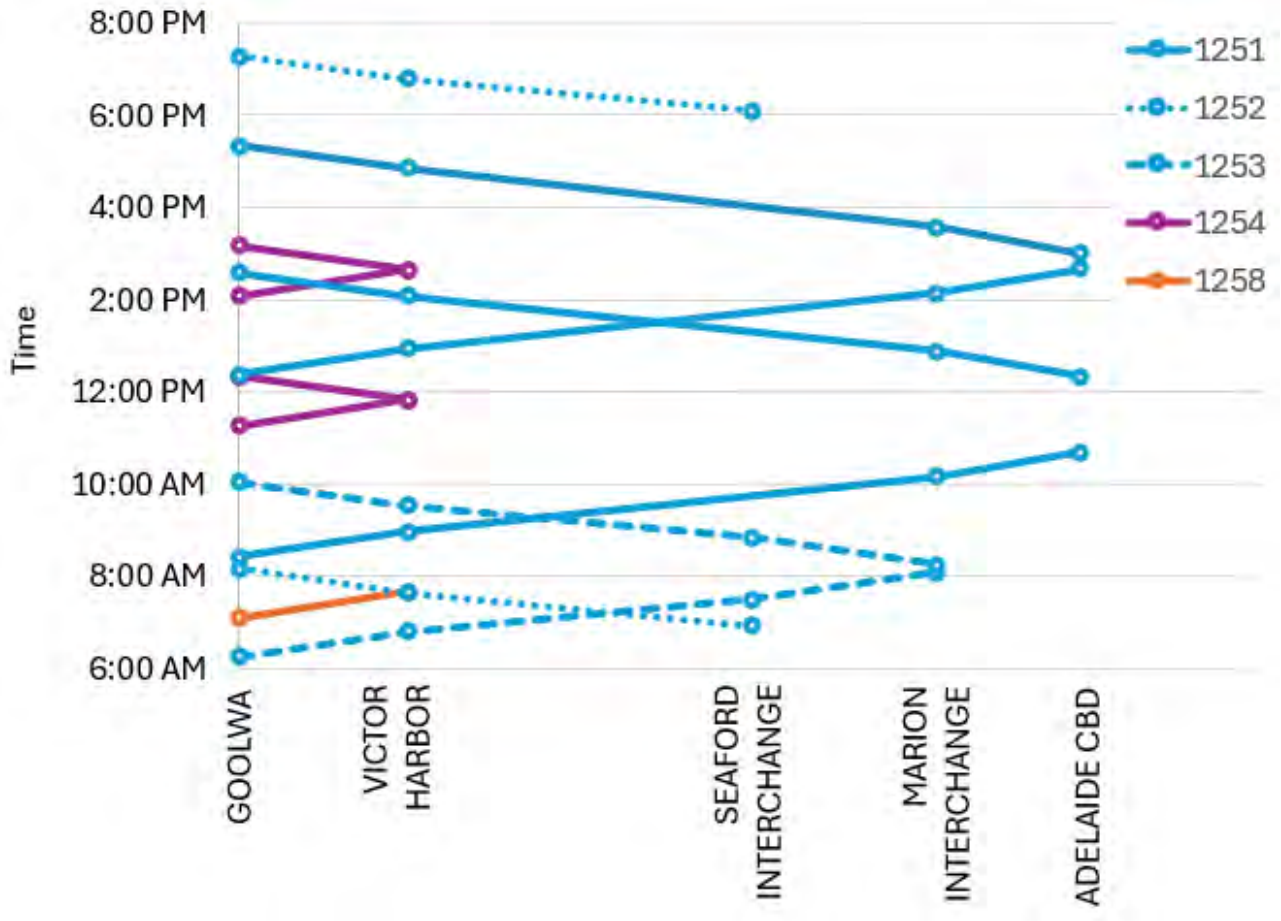
MAP A4 – PUBLIC TRANSPORT NETWORK ROUTES



The figure below summarises the low levels of service frequency for the fixed route services. Location is shown on the horizontal (X) axis, approximately spaced by distance, and time of day is shown on the vertical (Y) axis. Services have been coloured in accordance with the route shown in Map A4.

There are several observations:

- Services from Goolwa to Victor Harbor are typically two hours apart. The same is true for services from Victor Harbor to Goolwa.
- Transit from Goolwa to Victor Harbor (and further north) ceases at 2 PM.
- Transit from Adelaide to Victor Harbor takes approximately two hours (compared to ninety minutes by car).



A two-level fare structure applies, full-price adult and half-price concession fares (for DIT Senior card and Pensioner Concession card holders, children between 5 – 15, and full-time students). A SmartLink card option (the regional equivalent of a metro card) applies a 10% credit to users who make 10 trips in a 30-day period.

Car Parking

Car parking in the CoVH is important because of the heavy reliance on private vehicles for travel. Car parking is also important from an accessibility perspective to allow for direct travel and connection to facilities.

Parking in Victor Harbor is typically concentrated around attractors and commercial precincts including:

- Reserves and playgrounds;
- Boat ramps;
- Local centres;
- Neighbourhood centres; and
- Regional centres (the town centre).

Local centres are small hubs servicing the local community. Parking at these locations caters to short stays and high turnover, with banks of car parking opposite the activity centre. Well-designed parking in these areas includes integration with elements like street furniture and connections to active travel paths and crossings.

UGMS Objective – 3.8

There is sufficient and adequately located car parking to support the businesses within the Victor Harbor Central Business District

Action – 3.8a

Investigate opportunities for the future development and management of a multi-deck carpark in McKinlay Street and the opportunities that this may unlock for the site (e.g. unlocking the potential for the Esplanade Car Park to be repurposed for another use).



Figure 9: Example parking at a local centre (Yilki store, Encounter Bay)

Neighbourhood centres, such as the Coles and Bunnings Victor Harbor located along Adelaide Road, typically include dedicated off-street parking. Supply is required to allow for access. Provision is generally managed by the commercial operator.

The Victor Harbor Central Business District (CBD), identified as a regional centre, is a focus of car parking. A map of parking location is shown below. Possible parking locations are highlighted in blue, and the McKinlay Street Car Park, proposed for future development, is shown in orange. Parking access to the core recreational and commercial destination of Victor Harbor and must cater to a range of different stay durations (short-term for collection and long-term for recreational visits) and comprises both on and off street parking.



Figure 10: Town Centre parking and attractors

The CoVH previously completed a study of parking and policy as part of the Victor Harbor Town Centre Traffic Movement and Car Parking Strategy. The core objective of the strategy was:

"*A coordinated approach to the supply of management of on and off-street parking facilities to best meet the demands of resident, business and visitors*"

The study identified approximately 2,000 spaces, 513 being on-street, from survey in 2015, with occupancy rates (car parked relative to available parking spaces) varying between:

- 26% – 29% on typical weekdays (in December 2015)
- 29% – 45% on days between Christmas and New Years Eve.

Peak occupancy was typically observed between 11:00 AM and 1:30 PM.

As major changes in parking policy have not been enacted, similar patterns of parking behaviour are anticipated. Hence, the key finding of the previous study are still valid:

- The supply of parking in the CBD is sufficient based on total car parking spaces.
- Parking tends to cluster near specific activity nodes.
- There is a lack of wayfinding and signage relating to parking, particularly for guiding visitors.

Active Travel

Active travel comprises three the forms of mobility defined by the Department for Infrastructure and Transport (DIT) Active Travel Guidelines:

1. People walking, which covers pedestrians travelling by foot or:
    a. a person driving a motorised wheelchair that cannot travel at over 10 kilometres per hour (on level ground);
    b. a person in a non-motorised wheelchair;
    c. a person pushing a motorised or non-motorised wheelchair;
    d. a person in or on a wheeled recreational device or wheeled toy.'
2. People wheeling, using a wheeled device for personal transport or mobility to navigate cycle lanes and cycle paths. This primarily covers bikes, but also power-assisted pedal cycles (with a power output under 200 watts).
3. Micromobility, referring to non-car modes for short urban trips. This covers lightweight, individual use modes such as bicycles, electric scooters, or e-bikes.

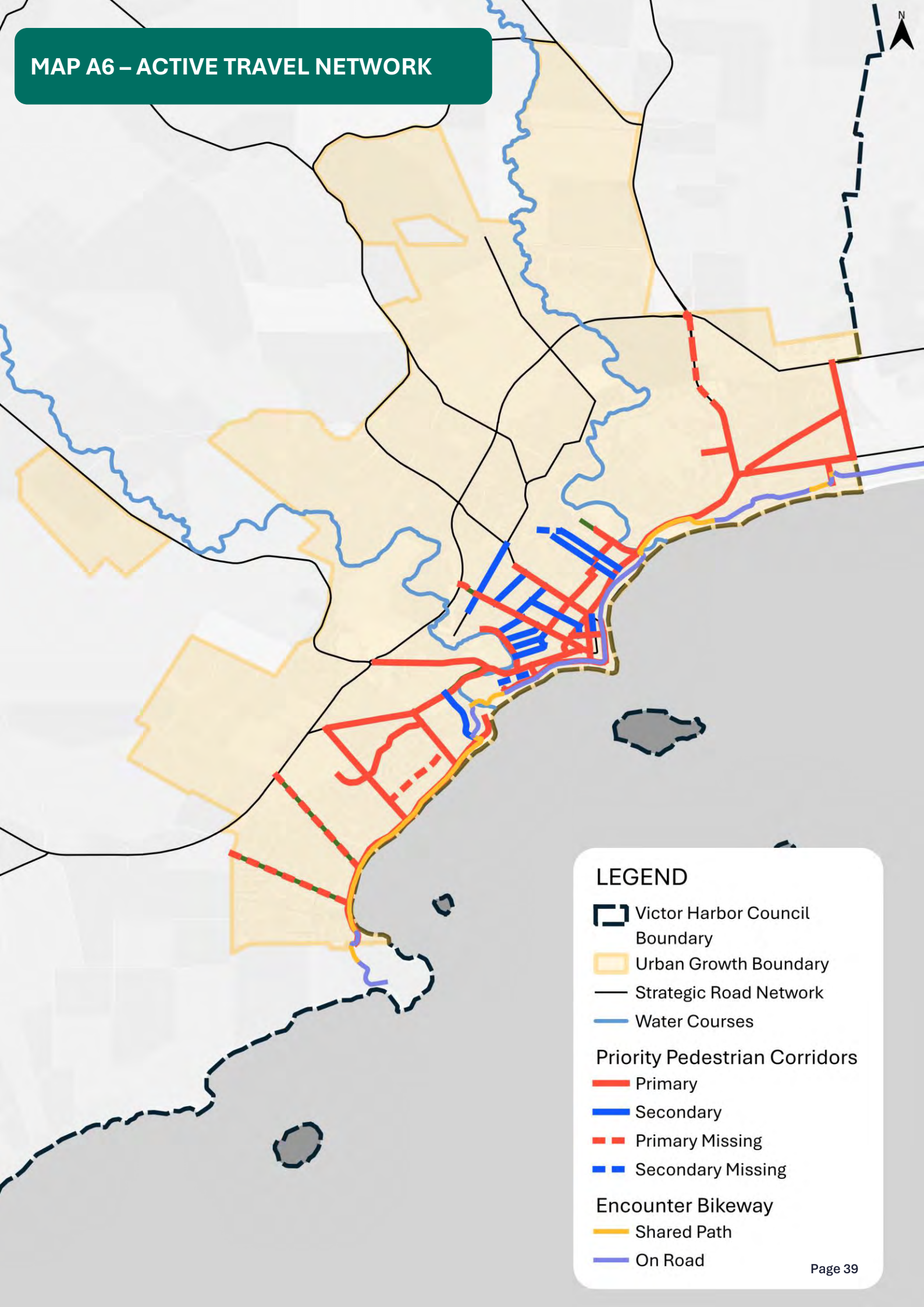
UGMS Objective – 3.5
Support new residential areas with high quality roads, footpaths and active transport network which provide access to employment, community facilities, schools, childcare centres, local shops and services
Target
All new development is connected into Council's existing and future footpath and bicycle network
Action – 3.5a
Ensure that new developments are supported by transport networks and are responsive to new transport options
Action – 3.5b
Advocate for the construction of a river crossing as part of any future development of the land at Hindmarsh Valley

Map A6 shows the current Active Travel network throughout the CoVH. The network show primary pedestrian corridors in red, and secondary corridors in blue. Where the line is dashed, there is currently no footpath (noting some are under construction, such as Whalers Road). The Encounter Bikeway is also shown, distinguished as either a shared use path (yellow) or on road (purple).

The existing footpath network is well established primarily in the town centre and surrounding residential areas of the suburb of Victor Harbor. However, there are some missing links in the strategic network, specifically in Hayborough and Encounter Bay.

The Encounter bikeway will provide a continuous cycling corridor between Encounter Bay through Victor Harbor, continuing to Port Elliot (and Alexandrina Council). The bikeway is primarily off-road, with detailed design currently in progress for delivery of the segment between the Hindmarsh River and Port Elliot. The on-road sections occurs in the town centre and towards the Hindmarsh River Crossing.

MAP A6 – ACTIVE TRAVEL NETWORK



The CoVH has two existing strategies related covering Active Travel:

1. The Victor Harbor Footpath and Pedestrian Strategy (2022), which has identified priority corridors and manages the roll-out of footpaths.
2. The Victor Harbor Bicycle Strategy (2016), providing broad strategies for the promotion of cycling for a range of users.

The current active travel network (refer Map) shows that there is broad alignment between the priority corridors identified in the Footpath and Pedestrian Strategy and the provision of footpaths. The network provides pedestrian connectivity to attractors including schools, parks, playgrounds, and shops. The network also has the Encounter Bikeway, which provides a key active travel connection between Encounter Bay and the Town Centre.

Seasonality

As noted previously, Victor Harbor is a popular tourist destination that experience seasonal swells in population. Determining higher periods of (seasonal) demand helps understand when additional stress may be placed on the network.

To gain an appreciation of when these periods occur, data for 2025 for cars was reviewed for Victor Harbor Road, at the permanent counter located on Victor Harbor Road, north of the Waterport Road and Welch Road intersection. This was the only location of a permanent counter (that tracks daily counts over an annual period).

The chart below shows car counts for 2025. This chart shows the volume of cars by direction for each day of the year for 2025. Peak periods are highlighted in grey.

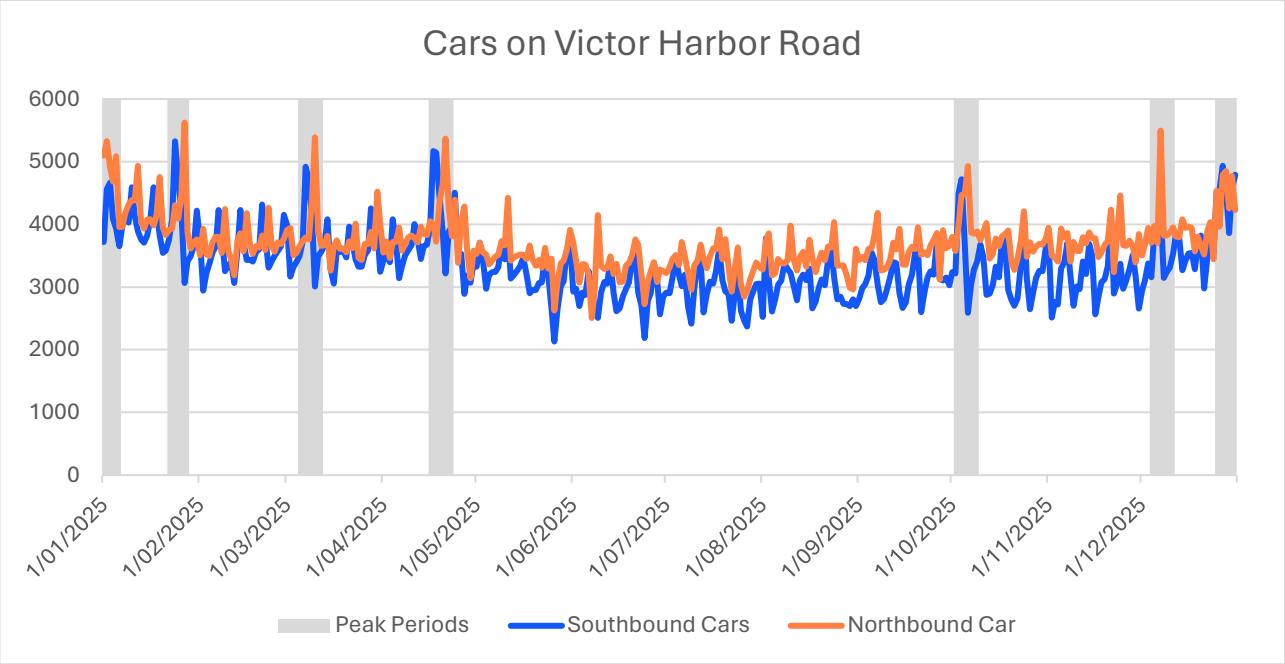
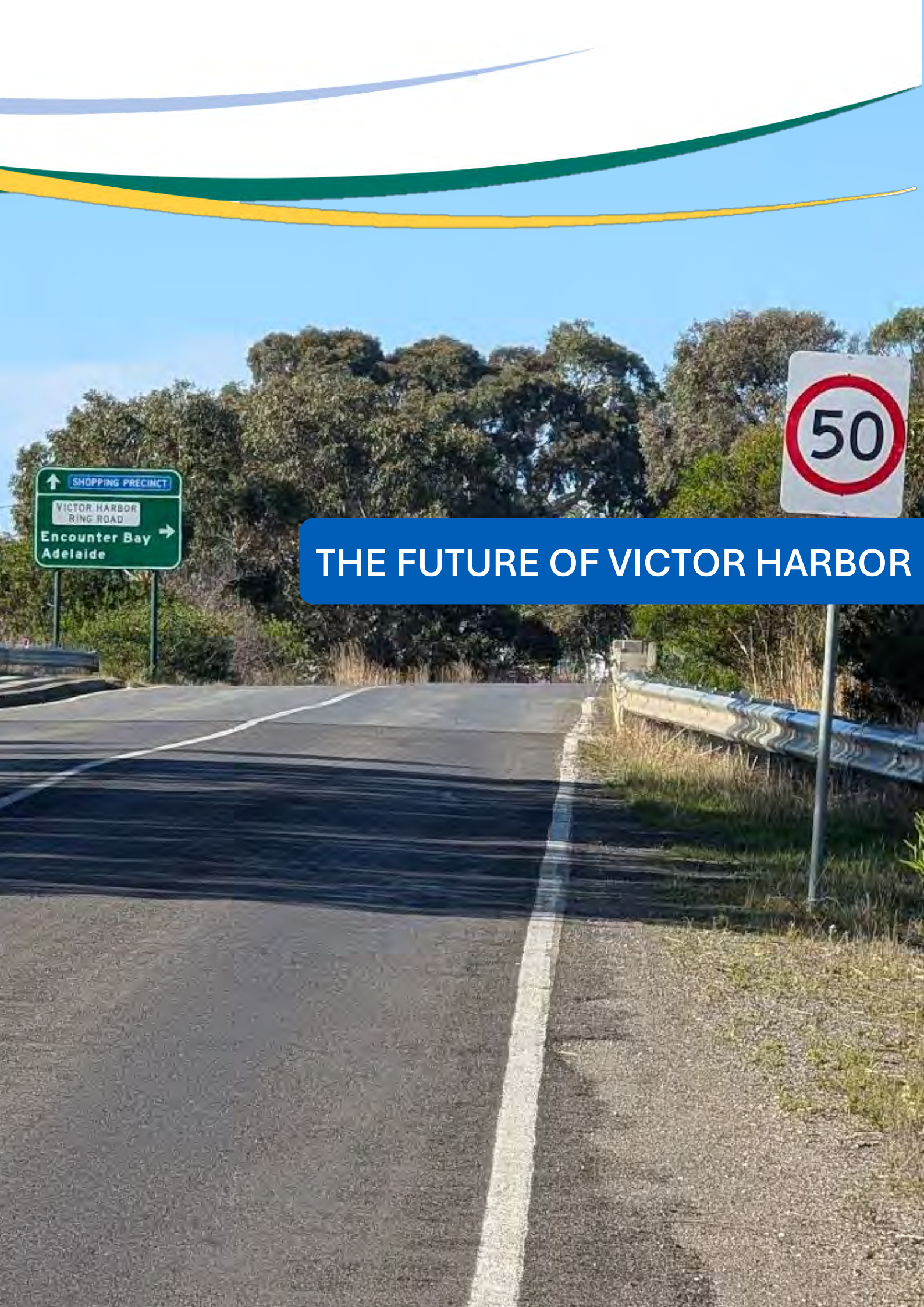


Figure 11: Daily car count by direction on Victor Harbor Road

The peak periods identified correspond to typical holiday periods throughout the year. The includes:

- Christmas and New Years (January and December)
- The Australia Day long weekend (early March)
- The Easter long weekend (mid-April)
- The October long weekend (early October)

Higher network volumes would be expected during these periods.



THE FUTURE OF VICTOR HARBOR

The Future of Victor Harbor

Victor Harbor is a key growth front for Greater Adelaide. Serving as the Regional Centre for the Fleurieu Peninsula, the population is forecast to grow by between 9 thousand (if historic trends persist) and 20 thousand (based on the GARP high-growth scenario) people by 2051. Victor Harbor also has key employment lands (located adjacent to Waterport Road) that will provide further employment opportunities for the region.

The proactive management of growth requires active and adaptive planning. The rate of growth for Victor Harbor is uncertain, particularly over medium (10 – 20) and long (20+) term horizons. Planning priorities at State and Local Government levels can change, which will influence when and where development occurs. The VHITS provides the CoVH with an opportunity to shape the future transport network in a positive manner that maximises the benefit to the local community and broader region. Doing so requires assessing the future.

There are consistent themes across the City of Victor Harbor's transport planning and strategies. These have been consolidated into a set of strategic objectives to guide the transport vision for Victor Harbor, both at a local level and as the regional centre of the Fleurieu Peninsula. The defined objectives allow for an assessment of the future.

City of Victor Harbor Strategic Transport Objectives		
Accessibility for All	Viable Alternatives	Efficiency of Movement
Safety in Design	Integrated Planning	Embracing Technology

How Do We Assess The Future

Transport Model

Transport modelling is used to understand the assess future transport needs. Transport models are used to provide an evidence base by forecasting traffic volumes and public transport patronage, to underpin planning decisions about the transport network. Strategic transport models are used for long-term, strategic planning assessments, testing possible land use growth coupled with transport network interventions, to understand how the future network might operate.

The Victor Harbor Roads Assessment Model (VHRAM) was developed for testing the impact of forecast land-use growth and the movement of people across the network. VHRAM is a simplified transport demand model designed to have sufficient detail for completing a strategic assessment whilst allowing for (relatively) rapid simulation to test different land use and infrastructure scenarios. The benefit of this model is that it informs on where people wish to travel across the transport network and can help with planning not only for road interventions, but also for PT services and active travel facilities to support these forecast movements.

The VHRAM covers the area shown in Figure 12 in yellow. This is the coastal township region of the Fleurieu Peninsula, including Port Elliot, Middleton, Goolwa, and Hindmarsh Island. These areas were included to account for the daily traffic patterns of regional travel between these areas. The broader area also allows for an understanding of how regional growth will influence the Victor Harbor transport network (as Goolwa is also forecast for significant growth).

Figure 12 also shows how the model region has been broken down into travel assessment zones. These zones are regions of homogenous (similar) land uses to help provide forecasting of movements across the network. As shown by the insert map, greater detail was included for the Victor Harbor UGB.

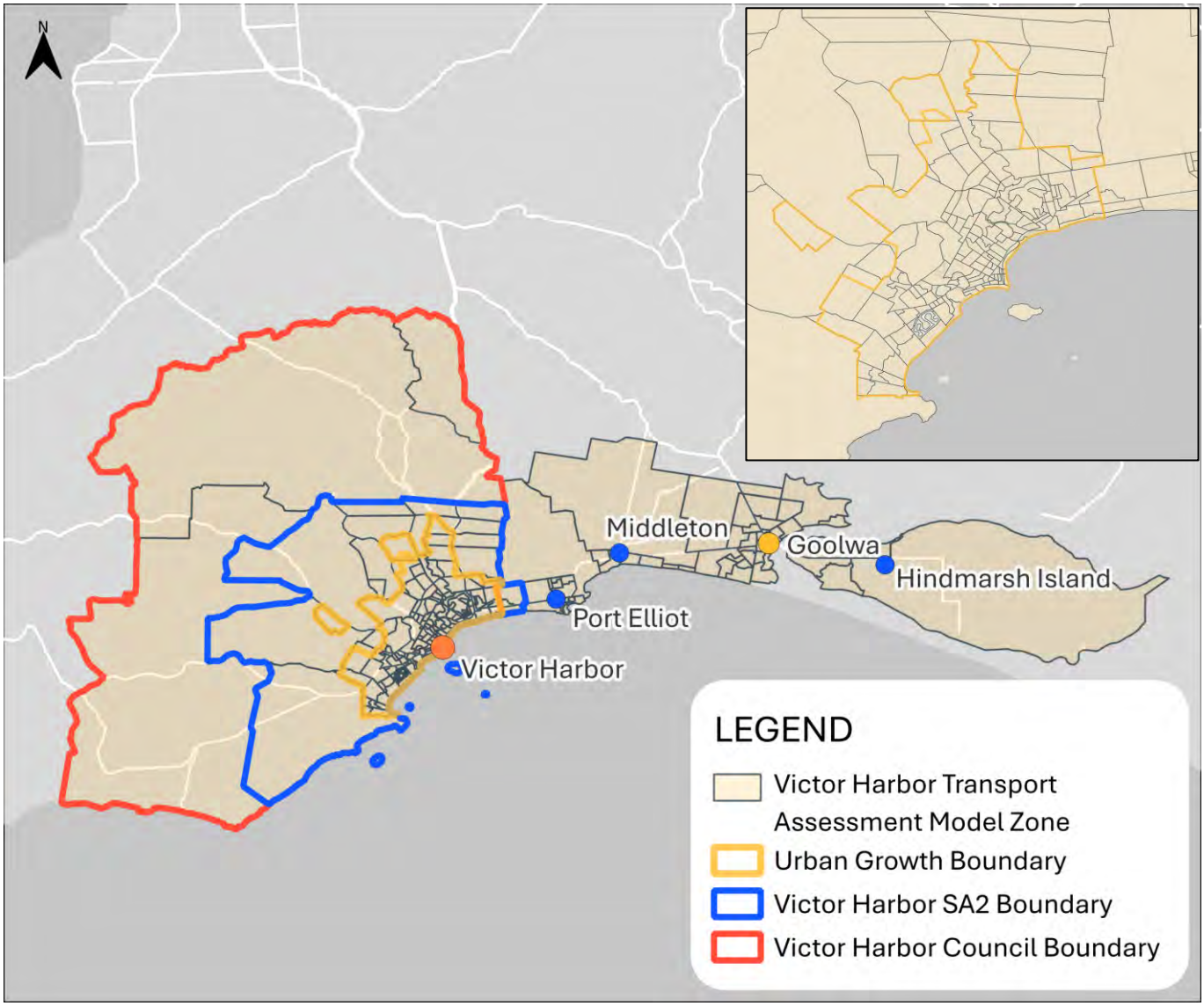


Figure 12: VHRAM model area

VHRAM adopts three of the standard four-steps for a transport demand models used to generate forecast traffic volumes for a typical weekday. The four steps are as follows:

1. **Trip Generation**: How many trips are people making (e.g. how many work trips)?
2. **Trip Distribution**: Where are they travelling to (e.g. where do they work)?
3. **Mode Choice**: How are they getting there (e.g. do they drive, ride a bike, or catch the bus to work)?
4. **Assignment**: What route do they use to reach their destination (e.g. which roads did they travel on to get to work)?

VHRAM considers Trip Generation, Trip Distribution and Assignment. Due to the limited nature of Public Transport in the region, the complexity of mode choice models and the high level and rapid nature of this sketch model, mode choice adopts a fixed set of percentages (which can be altered for sensitivity testing).

Land Use Growth

The VHRAM assesses the future based on assumptions regarding the future land use and transport network within the model area. An "ultimate" land use growth scenario was developed based on the projected growth in the GARP for Victor Harbor. This is a legislative requirement for consistent planning between State Government and Local Council, hence why it was used.

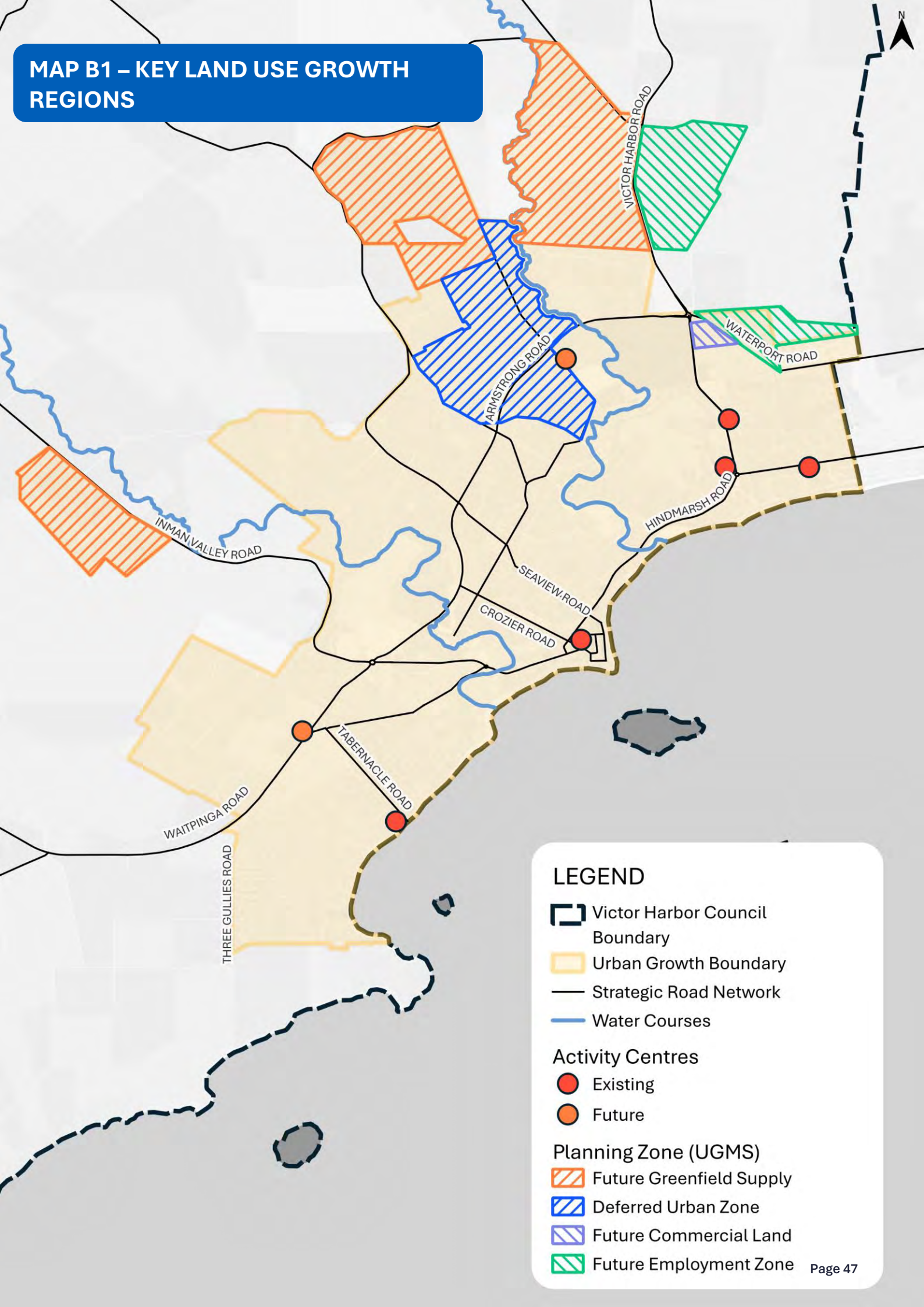
Map B1 shows the main locations of forecast growth identified by the GARP in the Victor Harbor growth areas. These are divided as follows:

- Residential growth areas:
  - Deferred urban zones, highlighted by blue dashed lines. A deferred urban zone is a protected region of undeveloped land for urban expansion, subject to the provision of infrastructure and services.
  - Future greenfield supply, highlighted by orange dashed lines. Greenfields are undeveloped lands located at the urban fringe of the existing township for housing development.
- Employment growth regions:
  - Future commercial land, highlighted by purple dashed lines. These areas are for commercial development in future, with potential uses including shops, restaurants, cafes, services, and health care providers.
  - Future employment zone, highlighted by green dashed lines. These areas are for employment or industrial type developments.
- Activity centres
  - Future activity centres, shown by orange circles. These area prioritise retail, business, entertainment, and recreation, expected to be focal hubs for the local community.

The ultimate land use growth forecast was derived based on assumptions related to population, employment and enrolment growth. These were developed by harmonising the areas identified by

the GARP (refer Map B1), with the greater detail about growth trends in Victor Harbor captured in the UGMS (and supporting literature).

MAP B1 – KEY LAND USE GROWTH REGIONS



Current planning for largescale new housing developments in Victor Harbor is focused to the region north of Armstrong Road. These lands have been classified as follows.

Table 6: Land Supply Sources (source: UGMS)

Classification	Description	Estimated Capacity	Estimated Supply
Existing residential zones areas	Areas within the current urban growth boundary where residential development is expected to occur and are zoned for this purpose.	Up to 4,100 allotments	Between 10 to 22 years of supply
Existing deferred urban zone	Areas that need to be rezoned before they are developed, and may be rezoned for residential purposes.	Up to 2,400 allotments, subject to a Structure Plan	Between 6 to 13 years of supply
Future greenfield supply	Areas that have been identified for future development within the Greater Adelaide Regional Plan	Approximately 3,600 allotments, subject to Structure Planning and detailed infrastructure investigations	Between 9 to 19 years of supply

Current employment lands are proposed for the region abutting Victor Harbor Road and Waterport Road. These have been zoned for future commercial and employment land. There is also a new proposed activity centre that will be constructed in the middle of the priority growth area along Waggon Road, with additional activity centres to support the growth of Victor Harbor. Finally, a new employment area for the existing Jolly's dairy farm land is proposed in GARP, on the opposite side of Victor Harbor Road to the future greenfield supply region.

An ultimate land use growth scenario was built to provide Council an indication of the full suite of long-term infrastructure requirements. This scenario corresponds to a fully developed Victor Harbor in accordance with the GARP High Growth scenario. Although this forecast is for 2051, it is relevant irrespective of when that might occur as it provides the outcome of when the dwellings (and associated population) growth reaches the 2051 High Growth target.

The fully developed scenario forecasts are shown below. For comparison, the base year (2021) used for modelling is also shown. The dwelling target shown corresponds directly to the GARP high-growth forecasts. Population, employment, and enrolments were estimated based on assumptions derived from available data, and State Government and Council publications.

It should be noted that most dwellings and jobs with the Council boundary are located within the Victor Harbor SA2 which encompasses the Urban Growth Boundary.

Table 7: Ultimate scenario forecasts

Component	Scenario	Victor Harbor SA2	Victor Harbor LGA	Model Area
Dwellings	Base Year	7,100	7,300	13,100
	GARP High	16,700	16,800	31,800
Population	Base Year	15,800	16,100	29,000
	GARP High	35,300	35,400	58,900
Total Employment	Base Year	5,100	5,200	8,000
	GARP High	11,500	11,600	16,500
Total Enrolments	Base Year	2,700	2,700	3,900
	GARP High	5,400	5,400	7,300

What The Future Might Look Like

VHRAM provides guidance on the expected movement patterns for the future community of Victor Harbor once the ultimate growth is realised. GARP notionally identifies this for the year 2051. However, the UGMS has noted that historical growth trends make this optimistic from a timeframe perspective. Hence, it is referred to as the ultimate growth scenario without a specific year.

The testing of the ultimate scenarios aims to provide the knowledge for Council to have the opportunity to target specific upgrades, enhancements, and advocate for changes to provide an integrated transport network that meets their vision and objectives.

A fully developed horizon assessment was completed by inputting the forecast GARP growth into VHRAM. There are several key factors that influenced the current performance of the network, and these will guide the long-term development of transport for the region when reviewing the forecast volumes.

- **Road network upgrades:** Capacity in the road network is crucial for allowing east-west movement and ensuring access to the growth regions north of the current township.
  - Connectivity to the northern growth region may require new grade separation(s) crossing Armstrong Road.
- **Intersection upgrades:** Higher traffic volumes, particularly in conflicting directions, will necessitate the need to upgrade intersections to improve throughput, safety and reduce forecast delays. Given the scale of development.
  - Signalisation of intersections will provide safer crossing points for pedestrians by controlling vehicle movements.
- **Freight Route(s)**: The position of the freight bypass has a material influence on the operation of the network, and land-use planning decisions.
  - Armstrong Road is the preferred freight route.
- **Public transport network**: The current network provides no coverage to the growth regions and has limited operation. Higher mode share requires designing a network that provides a viable means of transport for the community of Victor Harbor. This includes:
  - Enhancing connectivity for intra (the coastal townships) and inter (Cape Jervis, Adelaide)-regional travel
  - Ensuring adequate provision in road design for the new growth regions.
  - Increasing the frequency of services across the day.
- **Active travel network**: Similar to PT, active travel for daily commuters requires design that provides connectivity between existing and new growth regions.
  - Active travel has many additional benefits, including for recreation and tourism.
- **Car parking strategy**: Private vehicles will remain the dominant mode, and parking provision and planning will influence overall network performance.

- A specific plan is required to fully activate the master-planned town centre.

Road Network

For the purpose of this modelling, limited modification to the road network was applied, so that an appreciation of the performance without interventions could occur to provide guidance on where to focus on possible interventions across the network. The growth areas to the north of Armstrong Road are effectively undeveloped. A skeleton road network was included to provide internal movement within the new precincts with key access to existing sealed roads. No new road links crossing the Hindmarsh River were included, creating a segregation of the road network and growth regions i.e. either east or west of the river. The only upgrade included on the existing road network was the realignment of Waggon Road to be a four-way intersection with Armstrong Road.

Map B2 shows the change to AADT between the model base year and the ultimate development scenario. The colour indicates whether traffic volumes increased or decreased, and the thickness of the line indicates the extent of change (thicker lines correspond to greater change). The forecast growth for Victor Harbor, based on the current planning in the GARP, places increased stress on the network. The forecast growth, mostly located north of Armstrong Road, will result in increasing demand for north-south movements from the growth region into the existing Victor Harbor township. This causes traffic to cross Armstrong Road via three main crossing points:

- Victor Harbor Road which is an existing roundabout;
- Greenhill Road (leading to Seaview Road) which is a grade separated bridge; and
- Waggon Road which is currently a set of offset-uncontrolled T-junctions.

These crossing points will become critical to the network and planning for the future Victor Harbor as it involves connecting the new regions with the main township, allowing east-west movements and also connecting to the proposed new activity centre, located to the east of Waggon Road and south of Armstrong Road.

Growth within Victor Harbor and to the east in the southern coastal region (particularly Goolwa) will also place increased demand on Waterport Road and Port Elliot Road. The model results indicate that both will see increased volumes, with some rat-running observed between the two roads through the local network to find an optimal path.

Hindmarsh Road was observed to have less growth than other roads in the network. However, this was reflective of the high volume of traffic already present on this road. Noting the growth in traffic from the north, there will be an increased convergence of traffic onto Torrens Street, and critical junctions with Seaview Road and Crozier Road.

MAP B2 – ANNUAL AVERAGE DAILY VOLUME CHANGE – ULTIMATE GROWTH SCENARIO



Although there are increased volumes observed across the network that will degrade the operation of certain roads in the network, the physical capacities of the mid-blocks of the road links should not be exceeded (based on review of current volumes and forecast peak hour volumes). Despite this fact, this does not imply that the network will operate with issues. The future volumes highlight the following:

Hindmarsh Road

- Will be nearing capacity but not exceeding. This removes the need to duplicate the bridge crossing of the Hindmarsh River
- This will increase the delays at unsignalised give-way junctions along this road which will in turn increase the chances of crashes. Further enhancements or alterations to these intersections may be required.
- The level crossing (opposite Grantley Ave) will have a heightened chance of queuing across the level crossing due to the reduced gaps available.

Torrens Street

- Will be nearing capacity but not exceeding.
- The growth to the north will result in Seaview Road increasing in volume as the primary route towards the CBD. The risk of queueing over the level crossing on Eyre Terrace will increase. It is likely that this will necessitate an intersection upgrade at this location.
- Access to and from the CBD will have increased delays based on the assumption the CBD will increase in its activity, though the local road network will still be able cater for all movements.

Armstrong Road

- Traffic volumes are expected to double along Armstrong Road between George Main Road and Waggon Road.
- Unsignalised turn locations at high speed will become increasingly difficult and dangerous. Consideration of turn bans or re-design of intersections (refer below) will need to be considered if the higher speeds are to be maintained.
  - A “seagull” treatment may be appropriate given the road function and layout for three-way junctions. A seagull (refer below image) includes turn lane storage for vehicles making right-hand turns between the major and minor road approaches for high-speed environments. This treatment is beneficial for not blocking vehicles on the main road, and staggering movements from the minor approach to improve safety.



Figure 13: Example seagull treatment (Portrush Road and Sturdee Street)

- The Waggon Road intersection has assumed to be a four-way at-grade intersection for the baseline testing. With this level of connectivity, two-way volumes to the east of this junction will be in excess of 15,000 vehicles per day. This is in part due to the lack of a crossing of the Hindmarsh River for trips in the northern growth areas to travel east-west.

Waterport Road

- Volumes will increase by around 60% over existing. The road will still be under capacity but will carry a high volume of trucks.

- This will increase delays at unsignalised give-way junctions and consideration of enhanced junctions along this road due to the increased activity will need to be considered, especially due to increased number of truck movements expected both along the road and accessing/egressing the Waterport employment district.

Port Elliot Road

- Will be nearing, but under capacity. Expected to see an increase of up to 50% in traffic volumes.
- This will place more stress of the Adelaide/Pt Elliot/Hindmarsh roundabout. This could result in increased rat-running through the local network to avoid this intersection.

Hutchinson Road

- This is the first road crossing the Hindmarsh River north of Armstrong Road
- Without any new crossing within the growth areas, and the high speed environment of Hutchinson Road, it will be an attractive route to enter Victor Harbor Road.
- The congestion at locations such as the Adelaide/Pt Elliot/Hindmarsh roundabout, and the fact it connects to Greenhills Road makes this an attractive route for those living or working to the far north of the expanded township.
- The growth in volumes highlights further consideration around both connectivity of the local network and the forecast increased congestion on the primary roads through Victor Harbor.

Public Transport

Victor Harbor's forecast growth will necessitate improvements in the provision of PT for Victor Harbor and more broadly the southern coastal Fleurieu region. A well-designed and efficient bus network will be required to provide mass movement, reducing the volumes of private vehicles and providing alternatives for those with compromised mobility i.e. lack of access or inability to use a car.

The current PT network lacks both reliability and frequency (the two key pillars of a well function PT network) to provide a meaningful viable alternative for local residents to private vehicle travel. Assuming no improvement in public transport (to provide a worst case scenario), the lack of usage of PT contributes to increased congestion observed in the network, particularly in growth regions to the north of the current township.

Victor Harbor can look to regional centres of similar size currently to provide a starting point for a future PT network. These centres (Mount Gambier, Mildura, Murray Bridge) were reviewed with input provided by the South Australian Public Transport Authority. A future PT network that provides a viable alternative must divide the function of the current PT network into internal, coastal, and inter-regional routes. The current PT network facilitates all three types of movements, albeit in a very limited fashion.

Map B3 provides a vision for a three-tiered service structure for the southern Fleurieu region, centred around Victor Harbor as the regional hub. The three layers of services are as follows:

1. Local, shown in blue, connecting residents in Victor Harbor between their homes and activity centres. Ideally these should be looping services that minimise the number of physical buses required.
2. Coastal, shown in yellow, connecting the Fleurieu Peninsula. These services should connect residents in Victor Harbor Council and Alexandrina Council via the townships along the south coast, Victor Harbor, Port Elliot, Middleton, and Goolwa. This connection should consider the growth areas identified in the GARP for Victor Harbor and Goolwa.
3. Inter-regional, shown in red, connecting the Fleurieu (from Victor Harbor) to other focal points in Greater Adelaide. These connections should target future rail-developments for efficient intermodal interchanges to facilitate transit between current key destinations, the Adelaide CBD and Cape Jervis.

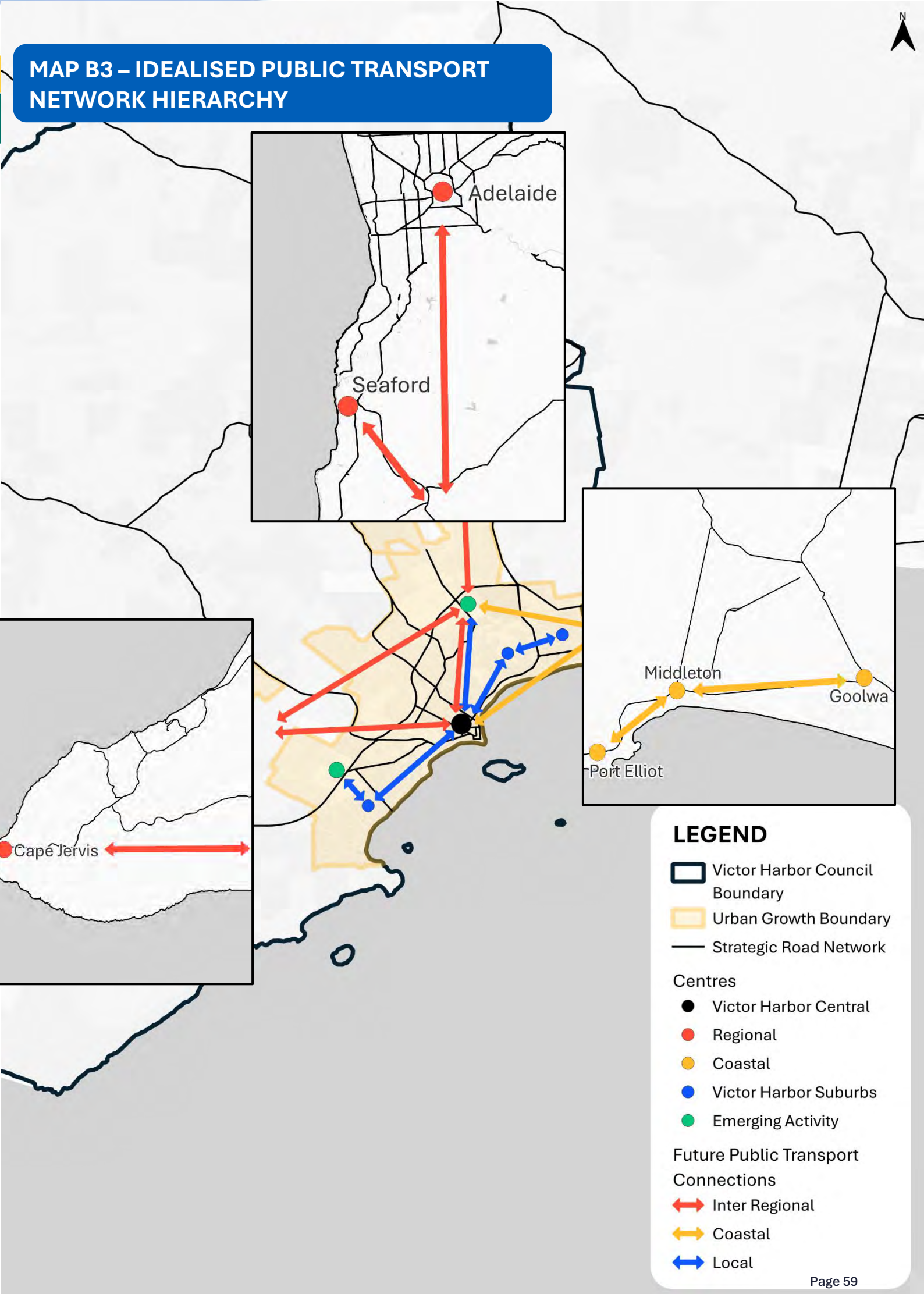
Design of the future network should focus on connecting permanent, higher density residential areas with key activity centres. Logical hubs in the network can also be identified as exchange points for the proposed PT services. Frequency is also critical to ensuring viability, noting that the movement patterns currently observed in Victor Harbor require buses that operate throughout the day (not just in peak periods) and on the weekend.

The catchment of the network should also be considered. It is suitable to a use a maximum walking distance of 500-metres for accessibility to bus stops, and existing bus corridors as a starting point for design. The current network (see left) lacks coverage to the north, which must be addressed for the future PT network.

PT consideration must also be embedded into the design of new growth regions. Future PT routes need to be designated to ensure adequate coverage of catchments and road reserve widths designed to enable the inclusion of bus stops.

Ride share is also considered a form of PT. The growth forecast for the region will result in a natural growth in the amount of ride-share drivers. There are also opportunities (long-term) for Council to use autonomous vehicles for ride share, thereby removing the need for drivers and providing PT services.

MAP B3 – IDEALISED PUBLIC TRANSPORT NETWORK HIERARCHY



Car Parking

Car parking will remain an important focus for Victor Harbor. Activity centres will see growing demand as central points for the local community's day-to-day lifestyle, and parking will be pivotal to enabling these places to support the growing demand and access via private vehicles. Local businesses will also rely on appropriate parking supply to maximise economic benefit during seasonal peaks. Similarly, new developments will create an uplift in vehicle ownership and storage requirements in residential areas.

New legislation has been introduced that Council must leverage to minimise parking issues in new developments (due to the nature and sizes of houses being built). The recently introduced *Statutes Amendment (Vehicle Parking and Urban Renewal) Bill 2025 and Vehicle Parking Scheme (DHUD)* sets minimum off-street parking requirements for new dwellings to reduce potential congestion. Key provisions in the bill include:

- Minimum car parking requirements for new dwellings, with one space for one-bedroom homes and at least two spaces for dwellings with two or more bedrooms
- Larger parking dimensions (3.5m wide x 6m long) and wider garage doors (minimum 3m) to accommodate the growing number of SUVs and dual-cab utes.
- Flexibility for developers including the option to provide open parking spaces instead of expensive built garages, helping balance housing affordability with community amenity.
- Precinct parking options in some urban renewal areas, where apartment residents can use nearby centralised facilities.

The focus for reserves and local centres should be ensuring that overflow parking into adjacent residential areas is managed appropriately. There is typically a limited ability for parking to expand in these areas, and as demand grows in future there is the potential for encroachment of parking to nearby residential areas. Hence, Council should consider the future need for time restrictions on parking in adjacent residential areas. This will also reduce the potential for parking to congest the road network.

Council should also consider the growing attractive pull of the coastline for future parking. Streets like Franklin Parade should anticipate uplift in parking demand with the growing population, as the coastline is an attractive destination for general recreation, and ties in to other forms of transport (the Encounter Bikeway). This will also potentially encroach into residential areas and warrant the introduction of time restrictions for on-street parking to manage traffic congestion and community expectations.



Figure 14: Example of potential spill over car parking for Kent Reserve

Council will need to consider the introduction of crossing points (including signals) to facilitate access. Safe crossing points are key to ensuring pedestrians can move from parking to activity centres, and Council needs to ensure, given the forecast increase volume of traffic, that this can be done safely. The forecast increase in traffic volumes will make crossing roads less safe due to reduced gaps and will isolate vulnerable users further without adequate provision.

An example for focus is on the southern end of Adelaide Road. The area is highly attractive with current high traffic volumes, which segregates user based on where they park for access to facilities on either side of the road. As volumes are forecast to increase, it will make crossing harder with introduction of dedicated, safe crossing points, particularly for vulnerable users.

Car parking is also critical for the long-term economic sustainability of the CBD. Council needs to develop a long-term vision of how parking integrates into the overall design of the CBD network. Developing the McKinlay Street car park will upgrade Council's supply of car parking, but a CBD-wide focus will be the key to addressing the *perception* issues related to parking.

Adopting a precinct parking philosophy around the connectivity of parking to activity centres in the CBD will provide Council with the best possible outcome. This requires integration of elements such as:

- Wayfinding signage;
- Improved pedestrian amenity, including additional signalised pedestrian crossings and the possible introduction of shared traffic zone (where cars, bicycles, and pedestrians are both permitted on road) to provide more pedestrian friendly environments;
- Real-time monitoring and signage across the precinct.



Figure 15: Laneway opposite McKinlay Street car park

Council has demonstrated an ability to provide these elements based on what is currently provided near Railway Terrace. McLaren Lane provides an example of a cut through to Ocean Street, a significant time saver that makes parking on adjacent streets more tenable. Council also has wayfinding signage, pictorial style maps that provide a clear, straightforward means of navigating the CBD.



Figure 16: McLaren Lane running between Ocean Street and Railway Terrace (left) and wayfinding signage (right)

Investment in dynamic parking signage will also make parking clearer in the town centre. Dynamic signage provides drivers real-time information on parking locations, which assists drivers in findings parking.

Accessible parking must also be a focus for the growth of Victor Harbor. The current age-skew of the population has a material impact on the demand for accessible parking. This must be provided, and where Council is responsible, actively monitored to ensure accessible needs are being catered for.

Real-time monitoring of parking availability will provide Council opportunities for better management and regulation. By building monitoring technology into Council parking, supply can be sign-posted within precincts to give drivers information about where parking is available. There is also the option for Council to monitor the parking for better enforcement to ensure turnover. The use of mobile apps have been successfully implemented and could provide better communication with users, especially visitors who would be less familiar with local parking provisions.

Active Travel

Provision of well-designed active travel infrastructure will provide the future Victor Harbor with the opportunity to be an active, mobile resident population that also provides opportunities for seasonal visitors. The modelling completed provided an indication of key movement patterns and areas where active travel corridors, either with the provision of footpaths, shared-used paths, or cycleways, would provide a viable alternative to driving.

The current footpath strategy will continue to deliver footpaths to regions as required across Victor Harbor. It is anticipated that this will sufficiently manage delivery, and no further update is required with respect to footpaths in the existing regions of Victor Harbor.

The forecast growth has highlighted that existing movement corridors in an east-west direction, particularly along the coastline, are critical for the provision of active travel. Future growth is also expected to place higher demand on movement north-south to the new growth regions.

An example that exemplifies the potential for active travel is the Encounter Bikeway. This path provides a continuous route from the bluff in Encounter Bay with an alignment along the coastline through the town centre and beyond to Alexandrina Council. Completing the Encounter Bikeway will provide a dedicated cycle path for daily and recreational users, and the design provides a template for future active travel corridors:

- Wide paths to accommodate cyclists in both directions and opportunities for overtaking
- Road separation to promote safety
- Tie-ins to existing local activity centres and coastal attractions
- Adjacent parking.

A broad-scale cycling route plan should be developed that provides Council a clear vision of active travel pathways. This should primarily connect to frequent high-volume network points:

- Schools;
- Activity Centres.

This should include minimum standards for on and off road provision to facilitate active travel and a means of transport for the future Victor Harbor.

A major challenge for new developments is accounting for natural topography. Gradients and river crossings are crucial to the provision of the future active travel network. These must be considered and, where possible, taken advantage of as part of the network design. Technology has the potential to mitigate some issues with gradient, as e-bikes become more prevalent to provide greater access with the network.



Figure 17: Example pedestrian bridge in growth region

Freight

The function of Armstong Road as a freight bypass is the critical decision point for Council for the future of freight in Victor Harbor. To function effectively as a freight corridor, Armstrong Road requires:

- Retention of existing speed limits and, where possible, upgrades to speed limits.
- Safe, well-defined crossing points to mitigate safety issues.
- Work with Alexandrina Council to ensure connection along Waterport Road.



Figure 18: Example Armstrong Road bridge crossing

A high-speed freight bypass materially changes the structure of Victor Harbor once the forecast growth is realised. Armstrong Road will functionally divide the town in two, creating to distinct regions, north (growth area) and south (existing) that will require crossing points. The main implication will be on existing bridge crossings.

Consider an example crossing in Figure 21. The typical profile for Armstrong Road bridges are single lane in each direction with a footpath on one side. Bridge crossing upgrades may be required to improve connectivity between the existing township and growth regions, which includes widening of bridges to add lanes, and expansion to provide active travel (on-road cycle lanes and footpaths on either side of the road) to enhance connectivity.

Existing connection points with Armstrong Road will also need to be reviewed and/or upgraded / removed. Supporting freight movements requires minimal impedance. Hence, upgrades of existing junctions along Armstrong Road will be warranted and where not possible, consideration of removal or relocation.

The modelled results indicated that Armstrong Road will still provide important commuter connectivity between the new development areas. Hence, a growth in active travel movements is anticipated. These conflicting needs will need further review and planning as the new developments take shape, so that the needs of connectivity, functionality and safety are considered and provided for with the growth to the north. How Waggon Road interacts with Armstrong Road will also play an important role in the current freight bypass route.

An implication of Armstrong Road being a freight bypass is that the road's primary function may change to an arterial road. This would necessitate transfer of ownership to DIT for management.

An alternative scenario for the movement of freight is to provide a new freight bypass further north of Armstrong Road. The intent would be to embed the design of a dedicated freight bypass into the planned growth region (removing the conflict of increased heavy vehicle movements with new residential developments which will be forced to cross the route to access the existing township).

Emerging Technology

There are several emerging technologies (presently) that have the potential to impact the future development of the Victor Harbor transport network.

Micromobility

The DIT active travel design guidelines officially recognises “micromobility” as individual use, non-car modes of transport used for short urban trips. This includes electric vehicles such as electric scooters (e-scooters) and electric bikes (e-bikes). Vehicles other than pedal cycles and e-bikes are classified as walking devices, and technically not permitted for cycle lane or path use (legislation of e-scooters on cycle lanes may be considered in future). This includes mobility scooters (gopher) that travel under 12 km/h, which are classified under Australian Road Rules as a motorised wheelchair, and hence the user is classified as a pedestrian.

Electrified, micromobility transport alternatives including electric scooters and e-bikes have the potential to improve the viability of active travel as a mode. These vehicles facilitate movement for less capable users, overcoming key challenges such as terrain. Allowances for such vehicles requires accounting for the operational speeds, which are typically higher than other vehicles. Design must account for the higher speeds by providing greater sight-lines to mitigate safety issues and prevent crashes.

Autonomous Vehicles

Autonomous vehicles present a major opportunity for Victor Harbor. A persistent issue with taxi services, ride-share, and meal delivery, is the lack of drivers. Autonomous vehicles inherently address this issue. As forecast growth is anticipated in the long term, more tech-savvy users would be expected, meaning uptake potential is much higher.

Electric Vehicles

Electric Vehicles (EVs) will become increasingly prominent in the make-up of the private vehicle fleet for Victor Harbor. EVs have several potential applications:

- Usage for PT to address fuel supply issues
- Usage for private vehicles.

Council can promote a higher fleet share, the number of EVs relative to the total number of vehicles in the Council area, with infrastructure to support usage (charging stations). Locations need to be selected that integrate with the design of the current and future road network, and power supply needs to be considered to meet the anticipated demand.

Parking Management

Real-time monitoring of parking availability will provide Council opportunities for better management and regulation. By building monitoring technology into Council parking, supply can be sign-posted within precincts to give drivers information about where parking is available. There is also the option for Council to monitor the parking for better enforcement to ensure turnover. The use of mobile apps have been successfully implemented and could provide better communication with users, especially visitors who would be less familiar with local parking provisions.

Public Transport Monitoring

Building a reliable PT network requires users to be able to plan journeys effectively. Better monitoring of PT services, particularly in real-time, will allow users to plan PT trips, making it a more viable future mode.



THE CHALLENGES AHEAD

The Challenges Ahead

What Do We Need To Consider Now

Table 8: Current Challenges

Area	The Challenge
Parking	Victor Harbor has a perception issue that parking supply is insufficient in the town centre, particularly during seasonal peaks when there is higher demand for access. The challenge for Council is twofold: • Addressing a supply shortfall with the construction of a new car park in the centre of the CBD • Providing guidance to drivers on alternative parking locations (or parking management signs e.g. availability of spaces).
Level Crossings	Victor Harbor has a train line bisecting the current town centre. The rail line operation pattern creates safety risks, with high frequency trips during peak seasonal periods where drivers are less familiar with the environment, causing a high level of risk for crashes. Reducing the number of level crossings will have the potential to manage these conflicts and reduce the potential for serious crashes, however this would also increase the intensity of movements at the remaining crossings and increase the risks of queueing impacting traffic movements. If closures are to be pursued, the installation of traffic signals, either a set of lights in proximity to the level crossing, or the addition of traffic lights at intersections within close proximity, will be a key consideration to help manage queueing across the level crossing. An example of this sort of management occurs on Hawker Street in Bowden near Park Terrace. .
Vulnerable Users	The demographic of the current community is skewed towards more elderly age brackets, and with a higher number of persons requiring assistance for day-to-day needs. Catering for the local community means that these vulnerable users must feel like they can safely travel. This includes: • Having viable alternative transport choice if unable to operate a vehicle • Being able to access destinations with walking requirements accounted for • Being able to safely move throughout the network, specifically crossing heavily trafficked roads. Identification of key crossing points and consideration of new pedestrian priority crossings should occur. Review of speed limits in high pedestrian areas and the possible adoption of lower speeds or shared traffic zones (where cars, bicycles, and pedestrians are both permitted on road) within areas such as the CBD will also provide opportunities to improve safety and provided improved accessibility for vulnerable users of the network.
Public Transport	The public transport network does not provide an adequate service to be a reliable means of daily transportation. This embeds the needs for private vehicle usage in the community, restricts opportunities for residents without vehicles to undertake a range of activities (including work, access to local sporting and community facilities, etc) a pattern of behaviour that is difficult to overcome. Limitations in public transport also limit the ability of compromised users to travel. Coordinated advocacy with Alexandrina Council is needed to progressively improve the service provision. This covers all three types of PT currently operated in the southern coastal Fleurieu Region (Dial-a-Ride, Community services, Fixed route services) discussed. Consideration of which is most important will help shape what services should be advocated for first.

Area	The Challenge
	At a minimum, advocacy for and expansion of the on-demand service to cover an extended period of time (noting the limitations of the current service) and the increase of on-demand vehicles and potential coverage. This could be coordinated with Alexandrina Council due to the broader catchment it can serve.
Active Travel Strategy Delivery	Victor Harbor has a successful footpath strategy that is providing targeted upgrades across the Council area. However, as more footpaths are delivered, asset maintenance requires more budget. This has the potential to create shortfalls as Council may be unable to continue rolling out new footpaths and maintaining existing assets. Consideration of the trade-off between delivery of new infrastructure with maintenance of existing will require ongoing review and consideration moving forward. Victor Harbor is also responsible for the Encounter Bikeway within the Council boundary. This is a key piece of active travel infrastructure that will serve multiple riders and levels (recreation, fitness, commuter traffic). The current bikeway has three main components: 1. Between the Victor Harbor Sailing Club and the Bluff, which requires a review and planning for improvement. 2. Between the Sailing Club and Hindmarsh Road, which has been constructed and is operational. 3. Between Hindmarsh Road and the Council boundary, which is currently at detailed design stage for realignment. The long-term vision for the Encounter Bikeway is a continuous cycling route connecting the South Coast Fleurieu Region. This will require continued delivery of the Encounter Bikeway within the Victor Harbor Council Boundary, and engagement with Alexandrina Council for delivery of the components of the Bikeway they are responsible for.
Network / Intersection Upgrades	Current traffic volumes at intersections throughout the network create bottlenecks. Where there are convergence points of high traffic volumes, intersections (that are currently roundabouts) have the potential to not meet required performance targets. Current areas such as McCracken where movements converge from Adelaide, to the east (Pt Elliot and beyond) and to the west (CBD/ring road) are building up significant traffic volumes. This will only increase with the planned areas for development. Discussion with the State Government over these state maintained roads will be important to help with the prioritisation of funding for planning of upgrades and ultimately delivery of enhanced road infrastructure. Although roundabouts are the most efficient unsignalised intersection type to regulate turning movements at an intersection, they are not preferable for cyclists or pedestrians (due to their unregulated and potentially continuous flow) and cannot manage traffic flows once they exceed capacity. Consideration of signalising roundabouts and the installation of traffic signals (i.e. traffic lights for all approaches) will be required as key intersections along the primary east-west corridor reach capacity.
Armstrong Road Speed Limits	Armstrong Road has variable speed limits that will impede its function as a freight corridor. There are already several connections into Armstrong Road requiring lower speeds that compromise the road's ability to function as a freight corridor. Connections must be kept to a minimum (ideally not included) to retain speed limits.

What Planning Do We Need To Realise for Victor Harbor To Be A Thriving Community

There are a range of short and long term planning works to be undertaken to guide future transport development in Victor Harbor. These range from advocacy roles to dedicated planning based on specific elements within the network.

Network Performance Review

The first recommended step for Council is to develop a consistent, objective understanding of the network. The following data needs to be collected in a coordinated and planned manner across the network:

- Count data on key Council roads both during peak and non-peak times
  - It is important to assess the impact of seasonal movements
  - Counts should occur across the network at a mix of tourist destinations, generators and general activity centres
- Request for state government to undertake more regular counts along Armstrong Road, Torrens Street, and Victoria Road.
  - There is no count information on the main east-west road corridor outside of the extremities
  - It is critical that there is an understanding of traffic movements at key junction along the corridor to assess how the flow of movements varies
  - Counts should be taken to understand seasonal fluctuations
- Itemised car parking (number of spaces and/or lengths by parking category).
  - Produce a detailed register of assets for Council
  - Enable a gap analysis
- Car parking turnover data.
  - Assessing compliance and use will help understand the potential issues
  - Review of seasonality to understand surge impacts
  - Comparison of usage geographically to help determine where shortfalls may or are occurring
- Logs of dial-a-ride requests.
  - Understanding when and where it is used will help to inform any potential new fixed route services
- Consolidated freight permit data
  - Gain a complete understanding of where freight movements go, not only within Victor Harbor, but also Alexandrina Council

- Understanding of origin destination movements to better map out the current behaviour
- Review of movements to assess seasonality impacts e.g. harvest season

Collection of this information will underpin both improved understanding of the transport network for Council and provide a solid basis for planning to occur. This will help guide Council in decision making processes for future steps in managing the growth of Victor Harbor.

Public Transport Planning

Council has an objective to make PT a viable mode of transport. There are several key steps to realise this:

- The Department for Infrastructure and Transport conducted a 'Regional Public Transport Review'. It is understood that this project has been completed but has not yet been released publicly. Review of the outcomes and recommendations when it becomes publicly available is important so that there is alignment between what Council is advocating for and what has been identified through the review.
- Advocacy to SAPTA for development of a Public Transport network that provides a suitable alternative for local residents. The current PT network attempts to deliver local, intra-regional, and inter-regional travel, but provides limited services and long travel times through indirect services at an inter-regional level. Enhancements can draw on similar examples for other regional towns like Victor Harbor.
- Embedding public transport design into future developments. This requires ensuring that wide, central corridors that can accommodate buses, and adequate stop locations are designed for.
- Review of current routes and potential new routes through the existing township to identify any deficiencies so that consideration of maintenance works, or upgrades to help facilitate improved PT services and connectivity of the community.

Long Term Activity Centre Strategy

The results indicated that growth in Victor Harbor will lead to a greater draw on local activity centres. Developing a long term vision around activity centres, whether to focus on distributed areas or centralising with development in the town centre, will guide the need for parking in future. If local centres are the focus of development, this will place increased demand for parking in these locations (e.g. the Boat Ramp in Encounter Bay) and may lessen the requirements for increased parking in the town centre long term. Determining the regional strategy on how Victor Harbor will function based on the growth needs to occur to help determine the parking needs around those locations.

The proposed activity centre on Waggon Road to the south of Armstrong/Welch Road will draw trips from the growth regions to the north across this key road link. This will require management of this crossing and depending on the desire to maintain minimal disruption, will impact on the infrastructure required for this crossing point. Activity centres not only generate car trips but will result in increased pedestrian and cyclist activity and should be serviced long term by public transport. All these modes are undesirable to be mixed with freight vehicles. Grade separation of the roads would be expensive, and the adoption of a roundabout would not address the safety

issue of active travel modes mixing with freight. Thus, consideration of this issue is needed with options that could be considered including relocation of the centre to the north (on the northern side of Armstrong Road), dedicated grade separated active travel links, installation of traffic signals, relocation of the freight route north of Victor Harbor.

Collaboration with Alexandrina Council

Victor Harbor and Alexandrina Council function collectively in the provision of transport for the southern coastal Fleurieu region. It is notable that forecast growth in Alexandrina Council will place increasing pressure on the road network in Victor Harbor (specifically east-west links). The two councils must work together to provide connections between the two regions, particularly with the design of PT, active travel linkages such as the Encounter Bikeway, and the South Coast Freight Route to maximise connectivity.

Town Centre Planning

A review and update of the existing traffic movement strategy for the town centre. There are two critical dimensions for inclusion in the update:

- A planning and movement study for Hindmarsh Road and Torrens Street. These roads appear to be nearing or at -capacity and DIT is responsible for managing these roads to ensure that can cater to the increased future demand.
- Development of a holistic strategy for CBD growth that aligns with planned car parking and improved connectivity for active travel. Consideration of shared zones, road hierarchy to minimise interactions between pedestrians and vehicles, and expected land use growth opportunities and how they relate to transport movements needs to occur to help provide a defined long-term strategy. If the town centre is not expected to materially grow (as the regional centres will manage most of the growth), then there will be less need to provide increased car parking to manage out of season demand (though if seasonal fluctuations need to be met, there still may be a requirement to increase the capacity).

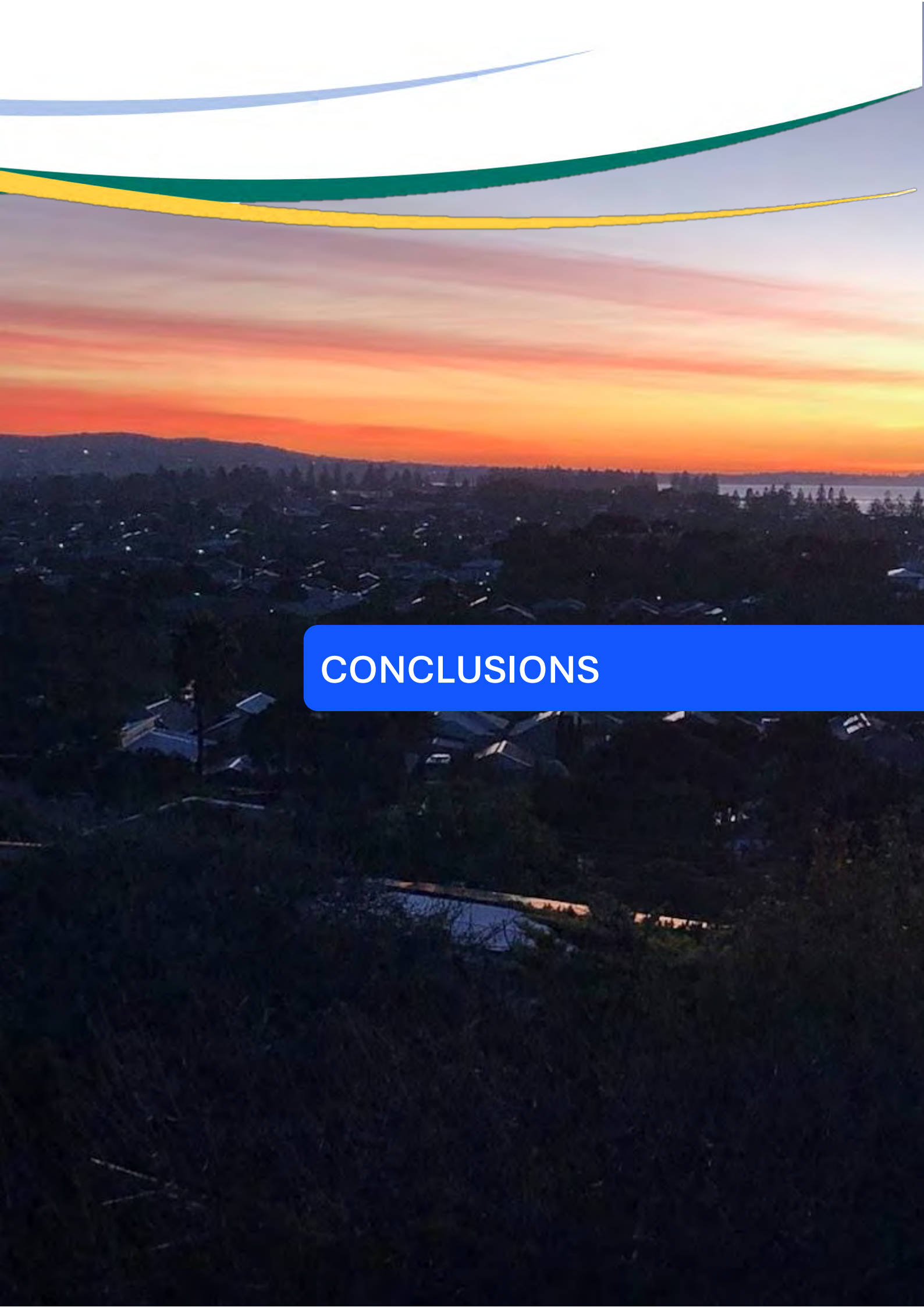
Employment Lands Planning

The employment lands identified in the GARP have a meaningful influence on the future traffic movement patterns in the region. There is a need to test the impact of moving the employment region, to understand the impact on employment and freight movements. The proposed employment lands to the north off of Victor Harbor Road would result in an increased draw on traffic in this region and access via Armstrong, Adelaide and Waterport roads would occur, drawing more traffic into an already congested region of the network (McCracken). This area would also result in a lowering of the speed limit along Victor Harbor Road and impact on travel times to enter/exit Victor Harbor. The need and requirement of this land for a new activity centre should continue to be reviewed and whether other planned activity centres (employment lands) could be further expanded to help reduce the need for these lands.

Freight Strategy

A dedicated freight strategy is required for the Fleurieu Region to guide the determination of freight routes. Waterport Road and Armstrong Road have been identified as the current South Coast

Freight Route, but the benefits of an alternative bypass located further north should be explored, with consideration of the growth expected for both Councils. The South Coast Freight Route will become more difficult to manage with the growth planned to the north of Armstrong Road as well as the fact it passes through Middleton. Coordination with Alexandrina Council on this issue will be essential.



CONCLUSIONS

Conclusions

Recommendations

A consolidated set of recommended actions is provided below.

Table 9: Key recommendations

Recommendation	Objective
Further network testing	The modelling to date has provided an initial assessment of the network. Further review and testing of scenarios is required to help inform discussions with Council around what interventions (locations) should be proposed and planned for.
Rolling count strategy	Strategic planning requires a more coordinated strategy for obtaining traffic counts to help support this process. It is important to help improve the understanding of how the network varies in use across the year and to help understand what is happening along key state maintained roads.
Review of existing strategies	Strategies should be live documents that are reviewed and updated as new information and thinking comes to the forefront. The work completed for the VHITS identifies that current proposed land use can result in requirements to road infrastructure that may be undesirable. Further, results may link into other strategies in terms of prioritisation. Through Phase 2 of this project, these linkages will be further fleshed out to help inform and integrate the strategies.
Further engagement	Council will play a pivotal role in the roll out of the growth areas, but this will need to be completed in collaboration with key state agencies such as Department for Infrastructure and Transport (DIT), Department for Housing and Urban Development (DHUD) and Renewal South Australia (RSA). Continued communication and engagement in a proactive manner will be beneficial in aligning assumptions and gaining agreement on key Council directions to help produce a growth strategy that works for Victor Harbor.

Risks And Limitations

Uncertainty

The focus of this strategy has been to provide Council with guidance in the development of a transport strategy for the long-term realisation of the GARP high-growth forecasts. There is significant uncertainty around this growth, in terms of the timing (when it will occur), quantum (the extent of growth, if it will be achieved) and the demographic composition of the future Victor Harbor. Understanding this uncertainty will help Council to focus on areas that maximise benefit irrespective of the future evolution of Victor Harbor.

Currently no testing of alternative growth scenarios has been completed at this stage of the project. Consideration of how to account for the uncertainty in the next phase and beyond this project will need to be a focus.

Modelling Constraints and Limitations

The modelling has been completed using the available information. A gap analysis has highlighted key limitations around the count information that limits the certainty around key road links within the network due to no observed information (and limited information for counts that are available). Therefore, care must be taken with the current analysis of performance and acceptance of increased risk in the variability of the future performance versus the model predictions.

The future year modelling assessment that was completed was based on the forecast high-growth GARP scenario for the network of Victor Harbor. It is recognised that there was not sufficient time in this initial assessment to review with Council the likely road network (both within new developments and the existing network), considerations around possible uplift in public transport usage, and detailed review of the land use assumptions. The next phase of this project will need to address these issues to further flesh out the future for Victor Harbor.

As such, this initial assessment is of an effective 'Do Nothing' network which helps form a baseline of the worst case scenario for Victor Harbor and enables planning of the network to commence. This tool has been developed and calibrated specifically for Victor Harbor and through this process, it has highlighted the unique travel behaviour of this region. This tool will be available for use by Council in future so that it can provide important information to help guide decision making.

Next Steps

Undertake Phase 2

The next step is to continue the development of the VHITS with the commencement of Phase 2. Phase 2 will provide Council with a delivery pathway for the required upgrades to support the growth for Victor Harbor. A set of interventions and their trigger points will be determined based on population growth (both size and location) allowing for Council to be proactive in planning for delivery.

Continue working with neighbouring Councils and State Government

Many of the required transport network improvements will require a coordinated advocacy role with Alexandrina Council to engage with state government, including DIT, DHUD, and Renewal SA. Council must remain proactive in its engagement to ensure it remains in focus, noting its critical role in realising the planned growth forecast by the State Government.

Definitions

Intersection Layouts

Road Types

Arterial Road: A main road carrying relatively high volumes (in excess of 15,000 vehicles per day). They facilitate inter-regional traffic movement, forming principal movement corridors between townships.

Sub-arterial road: A second order main road carrying relatively moderates volumes (between 5,000 to 20,000 vehicles per day) that form intra-regional traffic movements. The facilitate movements to higher-order roads, and key linkages within townships.

Collector Road: A minor road carrying between 2,000 and 10,000 vehicles per day that provides links between local areas and regional roads. Collector roads permit movements within small, typically residential, areas.

Local Road: A local street carrying a relatively low volumes providing provide immediate access to specific destinations (primarily homes).

Traffic Terminology

Annual Average Daily Traffic: The estimated average number of vehicles (cars, trucks and buses) that use a particular section of road for a 24-hour period averaged across a year of operation.

Fleet Share: The total number of vehicles belonging to a specific categorisation (e.g. electric vehicles, combustion engine vehicles, hybrid vehicles) relative to the total number of all vehicles in the Council area.

Gazetted Freight Route: A road or route that is officially recognised within by the National Heavy Vehicle Regulator for usage by heavy vehicles. The route will meet certain Performance Based Standards (PBS), corresponding to the size of vehicle that a particular road can accommodate.

Micromobility: Individual use, non-car, electric or user-powered modes of transport used for short urban trips. This includes electric vehicles such as electric scooters (e-scooters) and electric bikes (e-bikes).

Pedestrian Actuated Crossing: A signalised crossing specifically for pedestrians to stop vehicles and cross safely. The crossing is push-button operated, and will only change if pedestrians “actuate” (call) for a crossing.

Seagull Treatment: An intersection treatment that includes turn lane storage for vehicles making right-hand turns between the major and minor road approaches for high-speed environments. This treatment is beneficial for not blocking vehicles on the main road, and staggering movements from the minor approach to improve safety.



Figure 19: Example seagull treatment (Portrush Road and Sturdee Street)

Shared Traffic Zone: A designated road area where pedestrian, cyclists, and low-speed vehicles legally share the same space. Typical speed limits in these environments are 10 km/h.

Acronyms and Abbreviations

Acronym/Abbreviation	Description
AADT	Annual Average Daily Traffic
CBD	Central Business District
CoVH	City of Victor Harbor
DHUD	Department for Housing and Urban Development
DIT	Department for Infrastructure and Transport
GARP	Greater Adelaide Regional Plan
ITS	Integrated Transport Strategy
NHVR	National Heavy Vehicle Regulator
PBS	Performance Based Standards
PT	Public Transport
RDA	Regional Development Australia
RSA	Renewal South Australia
SAPTA	South Australian Public Transport Authority
UGMS	Urban Growth Management Strategy
VHITS	Victor Harbor Integrated Transport Strategy
VHRAM	Victor Harbor Roads Assessment Model



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SMEC Adelaide

Level 4, 19 Grenfell Street
Adelaide SA 5000

Phone: +61 8 8225 9800

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Attachment Under Separate Cover

Ordinary Council Meeting – 26 October 2026

Agenda Item – Fleurieu Regional Waste Authority 2025/26 Annual Report

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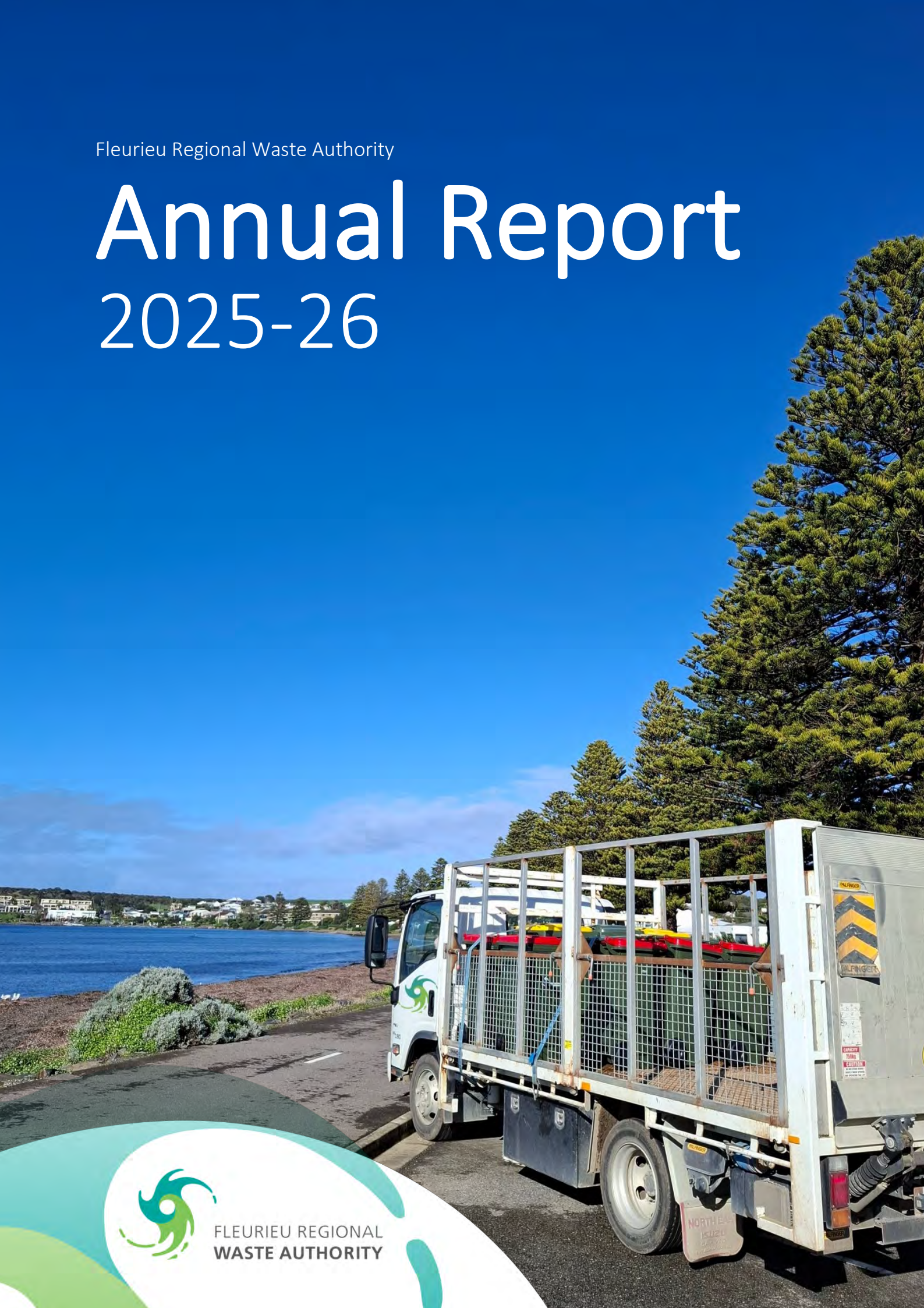
Fleurieu Regional Waste Authority

Annual Report 2025-26



FLEURIEU REGIONAL
WASTE AUTHORITY

FLEURIEU REGIONAL
WASTE AUTHORITY

ALEXANDRINA

city of
Victor Harbor

KANGAROO
ISLAND
COUNCIL

DISTRICT COUNCIL
YANKALILLA

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Message

From the Independent Chairperson

It is my pleasure to present the Fleurieu Regional Waste Authority's Annual Report for the 2025–2026 year and in doing so to reflect on a period that has demonstrated the resilience, adaptability and dedication of our organisation and its people.

The Annual Report is presented at a time when the waste management sector continues to face significant operational and economic challenges. Throughout the year FRWA remained focused on delivering reliable kerbside collection services, operating our waste, and recycling depots to meet the needs of our member Councils and the wider Fleurieu community.

To meet these demands, the Board also undertook a review and update of the FRWA Strategic Plan 2020–2030. In developing the new Plan, we engaged with our member Councils, consulted with industry experts, and reviewed State Government and member Council strategic objectives.

The refreshed plan reinforces our commitment to sustainable waste management, circular economy, financial sustainability, operational excellence and regional collaboration. It provides a clear direction for FRWA as the waste industry continues to evolve and as community expectations around resource recovery and environmental performance continue to grow.

One of our most significant events during the reporting period was the shed fire at the Goolwa Waste and Recycling Depot in October. The incident required a swift operational recovery response to maintain services while ensuring the safety of staff, contractors and depot users. Following the fire, temporary operational changes were made to the site so we could continue to serve the community. I commend the response of the Country Fire Service, Metropolitan Fire Service, SA Police and other emergency personnel, and acknowledge the collaborative efforts of our staff and Alexandrina Council representatives, who worked together to manage the incident and to ensure that the site was quickly operational.

The nature of our industry carries inherent risk and, unfortunately, our risk planning and incident management practices were tested by a significant truck accident involving one of our collection vehicles. While such incidents are always concerning, they reinforce the importance of our ongoing commitment to workplace health and safety. The Board and management continue to prioritise a strong safety culture, ensuring that lessons learned are incorporated into our operations and that staff are supported in delivering services safely every day.

Like many organisations across Australia, FRWA faced financial pressures arising from spikes in fuel prices during the year. These increases affected operating costs across our collection fleet and transport services. Despite these challenges, we maintained focus on providing efficient services while carefully managing expenditure and identifying opportunities to improve operational effectiveness.

Investment in fleet renewal and infrastructure continued to remain a priority. During the year, four new collection trucks were added to the fleet, improving reliability, efficiency and service delivery outcomes. New vehicle signage has enhanced the visibility and professionalism of our operations across the region, while the acquisition of a new tipper truck for the Goolwa depot has strengthened our ability to undertake site maintenance and operational activities.

On behalf of the Board, I extend my sincere appreciation and thanks to my fellow Board Members and to the Audit and Risk Committee members for their support, advice, and guidance. In particular, I recognise former Board Member Mrs Jodie Summer, formerly of the District Council of Yankalilla, who resigned from both positions to pursue other career opportunities. Jodie was a Board Member and Audit Committee Member, and provided valuable financial and governance advice as well as ideas that benefited the Authority's operations. We wish Jodie every success in her future endeavours.

I also thank our Chief Executive Officer, the leadership team and all employees for their continuing commitment and hard work throughout the year.

Finally, I acknowledge and thank our member Councils for their ongoing support, collaboration and shared vision in delivering such high-quality waste management services across the Fleurieu and Kangaroo Island region.

While challenges arose during the year, FRWA has continued to demonstrate resilience, innovation and a strong commitment to serving our communities. I am confident that the organisation is well positioned to build on its achievements and continue delivering sustainable and valued services into the future.

Michael Kelledy
Independent Chairperson
Fleurieu Regional Waste Authority



FRWA Governance

A board administers FRWA in accordance with the requirements of the *Local Government Act 1999* and the Fleurieu Regional Waste Authority Charter 2025.

The Authority's Board Membership continues to change while maintaining a stable and positive culture that adds value to the organisation.

This year we thanked and farewelled Mrs Jodie Summer who had been a Board Member since 2023 and welcomed Mr Mark Gibson from the District Council of Yankalilla.

FRWA conducts its business within a complex and constantly changing regulatory and business environment. To ensure Board maintains a high level of performance in this environment it undertakes annual self- assessment questionnaire and skills assessments.

Each Board Member is expected to:

- Actively seek a full appreciation of the FRWA business, including key business drivers, the risks facing the FRWA, applicable risk management policies and the regulatory environment in which the FRWA operates.
- Actively participate in open and honest discussion, exercise discretion on decision matters and bring an independent focus on matters before the Board.

The 2025-26 annual questionnaire was completed by Board members and continued to highlight the positive working relationships among Board Members and the Chief Executive Officer and the diversity of skills and backgrounds that add value to decision making.

Board Members: Alan Harvey, Vicki Tomlinson, Mayor Michael Pengilly, Alex Hammett, Michael Kelledy (Independent Chairperson), Mark Gibson, Jodi Roberts, Simon Grenfell (CEO).



The Board held six meetings during the year in addition to several other matters being resolved by circular resolution outside of the meetings.

The list below details Board Member attendance:

Board Member	Meetings
Michael Kelledy (Independent Chairperson)	6 of 6
Jodi Roberts	5 of 6
Vicki Tomlinson	6 of 6
Mayor Michael Pengilly	5 of 6
Alex Hammett	6 of 6
Alan Harvey	6 of 6
Jodie Summer (finished February 2026)	2 of 3
Mark Gibson (joined March 2026)	3 of 3

Audit & Risk Committee Report

The FRWA Audit & Risk Committee is established in accordance with the requirements of the Local Government Act (1999). The achievements of the Committee for the year included:

- Reviewed the Authorities budget development and budget reviews along with all financial reports.
- Provided advice and input in the FRWA Treasury Management Policy and Budget Framework Policy.
- Reviewed the internal audit activities undertaken, including responsible use of Artificial Intelligence.
- Reviewed Asbestos Contaminated Material Project remediation proposals.
- Reviewed the financial allocations and Fees and Charges for the FRWA operations and cost allocation splits. Internal Audit Review of Cyber Security, Fringe Benefit Tax and Legislative Compliance Review.
- Reviewed the Strategic Risk Register.
- Reviewed and provided input into the FRWA Strategic Plan Review.
- Reviewed the Annual Financial Statements, Auditors Report, and held 'in-camera' discussions with the Auditor.

The Audit & Risk Committee held six meetings during the year and is led by Mr Peter Fairlie-Jones, and supported by Mr Gus Rankine, Mrs Vicki Tomlinson, Ms Karen Rokicinski and Mrs Jodie Summer. As part of its obligations, the Committee also undertook a self-evaluation and reported the outcomes to the FRWA Board.

Audit & Risk Committee Member	Meetings
Mr Peter Fairlie-Jones (Independent Chairperson)	6 of 6
Ms Karen Rokicinski (City of Victor Harbor)	4 of 6
Mrs Vicki Tomlinson (Independent Member)	6 of 6
Mr Gus Rankine (Alexandrina Council)	4 of 6
Mrs Jodie Summer (District Council of Yankalilla)	5 of 6

Audit & Risk Committee Members: Karen Rokicinski, Peter Fairlie-Jones, Vicki Tomlinson, Gus Rankine, (Jodie Summer absent).



Chief Executive Officer Report

Throughout the year, FRWA continued to provide reliable kerbside waste and recycling collection services and operate our waste and recycling depots on behalf of our member councils. Despite operational challenges and increasing cost pressures, our focus remained on delivering safe, efficient and customer-focused services to the communities we serve.

Incidents continue to impact the services we provide to the community. A significant Lithium-Ion battery fire at the Goolwa Waste and Recycling Depot in October highlighted the ever-present danger that these batteries pose for our staff and infrastructure. The incident also revealed the dedication, teamwork, resilience and ingenuity of our staff to minimise the downtime of operations and ensure customer inconvenience was kept to a minimum.

In May 2026, one of our collection trucks was involved in a serious accident. Our thoughts extend to the family, with thanks to the emergency services and our driver for responding at the scene. While challenging, investigations found that FRWA was not at fault. The incident reinforces the importance of maintaining a strong safety culture across every aspect of our operations. The safety and wellbeing of our employees and the public remains our highest priority, and we continue to invest in training, systems and processes that support safe work practices.

Despite these disruptions FRWA continued to achieve its strategic objectives. We procured a Flip Screen to increase the value of recovered materials like waste soil and mulch with further work now being done to determine if we can process domestic kerbside Food Organics and Garden Organics (FOGO) into a resalable product. We also worked with the City of Victor Harbor to successfully transition the renewal of Exceptional Circumstances (EC) services to FRWA, as well as planning and preparation for the same transition from Alexandrina Council for May -July 2027.
Kerbside Waste Diversion

FRWA also achieved important organisational milestones behind the scenes. The implementation of a new financial management system represents a significant step forward in strengthening financial governance, reporting capability and business efficiency. This investment provides a modern platform to support the organisation's future growth and operational requirements.

Other achievements included:

- Four new side-lift trucks with 'Love where we live' local image wrapping
- Replacement site tipper truck, new roll-on/roll-off bins.
- Removal of bin banks at Hartley (Alexandrina Council) and Bald Hills (DC Yankalilla) to improve collections services and reduce litter in the environment.
- Remodelling and positioning the Goolwa front entrance gates.
- Renewal of Point of Sale terminals at Strathalbyn & Yankalilla to include larger touch screens.

In addition to this the Authority also reviewed its 10 year Strategic Plan. This provided me with the opportunity to collaborate with Council Members and staff on their strategic waste and resource objectives. Everyone was engaged and enthusiastic about what the future holds for the Authority as it empowers the shift to a circular economy.

The Asbestos Contaminated Material project continues to move closer to completion with an agreement reached with the owner of a large property for its remediation. There remains some minor works still outstanding which should be completed during 2026-27. FRWA continues to manage the financial impacts of this project in partnership with the member Councils and the Local Government Finance Authority.

Financially FRWA recorded an operating position (excluding ACM) of $52,000 deficit, compared to a forecast surplus of $394,000. Higher revenue driven by one-off insurance proceeds and additional customers at some of our depots was offset by increases in Kerbside Tonnes collected, increases in fuel and material costs as a result of the conflict in the Middle East. The fire at the Goolwa Waste and Recycling Depot also increased costs due to additional machinery hire and transport costs as a result of the reduced storage capacity in the Waste Transfer Shed.

Finally, I extend my sincere thanks to my fellow Board Members and to the Audit & Risk Committee Members for their vision, wise counsel, and support. I also acknowledge and thank the entire FRWA team who have endured challenging circumstances and conditions this year to ensure we continue to deliver essential services to our communities.

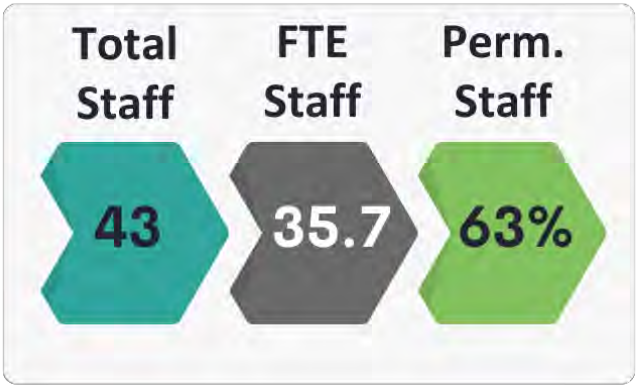
Simon Grenfell
Chief Executive Officer
Fleurieu Regional Waste Authority



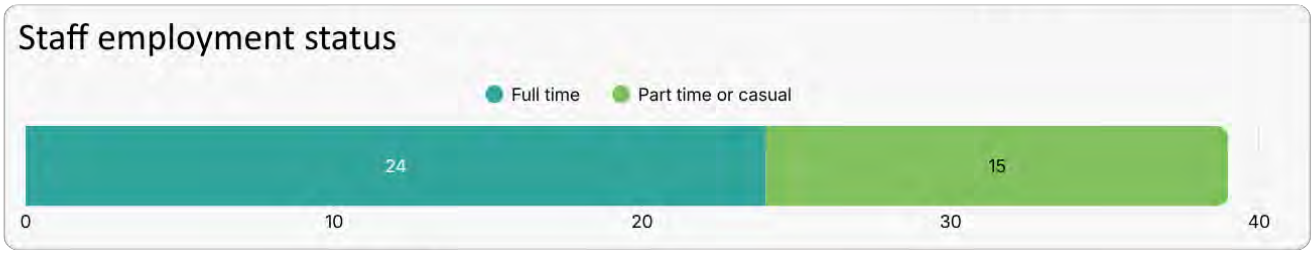
Our People

The FRWA has a small but committed workforce. They are local people with an extensive local knowledge of residents, environment, and behaviours that enable them to provide high quality outcomes for the community.

We protect and develop our staff with robust WHS systems and processes along with modern HR practices.

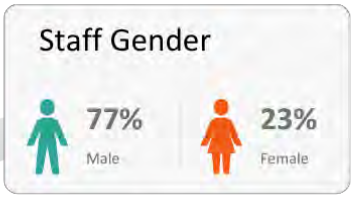


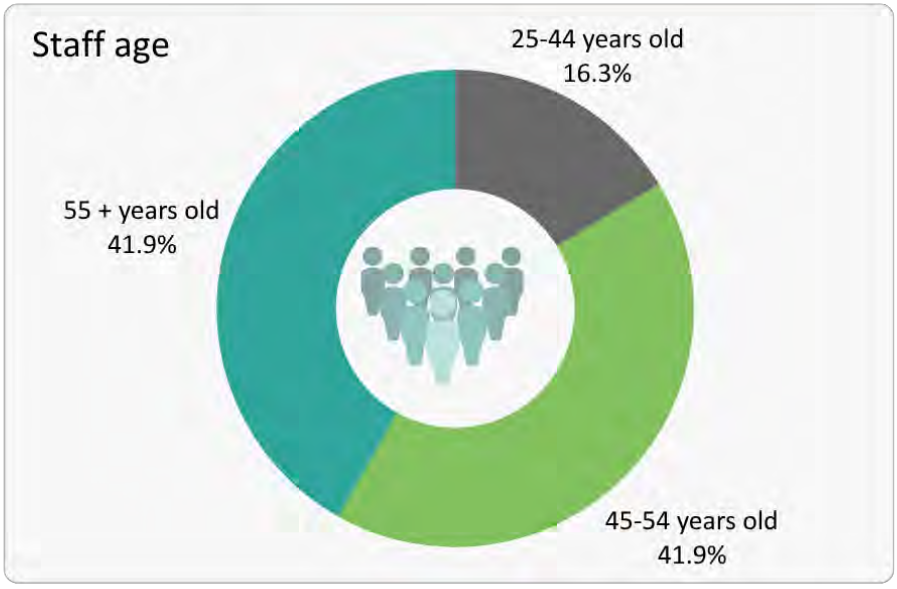














Our Services

The Fleurieu Peninsula and Kangaroo Island region cover 7,341 square kilometres with a resident population of 54,000, increasing by up to 50% in coastal areas during holiday periods.

FRWA is a fine example of local governments working together to achieve efficiencies across boundaries. We are implementing the best practices from the Councils: reducing waste going to landfill, increasing recycling, and promoting a cleaner and healthier environment for today and tomorrow.

We offer a range of services to the communities we serve, including:

- 3-bin fortnightly collection of kerbside waste
- Public Waste and Recycling Depots in Goolwa, Yankalilla, Strathalbyn and Kingscote
- Public litter bin collections
- Additional waste collection services, including event bins, weekly commercial FOGO collections and exceptional circumstances bins
- Delivery service for new and replacement bins.
- Community waste education
- Customer service
- Sale of kitchen caddies, bins and supplies
- Representation and advocacy on behalf of constituent Councils.

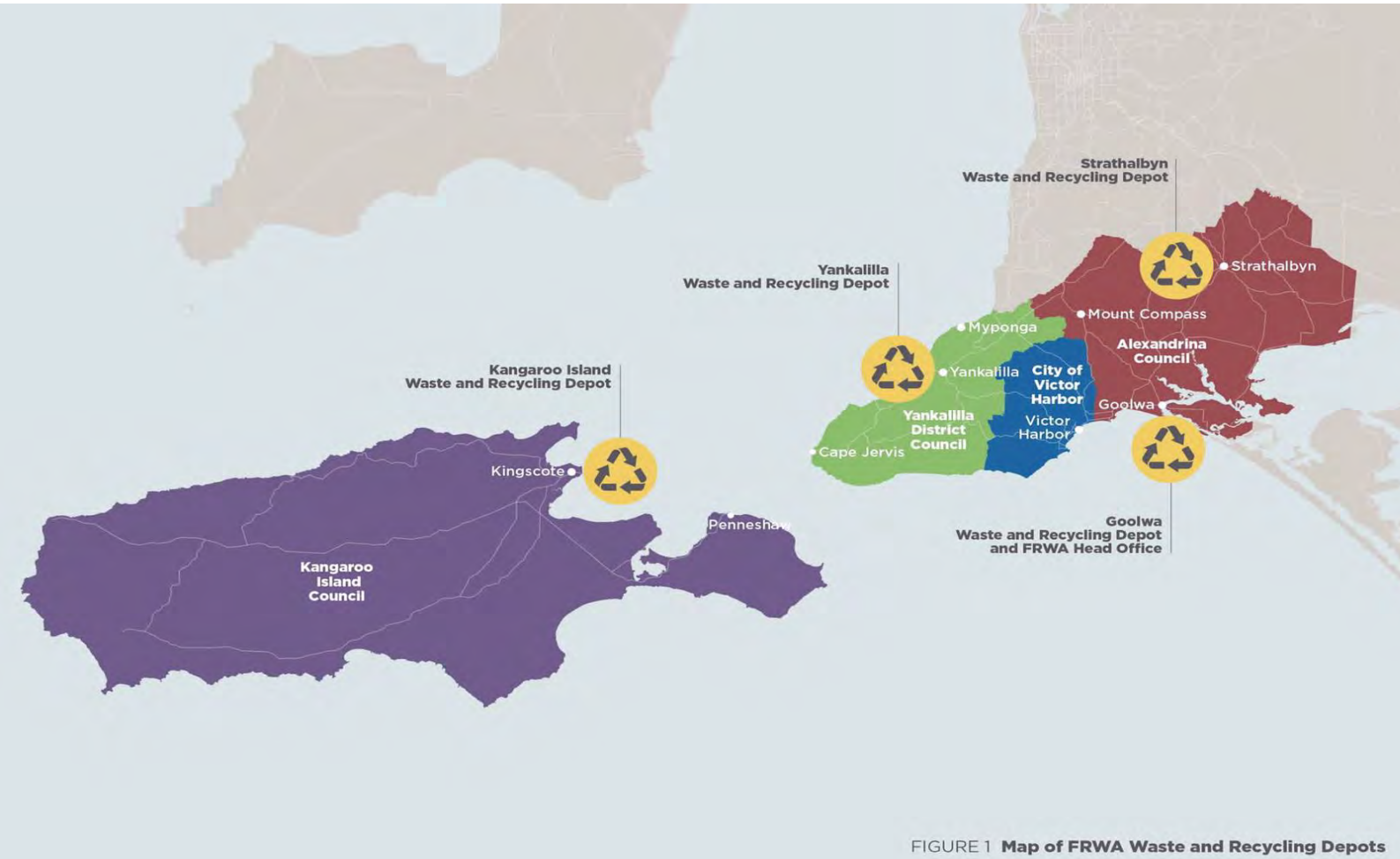


FIGURE 1 **Map of FRWA Waste and Recycling Depots**

Our Mission & Objectives

About FRWA

The Fleurieu Regional Waste Authority (FRWA) is a local government regional subsidiary of the Alexandrina Council, City of Victor Harbor, District Council of Yankalilla and Kangaroo Island Council.

The following information is from the FRWA Strategic Plan 2020-2030. This year the Authority approved the FRWA Strategic Plan 2026-2036 and this will be reflected in future annual reports.

Mission

To provide the best practice waste and resource management services that reduce the impact of our community on the environment.

Vision

FRWA will provide diverse and flexible resource management services that are affordable, improve environmental outcomes and promote a circular economy that our community are proud of.

Objective 1: Reduce the impact of the community on the environment through best practice waste management and diversion

Key performance indicators:

- Increase kerbside diversion rates from 50% to 70% by 2030
- Reduce the amount of organic waste in the blue bin from 44% to less than 15% by 2025
- Reduce contamination of the recycling bin to less than 8% by 2025
- Reduce greenhouse gas emissions of FRWA by 30% by 2030.

Objective 2: Advocate and facilitate a local circular economy

Key performance indicators:

- Value of recovered materials is increased by 10% by 2025
- Reduce freight kilometres by 5% by 2025
- Constituent Councils purchase recyclable materials equivalent to 30% of weight of material collected in the yellow bin.

Objective 3: Provide flexible services that meet the needs of Councils, residents and visitors

Key performance indicators:

- Reduce the number of bin banks in rural areas by 15% by 2025
- Increase the range of services provided to customers by 20% by 2025
- Increase the range of services provided to constituent Councils by 2025

Objective 4: Provide efficient and effective regional subsidiary

Key performance indicators:

- Reduce the cost of kerbside collection per property by 5% by 2025, excluding CPI and solid waste levy
- Reduce the cost to Councils of waste transfer station operations by 10% by 2025, excluding CPI and solid waste levy.

Our Performance

The Fleurieu Regional Waste Authority measures performance against the key performance indicators in the Strategic Plan and Business Plan.

FRWA continues to develop performance measurements to ensure the achievement of objectives. The table below is a qualitative description of our performance against key performance indicators.

Indicator	Target	2025-26 Budget	2025-26 Actual
Operating Surplus Ratio	0% to 1%		
- Including ACM Borrowings		5.6%	-2.7%
- Excluding ACM Borrowings		2.9%	-2.6%
Net Financial Liabilities Ratio	40% to 65%		
- Including ACM Borrowings		113%	146%
- Excluding ACM Borrowings		46%	101%
Asset Renewal Funding Ratio	100%	106%	94%
Own Source Revenue Ratio	32% to 37%	36%	36%

The following is a qualitative and quantitative report on the achievements of the Strategic Plan Key Performance Indicators:

Objective 1: Reduce the impact of the community on the environment through best practice waste management and diversion

One of FRWA's main performance indicators is the kerbside waste diversion rate. This year the rate increased to 62% from 61% due to a 16% increase in FOGO tonnes collected. This can be attributed to a wetter than usual winter and spring that impacted organic growth. Kerbside tonnes collected increased by 8.5% with an increase in general waste of 5.1%.

FRWA also removed 2 bin banks in the Bald Hills area of DC Yankalilla and 2 bin banks in the Hartley area of Alexandrina Council following the upgrade of roads and access by the respective councils.

Objective 2: Advocate and facilitate a local circular economy

FRWA continues to enable circular economy activities within the local economy. We were successful in receiving a $32,500 Circular Infrastructure Grant from Green Industries SA for a material screen. This screen has been used to screen 1000 tonne of waste soil for sale back to the community. This has reduced the costs to screen the material and provided a better product for the community.

Objective 3: Provide flexible services that meet the needs of Councils, residents and visitors.

FRWA continues to increase the range of services it provides to its member Councils, this year undertaking the Exceptional Circumstances (EC) Bin renewal process for the Alexandrina Council. FRWA worked with Alexandrina Council and City of Victor Harbor to improve the renewal process for the customers and Councils. This resulted in 87% of 1943 customers renewing their service by the end of August 2026.

In the later part of 2024-25 FRWA implemented a Bin delivery service. This service has been very popular with over 500 bins, ds and bin straps delivered to residents across the mainland.

Objective 4: Provide efficient and effective regional subsidiary

To ensure FRWA achieves the strategic objectives of its member Councils and community FRWA reviewed it's 10-year Strategic Plan. The Authority consulted with Councils and engaged with industry experts to develop the FRWA Strategic Plan 2026-2036. The revised plan includes a Vision of *"A community proud of a modern, circular, environmentally responsible waste and resource system that delivers high-quality, flexible services."* And Mission to "*To deliver best-practice waste and resource management services that reduce environmental harm and support circular economy outcomes across the region*."

As part of our digital transition FRWA implemented a new corporate system. This system is initially being used to manage our finance and budgeting activities, before being used for payroll and human resources later in 2026-27. The new system will bring a new raft of efficiencies and ensure FRWA is well placed into the future.



Goolwa Waste Transfer Shed Fire – October 2025

Picture: Robert Heness - Goolwa Camera Club

Kerbside Collection Services

FRWA operates a fleet of 14 collection vehicles and provides fortnightly kerbside collection services for general waste, co-mingled recycling, and FOGO to more than 32,000 properties across the region. The number of properties serviced continues to grow, reflecting ongoing residential development in Strathalbyn, Victor Harbor, and Goolwa.

During 2025-26, collection schedules within the District Council of Yankalilla were revised to improve operational efficiency, optimise collection logistics, and reduce the peak number of vehicles required at any one time. FRWA was also able to remove bin bank facilities at Hartley in the Alexandrina Council area and Bald Hills in the District Council of Yankalilla following road widening and upgrade works that enabled collection vehicles to access previously inaccessible properties.

To maintain an efficient and reliable collection service, FRWA replaced four Robotic Arm Collection Vehicles (RACVs) during the year. The new vehicles have been branded with the "Love Where You Live – Let's Keep It Beautiful" campaign, promoting community pride, environmental stewardship, and responsible recycling practices.

Collection Performance

Total tonnes of waste and recyclables collected increased by 8.5% during 2025-26 compared with the previous year. General waste increased by 5.1%, co-mingled recycling increased by 2.3%, and FOGO collections increased significantly by 15.9%. These increases were recorded across all member councils and contributed to an improved landfill diversion rate of 62%.

The strong growth in FOGO collections was largely attributed to wetter-than-average winter and spring conditions, which resulted in increased volumes of garden organic material being presented for collection. As a result, kerbside diversion rates increased to 62%, reinforcing the effectiveness of the region's resource recovery programs and reducing the proportion of material sent to landfill.

Long-Term Trends

The long-term collection data, illustrated in the graph below, continues to demonstrate positive trends in waste management outcomes, including increased resource recovery and a gradual reduction in the proportion of material disposed to landfill.

During the year, the Board also reviewed an analysis of kerbside bin weights over the past five years. The study found that the average weight of general waste bins remained relatively stable at 11.45 kilograms per collection, fluctuating between 11.23 kilograms and 11.73 kilograms. In contrast, the average weight of co-mingled recycling bins declined from 9.24 kilograms to 8.00 kilograms per collection over the same period. FOGO bin weights varied between 19.16 kilograms and 21.22 kilograms per collection, reflecting seasonal factors and community participation rates.

These results indicate that residents continue to make effective use of the FOGO service, supporting higher resource recovery rates and contributing to the region's overall waste diversion objectives.

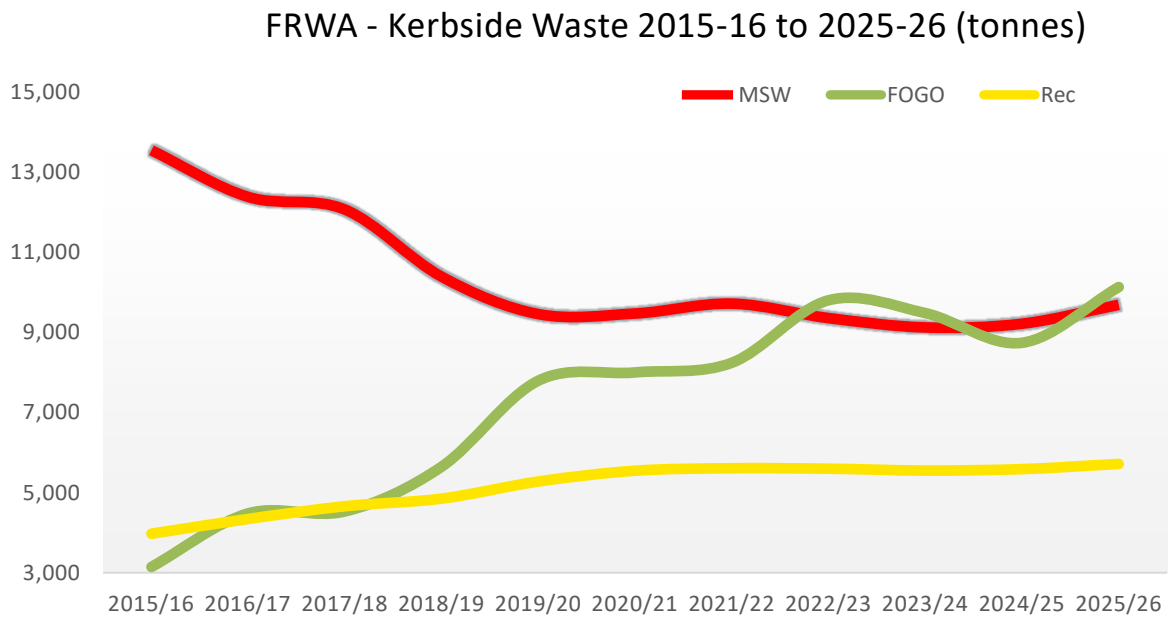
Additional Bin Services

Demand for additional bin collection services continued to grow during 2025-26, with the number of subscribed services increasing by 24% compared to the previous year. FRWA now provides 1,675 additional bin collection services across the region, reflecting increasing community demand for flexible waste management solutions.

This growth has been supported by the efforts of FRWA's collection drivers, who ensure that only authorised additional bins are serviced, and by the customer service team, who actively promote the availability and benefits of the program to residents.

To further enhance customer service, FRWA introduced a Bin Delivery Service during 2025-26. The new service provides convenient delivery of bins to residents who are unable to collect them from FRWA depots. During its first year of operation, 504 bins were delivered to households across the region.

The introduction of the Bin Delivery Service has expanded the range of services available to the community while generating a modest increase in revenue. Importantly, the service has been delivered with minimal additional operating costs, demonstrating FRWA's commitment to improving customer convenience and service delivery in a cost-effective manner.



Waste by numbers

Kerbside collections

COUNCIL	MSW	FOGO	RECYCLING	DIVERSION from landfill
Kangaroo Island	883t +9%	537t +36%	566t +8%	56% +2%
Victor Harbor	2745t +5%	3246t +16%	1652t 0%	64% +1%
Yankalilla	1089t +6%	1111t +12%	606t -2%	61% 0%
Alexandrina	4966t +4%	5230t +15%	2889t +4%	62% +1%
Total (tonnes)	9682t +5%	10125t +16%	5713t +2%	62% +1%

*Tonnes of kerbside waste collected between July 2025 – June 2026 compared to the same period last year.

28% reduction in kerbside general waste since 2015/16

322% increase in kerbside FOGO since 2015/16

69,521 paying customers at mainland Waste and Recycling Depots

2,092,716 bins collected

504 New bins delivered

13986m^3 of mulch produced

Waste and Recycling Depots

FRWA's Waste and Recycling Depots continue to provide an important and valued service to the community.

Overall, the depots experienced a more stable year, with customer numbers and revenue remaining steady.

In October 2025, the Goolwa Waste and Recycling Depot was impacted by a lithium-ion battery fire, which destroyed the northern half of the waste transfer shed.

The site was closed for several days, and the waste transfer shed remained closed for two weeks while safety works were completed.

Using existing infrastructure, site staff and management established temporary drop-off areas for general waste and a new green waste area west of the waste transfer shed. These measures enabled the site to operate safely and effectively during the peak summer period.

Due to reduced holding capacity, an additional loader was required to move material through the facility.

Reconstruction of the waste transfer shed is scheduled to begin in September 2026, with completion expected before Christmas 2026.

The fire occurred despite depot signage, multi-platform education campaigns and gatehouse staff asking customers about batteries. The incident highlights the need for stronger state and federal legislation to reduce the risk of battery-related fires in the community.

FRWA also considered and supported an Australian Council of Recycling initiative to develop a nationwide education campaign on the dangers of lithium-ion batteries; however, the initiative did not receive sufficient industry support to proceed.

All smaller Waste and Recycling Depots returned budget surpluses, supported by increased revenue and expenditure at or below budget. Revenue at the Kangaroo Island Resource Recovery Centre exceeded forecast due to several large one-off commercial projects, while the Yankalilla Waste and Recycling Depot also exceeded forecast returns through increased mulch sales and organic waste fees and charges.

The Strathalbyn Depot continued to record growth in customer numbers and revenue, with site operators effectively managing congestion and improving customer service.

Organic waste continues to provide opportunities for cost savings and new product development. During the year, FRWA commenced a trial to recycle FOGO at the Goolwa Depot. This work is ongoing, with positive outcomes expected later in 2026.

Waste Education and Projects

FRWA provides waste and recycling services to approximately 50,000 people, which can double during peak holiday periods. Reaching this diverse and fluctuating audience regarding waste and recycling collections, services and best practises is an ongoing challenge.

Effective communication with residents, visitors and customers continues to be a key focus. FRWA utilises a broad range of communication channels including social media (Facebook), the FRWA website, FRWA and council newsletters, the My Local Services App (not supported by City of Victor Harbor), on-hold telephone messaging, Google Business updates, signage/banners/truck livery, local media, bin stickers, direct contact and community engagement presentations.

Main projects, communication efforts and waste education focus for 2025-2026 included:

- 'Don't dump household rubbish in public bins' focus over summer peak
- 'Was this you?' Facebook posts highlighting specific occurrences of very dangerous waste presentation issues (e.g. full gas bottles and ammunition)
- The transition away from blanket distribution of printed calendars to more environmentally friendly options in the District Council of Yankalilla
- A schedule change in the kerbside collections for District Council of Yankalilla that included swapping collection weeks for all District Council of Yankalilla properties, including an All 3 bins collection week to ensure no excess waste build-up
- Wattle Flat area changes to the collection day from a Friday to a Thursday
- Promotion and advocacy of ChemClear collection opportunities in SA
- Bin presentation guidelines for safer and more effective collections
- Goolwa Depot closure due to fire
- Battery safety
- 'Keep your holiday beautiful' – targeted waste tips for holiday homes and businesses
- City of Victor Harbor Exceptional Circumstances Bin renewals
- Groundwork and communication of the Alexandrina transition of EC bin renewals
- Half-price green disposal weekends pre-fire season
- Public holidays and summer peak
- New truck livery
- Price increases
- 'Non-compliance sticker' for driver use
- Automation of letter generation from website for additional and EC bin renewals

Several waste education presentations were held during the year:

- Clayton Bay Community Hall
- Rosetta Village
- Encounter Bay Rotary Club
- American River Progress Association
- Kangaroo Island Council
- Ligurian Ladies CWA


Was this you?
You could have killed somebody!

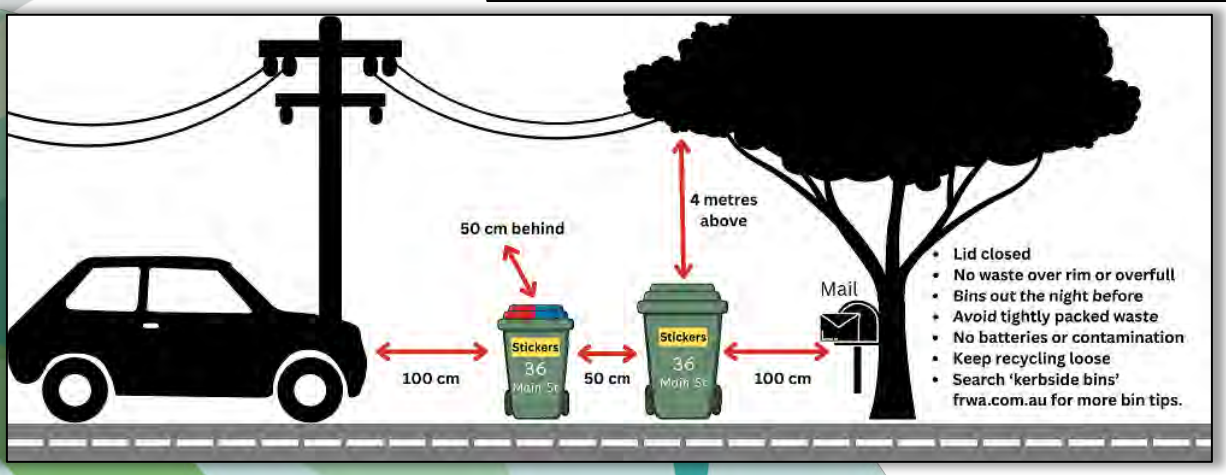

KEEP YOUR
HOLIDAY BEAUTIFUL
Your waste ethics shouldn't take a holiday
Bin collection day: _____ (bins out night before)
frwa.com.au


Fleurieu Regional Waste Authority
Residents, holidaymakers & busi
Don't risk a fine
Placing household, bulk or commercial waste in any public litter bin is prohibited


What Goes Where?
Learn about recycling...
Sat July 12th 10:30
Community Hall
FREE!
Sausage Sizzle after
All Welcome


Don't waste it


LOVE WHERE
WE LIVE
LET'S KEEP IT BEAUTIFUL


4 metres above
50 cm behind
Mail
100 cm
50 cm
100 cm
Stickers
36
Main St
Lid closed
No waste over rim or overfull
Bins out the night before
Avoid tightly packed waste
No batteries or contamination
Keep recycling loose
Search 'kerbside bins'
frwa.com.au for more bin tips.

FLEURIEU REGIONAL WASTE AUTHORITY

Financial Statements

Fleurieu Regional Waste Authority

GENERAL PURPOSE FINANCIAL STATEMENTS

for the year ended 30 June 2026

FLEURIEU REGIONAL WASTE AUTHORITY

Fleurieu Regional Waste Authority

General Purpose Financial Statements

for the year ended 30 June 2026

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Fleurieu Regional Waste Authority

General Purpose Financial Statements

for the year ended 30 June 2026

Certification of Financial Statements

We have been authorised by the Authority 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 Authority'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 Authority provide a reasonable assurance that the Authority's financial records are complete, accurate and reliable and were effective throughout the financial year,
- the financial statements accurately reflect the Authority's accounting and other records.

Simon Grenfell
Executive Officer

23 September 2026

Michael Kelledy
Chair of the Board

23 September 2026

Fleurieu Regional Waste Authority

Statement of Comprehensive Income

for the year ended 30 June 2026

$ '000	Notes	2026	2025
Income			
User charges	4a	14,085	13,990
Grants, subsidies and contributions - operating	4e	65	45
Investment income	4b	1	2
Reimbursements	4c	17	157
Other income	4d	653	31
Total income		14,821	14,225
Expenses			
Employee costs	5a	4,509	4,645
Materials, contracts and other expenses	5b	8,583	9,636
Depreciation and amortisation	5c	1,363	1,140
Finance costs	5d	772	634
Total expenses		15,227	16,055
Operating surplus / (deficit)		(406)	(1,830)
Asset disposal and fair value adjustments	6	(327)	126
Net surplus / (deficit)		(733)	(1,704)
Total comprehensive income		(733)	(1,704)

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

Fleurieu Regional Waste Authority

Statement of Financial Position

as at 30 June 2026

$ '000	Notes	2026	2025
ASSETS			
Current assets			
Cash and cash equivalent assets	7a	114	255
Trade and other receivables	7b	953	1,088
Inventories	7c	72	85
Total current assets		1,139	1,428
Non-current assets			
Infrastructure, property, plant and equipment	8	5,941	4,985
Right of use assets	13a	2,320	2,698
Total non-current assets		8,261	7,683
TOTAL ASSETS		9,400	9,111
LIABILITIES			
Current liabilities			
Trade and other payables	9a	2,322	2,170
Borrowings	9b	317	402
Lease liabilities	13b	137	149
Provisions	9c	5,395	4,900
Total current liabilities		8,171	7,621
Non-current liabilities			
Borrowings	9b	12,083	11,351
Lease liabilities	13b	2,406	2,645
Provisions	9c	72	93
Total non-current liabilities		14,561	14,089
TOTAL LIABILITIES		22,732	21,710
Net assets		(13,332)	(12,599)
EQUITY			
Accumulated surplus		(13,332)	(12,599)
Total equity		(13,332)	(12,599)

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

Fleurieu Regional Waste Authority

Statement of Changes in Equity

for the year ended 30 June 2026

$ '000	Accumulated surplus	Total equity
2026		
Balance as at 1 July	(12,599)	(12,599)
Net surplus / (deficit) for year	(733)	(733)
Balance at the end of period	(13,332)	(13,332)
2025		
Balance as at 1 July	(10,895)	(10,895)
Net surplus / (deficit) for year	(1,704)	(1,704)
Balance at the end of period	(12,599)	(12,599)

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

Fleurieu Regional Waste Authority

Statement of Cash Flows

for the year ended 30 June 2026

$ '000	Notes	2026	2025
Cash flows from operating activities			
Receipts			
User charges		15,728	14,394
Grants, subsidies and contributions		65	49
Investment receipts		1	2
Reimbursements		17	157
Other receipts		805	834
Payments			
Payments to employees		(4,472)	(4,622)
Payments for materials, contracts and other expenses		(9,657)	(10,749)
Finance payments		(756)	(604)
Net cash provided by (or used in) operating activities	10b	1,731	(539)
Cash flows from investing activities			
Receipts			
Sale of replaced assets		96	186
Payments			
Expenditure on renewal/replacement of assets		(2,390)	(1,868)
Expenditure on new/upgraded assets		(143)	(432)
Net cash provided (or used in) investing activities		(2,437)	(2,114)
Cash flows from financing activities			
Receipts			
Proceeds from loans		1,049	2,778
Payments			
Repayments of loans		(402)	(522)
Repayment of lease liabilities		(82)	(149)
Net cash provided by (or used in) financing activities		565	2,107
Net increase (decrease) in cash held		(141)	(546)
plus: cash & cash equivalents at beginning of period		255	801
Cash and cash equivalents held at end of period	10a	114	255

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

Fleurieu Regional Waste Authority

Notes to and forming part of the Financial Statements

for the year ended 30 June 2026

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Fleurieu Regional Waste Authority

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 in the preparation of these consolidated 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 14 of the *Local Government (Financial Management) Regulations 2011* dated 23 September 2026

1.2 Historical cost convention
Except as stated below, these financial statements have been prepared in accordance with the historical cost convention.

1.3 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 the Authority'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.

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

(2) The local government reporting entity

The Fleurieu Regional Waste Authority is incorporated under the SA Local Government Act 1999 and has its principal place of business at 1226 Port Elliot Road, Goolwa, South Australia. These consolidated financial statements include the Authority's direct operations and all entities through which the Authority controls resources to carry on its functions. In the process of reporting on the Authority as a single unit, all transactions and balances between activity areas and controlled entities have been eliminated.

(3) Income recognition

The Authority 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 Authority expects to be entitled in a contract with a customer.

In other cases, AASB 1058 applies when the Authority 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 Authority to acquire or construct a recognisable non-financial asset that is to be controlled by the Authority. In this case, the Authority 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.

Council Contributions
Revenue from Council contributions is recognised as the services are performed over the financial year.

Waste Disposal Operations
Revenue from waste disposal operations is recognised at the point in time the service is provided to the customer.

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Fleurieu Regional Waste Authority

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

Note 1. Summary of Material Accounting Policies (continued)

(4) Cash, cash equivalents and other financial instruments

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

Other Financial Instruments
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 also form part of Note 11.

(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.

(6) Infrastructure, property, plant and equipment

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 Authority includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overhead.

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 the Authority 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. No capitalisation threshold is applied to the acquisition of land or interests in land.

6.3 Subsequent recognition
Following initial recognition, items of property, plant and equipment are carried at cost less accumulated depreciation and accumulated impairment losses (the Cost Model).

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 the Authority, 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.

Depreciation periods for infrastructure assets have been estimated based on the best information available to the Authority, 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.

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 the Authority were deprived thereof, are not subject to impairment testing.

The carrying amount of property, plant and equipment is reviewed for indicators of impairment at each reporting date. Where indicators of impairment exist, the asset's recoverable amount is estimated and an impairment loss is recognised immediately in profit or loss where the carrying amount exceeds the recoverable amount.

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Fleurieu Regional Waste Authority

Notes to and forming part of the Financial Statements

for the year ended 30 June 2026

Note 1. Summary of Material Accounting Policies (continued)

(7) Payables

7.1 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.

7.2 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 the Authority assets, are recognised as liabilities until the service is delivered or damage reinstated, or the amount is refunded as the case may be.

7.3 Contract liabilities

Contract liabilities represent the Authority's obligation to transfer goods and services to a customer and are recognised when a customer pays consideration, or when the Authority recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the Authority has transferred the goods or services to the customer.

(8) 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”. Interest free loans are initially recognised at fair value with any difference between fair value and proceeds recognised in the profit and loss. The loan is subsequently measured at amortised cost with interest being recognised using the effective interest rate method.

(9) Provisions

9.1 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 Employee Benefits.*

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 1.3% (2025, 1.27%)
Weighted avg. settlement period 1.9 years (2025, 2.0 years)

No accrual is made for sick leave as the Authority 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. The Authority does not make payment for untaken sick leave.

9.2 Superannuation

The Authority 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 the Authority’s involvement with the schemes are reported in Note 14.

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Fleurieu Regional Waste Authority

Notes to and forming part of the Financial Statements

for the year ended 30 June 2026

Note 1. Summary of Material Accounting Policies (continued)

(10) Leases

The Authority 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.

The Authority as a lessee

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

i) Right-of-Use-Assets

The Authority recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received and the estimate of costs to be incurred to restore the leased asset. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Building and Structures: 15 years

The right-of-use assets are also subject to impairment. Refer to the accounting policies above - Impairment of non-financial assets.

ii) Lease Liabilities

At the commencement date of the lease, the Authority recognises lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Authority uses its incremental borrowing rate or the interest rate implicit in the lease.

iii) Short-term leases and leases of low-value assets

The Authority 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 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 an expense on a straight-line basis over the lease term.

Note 2. Financial indicators

$ '000	Amounts 2026	Indicator 2026	Indicators 2025	Indicators 2024
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	**(406)**	**(2.7)%**	(12.9)%	(15.8)%
Total operating income	**14,821**			
This ratio expresses the operating surplus as a percentage of total operating revenue.				
2. Net Financial Liabilities Ratio				

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Fleurieu Regional Waste Authority

Notes to and forming part of the Financial Statements

for the year ended 30 June 2026

Note 2. Financial indicators (continued)

$ '000	Amounts 2026	Indicator 2026	Indicators 2025	Indicators 2024
Net financial liabilities	21,665	146%	143%	135%
Total operating income	14,821			

Net Financial Liabilities are defined as total liabilities less financial assets. These are expressed as a percentage of total operating revenue.

3. Asset Renewal Funding Ratio

Asset renewals	2,393	94%	118%	11%
Infrastructure and Asset Management Plan required expenditure	2,551			

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.

Fleurieu Regional Waste Authority

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 Authority prepared on a simplified Uniform Presentation Framework basis.		
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		
User charges	14,085	13,990
Grants, subsidies and contributions - operating	65	45
Investment income	1	2
Reimbursements	17	157
Other income	653	31
Total Income	14,821	14,225
Expenses		
Employee costs	(4,509)	(4,645)
Materials, contracts and other expenses	(8,583)	(9,636)
Depreciation, amortisation and impairment	(1,363)	(1,140)
Finance costs	(772)	(634)
Total Expenses	(15,227)	(16,055)
Operating surplus / (deficit)	(406)	(1,830)
Adjusted Operating surplus / (deficit) before capital amounts	(406)	(1,830)
Net outlays on existing assets		
Capital expenditure on renewal and replacement of existing assets	(2,390)	(1,868)
Finance lease principal payments for right of use assets on existing assets	(81)	(149)
Add back depreciation, amortisation and impairment	1,363	1,140
Add back proceeds from sale of replaced assets	96	186
	(1,012)	(691)
Net outlays on new and upgraded assets		
Capital expenditure on new and upgraded assets (including investment property and real estate developments)	(143)	(432)
	(143)	(432)
Adjusted annual net impact to financing activities (surplus/(deficit))	(1,561)	(2,953)

Fleurieu Regional Waste Authority

Notes to and forming part of the Financial Statements

for the year ended 30 June 2026

Note 4. Income

$ '000	2026	2025
(a) User charges		
Council contributions	9,742	9,457
Waste disposal operations	4,343	4,533
Total user charges	14,085	13,990
(b) Investment income		
Interest on investments		
- Local Government Finance Authority	1	2
Total investment income	1	2
(c) Reimbursements		
Other	17	157
Total reimbursements	17	157
(d) Other income		
Insurance and other recoupments - infrastructure, property, plant and equipment	618	–
Sundry	35	31
Total other income	653	31
(e) Grants, subsidies and contributions		
Other grants, subsidies and contributions	65	45
Other grants, subsidies and contributions - operating		
Total other grants, subsidies and contributions - operating	65	45
Total grants, subsidies and contributions	65	45
(i) Sources of grants		
State Government	62	45
Other	3	–
Total	65	45

Fleurieu Regional Waste Authority

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		3,480	3,662
Employee leave expense		309	346
Superannuation - defined contribution plan contributions	14	393	390
Superannuation - defined benefit plan contributions	14	18	19
Workers' compensation insurance		227	136
Other employee related costs		82	92
Total operating employee costs		4,509	4,645
Total number of employees (full time equivalent at end of reporting period)		34	37
(b) Materials, contracts and other expenses			
(i) Prescribed expenses			
Auditor's remuneration			
- Auditing the financial reports		18	22
Bad and doubtful debts		2	4
Board members' expenses		75	51
Subtotal - prescribed expenses		95	77
(ii) Other materials, contracts and expenses			
Contractors		1,990	2,177
Energy		918	812
Maintenance		1,006	1,072
Legal expenses		2	10
Parts, accessories and consumables		203	161
Professional services		295	104
Sundry		516	550
Waste disposal		2,597	2,332
Provision for remediation costs		961	2,341
Subtotal - Other material, contracts and expenses		8,488	9,559
Total materials, contracts and other expenses		8,583	9,636
(c) Depreciation and amortisation			
Buildings and other structures		3	3
Plant, machinery and equipment		1,101	894
Office equipment, furniture and fittings		50	52
Right-of-use assets		209	191
Total depreciation and amortisation		1,363	1,140

continued on next page ...

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

Note 5. Expenses (continued)

$ '000	2026	2025
(d) Finance costs		
Interest on loans	599	486
Interest on leases	173	148
Total finance costs	772	634

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	96	184
Less: carrying amount of assets sold	(423)	(58)
Gain (loss) on disposal	(327)	126
Net gain (loss) on disposal or revaluation of assets	(327)	126

Note 7. Current assets

$ '000	2026	2025
(a) Cash and cash equivalent assets		
Cash on hand at bank	114	254
Deposits at call	–	1
Total cash and cash equivalent assets	114	255
(b) Trade and other receivables		
Debtors - general	173	371
Debtors - member Councils	751	703
Prepayments	32	17
Less: provision for expected credit losses	(3)	(3)
Total trade and other receivables	953	1,088
(c) Inventories		
Stores and materials	72	85
Total inventories	72	85

Fleurieu Regional Waste Authority

Notes to and forming part of the Financial Statements

for the year ended 30 June 2026

Note 8. Infrastructure, property, plant & equipment and investment property

Infrastructure, property, plant and equipment

	as at 30/06/25			Asset movements during the reporting period				as at 30/06/26		
$ '000	At Cost	Accumulated Depreciation	Carrying amount	Asset Additions New / Upgrade	Asset Additions Renewals	WDV of Asset Disposals	Depreciation Expense (Note 5c)	At Cost	Accumulated Depreciation	Carrying amount
Buildings and other structures	122	(5)	117	–	–	–	(3)	122	(8)	114
Plant, machinery and equipment	10,028	(5,251)	4,777	143	2,393	(425)	(1,101)	10,789	(5,002)	5,787
Office equipment, furniture and fittings	209	(118)	91	–	–	–	(50)	209	(169)	40
Total infrastructure, property, plant and equipment	10,359	(5,374)	4,985	143	2,393	(425)	(1,154)	11,120	(5,179)	5,941
Comparatives	11,766	(5,168)	6,598	393	1,698	58	(949)	10,359	(5,374)	4,985

Fleurieu Regional Waste Authority

Notes to and forming part of the Financial Statements

for the year ended 30 June 2026

Note 9. Liabilities

$ '000	2026 Current	2026 Non Current	2025 Current	2025 Non Current
(a) Trade and other payables				
Goods and services	691	–	791	–
Payments received in advance	1,073	–	812	–
Accrued expenses - employee entitlements	75	–	107	–
Accrued expenses - finance costs	168	–	152	–
Accrued expenses - other	152	–	168	–
GST payable	163	–	140	–
Total trade and other payables	2,322	–	2,170	–
(b) Borrowings				
Loans	317	12,083	402	11,351
Total Borrowings	317	12,083	402	11,351

All interest bearing liabilities are secured over the future revenues of the Authority

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Fleurieu Regional Waste Authority

Notes to and forming part of the Financial Statements

for the year ended 30 June 2026

Note 9. Liabilities (continued)

$ '000	2026 Current	2026 Non Current	2025 Current	2025 Non Current
(c) Provisions				
Employee entitlements (including oncosts)	502	72	412	93
Rock crushing	282	–	230	–
Remediation costs	4,611	–	4,258	–
Total provisions	5,395	72	4,900	93
Amounts included in trade and other payables that are not expected to be settled within 12 months of reporting date	72	–	93	–

In March 2021, the Authority undertook testing of its recycled road base material at the Goolwa Waste and Recycling Depot and found that the stockpile contained asbestos. The Authority notified the South Australian Environment Protection Authority in March 2021 and engaged a consultant to assist in the coordination and removal of asbestos containing material from identified properties in South Australia, in accordance with specific remediation plans.

A provision for remediation costs was recognised at 30 June 2021 and represents the Board's best estimate of the costs that may be incurred in relation to the coordination and removal of asbestos containing material from identified properties. Further provisions were made in subsequent years as more detailed information becomes available and as costs increase.

Remediation works commenced in July 2021 and have continued during the financial year ended 30 June 2026. The Board estimates that the remediation works will be completed in the next 12 months.

The Authority's Board approved the retention of surplus contributions for each constituent of the Authority to fund the asbestos contaminated material remediation project, until net Equity returns to positive values.

Movements in provisions

2026 (current and non-current) $ '000	Provision for rock crushing 2026	Provision for remediation costs 2026	Leave and other provision 2026
Opening balance	230	4,258	505
Add: additional amounts recognised	52	648	285
(Less): payments	–	(295)	(216)
Closing balance	282	4,611	574

Fleurieu Regional Waste Authority

Notes to and forming part of the Financial Statements

for the year ended 30 June 2026

Note 10. 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	114	255
Balances per Statement of Cash Flows		114	255
(b) Reconciliation of Operating Result			
Net surplus/(deficit)		(733)	(1,704)
Non-cash items in income statements			
Depreciation, amortisation and impairment		1,363	1,140
Net (gain)/loss on disposals		327	(126)
Right of Use Interest (non-cash)		–	147
		957	(543)
Add (less): changes in net current assets			
Net (increase)/decrease in receivables		135	(839)
Change in allowances for under-recovery of receivables		–	2
Net (increase)/decrease in inventories		13	(20)
Net increase/(decrease) in trade and other payables		152	532
Net increase/(decrease) in unpaid employee benefits		69	(30)
Net increase/(decrease) in other provisions		405	359
Net cash provided by (or used in) operations		1,731	(539)
(c) Financing arrangements			
Unrestricted access was available at balance date to the following lines of credit:			
Corporate credit cards		10	10
Cash advance facilities		6,515	2,201

Fleurieu Regional Waste Authority

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

Note 11. 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 and conditions:
Deposits are returning fixed interest rates between 3.90% and 4.65% (2025: 0.09% and 4.65%).

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

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. The Authority is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Authority's boundaries.

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

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 Authority.

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

Carrying amount:
Approximates fair value.

Liabilities - interest bearing borrowings

Accounting policy:
Initially recognised at fair value and subsequently at amortised cost using the effective interest rate.

Terms and conditions:
Secured over future revenues, borrowings are repayable in six-monthly instalments; interest is charged at fixed rates between 2.45% and 3.75% (2025: 1.80% and 4.0%) and cash advanced debentures require interest only at variable rates between 5.25% and 5.85% (2025: 5.50% and 6.15%).

Carrying amount:
Approximates fair value.

Liabilities - leases

Accounting policy:
Accounted for in accordance with AASB 16 as stated in Note 13.

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Fleurieu Regional Waste Authority

Notes to and forming part of the Financial Statements

for the year ended 30 June 2026

Note 11. 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	114	–	–	114	114
Receivables	924	–	–	924	924
Total financial assets	1,038	–	–	1,038	1,038
Financial liabilities					
Payables	1,249	–	–	1,249	1,249
Current borrowings	462	–	–	462	317
Non-current borrowings	–	8,836	3,924	12,760	12,083
Lease liabilities	295	1,219	2,183	3,697	2,543
Total financial liabilities	2,006	10,055	6,107	18,168	16,192
Total financial assets and liabilities	3,044	10,055	6,107	19,206	17,230
2025					
Financial assets					
Cash and cash equivalents	255	–	–	255	255
Receivables	1,074	–	–	1,074	1,074
Total financial assets	1,329	–	–	1,329	1,329
Financial liabilities					
Payables	1,230	–	–	1,230	1,230
Current borrowings	561	–	–	561	402
Non-current borrowings	–	4,180	8,072	12,252	11,351
Lease liabilities	299	1,197	2,434	3,930	2,794
Total financial liabilities	2,090	5,377	10,506	17,973	15,777
Total financial assets and liabilities	3,419	5,377	10,506	19,302	17,106

The following interest rates were applicable to the Authority's borrowings at balance date:

	2026		2025	
$ '000	Weighted Avg Interest Rate	Carrying Value	Weighted Avg Interest Rate	Carrying Value
Other variable rates	5.85%	8,450	4.97%	10,195
Fixed interest rates	3.74%	3,950	3.79%	1,558
		12,400		11,753

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 Authority.

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Fleurieu Regional Waste Authority

Notes to and forming part of the Financial Statements

for the year ended 30 June 2026

Note 11. Financial instruments (continued)

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 Authority is the carrying amount, net of any impairment. All Authority investments are made with the SA Local Government Finance Authority and are guaranteed by the SA Government. Except as detailed in Notes 7 and 8 in relation to individual classes of receivables, exposure is concentrated within the Authority's boundaries, and there is no material exposure to any individual debtor.

Market Risk is the risk that fair values of financial assets will fluctuate as a result of changes in market prices. All of the Authority'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 the Authority 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. The Authority 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. The Authority 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.

Expected credit losses (ECL)

The Authority uses an allowance matrix to measure expected credit losses ('ECLs') for receivables from individual customers, which comprise a large number of small balances. The following table provides information about the Authority's ECLs from receivables (excluding GST and other amounts held in trust). Impairment analysis is performed each reporting date. ECLS are based on credit history adjusted for forward looking estimates and economic conditions.

$ '000	ECL Rate	Gross carrying amount	Expected Loss
2026			
Current (not past due)	0.0%	848	–
Past due 1-30 days	0.0%	17	–
Past due 31-60 days	0.0%	6	–
Past due 61 days +	75.0%	4	3
		875	3
2025			
Current (not past due)	0.0%	283	–
Past due 1-30 days	0.0%	213	–
Past due 31-60 days	0.0%	11	–
Past due 61 days +	14.5%	22	3
		529	3

Set out below is the movement in the allowance for expected credit losses:

$ '000	2026	2025
As at 1 July	3	1
Provisions	–	3
Write-off	–	(1)
As at 30 June	3	3

Fleurieu Regional Waste Authority

Notes to and forming part of the Financial Statements

for the year ended 30 June 2026

Note 12. Capital expenditure and investment property commitments

$ '000	2026	2025
Capital commitments		
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:		
Plant and equipment	2,230	2,444
	2,230	2,444
These expenditures are payable:		
Not later than one year	2,230	2,444
	2,230	2,444

Fleurieu Regional Waste Authority

Notes to and forming part of the Financial Statements

for the year ended 30 June 2026

Note 13. Leases

(i) The Authority as a lessee

Terms and conditions of leases

Buildings & Other Structures
The Authority entered in to leases starting on 01/09/2023 for Waste and Recycling Depot premises located at Goolwa and Strathalbyn. The leases are for an initial term of five years, with two rights of renewal of five years each. Both leases have an annual increase in payment, based on the Australian Consumer Price Index ('CPI').

Set out below are the carrying amounts and movements during the period of right-of-use assets.

(a) Right of use assets

$ '000	Buildings & Other Structures	Total
2026		
Opening balance	2,698	2,698
Adjustments to right-of-use assets due to re-measurement of lease liability	(169)	(169)
Depreciation charge	(209)	(209)
Balance at 30 June	2,320	2,320
2025		
Opening balance	2,697	2,697
Adjustments to right-of-use assets due to re-measurement of lease liability	192	192
Depreciation charge	(191)	(191)
Balance at 30 June	2,698	2,698

(b) Lease liabilities

Set out below are the carrying amounts of lease liabilities (included under interest-bearing loans and borrowings) and the movements during the period:

$ '000	2026	2025
Balance at 1 July	2,794	2,751
Accretion of interest	173	149
Payments	(255)	(298)
Adjustments to right-of-use liabilities due to re-measurement	(169)	192
Balance at 30 June	2,543	2,794
Classified as:		
Current	137	149
Non-current	2,406	2,645

The maturity analysis of lease liabilities is included in Note 11.
The Group had total cash outflows for leases of $254k.
The following are the amounts recognised in profit or loss:

Depreciation expense of right-of-use assets	209	191
Interest expense on lease liabilities	173	148
Total amount recognised in profit or loss	382	339

Notes to and forming part of the Financial Statements

for the year ended 30 June 2026

Note 14. Superannuation

The Authority makes employer superannuation contributions in respect of its employees to Hostplus (formerly Local Government Superannuation Scheme and Statewide Super). 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 (12.0% in 2025/26; 11.5% in 2024/25). No further liability accrues to the Authority 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 Authority 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, the Authority 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), The Authority 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 2023. 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 the Authority's contribution rates at some future time.

Contributions to other superannuation schemes

The Authority 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 Authority.

Note 15. Contingent Assets & Contingent Liabilities

At times there are contingencies, assets and liabilities that do not qualify for recognition in the Balance Sheet but knowledge of those items is considered relevant to the user of the financial report in making and evaluating decisions about the allocation of scarce resources. From our knowledge there are no known contingencies, assets or liabilities that should be disclosed that have not been included in the Balance Sheet.

Fleurieu Regional Waste Authority

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

Note 16. Related party transactions

Key management personnel

Transactions with key management personnel

The Key Management Personnel of the Authority include the Independent Board Chair, Independent Board Members, Independent Members of the Audit and Risk Committee, Executive Officer and certain prescribed officers under Section 112 of the Local Government Act 1999. In all, 8 persons (2025: 8 persons) were paid the following total compensation:

$ '000	2026	2025
The compensation paid to key management personnel comprises:		
Short-term employee benefits	444	508
Post-employment benefits	44	46
Long-term benefits	39	6
Termination benefits	11	–
Total	538	560

The Fleurieu Regional Waste Authority is a regional subsidiary established pursuant to Section 43 of the Local Government Act 1999.

The equitable interest of the Constituent Councils in the Authority is as follows:
- Alexandrina Council 48%
- City of Victor Harbor 30%
- Kangaroo Island Council 12%
- District Council of Yankalilla 10%.

Council contributions toward the operations of the Fleurieu Regional Waste Authority are set out in Note 4.

Trade and other payables disclosed in Note 9 includes amounts owed to the Constituent Councils from the Authority of $120.2k, and payments received in advance from the Councils of $1.0m.

Trade and other receivables disclosed in Note 7 includes amounts owed from the Constituent Councils of $751.3k.

The leases outlined in Note 13 pertain to Alexandrina Council.

Note 17. Economic dependence

A provision for remediation costs of $4,611k has been recognised at 30 June 2026 (2025: $4,258k) (refer to Note 9). As a result, the Authority's current liabilities exceed its current assets at 30 June 2026 by $6,958k (2025: $6,193k) and the Authority has a net deficiency of $13,332k (2025: $12,599k).

The financial statements of the Authority have been prepared on a going concern basis as its Charter includes a requirement for additional financial contributions to be made by the Constituent Councils due to the insufficient working capital available to meet the Authority's estimated financial obligations, and in accordance with Section 31 of Part 2 of Schedule 2 of the Local Government Act 1999, the liabilities incurred by a regional subsidiary are guaranteed by the Constituent Councils.

Bentleys SA Audit Partnership
Level 5
63 Pirie Street
Adelaide SA 5000

GPO Box 939
Adelaide SA 5001

ABN 43 877 091 903

T +61 8 8372 7900
F +61 8 8372 7999

admin@adel.bentleys.com.au
bentleys.com.au

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE FLEURIEU REGIONAL WASTE AUTHORITY

Opinion

We have audited the accompanying financial report of the Fleurieu Regional Waste Authority, which comprises the statement of financial position as at 30 June 2026, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material 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 Fleurieu Regional Waste Authority 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 entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (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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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 at https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf.
This description forms part of our auditor's report.

BENTLEYS SA AUDIT PARTNERSHIP



DAVID FRANCIS
PARTNER

Dated at Adelaide this 23rd day of September 2026

Bentleys SA Audit Partnership
Level 5
63 Pirie Street
Adelaide SA 5000

GPO Box 939
Adelaide SA 5001

ABN 43 877 091 903

T +61 8 8372 7900
F +61 8 8372 7999

admin@adel.bentleys.com.au
bentleys.com.au

INDEPENDENT ASSURANCE REPORT ON INTERNAL CONTROLS OF FLEURIEU REGIONAL WASTE AUTHORITY

Opinion

We have audited the compliance of the Fleurieu Regional Waste Authority (the Authority) with the requirements of *Section 125 of the Local Government Act 1999* in relation to the Internal Controls established by the Authority 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 Authority has complied, in all material respects, with *Section 125 of the Local Government Act 1999* in relation to Internal Controls, established by the Authority 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 Authority 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 Authority 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 Authority, 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.

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Advisors
Accountants
Auditors

The Authority's Responsibility for the Internal Controls

The Authority 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 Authority's compliance with *Section 125 of the Local Government Act 1999* in relation only to the Internal Controls established by the Authority 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 Authority 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 FRANCIS
PARTNER

Dated at Adelaide this 23rd day of September 2026

Fleurieu Regional Waste Authority

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 Fleurieu Regional Waste Authority for the year ended 30 June 2026, the Authority's Auditor, Bentleys, 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.*

Simon Grenfell
Chief Executive Officer

23rd September 2026

FLEURIEU REGIONAL WASTE AUTHORITY

ANNUAL 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 Fleurieu Regional Waste Authority for the year ended 30 June 2026, the Authority's Auditor, Bentleys SA Audit Partnership, 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*.

.....

Michael Kelledy
Chair of the Board
Fleurieu Regional Waste Authority

Date: 23 September 2026

FLEURIEU REGIONAL WASTE AUTHORITY

ANNUAL 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 Fleurieu Regional Waste Authority for the year ended 30 June 2026, the Authority's Auditor, Bentleys SA Audit Partnership, 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*.

.....

Peter Fairlie-Jones
Presiding Member Audit & Risk Committee
Fleurieu Regional Waste Authority

Date: 14/9/2026

FLEURIEU REGIONAL WASTE AUTHORITY

ANNUAL 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 Fleurieu Regional Waste Authority for the year ended 30 June 2026, the Authority's Auditor, Bentleys SA Audit Partnership, 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*.

.....

Simon Grenfell
CHIEF EXECUTIVE OFFICER
Fleurieu Regional Waste Authority

Date: 14 September 2026

FLEURIEU REGIONAL WASTE AUTHORITY

ANNUAL 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 Fleurieu Regional Waste Authority for the year ended 30 June 2026, the Authority's Auditor, Bentleys SA Audit Partnership, 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*.

.....
Andrew MacDonald
CHIEF EXECUTIVE OFFICER
Alexandrina Council

Date: 4 September 2026

FLEURIEU REGIONAL WASTE AUTHORITY

ANNUAL 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 Fleurieu Regional Waste Authority for the year ended 30 June 2026, the Authority's Auditor, Bentleys SA Audit Partnership, 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*.

.....
Graham Pathuis
ACTING CHIEF EXECUTIVE OFFICER
City of Victor Harbor

Date: 4 September 2026

FLEURIEU REGIONAL WASTE AUTHORITY

ANNUAL 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 Fleurieu Regional Waste Authority for the year ended 30 June 2026, the Authority's Auditor, Bentleys SA Audit Partnership, 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*.



…….
Nathan Cunningham
CHIEF EXECUTIVE OFFICER
District Council of Yankalilla

Date: 14 September 2026

FLEURIEU REGIONAL WASTE AUTHORITY

ANNUAL 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 Fleurieu Regional Waste Authority for the year ended 30 June 2026, the Authority's Auditor, Bentleys SA Audit Partnership, 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*.

.....
Daryl Buckingham
CHIEF EXECUTIVE OFFICER
Kangaroo Island Council

Date: 3 September 2026

Bentleys SA Audit Partnership
Level 5
63 Pirie Street
Adelaide SA 5000

GPO Box 939
Adelaide SA 5001

ABN 43 877 091 903

T +61 8 8372 7900
F +61 8 8372 7999

admin@adel.bentleys.com.au
bentleys.com.au

Certification of Auditor Independence

I confirm that, for the audit of the financial statements of Fleurieu Regional Waste Authority 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, Section 290, 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 Francis
Partner

Dated at Adelaide this 3rd of September 2026

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PO Box 2375, Goolwa SA 5214
1226 Port Elliot Road, Goolwa
Phone: (08) 8555 2467
www.frwa.com.au



Attachment Under Separate Cover

Ordinary Council Meeting – 26 October 2026

Agenda Item – Victor Harbor Horse Tram Authority 2025/26 Annual Report and Financial Statements

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VICTOR HARBOR
HORSE TRAM AUTHORITY

Annual Report 2025/26

CELEBRATING OUR HERITAGE • CONNECTING OUR COMMUNITY



Our Mission is to deliver historic experiences and create memories.

For year ending June 30 2026

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Introduction



Introduction from the Chairperson

It is once again a distinct pleasure to reflect on another year of progress at the Victor Harbor Horse Tram Authority. The 2025/26 year has been one of consolidation, resilience and achievement as we continue to strengthen this iconic Victor Harbor attraction while preserving its unique heritage.

Operating the Horse Tram is a complex undertaking, encompassing horse husbandry and training, pasture management, tourism, education, retail and visitor experiences. Throughout all of this, our guiding priority remains the welfare of our two greatest assets: Humans and Horses.

The year was not without its challenges. Weather and periods of horse illness resulted in unavoidable service disruptions; however, the Tram remained open for 308 days and completed approximately 1,700 tram runs. Every decision to suspend services is made with the welfare and safety of our horses, staff and visitors foremost in mind.

Importantly, we continued to strengthen our horse team. Three horses successfully progressed through the extensive training process to commence tram operations, a significant achievement given the time and expertise required to develop a suitable working tram horse. We also welcomed a generously donated foal and three no-cost horse lease arrangements, providing valuable opportunities to assess suitability while reducing financial risk.

There was also much to celebrate. Receiving Bronze at the 2025 South Australian Tourism Awards was wonderful recognition of the experience delivered by our team and the Horse Tram's place within South Australian tourism. Staff also completed Mental Health First Aid training, further strengthening the supportive culture across the organisation.

Our Stables Complex and behind-the-scenes experiences continue to develop, creating new ways for visitors to connect with our horses, people and heritage. The enthusiasm of our staff and volunteers remains one of our greatest strengths, and the care of our horses and presentation of our trams continue to reflect the pride taken across the organisation.

The Board remains focused on the Authority's long-term sustainability and our shared vision of making the Victor Harbor Horse Tram the world's leading horse-drawn tram experience.

As Chair, I sincerely thank my fellow Board members, the City of Victor Harbor, our volunteers, partners, sponsors, and community for their continued support. Finally, my deepest thanks go to General Manager Megan Whibley and the entire Horse Tram team for their dedication, professionalism and passion throughout another successful year.

There is much to be proud of and much to look forward to. Porro et sursum.

Nigel Catt

General Manager

Meg Whibley



The General Manager reports directly to the Board and is responsible for overseeing the operations of the Victor Harbor Horse Tram.

Meg has emerged as the driving force behind the VHHTA's direction and growth, overcoming every obstacle to establish stables for the horse tram and generate additional revenue streams, growing the humble Victor Harbor Tramway into three different business ventures. Her unwavering dedication has propelled the VHHTA's trajectory and development, effectively translating the Board's strategic vision into reality. She is pioneering fresh initiatives, services, and commercial avenues, catalysing growth, progress, and substantive transformation, safeguarding the VHHTA's future prosperity.

The General Manager is incredibly proud of the cohesive, talented and productive team the VHHTA has in its employ. Meg promotes a work culture of inclusivity, empowerment and collaboration, with a commitment to improving and upskilling employee capabilities and expertise, investing in the team that supports the Victor Harbor Horse Tram to be the nationwide attraction that it is today.

VICTOR HARBOR TRAMWAY

VICTOR HARBOR
HORSE TRAM AUTHORITY

- Our Year at a Glance -

CELEBRATING OUR HERITAGE CONNECTING OUR COMMUNITY

308 DAYS OPEN

1700 TRAM RUNS*
*approximately

DAYS CLOSED (57 IN TOTAL)

22 DAYS	26 DAYS	2 DAYS	1 DAY	1 DAY	5 DAYS
Horse Illness	Weather	Staff Training	Christmas Day	Environmental Issues	Closed Early (due to weather)

Our highest priority is the welfare of our horses and the safety of our team and the public

25/26 ACHIEVEMENT HIGHLIGHTS

2025 TOURISM ATTRACTION AWARD
Bronze Winner - recognised by Tourism SA

MENTAL HEALTH FIRST AID TRAINING
Our team is trained to support one another

3 NEW HORSES WORKING ON TRAM
After many months of training and care

NEW FOAL
Donated to our team

3 NEW NO-COST LEASES
Saving money and reducing risk



About Us



About the Victor Harbor Horse Tram

The Horse Tram has a rich history spanning 150 years, tracing its origins to the era when the first horse-drawn wagons transported both freight and passengers along the broad-gauge rail line connecting Goolwa to Port Elliot.
The Victor Harbor Horse Tram, with roots dating back to 1854, has evolved over the years. In 1894, the South Australian Railways introduced a horse-drawn tram service from mainland Victor Harbor to Granite Island, using the same double-deck tram that had been used on the Goolwa Railway. Fast forward to 1986, and the District Council restored the original passenger service from Policeman's Point at the esplanade to Granite Island over the causeway.

Today, the Victor Harbor Horse Tram stands as a popular tourist attraction for visitor, offering a nostalgic journey across the causeway aboard heritage double-decker trams, pulled by our majestic Clydesdale horses.

In October 2018, the Victor Harbor Horse Tram Authority (VHHTA) gained recognition under Section 42 of the Local Government Act 1999, serving as a subsidiary of the City of Victor Harbor. Its operations are guided by a Charter detailing its purpose, powers, functions, duties, funding, property, and delegation. The VHHTA Charter was originally approved by the Minister on 17 October 2018 and later updated with minor amendments on 8 September 2022.

The Victor Harbor Horse Tram runs all year round (except for Christmas Day & weather dependant), the service is powered by a team of up to ten Clydesdale horses, four heritage trams, and a passionate team of staff and volunteers. Horses are stabled overnight at VHHTA's purpose-built Stables Complex at Canton Place, with day operations based on the Victor Harbor foreshore, where visitors will find the tram terminal, merchandise store, platform, and support facilities.



The Board



Nigel Catt

Nigel Catt has over 40 years of experience in the Australian wine industry, including senior winemaking, business ownership, consultancy and industry leadership roles. Based in Victor Harbor since 1989, he has developed and supported numerous businesses across the Fleurieu Peninsula and internationally. Nigel is also the founder of innovative vineyard trellis systems that have achieved worldwide patents and design registrations. He brings extensive experience in business development, innovation and sustainable agribusiness.

Carol Schofield AM is the City of Victor Harbor's elected member representative on the Victor Harbor Horse Tram Authority Board. A former Chair of the Horse Tram Advisory Committee, she brings extensive experience in business management, tourism, event management and agribusiness. Carol is a long-time local resident, former dairy farmer and agricultural business owner. She was awarded an Order of Australia in 2004 for services to the agriculture and aquaculture industries and remains a passionate advocate for the local community and Horse Tram.



Cr Carol Schofield AM



Paul Brown

Paul Brown is a former tourism business owner with extensive experience in tourism, governance and strategic leadership. He has served as Chair of Tourism Kangaroo Island and the South Australian branch of the Australian Tourism Export Council, as well as a national board member. Paul currently serves on several boards and is a graduate of the Australian Institute of Company Directors. He is passionate about contributing to the growth and sustainability of tourism and community organisations.

Natasha Hunt has more than 20 years' experience in local government and tourism, with expertise in governance, strategic planning, community engagement, communications and marketing. Having held executive roles with both the District Council of Yankalilla and Alexandrina Council, Natasha brings strong leadership and regional development experience. A lifelong Fleurieu Peninsula resident, she is actively involved in community organisations and has strong connections to the local horse industry through her family's horse-based businesses.



Natasha Hunt



Dr Nigel Graves

Dr Nigel Graves brings extensive experience in strategic finance, governance and organisational performance across local and Commonwealth government. A Fellow of CPA Australia and graduate member of the Australian Institute of Company Directors, he has expertise in financial planning, risk management and organisational performance. Nigel has a long association with the Victor Harbor Horse Tram, having supported its re-establishment through previous senior roles with Victor Harbor Council, and is committed to supporting the organisation's ongoing success.

Audit Committee

Member	Representative	Term	Expires
Independent Member(s)	John Morgan	23 February 2026	23 February 2027
Independent Member(s)	Katherine Christ	23 February 2026	23 February 2027
Independent Member(s)	Laura Hodgson	27 July 2025	27 July 2027
VHHTA Board Member	Paul Brown	23 February 2026	1 March 2027
VHHTA Board Member	Nigel Catt	27 July 2025	1 March 2027
Non Voting Member	CVH Group Manager Finance	15 December 2025	Ongoing
Office Bearers			
Chairperson	John Morgan	23 February 2026	23 February 2027
Deputy Chairperson	Laura Hodgson	27 July 2025	27 July 2027



Our Team

The VHHTA Board plays a key role in setting the strategic direction of the organisation, while day-to-day operations are overseen by the General Manager.

Our Head Trainer has been instrumental in developing the capabilities of both our horses and our staff. Their commitment to horse welfare and training has helped shape a skilled and cohesive team.

The VHHTA is ultimately responsible for the health and wellbeing of all horses in our care. This year has been challenging yet our team has remained committed and resilient. The horses and staff are regaining their strength, and we're looking forward to a brighter, more stable year ahead.

We have also grown our internal capacity, with a maintenance team and dedicated administration staff now in place. As our team expands, we are focused on recognising, supporting, and developing the individual strengths and talents of our employees.

Throughout the 2025/26 year, the VHHTA was supported by a team of 17 staff, including casual junior team members, tram operators, an administrator, executive assistant, head horse trainer, and assistant manager.

At the time of reporting, the organisation had 6.5 full-time equivalent (FTE) permanent staff, with the remaining roles filled by casual employees.

Volunteers

The VHHTA deeply values and acknowledges the ongoing contributions of our dedicated team of volunteers, who continue to play a vital role in the day-to-day operation and public representation of the organisation. In addition to assisting with merchandise sales and customer service, our volunteers are often the first point of contact for visitors. This frontline presence makes them an essential extension of our brand and values.

Volunteers also support and facilitate the sale of merchandise at our dedicated retail space, located within the recently refurbished Tram Office building. With the introduction of improved facilities, VHHTA has created a more inviting and functional workspace for volunteers, and as a result, we are seeing encouraging signs of volunteer team growth.



Our Horses



Archie 12 Years old, 16.3 Hands



Karni 20 Years old, 16.2 Hands



Barney 9 Years old, 18 Hands



Scotty 12 Years old, 16.3 Hands



Murray 16 Years old, 17.2 Hands



Bert 11 Years old, 17 Hands



Mouse 15 Years old, 17.1 Hands



Rosco 4 Years old, 15 Hands



Mr Callie 4 Years old, 15 Hands

Our Horses



Hazel
1 Year old
14 Hands



Charles
14 Years old
18.2 Hands



Holly
4 Years old
15.3 Hands



Stevie
4 Years old
15.3 Hands



2025/26 in Review



Achievement Highlights

2025 Tourism Award Bronze Winner

The Victor Harbor Horse Tram Authority was proudly awarded Bronze in the Tourist Attractions category at the 2025 South Australian Tourism Awards. Following a comprehensive application and judging process, the award recognised the strength of the Horse Tram's visitor experience, business performance, sustainability, marketing and future planning. This achievement reflects the dedication of our staff, volunteers and wider community in preserving and delivering one of South Australia's most iconic tourism experiences.

New Tram Working Horses

Barnie, Archie and Mouse successfully progressed through the Authority's training program and commenced working on the tram during 2025/26. Developing a suitable tram horse is an extensive process that can take considerable time, making the addition of three new working horses an important milestone for the Authority and a credit to our in-house horse training team.

Mental Health First Aid Training

Staff completed Mental Health First Aid training during the year, strengthening the team's skills and confidence to recognise, respond to and support mental health and wellbeing in the workplace.

Three New No-Cost Lease Horses

Strong relationships with horse owners and the Authority's reputation for high standards of horse care enabled three new horses to join the herd under no-cost lease arrangements. These arrangements provide significant cost savings while reducing financial risk by allowing horses to be trained and assessed for their suitability for tram operations before any future purchase is considered.

External Digital Signage

With the support of a South Australian Government grant, new external digital signage was installed at the Tram Office. Positioned at the entrance to the Causeway in Victor Harbor and visible to visitors entering the precinct, the sign provides timely updates on tram operations, including service changes resulting from weather, safety or other operational conditions.

Farrier National Championships

For the second year, the Victor Harbor Horse Tram was invited by Champions Transport Company to participate in the Australian Farriers National Championships. The Authority received a participation award, with the event providing another valuable opportunity to showcase our Clydesdales.



Performance against the Business Plan

TEAM DEVELOPMENT *Strategies to sustain and develop our humans and horses*	KEY HIGHLIGHTS	TARGET	STATUS
	Staff performance process implemented	Performance Process - Sept 2025	✅ Completed (annually)
	Staff support, training and career pathways developed	Staff opportunities – Sept 2025	✅ Completed as part of PRP
	Staff roles reviewed and clarified	Roles review - Sept 2025	✅ Completed as part of PRP
	Induction program upgraded	Induction Review- Oct 2025	✅ Completed
	Horse training program delivered	Horse training plan review Dec 2025	⟳ Ongoing
	IT systems for horse care fully implemented	IT systems integration - Jan 2026	⟳ Ongoing

MARKETING & PROMOTION *Strategies to promote Victor Harbor, the Tram & the Stables*	KEY HIGHLIGHTS	TARGET	STATUS
	Brand style guide	Style guide updated- July 2025	✅ Completed
	Website upgraded and live	Website updated – Sept 2025	⟳ Ongoing
	Social media strategy upgraded	Strengthened Schedule – Jan 2026	⟳ Ongoing
	Media list developed and in use	Reduced and refined May 2026	✅ Completed
	Corporate offer launched	Booked for Sept 2026	—
	SEO and website traffic improved	Reviewed and updated Aug 2025	✅ Completed

THE EXPERIENCE & OFFERINGS *Strategies to enhance visitors and locals experience through diverse experiences*	KEY HIGHLIGHTS	TARGET	STATUS
	Delivery models for offerings developed	Developed - Aug 2025	✅ Completed
	School programs launched	School Programs available – Jan 2025	✅ Completed
	EAL programs delivered	Started - Jan 2025	✅ Completed
	Corporate packages launched	Booked for Sept 2026	—
	New experiences and venue hire model delivered	Venue Hire available – May 2025	✅ Completed

FINANCE & OPERATIONAL GROWTH *Finance and structure for sustainability and growth*	KEY HIGHLIGHTS	TARGET	STATUS
	Operational and Capital Budgets delivered on time	Budgets & Quarterly Reviews completed	✅ Completed
	Project budgets actively managed	Reviewed regularly	⟳ Ongoing
	Grazing land secured under lease	Land requested – June 2026	× Request Lost in Council
	Risk Assessment & Safety Plan reviewed	Reviewed - Jan 2026	✅ Completed
	Asset Management Plan review underway	Currently in Review – Dec 2026	—
	Horse Care Plan completed	Horse training plan reviewed - Dec 2025	⟳ Ongoing

OPERATIONAL CONTINGENCY ACTIONS *Strategies to ensure sustainability and resilience in the face of unexpected challenges*	KEY HIGHLIGHTS	TARGET	STATUS
	Stables alternative offerings ready	Plan Completed – Dec 2025	✅ Completed
	Google advertising plan prepared	Plan Completed - Jan 2026	✅ Completed
	Staff cost control measures defined	Ongoing Measures – Feb 2026	⟳ Ongoing
	Financial resilience monitoring framework in place	Ongoing Monitoring- May 2026	⟳ Ongoing

Financials



VICTOR HARBOR
HORSE TRAM AUTHORITY

- Key Financial Results -

The Victor Harbor Horse Tram Authority recorded an improved financial result in 2025/26, with an operating surplus of $44,000, compared with an operating deficit of $170,000 in the previous financial year

OPERATING SURPLUS/(DEFICIT)
$44,000
2024/25: ($170,000)

OPERATING INCOME
$1.555m
2024/25:$1.390M

OPERATING EXPENSES
$1.511m
2024/25:$1.560M

USER CHARGES
$970,000
2024/25:$968,000

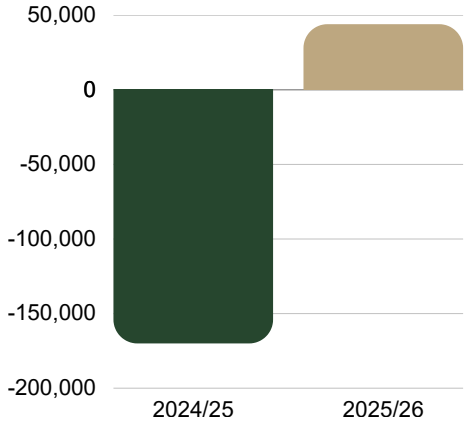
COUNCIL CONTRIBUTION
$360,000
2024/25:$365,000

ADDITIONAL COUNCIL CONTRIBUTION
$170,000
(relating to 2024/25 deficit)

VICTOR HARBOR
HORSE TRAM AUTHORITY

Key Financial Indicators

FINANCIAL INDICATOR	2025/26	2024/25
Operating Surplus Ratio	2.80%	-12.20%
Net Financial Liabilities Ratio	25%	35%
Asset Renewal Funding Ratio	6%	80%



OPERATING SURPLUS IMPROVED BY
$214,000
from 2024/25 to 2025/26

The Authority finished 2025/26 with an operating surplus of $44,000, a significant improvement from the $170,000 deficit recorded in 2024/25.

The result includes an additional $170,000 contribution frm the City of Victor Harbor relating to the previous years deficit. This support assisted the Authority to recover from the financial impact of the previous year and strengthen its financial position.

The year was not without significant challenges. A respiratory illness affecting the horse team resulted in tram operations being suspended for approximately one month in May 2026. The Authority was able to manage much of the impact through careful control of expenditure and operations, together with Council support.

Looking forward the Authority is continuing to strengthen its operational resilience and diversify its income streams beyond traditional tram ticket revenue, to help absorb financial impacts of any future unexpected events.



Victor Harbor Horse Tram Authority

General Purpose Financial Reports

for the year ended 30 June 2026

Victor Harbor Horse Tram Authority

General Purpose Financial Reports

for the year ended 30 June 2026

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Victor Harbor Horse Tram Authority
Annual Financial Statements
for the year ended 30 June 2026

CERTIFICATION OF FINANCIAL STATEMENTS

We have been authorised by the Authority 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 Authority'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 Authority provide a reasonable assurance that the Authority's financial records are complete, accurate and reliable and were effective throughout the financial year.

- the financial statements accurately reflect the Authority's accounting and other records.

MG Whibley

Megan Whibley
General Manager

Nigel Catt
Chairperson

Date: 23 Sept 2026

Victor Harbor Horse Tram Authority

Statement of Comprehensive Income

for the year ended 30 June 2026

	Notes	2026 $'000	2025 $'000
INCOME			
User charges	4	**970**	968
Other income	4	**585**	422
Total Income		**1,555**	1,390
EXPENSES			
Employee costs	5	**986**	967
Materials, contracts & other expenses	5	**462**	497
Depreciation, amortisation & impairment	5	**51**	78
Finance costs	5	**12**	18
Total Expenses		**1,511**	1,560
OPERATING SURPLUS / (DEFICIT)		**44**	(170)
NET SURPLUS / (DEFICIT) transferred to Equity Statement		**44**	(170)
TOTAL COMPREHENSIVE INCOME		**44**	(170)

This Statement is to be read in conjunction with the attached Notes.

Victor Harbor Horse Tram Authority

Statement of Financial Position

as at 30 June 2026

	Notes	2026 $'000	2025 $'000
ASSETS			
Current Assets			
Cash and cash equivalents	6	4	16
Trade & other receivables	6	5	3
Total Current Assets		9	19
Non-current Assets			
Infrastructure, property, plant & equipment	7	286	308
Right of Use Assets	11	-	20
Total Non-current Assets		286	328
Total Assets		295	347
LIABILITIES			
Current Liabilities			
Trade & other payables	8	54	93
Lease Liabilities	11	-	19
Provisions	8	109	68
Total Current Liabilities		163	180
Non-current Liabilities			
Borrowings	8	226	290
Provisions	8	15	30
Total Non-current Liabilities		241	320
Total Liabilities		404	500
NET ASSETS		(109)	(153)
EQUITY			
Accumulated surplus		(109)	(153)
TOTAL EQUITY		(109)	(153)

This Statement is to be read in conjunction with the attached Notes.

Victor Harbor Horse Tram Authority

Statement of Changes in Equity

for the year ended 30 June 2026

	Notes	Acc'd Surplus	TOTAL EQUITY
2026		$'000	$'000
Balance at end of previous reporting period		(153)	(153)
Net Surplus / (Deficit) for Year		44	44
Balance at end of period		(109)	(109)
2025			
Balance at end of previous reporting period		17	17
Net Surplus / (Deficit) for Year		(170)	(170)
Balance at end of period		(153)	(153)

This Statement is to be read in conjunction with the attached Notes

Victor Harbor Horse Tram Authority

Statement of Cash Flows

for the year ended 30 June 2026

	Notes	2026 $'000	2025 $'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts:			
User charges		**970**	991
Other revenues		**581**	435
Payments:			
Employee costs		**(960)**	(971)
Materials, contracts & other expenses		**(498)**	(448)
Finance payments		**(13)**	(16)
Net Cash provided by (or used in) Operating Activities	9	**80**	(9)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments:			
Expenditure on renewal/replacement of assets		**(2)**	(22)
Expenditure on new/upgraded assets		**(27)**	(59)
Net Cash provided by (or used in) Investing Activities		**(29)**	(81)
CASH FLOWS FROM FINANCING ACTIVITIES			
Receipts:			
Proceeds from borrowings		**-**	90
Payments:			
Repayments of borrowings		**(63)**	-
Repayment of principal portion of lease liabilities		**-**	(35)
Net Cash provided by (or used in) Financing Activities		**(63)**	55
Net Increase (Decrease) in cash held		**(12)**	(35)
Cash & cash equivalents at beginning of period	9	**16**	51
Cash & cash equivalents at end of period	9	**4**	16

This Statement is to be read in conjunction with the attached Notes

Victor Harbor Horse Tram Authority

Notes to and forming part of the Financial Statements

for the year ended 30 June 2026

Note 1 - Material Accounting Policies

The principal accounting policies adopted in the preparation of the financial report 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 14 of the Local Government (Financial Management) Regulations 2011 dated 23rd of September 26.

The Authority is a Local Government Authority Section 42 Regional Subsidiary under the control of The City of Victor Harbor.

1.2 Historical Cost Convention

Except as stated below, these financial statements have been prepared in accordance with the historical cost convention.

1.3 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 Authority's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are material to the financial statements are specifically referred to in the relevant sections of these Notes.

1.4 Rounding

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

2 The Local Government Reporting Entity

The Victor Harbor Horse Tram Authority operates as a subsidiary pursuant to the SA Local Government Act 1999 and has its principal place of business at 1 Bay Road, Victor Harbor. These consolidated financial statements include the Authority's direct operations and all entities through which the Authority controls resources to carry out its functions. In the process of reporting on the Authority as a single unit, all transactions and balances between activity areas and controlled entities have been eliminated.

3 Income recognition

3.1 Revenue

The Authority 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 Authority expects to be entitled in a contract with a customer.

In other cases, AASB 1058 applies when Authority enters into transactions where the consideration to acquire an asset is materially 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 Authority to acquire or construct a recognisable non-financial asset that is to be controlled by the Authority. In this case, the Authority 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.

Victor Harbor Horse Tram Authority

Notes to and forming part of the Financial Statements

for the year ended 30 June 2026

Note 1 - Material Accounting Policies

4 Cash, Cash Equivalents and Other Financial Instruments

4.1 Cash, Cash Equivalent Assets

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

4.2 Other Financial Instruments

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 also form part of Note 10.

5 Infrastructure, Property, Plant & Equipment

5.1 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 Authority includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overhead.

5.2 Materiality

Assets with an economic life in excess of one year are only capitalised where the cost of acquisition exceeds materiality thresholds established by Authority 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 in Note 7. No capitalisation threshold is applied to the acquisition of land or interests in land.

5.3 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 Authority, 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 shown in Note 7. Depreciation periods for infrastructure assets have been estimated based on the best information available to Authority, 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.

5.4 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 Authority 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 Payables

6.1 Goods & 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.

6.2 Payments Received in Advance & Deposits

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

7 Provisions

7.1 Employee Benefits

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 on costs) 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 on-costs) 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 average discount rate	4.44% (2025, 1.40%)
Weighted average settlement period	1.33 years (2025, 1.60 years)

No accrual is made for sick leave as Authority 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. Authority does not make payment for untaken sick leave.

Superannuation:

The Authority 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 Authority's involvement with the schemes are reported in Note 12.

8 Leases

The Authority 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.

Authority as a lessee

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

i) Right-of-use assets

The Authority has recognised right-of-use assets at the commencement date of the lease. Right-of-use assets were measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received and the estimate of costs to be incurred to restore the leased asset.

Right of use assets have been depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets until 30 June 2025.

It should be noted that leases in place as at 30 June 2026 remain subject to the temporary relief available to not-for-profit entities under AASB 16, as provided by AASB 2018-8 Amendments to Australian Accounting Standards – Right-of-Use Assets of Not-for-Profit Entities. Accordingly, right-of-use assets arising from peppercorn and other concessionary lease arrangements have not been measured at fair value on initial recognition and have instead been measured in accordance with the cost-based requirements of AASB 16.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section 5.4 - Impairment of non-financial assets above.

ii) Lease liabilities

At the commencement date of the lease, the Authority recognised lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Authority used its incremental borrowing rate or the interest rate implicit in the lease until 30 June 2025.

9 Goods & Services Tax

In accordance with interpretation of 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.

10 Economic Dependence

The Authority provides horse tram services to the City of Victor Harbor and annually charges a fee to the council to fund the costs of operating the Authority. The Authority is economically dependent on the Council annually funding the cost of the Authority's operations given insufficient income is generated through other services provided to fund the costs of operating the Authority.

For the 2025/26 financial year, the Authority's contributed income accounted for 34.08% (2024/25: 26.26%) of the total Operating income recorded by the Authority.

In addition, under Section 14 of Part 1 Schedule 2 of the Local Government Act 1999 (SA) the liabilities incurred or assumed by a subsidiary are guaranteed by the Council.

Victor Harbor Horse Tram Authority

Notes to and forming part of the Financial Statements

for the year ended 30 June 2026

Note 2 - FINANCIAL INDICATORS

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. Detailed methods of calculation are set out in the SA Model Statements.

	2026	2025	2024
Operating Surplus Ratio			
Operating Surplus / Total Operating Income	**2.8%**	-12.2%	-11.7%

This ratio expresses the operating surplus as a percentage of total operating revenue.

Net Financial Liabilities Ratio			
Net Financial Liabilities / Total Operating Income	**25%**	35%	24%

Net Financial Liabilities are defined as total liabilities less financial assets. These are expressed as a percentage of total operating revenue.

Adjustments to Ratios

Ratios have been adjusted to remove the impact of the additional contribution in 2025-26 for the 2024-25 deficit.

Adjusted Operating Surplus Ratio	**-9.1%**	-12.2%	-11.7%
Adjusted Net Financial Liabilities Ratio	**41%**	35%	24%

Asset Renewal Funding Ratio			
Outlays on Existing Assets / Asset Renewals - IAMP	**3%**	80%	0%

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.

Victor Harbor Horse Tram Authority

Notes to and forming part of the Financial Statements

for the year ended 30 June 2026

Note 3 - UNIFORM PRESENTATION OF FINANCES

The following is a detailed summary of both operating and capital investment activities of the Authority 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 local government organisations provide a common 'core' of financial information, which enables meaningful comparisons of their finances.

	2026	2025
	$'000	$'000
Income		
User charges	**970**	968
Other income	**585**	422
	1,555	1,390
Expenses		
Employee costs	**(986)**	(967)
Materials, contracts and other expenses	**(462)**	(497)
Depreciation, amortisation and impairment	**(51)**	(78)
Finance costs	**(12)**	(18)
	(1,511)	(1,560)
Operating Surplus / (Deficit)	**44**	**(170)**
Net Outlays on Existing Assets		
Capital Expenditure on Existing Assets	**(2)**	(22)
Add back Depreciation, Amortisation and Impairment	**51**	78
	49	56
Net Outlays on New and Upgraded Assets		
Capital Expenditure on New and Upgraded Assets *(including investment property & real estate developments)*	**(27)**	(59)
Finance Lease Payments for Right of Use Assets	**-**	(35)
	(27)	(94)
Adjusted Annual Net Impact to Financing Activities surplus/ (deficit)	**66**	**(208)**

Victor Harbor Horse Tram Authority

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

Note 4 - INCOME

	Notes	2026 $'000	2025 $'000
USER CHARGES			
Ticket Sales		**864**	828
Souvenir Sales		**106**	140
		970	968
OTHER INCOME			
Council Contributions		**360**	365
Council Deficit Contribution		**170**	-
Department of Infrastructure & Transport Payments		**37**	39
Other		**18**	18
		585	422

Note 5 - EXPENSE

	Notes	2026 $'000	2025 $'000
EMPLOYEE COSTS			
Salaries and Wages		**771**	763
Employee leave expense		**88**	65
Superannuation - defined contribution plan contributions	12	**98**	92
Workers' Compensation Insurance		**11**	15
Other employment related costs		**18**	32
Total Operating Employee Costs		**986**	**967**
Total Number of Employees		**8**	**8**
(Full time equivalent at end of reporting period)			

Victor Harbor Horse Tram Authority

Notes to and forming part of the Financial Statements

for the year ended 30 June 2026

Note 5 - EXPENSE

MATERIALS, CONTRACTS & OTHER EXPENSES		
Prescribed Expenses		
Auditor's Remuneration		
- Auditing the financial reports	**4**	4
Bad and Doubtful Debts	**-**	1
Board expenses	**18**	12
Lease Expenses - short term leases	**-**	11
Subtotal - Prescribed Expenses	**22**	28
Other Materials, Contracts & Expenses		
Advertising	**15**	16
Insurance	**53**	52
Maintenance	**200**	174
Office Expenses	**10**	10
Printing & Stationery	**3**	4
Professional services	**37**	91
Souvenirs	**56**	53
Utilities	**22**	18
Training and Development	**17**	22
Clothing and Safety	**9**	12
Vehicle Expenses	**18**	17
Subtotal - Other Materials, Contracts & Expenses	**440**	469
	462	497
DEPRECIATION, AMORTISATION & IMPAIRMENT		
Depreciation		
Plant & Equipment	**51**	45
Right of use assets	**-**	33
	51	78
FINANCE COSTS		
Bank Fees	**6**	6
Interest on Loans	**6**	11
Interest on Leases	**-**	1
	12	18

Victor Harbor Horse Tram Authority

Notes to and forming part of the Financial Statements

for the year ended 30 June 2026

Note 6 - CURRENT ASSETS

		2026	2025
CASH & EQUIVALENT ASSETS	**Notes**	**$'000**	$'000
Cash on Hand and at Bank		**3**	14
Short Term Deposits & Bills, etc		**1**	2
		4	16
TRADE & OTHER RECEIVABLES			
Debtors - general		**4**	4
Prepayments		**1**	-
Total		**5**	4
Less: Provision for expected credit losses		**-**	(1)
		5	3

Victor Harbor Horse Tram Authority

Notes to and forming part of the Financial Statements

for the year ended 30 June 2026

Note 7 - INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT (IPP&E)

		2025 $'000				2026 $'000			
	Fair Value Level	Fair Value	Cost	Acc' Dep'n	Carrying Amount	Fair Value	Cost	Acc' Dep'n	Carrying Amount
Plant & Equipment		-	405	(97)	308	-	**434**	**(148)**	**286**
Total IPP&E		-	405	(97)	308	-	**434**	**(148)**	**286**
Comparatives		-	*320*	*(52)*	*268*	-	*405*	*(97)*	*308*

	2025 $'000	Carrying Amounts Movement During the Year $'000								2026 $'000
	Carrying Amount	Additions		Disposals	Dep'n	Impair't	Transfers		Net Reval'n	**Carrying Amount**
		New / Upgrade	Renewals				In	Out		
Plant & Equipment	308	27	2	-	(51)	-	-	-	-	**286**
Total IPP&E	**308**	**27**	**2**	**-**	**(51)**	**-**	**-**	**-**	**-**	**286**
Comparatives	*268*	***63***	***22***	**-**	***(45)***	**-**	**-**	**-**	**-**	*308*

Victor Harbor Horse Tram Authority

Notes to and forming part of the Financial Statements

for the year ended 30 June 2026

Note 7 – INFRASTRUCTURE, PROPERTY, PLANT & EQUIPMENT

Valuation of Assets

General Valuation Principles

Accounting procedure: 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.

Capitalisation thresholds used by Authority for a representative range of assets are shown below. No capitalisation threshold is applied to the acquisition of land or interests in land.

Software	50,000
Buildings	10,000
Infrastructure	10,000
Major Plant and Equipment	5,000
Minor Plant and Equipment	1,000
IT and Office Equipment	1,000
Furniture and Fittings	1,000
Other	1,000

Estimated Useful Lives: Useful lives are estimated for each individual asset. In estimating useful lives, regard is had to technical and commercial obsolescence, as well as legal and other limitations on continued use. The range of useful lives for a representative range of assets is shown below, although individual assets may have an estimated total useful life of greater or lesser amount:

Plant, Furniture & Equipment	
Café Equipment	5 to 8 years
Office Furniture	5 to 10 years
Vehicles and Road-making Equipment	5 years
Other Plant & Equipment	5 to 10 years

These assets are recognised at cost.

Victor Harbor Horse Tram Authority

Notes to and forming part of the Financial Statements

for the year ended 30 June 2026

Note 8 - LIABILITIES

		2026 $'000		2025 $'000	
TRADE & OTHER PAYABLES	**Notes**	**Current**	**Non-current**	Current	Non-current
Goods & Services		**4**	**-**	38	-
Accrued expenses - employee entitlements		**35**	**-**	37	-
Accrued expenses - other		**11**	**-**	10	-
GST Payable		**4**	**-**	8	
		54	**-**	93	-
BORROWINGS					
Loans		**-**	**226**	-	290
Leases Liabilities		**-**	**-**	19	-
		-	**226**	19	290

All interest bearing liabilities are secured over the future revenues of the Authority.

PROVISIONS				
LSL Employee entitlements (including oncosts)	**60**	**15**	42	30
AL Employee entitlements (including oncosts)	**49**	**-**	26	-
	109	**15**	68	30

Movements in Provisions - 2026 year only *(current & non-current)*	*Insurance Losses*	*Future Reinstate-ment*	*Leave & Other Provision*
Opening Balance	-	-	*98*
Add Additional amounts recognised	-	-	*75*
(Less) Payments	-	-	(49)
Closing Balance	-	-	*124*

Victor Harbor Horse Tram Authority

Notes to and forming part of the Financial Statements

for the year ended 30 June 2026

Note 9 - RECONCILIATION TO CASH FLOW STATEMENT

(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 Cash Flow Statement is reconciled to the related items in the Balance Sheet as follows:

	Notes	2026 $'000	2025 $'000
Total cash & equivalent assets	6	4	16
Balances per Cash Flow Statement		4	16

(b) Reconciliation of Change in Net Assets to Cash from Operating Activities

Net Surplus (Deficit)	44	(170)
Non-cash items in Income Statement		
Depreciation, amortisation & impairment	51	78
Net increase (decrease) in unpaid employee benefits	24	11
Change in allowances for under-recovery	(1)	1
	118	(80)
Add (Less): Changes in Net Current Assets		
Net (increase) decrease in receivables	(5)	39
Net increase (decrease) in trade & other payables	(33)	32
Net Cash provided by (or used in) operations	80	(9)

(c) Financing Arrangements

Unrestricted access was available at balance date to the following lines of credit:

Bank Overdrafts	-	-
Corporate Credit Cards	3	3
LGFA Cash Advance Debenture facility	74	10

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

Victor Harbor Horse Tram Authority

Notes to and forming part of the Financial Statements

for the year ended 30 June 2026

Note 10 - FINANCIAL INSTRUMENTS

All financial instruments are categorised as *loans and receivables.*

Accounting Policies - 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: Short term deposits have average interest rates of 4.11% (2025: 4.54%).

Carrying amount: approximates fair value due to the short term to maturity.

Receivables - Fees & 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 & conditions: Unsecured, and do not bear interest. Although Authority is not materially exposed to any individual debtor, credit risk exposure is concentrated within the Authority's boundaries.

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

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 Authority.

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

Carrying amount: approximates fair value.

Liabilities - Finance Leases

Accounting Policy: accounted for in accordance with AASB 16 as stated in Note 11

Liquidity Analysis

2026	Due < 1 year	Due > 1 year ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
Financial Assets	$'000	$'000	$'000	$'000	$'000
Cash & Equivalents	**4**	**-**	**-**	**4**	**4**
Receivables	**4**	**-**	**-**	**4**	**4**
Total	**8**	**-**	**-**	**8**	**8**
Financial Liabilities					
Payables	**50**	**-**	**-**	**50**	**50**
Non-Current Borrowings	**-**	**-**	**226**	**226**	**226**
Total	**50**	**-**	**226**	**276**	**276**

Victor Harbor Horse Tram Authority

Notes to and forming part of the Financial Statements

for the year ended 30 June 2026

Note 10 - FINANCIAL INSTRUMENTS (con't)

2025		Due < 1 year	Due > 1 year; ≤ 5 years	Due > 5 years	Total Contractual Cash Flows	Carrying Values
Financial Assets		$'000	$'000	$'000	$'000	$'000
Cash & Equivalents		16	-	-	16	16
Receivables		4	-	-	4	4
	Total	20	-	-	20	20
Financial Liabilities						
Payables		85	-	-	85	85
Lease Liabilities		19	-	-	19	19
Non-Current Borrowings		-	-	290	290	290
	Total	104	-	290	394	394

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 Authority.

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 Authority is the carrying amount, net of any impairment. All Authority investments are made with the SA Local Government Finance Authority and are guaranteed by the SA Government. Except as detailed in Note 6 in relation to individual classes of receivables, exposure is concentrated within the Authority's boundaries, and there is no material exposure to any individual debtor.

Market Risk is the risk that fair values of financial assets will fluctuate as a result of changes in market prices. All of Authority'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 Authority 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. Authority 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. Authority 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.

Victor Harbor Horse Tram Authority

Notes to and forming part of the Financial Statements

for the year ended 30 June 2026

Note 11 - LEASES

Authority as a Lessee

Right of Use Assets

The Authority previously entered into a hire agreement with the City of Victor Harbor for the use of plant and equipment used in the delivery of horse tram services with the final year waived.

Set out below are the carrying amounts (written down value) of right of use assets:

Right of Use Assets *(Carrying Value)*	**Plant, Machinery & Equipment**	**Total**
At 1 July 2025	**20**	**20**
ROU Asset Waived	**(20)**	**(20)**
At 30 June 2026	**-**	**-**

Set out below are the carrying amounts of lease liabilities (including under interest bearing loans and borrowings) and the movements during the period:

	2026
Opening Balance 1 July 2025	**19**
Lease Liability Waived	**(19)**
Closing Balance 30 June 2026	**-**

The maturity analysis of lease liabilities is included in Note 10.

The Authority had total cash outflows for leases of $0.

The new peppercorn licence arrangements have been assessed and no material ROU asset or lease liability has been recognised, on the basis that the only enforceable consideration is nominal and Council is no longer charging the separate 'rent on assets' amount

Victor Harbor Horse Tram Authority

Notes to and forming part of the Financial Statements

for the year ended 30 June 2026

Note 12 – SUPERANNUATION

The Authority makes employer superannuation contributions in respect of its employees to Hostplus (formerly Local Government Superannuation Scheme and Statewide Super). 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 (12.0% in 2025-26; 11.5% in 2024-25). No further liability accrues to the Authority 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. Authority 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, Authority 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), Authority 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 2023. 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 Authority's contribution rates at some future time.

Contributions to Other Superannuation Schemes

Authority 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 Authority.

Victor Harbor Horse Tram Authority

Notes to and forming part of the Financial Statements

for the year ended 30 June 2026

Note 13 - RELATED PARTY DISCLOSURES

KEY MANAGEMENT PERSONNEL

The Key Management Personnel of the Authority include the Members of the Board, CEO and certain prescribed officers under section 112 of the Local Government Act 1999.
In all, 6 persons were paid the following total compensation:

	2026 $'000	2025 $'000
Salaries, allowances & other short term benefits	**171**	150
Post-employment benefits	**16**	13
Long term benefits	**3**	3
TOTAL	**190**	166

Allowances / benefits incurred in the ordinary course of performing the KMPs role, and amounts paid as direct reimbursement of expenses incurred on behalf of Authority have not been included above.

PARTIES RELATED TO KEY MANAGEMENT PERSONNEL

No key management personnel or parties related to them had any transactions during the year on terms more favourable than those available to the general public.

Related Party Entities	**Sale of Goods & Services $'000**	**Amounts Outstanding from Related Parties $'000**	**Description of Services Provided to Related Parties**
City of Victor Harbor	530	-	Provision of Horse Tram Services to local community

The Related Parties disclosed is the 100% equity owner of the Authority and are referred to as the Member Council. The member Council has 100% control and influence on the financial and operating decisions of the Authority.

Victor Harbor Horse Tram Authority

Annual 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 Victor Harbor Horse Tram Authority for the year ended 30 June 2026, the Authority's Auditor, Galpins, 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* .

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Megan Whibley
General Manager

.....

John Morgan
Audit Committee Chair

Date: 23 Sept 2026

VICTOR HARBOR TRAMWAY

www.horsedrawntram.com.au
08 8551 0720
horsedrawntram@victor.sa.gov.au
PO Box 11, Victor Harbor SA 5211

