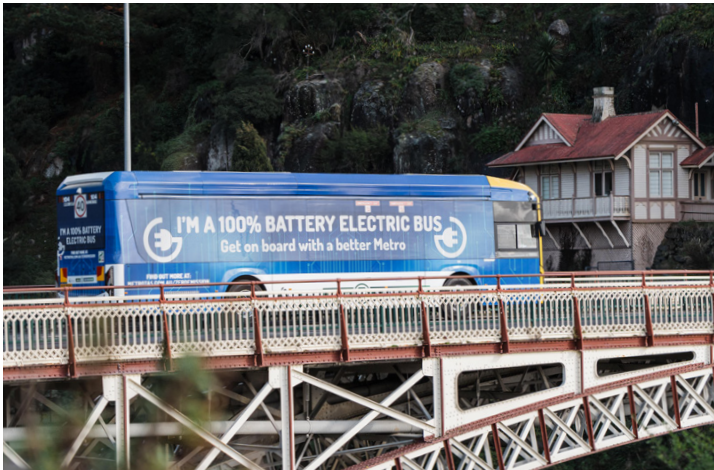
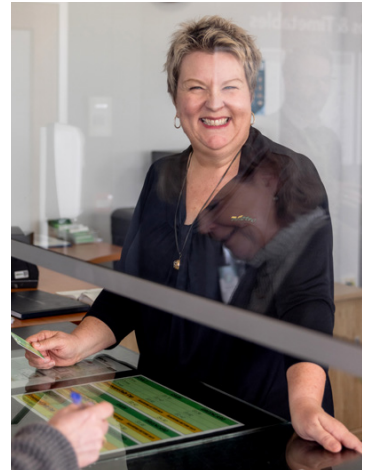




Annual Report 2024-25



Contents

Company Overview	3
Message from the Chair	4
Our Customers and Community	8
Our People	12
Our Performance	16
Board of Directors	18
Corporate Governance	19
Directors' Report	22
Auditor's Independence Declaration	24
Declarations	25
Independent Audit Report	26
Financial Statements	31

Nature of business

Provision of passenger transport services

Issued capital

Two shares of \$1.00 each

Registered office

212 – 220 Main Road
Moonah, TAS 7009

ABN

30 081 467 281

Directors

Anthony Braxton-Smith (Chair)
Dianne Underwood (Deputy Chair)
Jane Sargison
Ian Vanderbeek
Tim Booker

Shareholders

Minister for Infrastructure and Transport
Kerry Vincent MLC
Treasurer
Eric Abetz MP

Executive Managers

Laurie Hansen,
General Manager Business Improvement (Acting CEO)
Darren Turner,
Chief Operating Officer
Jacqueline Allen,
General Manager People and Safety
Chris Breen,
General Manager Commercial
Jesse Penfold,
General Manager Financial Services
Kellie Dean,
General Manager Corporate Services and
Company Secretary
Katie Cooper,
Chief Executive Officer (term ended July 2025)

Bankers

Commonwealth Bank of Australia
1 Franklin Wharf
Hobart, TAS 7000

Auditor

Auditor-General
Tasmanian Audit Office
Level 2/144 Macquarie Street
Hobart, TAS 7000



Company Overview



OUR vision
To make the journey better for all Tasmanians.



OUR mission
To deliver safe, reliable and efficient bus services.

Metro Tasmania (Metro) provides essential public transport services to our communities in Hobart, Launceston and Burnie.

As the state's largest Tasmanian-owned passenger transport service operator, Metro delivers approximately seven million passenger journeys and over nine million service-kilometres a year. It operates with a fleet of 236 buses, driven and supported by over 500 Tasmanian employees.

Metro is a state government business enterprise operating in compliance with Australian corporations law, a range of Tasmanian legislative instruments and

government policies. An independent Board of five directors provides Metro with strategic direction and governance. Our Shareholder Ministers, representing the people of Tasmania, are the Minister for Transport and the Treasurer. Metro assets, operations and services are managed under a contract administered by the Department of State Growth (DSG) in accordance with revised terms that were finalised in June 2022.

We are committed to the responsible management of our business and financial affairs while delivering safe, reliable and efficient public transport solutions in the Tasmanian communities where we operate. We do this by connecting people with places of employment and education, commercial centres, social and community services, as well as with cultural and sporting events. Our vision is to make the journey better for all Tasmanians.

Our values form the foundation of our corporate identity and influence every aspect of our daily operations. They are:

WE keep
people
safe

WE
care
for our
customers

WE'RE
on board
with
better

Message from the Chair



On behalf of the Board and Executive of Metro Tasmania, I am pleased to present the 2024–25 Annual Report. This year, Metro continued to respond to a complex operating environment shaped by a changing labour market and operational pressures. While adapting to these challenges, we have remained focused on our core purpose: delivering safe, reliable and customer-friendly public transport services.

Our commitment to improvement has seen progress across key initiatives, including a refreshed recruitment campaign to build pride in public transport careers, together with new enterprise agreements that make Metro a more attractive place to work. We have also progressed the modernisation of our services, with new technology that delivers real-time service tracking for customers, commencement of trials of zero-emissions buses and measures to strengthen on-board safety and security in response to increased incidences of anti-social behaviour.

In the past 12 months, we have continued our work on initiatives that will transform the services we deliver, but there is more to be done. This report summarises our progress in the past financial year. We look forward to continuing to collaborate with our shareholders as we deliver the measures in the coming period that will make public transport better for all Tasmanians.

Operational and financial performance

Review of operations

Metro delivers bus services in Hobart, Launceston and Burnie across a network of 273 routes, comprising 13,056 scheduled services per week. Our fleet of 236 buses is operated and supported by a dedicated team of over 500 employees.

To sustain service reliability for our customers, a Temporary Service Adjustment (TSA) for the Hobart network continued. In November 2024, 15% of the 177 services affected by the TSA were reinstated and continue to operate reliably. Metro is currently working closely with the Department of State Growth (DSG) to determine the remaining services to be restored as part of the Greater Hobart Bus Network Review.

Workforce recruitment and retention remains a key challenge and on-going priority. In 2024–25 Metro continued to invest in improved recruitment

processes, expanded training capability, and streamlined onboarding for new bus operators. These efforts were supported by investment from the Tasmanian Government and the conclusion of three enterprise agreements across our bus operator, administrative and engineering cohorts, which helped offset wage disparities, improved working conditions and helped to stabilise the workforce.

Metro also launched a refreshed statewide recruitment campaign, Put Your Career in Motion, aimed at attracting a new generation of bus operators. The campaign focused on purpose-driven work, community contribution and career development opportunities, helping to shift perceptions and elevate the visibility of public transport careers in Tasmania.

Over the year, Metro trained 136 new bus operators, and sustained efforts are in place to grow the workforce and gradually restore full services.

In recent years, Metro has experienced more frequent incidents of anti-social

behaviour (ASB), including aggression towards staff and between customers, as well as vandalism and damage to property. Recently, there has been a trend of more extreme incidents. Across the state, occurrences of ASB increased 180% between 2019 and 2024. This is almost entirely attributable to the rise of ASB on the Hobart network, which has increased by 400% in the five years since 2019. These behaviours, by a small cohort within the community, are resulting in more stress-related workplace absences, challenges with recruitment and retention, and adverse impacts on customer satisfaction. Metro stands unwaveringly behind our people, taking immediate and decisive action to protect, support and advocate for them against instances of anti-social behaviour.

In coordination with authorities, Metro has taken steps to improve its capacity to support tactical responses that enable Tasmania Police to identify and apprehend perpetrators. Backed by a \$2.1 million funding package from the Tasmanian Government, after extensive prototyping, testing and consultation with bus operators, Metro commenced the installation of bus operator security screens across the fleet. We are also upgrading CCTV systems and have supported DSG in its trial of transit officers.

Events in the past 12 months clearly indicate that further action is needed. This year, Metro commissioned a comparative study of the policy

frameworks and operational measures used in other Australian jurisdictions to manage public transport security and ASB. Its findings are being used to identify measures that Metro can take, and to guide our engagement with DSG and other agencies in our efforts to protect the safety and security of our people and our customers.

Financial outcomes

Metro recorded a loss before tax of \$5.963 million in 2024–25 (compared to \$4.632 million in 2023–24), and a loss after tax of \$4.178 million (compared to \$3.245 million). The results reflect ongoing financial pressures, with rising costs outstripping revenue.

Notwithstanding the government's initiative to offer half-price fares, patronage was materially at the same level as in 2023–24 with a total of 7 million passenger boardings in 2024–25. The funding model put in place to support the half-price fares initiative effectively freezes Metro fare box revenue at 2023–2024 levels. This is \$2.278 million below 2019 levels, which is the revenue assumption on which DSG has fixed contract payments to Metro. Adjusted for CPI, this translates into an impost of \$2.774 million per annum on Metro's underlying financial performance.

Employee-related expenses increased due to wage pressures and additional investments in safety, operational support and people functions, reflecting

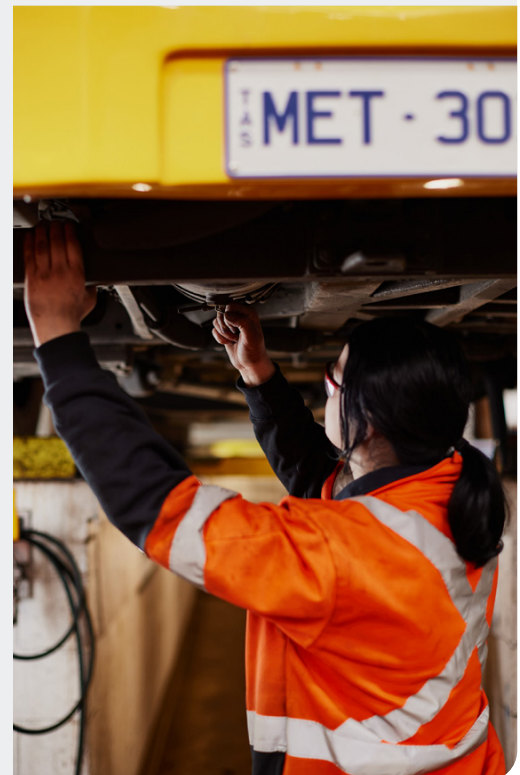
Metro's commitment to service and workforce improvement.

Maintenance costs rose again this year, driven by an aging fleet and deferred investment in fleet replacement. These issues will continue to place pressure on our budget and operations unless addressed in future planning cycles.

Given the ongoing challenges in balancing the budget, the Board has engaged external advisors to provide independent expert analysis to comprehensively review Metro's cost base and formulate a program to realise cost efficiencies in the coming period. This will include measures to improve operational efficiency agreed with our workforce in our new enterprise agreements, and realisation of benefits arising from new technology solutions currently in delivery.

As of 30 June 2025, Metro held \$19.651 million in cash reserves, of which \$6.844 million is allocated to specific projects including zero-emission buses, intelligent transport systems, and GreenCard balances.

While we are committed to doing what we can to improve cost outcomes, given the structural settings that now underpin its revenues, Metro faces an ongoing challenge in achieving financial sustainability. We are committed to working closely with DSG and our Shareholder Ministers to secure a sustainable future for public transport in Tasmania.



Strategic Initiatives

Our Strategic Priorities



Delivering service reliability and customer satisfaction



Pursuing operational excellence



Achieving financial sustainability



Engaging and developing our people

Delivering service reliability and customer satisfaction

This year, in collaboration with DSG, Metro delivered one of its most significant technology-driven service enhancements to date with the statewide rollout of real-time tracking for general access services across Hobart, Launceston and Burnie. This service is enabled by GPS technology on all Metro buses and is integrated into the updated Metro Tas app.

The system enables customers to view live service locations and obtain accurate arrival predictions, helping them plan journeys with confidence and reduce waiting times. The app incorporates real-time information from selected third-party operators, supporting multi-operator journey planning through a single platform, helping customers plan travel on connecting services.

Customer uptake was strong from the outset. More than 42,000 users downloaded or upgraded to the new app in the first week alone. Monthly active users increased by more than 600% compared to the previous year, with over 1.7 million screen views recorded in the first month and sustained engagement continuing in the months following.

Pursuing operational excellence

In early 2025, Metro secured agreement to workplace flexibilities in the new enterprise agreement with bus operators that will enable the implementation of changes to improve the efficiency of the network we operate. As well as increasing the spans for rostered hours and split shifts to industry standards in other jurisdictions, Metro has secured other changes that modernise the award, including provisions for more flexibility around part-time employment.

Metro has also progressed the implementation of two new software applications that will enable more efficient operations management. A new human resource information solution (with Elmo Software) will replace outdated fragmented systems, with rollout planned by the end of 2025. A new bus timetabling, scheduling and management system (HASTUS), delivered in collaboration with DSG, and integrating with their systems, will enable systematic data-driven enhancements to the scheduling of buses and rostering of people to deliver operational efficiencies. Work has progressed to transition to this new software platform in 2026.

Metro also continues to take an integrated approach with DSG to

implement the changes required to enable the delivery of a new common ticketing platform, including installation of hardware, modification of operating systems, and preparations for deployment. Together with HASTUS, this new ticketing solution will enable Metro to deliver safer, more efficient service and make travel easier and more convenient for customers.

Trialling zero emission buses

In partnership with the Tasmanian Government, in support of the goal of achieving net zero emissions, Metro is trialling zero-emission bus technologies to provide insights that will guide Tasmania's transition to sustainable public transport. In 2020-21, the government allocated \$6 million for battery electric bus (BEB) trials, and up to \$11.3 million from the Tasmanian Renewable Hydrogen Industry Development Funding Program for a hydrogen electric bus (HEB) trial.

The BEB trial commenced in early 2024 with four electric buses operating across Metro's Launceston network for a two-year period. The BEBs have been in regular passenger service since late 2024, offering valuable insights into the performance and integration of electric buses in Tasmania's transport system.

Three hydrogen buses have been purchased for the HEB trial. Awareness training for operational and engineering staff has been completed, a purpose-built hydrogen refuelling station has been installed at Metro's Mornington Depot, and hydrogen supply was secured through a partnership with Blue Economy CRC. The commissioning of an electrolyser in April 2025 marked a major milestone, ensuring a local and reliable hydrogen source and enabling the commissioning of the facilities and the buses, and commencement of services in June 2025.

Engaging and developing our people

Metro also began rolling out new bus operator security screens in April 2025. This \$2.1 million project is being delivered in stages by a Tasmanian supplier after securing regulatory approval following an extensive prototyping process. This design process was undertaken in close collaboration with Metro bus operators, unions and the Bus Industry Confederation. Prototypes were iterated to develop a solution that ensures visibility, airflow and emergency access, without compromise to the safety or comfort of drivers and passengers.

The Metro design was the first installation of its type to be approved by the National Heavy Vehicle Regulator.

More broadly, we have continued to focus measures that aim to improve the safety and wellbeing of our people. In the three years from 2022-23 to 2024-25 we have achieved an overall reduction in the number of lost time injuries of 37% (from a total of 48 to 30). Notwithstanding the increase in ASB described above, the proportion of lost time injuries that are psychological injuries has remained largely unchanged. In 2024-25, 54% of all lost time injuries were psychological injuries, compared to 55% in 2022-23.

In addition to an intensive program of driver training, over 195 staff completed de-escalation training in the past year, strengthening our frontline teams' ability to respond confidently to challenging behaviours in the workplace. We have also expanded professional development opportunities, with 10 staff completing formal qualifications in leadership and management.

In May 2025, Metro conducted an Employee Engagement Pulse Check Survey to gauge employee sentiment and track progress against the 2024 Employee Engagement Survey. Administered independently by CultureAMP, Metro's overall engagement score has risen to 65% from 59% in 2024. There was a significant increase in how our people view safety at Metro, with an increase of 16% from 2024. The survey captured valuable insights from our people that will be used to guide continued improvements to support a safe, inclusive, and productive workplace that delivers better public transport outcomes for all Tasmanians.

During the year, we were extremely proud to learn that the 2024 Australian Bus Driver of the Year, awarded by the Bus Industry Confederation, was Deb Grace, a Launceston bus operator with Metro. The award was presented at the national conference of the Bus Industry Confederation in Hobart on 21 November 2024. Deb has been with Metro for 25 years and is the longest-serving female bus driver at the Launceston depot. This is a wonderful recognition of the dedication and service that bus operators like Deb provide to our passengers.



With thanks, and the road ahead

I would like to take this opportunity to thank Metro's outgoing CEO, Katie Cooper, for her dedication and work over the past five years, establishing the modernisation journey for Metro and putting in place the foundations for the future.

Under Ms Cooper's leadership, Metro is on its pathway to making the journey better for all Tasmanians.

Laurie Hansen has been appointed to a newly created position of General Manager Business Improvement and will act as interim CEO until a permanent appointment is made. Mr Hansen is a highly experienced transport industry executive and is a former CEO of Metro.

We thank our staff across the state for their continuing dedication, professionalism, and resilience. Every day, they keep Tasmania moving, and we are extremely proud of the important work they do for our customers and our communities.

We also thank our customers for their continued support and patronage, particularly during a year of service adjustments. We are focused on building more reliable, safer and better-connected public transport that better serves our

customers and the communities we operate within.

With strong foundations in place and a clear focus on modernisation, Metro is well positioned to deliver on our vision: to make the journey better for all Tasmanians.



Anthony Braxton-Smith
Chair

Our Customers and Community



Compliments and complaints

At Metro Tasmania, we value every piece of feedback our customers provide. Whether it's to highlight a concern or to acknowledge great service, this input plays a vital role in helping us refine and improve what we do.

We take all complaints and incidents seriously, investigating each one thoroughly. Substantiated complaints are followed up with a detailed response within 10 business days. Just as importantly, we love hearing about positive experiences – every compliment received is shared with the relevant frontline staff to acknowledge their dedication and service.

Our team supports customers daily across a wide range of services – from GreenCard assistance and journey planning to lost property and helpline support. We're also active in

the community, providing in-person guidance at key times like the start of the school year, showing our ongoing commitment to customer care.

With over 164,000 customers served at our locations and more than 27,000 calls answered through our hotline each year, our team is proud to deliver meaningful, day-to-day support that enhances the customer experience.

These ongoing efforts reflect our shared commitment to service excellence and meeting the needs of our passengers across Tasmania.

Metro's customer satisfaction continued to improve in 2025 with our survey completed in July 2025. The strongest gains were in affordability (91% satisfied, up from 67% in 2023) and travel time (82%, up from 67% in 2023). Service elements also recorded increases, with the highest satisfaction in driver service (86%) and personal safety (78%).

"Bus from Launceston to Riverside – the driver was very helpful and friendly. He kindly helped find the most suitable stop for a passenger with low vision."



272

compliments
received statewide



78%

overall customer
satisfaction in 2025
▲ 9% from 69% in 2024

Metro in the community

Metro's role in Tasmania extends far beyond the delivery of public transport services. As a publicly owned organisation, we are proud to be active participants in the communities we serve, supporting local events, backing community organisations, recognising the contribution of our people, and strengthening connections across the state.

Whether helping to move thousands of event attendees safely and efficiently, or supporting grassroots causes close to our team members' hearts, Metro remains committed to showing up for Tasmania – on and off the road.

Get Bus Active campaign

This study, conducted by the Menzies Institute for Medical Research, is all about uncovering the motivations behind bus travel and how it can positively impact physical activity. This initiative has now expanded its reach to include participants from Hobart, Burnie and Launceston, aged 15 and above. All eligible Tasmanians who participated receive a \$100 incentive. So far, the campaign has allocated 1,605 GreenCard credits as rewards for catching the bus more.

Supporting local causes and charities

Metro proudly supports a range of community organisations through sponsorships, donations and in-kind support. In 2024–25, Metro partnered with groups that promote wellbeing, inclusion, safety and connection – values that align with our own.

Organisations and initiatives supported this year included:

- SPEAK UP! Stay ChatTY
- Cancer Council Tasmania
- Foodbank
- Diwali Tasmania celebrations
- Seniors Week
- "Short of a Sheet" winter drive
- Clarence City Council – Homelessness Week

"The X21 departing Hobart at 5:21 pm had a driver who was so lovely. He took the time to chat and thank people – made my commute home so much better!"



UNIVERSITY OF TASMANIA
MENZIES Institute for Medical Research

Get Bus Active!

Join our **'Get BusActive!' study**

Get moving & receive up to \$100 for taking part

Visit [GetBusActive.com.au](https://getbusactive.com.au) or scan the code for details

This study has been approved by the University of Tasmania Human Research Ethics Committee (HREC). If you have concerns or complaints about the conduct of this study you can contact the Executive Officer of the HREC on 01 2426 5204 or email humanethics@utas.edu.au. The Executive Officer is the person nominated to receive complaints from research participants. You will need to quote HREC7895.



Metro proudly supports our community through initiatives including the Menzies Institute's Get BusActive study, SPEAK UP! Stay ChatTY! Shorts Day, and free travel for Seniors during Seniors Week.

Travel for **FREE** with Metro during Seniors Week!

From Monday 13 October until Sunday 19 October 2025, show your Seniors Card to the bus driver and enjoy the ride on us!



To learn more, get a GreenCard, or for help in planning your journey:

metrotas.com.au | 13 22 01 | contact@metrotas.com.au

Metro



1.6 million

user sessions for the
Metro Tas app



447,000

user sessions for the
Metro Tas website



626,792

social media reach
▲ 44.2% from 2023–24



Connecting communities at events

Throughout the year, Metro partnered with local organisations to deliver services for major public events, ensuring access, safety and reduced congestion for participants and attendees. These charter and shuttle services provide a practical alternative to private vehicle travel and support the vibrancy of Tasmania's event calendar.

- In November, Metro once again provided dedicated transport for the *Point to Pinnacle* marathon, assisting participants with safe return from the summit of kunanyi / Mt Wellington.
- On New Year's Eve, Metro delivered *Nightrider* services in Hobart, Launceston and Burnie in partnership with the Motor Accidents Insurance Board, providing late-night travel options for revellers and helping to reduce drink driving incidents.
- Metro continued to operate the *City of Launceston's Tiger Bus* – a free shuttle service that includes peak period links between Inveresk and Launceston CBD, two inter-peak city loops, and a dedicated Cataract Gorge loop.

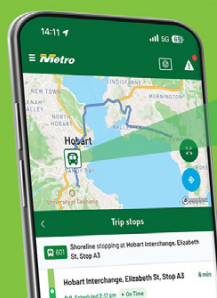


"Bus 873 from Hobart to Brighton – the driver was friendly, funny, and informative, answering all my questions about connecting services. He greeted every customer warmly."



The Metro Tas App just got better with

REAL-TIME TRACKING



Your bus is arriving in
6 MINUTES



At the 2025 TasICT Excellence Awards, Metro – together with Ionata Digital, Loop Foundry, the Department of State Growth (Tas), and Mattersoft – won the award for Best ICT Initiative or Industry Collaboration for the successful delivery of real-time bus tracking through the Metro Tas App, a key milestone in improving public transport for all Tasmanians.



42,000

users within the first week

Real-time tracking and Metro Tas app

In early 2025, Metro launched real-time tracking for general access services across Hobart, Launceston and Burnie, delivering a major leap forward in the digital public transport experience for Tasmanians. In partnership with the Department of State Growth and key technology providers, the addition of real-time tracking to the Metro Tas app modernised the way our customers plan, track and complete their journeys. For the first time, passengers could see the live location and arrival time of their bus, reducing uncertainty and providing greater confidence in daily travel.

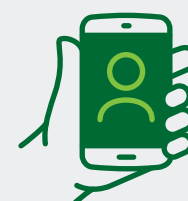
The app's new features include a live bus location on a network map, trip planning across multiple operators, favourite routes, nearby stop lookups, service alerts, and GreenCard management. The response from customers was

immediate, with more than 42,000 users upgrading to the new platform in the first week, and monthly active users increasing by over 600% year-on-year. In the first month alone, the app recorded over 1.7 million screen views, with steady uptake continuing across the year – about 30,000 Tasmanians now use the Metro Tas app to plan their journeys each month.

The upgraded Metro Tas app has also earned a number of awards. Metro and its delivery partners were awarded Best ICT Initiative or Industry Collaboration at the 2025 TasICT Excellence Awards. The app also received Gold in the Digital – Government Services category and Silver in Digital – Application at the 2025 Melbourne Design Awards. These accolades acknowledge both the functionality and thoughtful design of the platform, and reinforce Metro's commitment to delivering modern, accessible and customer-first public transport services.

1.7 million

screen views in the first month



30,000

Tasmanians plan journeys with the Metro Tas app each month

▲ 600%

monthly active users (year-on-year)

Our People



In March, Metro received a national regulatory exemption to begin installing protective driver security screens on its 800 and 900 series BusTech buses – an Australian first. Approved ahead of national guidelines, the screens form part of an \$8.1 million Tasmanian Government investment to improve driver safety. Inset: Metro Chief Operating Officer Darren Turner, Tasmanian Transport Minister Eric Abetz, and HAV N A DIP's Scott Workman announce National Heavy Vehicle Regulator screens exemption.

A safety boost for Metro's drivers

Metro has taken a major step forward in its commitment to employee safety, with a first-of-its-kind regulatory exemption paving the way for the installation of protective driver security screens across the fleet.

The project – part of a broader \$8.1 million investment by the Tasmanian Government to support Metro – involves the staged installation of new glass security screens designed to reduce the risk of anti-social behaviour and improve workplace safety for our drivers.

In March 2025, Metro received official approval from the National Heavy Vehicle Regulator (NHVR) to proceed with installing the screens, an Australian first. The exemption confirms that Metro's co-designed screen model meets stringent safety standards, allowing installation ahead of the finalisation of national guidelines.

A collaborative approach to safety

Developed through extensive consultation and testing, the screen design reflects significant input from Metro drivers, health and safety representatives, the Transport Workers' Union, and the Bus Industry Confederation. The project has been shaped by a shared goal of prioritising Metro drivers' safety at work without

compromising the broader customer experience.

The approved screens will first be installed on Metro's 800 and 900 series BusTech vehicles and feature openings for customer payments. Design specifications for other bus models are currently under development to ensure fleet-wide consistency.

Thoughtful design, rigorous testing

Metro's approach has prioritised both effectiveness and usability. To avoid unintended consequences, factors such as visibility, glare, airflow and blind spots were rigorously assessed during the design phase. The screens have also been engineered to meet emergency exit requirements, with the driver's window now classified as an additional approved exit.

A local partnership for delivery

Metro has engaged Tasmanian supplier HAV N A DIP Bus Repairs to deliver the manufacturing and installation of the new screens. Contracts have been finalised and materials have been ordered, with the first screens installed from mid-May 2025.

This initiative is another example of Metro's broader commitment to modernisation and workplace safety. It aligns with Metro's strategy and our values-driven approach to supporting staff across the organisation.

Metro Security Screens Fast Facts:

National First



Metro is the **first operator in Australia** to receive NHVR exemption to install driver security screens ahead of national standards.

Locally Made



Screens will be **produced and installed by Hobart-based** supplier HAV N A DIP Bus Repairs.

Government Investment



Part of a \$2.1M safety project, within an **\$8.1M Tasmanian Government investment** in Metro

PUT YOUR CAREER IN MOTION

Get on board with Metro.



Recruitment

Metro continues to work hard to address issues within the recruitment portfolio. The challenge of recruitment and retention of bus operators is one that is being felt nationwide and Metro has partnered with industry bodies, community and employment organisations to promote the profession and employment opportunities.

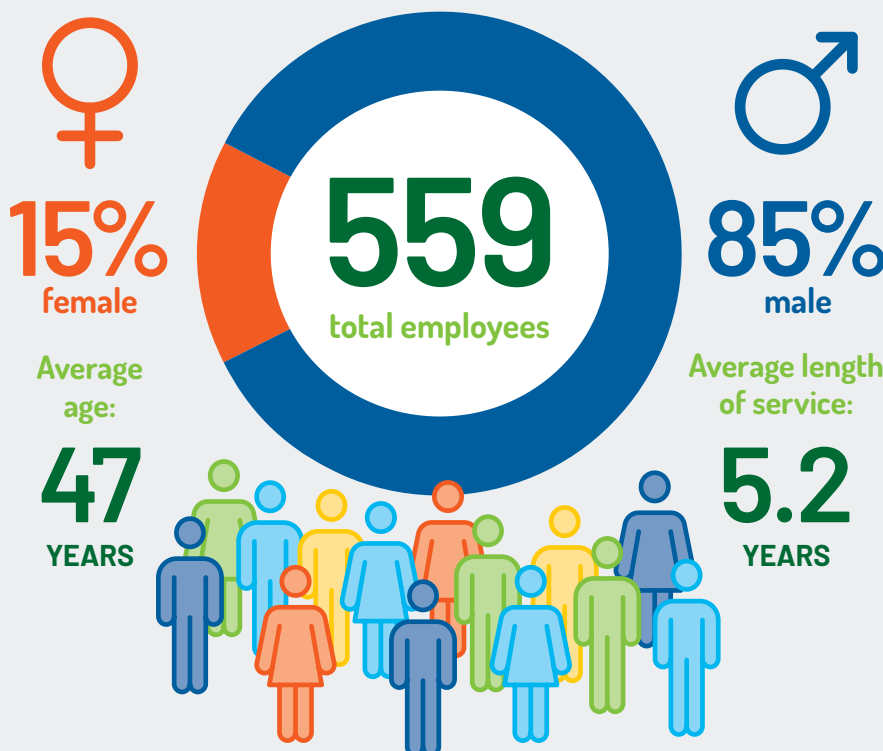


2025 Employee Engagement Pulse Check Survey

In May 2025, Metro conducted an Employee Engagement Pulse Check Survey to gauge employee sentiment and track progress against the 2024 Employee Engagement Survey.

The survey captured valuable insights from our people that will be used to guide continued improvements to support a safe, inclusive and productive workplace that delivers better public transport outcomes for all Tasmanians.

- Metro's overall engagement score has risen to 65% from 59% in 2024.
- There was a significant increase in how our people view safety at Metro, with an increase of 16% from 2024.
- The percentage of employees expressing pride in Metro rose by 9% in the 2025 Pulse Survey.



65%
overall engagement score
▲ 6% from 2024 survey

▲ 16%
how our people view safety
at Metro from 2024 survey

▲ 9%
employees expressing
pride in Metro

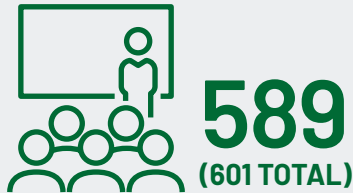
"Route 197 inbound, Wynyard to Burnie at 8:00 am on 18 September – the driver was very courteous and engaging. It was a joy to travel with someone who clearly enjoys the job."

Learning and development



Bus operators completed training

104 **27** **5**
Hobart Launceston Burnie



employees have now completed **Being On Board for Better** training across the business since it was rolled out

The training includes the following components: Metro Code of Conduct, Respect@Work, Child Safety, and Health, Safety and Wellbeing.



Focus on health and safety, including

- 18** employees completed first aid training in 2024-25
- 27** employees completed their Emergency / Fire Warden training in 2024-25
- 3** employees completed ICAM for Lead Investigators training
- 8** employees have completed working at heights training (and increasing)



Gender Pay Gap

Metro's Gender Pay Gap score is **7.84%**. Our results clearly show there is no material difference in earnings between men and women.

Our bus operators and engineering employees are paid according to objective criteria, tenure and demonstrated competency.

Employee and Community Wellbeing Fund

Metro's people are deeply embedded in their communities, and we are proud to support the causes that matter most to them. Through our Employee and Community Wellbeing Fund, Metro employees can apply for funding to support community activities they are directly involved in, such as local sports teams, fundraising events or volunteer work.

In 2024-25, this initiative continued to help our team members extend Metro's positive impact beyond the workplace – one club, cause and community at a time.

"The driver greeted every single person with a warm smile and enthusiasm. It was heartwarming to see passengers smiling back – awesome driver!"

Celebrating people and milestones

Metro's strength lies in its people, and we are proud to celebrate the dedication, professionalism and community spirit of our team.

In a highlight for the business and the broader industry, bus operator *Deb Grace* was named the 2024 *National Bus Driver of the Year* by the Bus Industry Confederation. With 25 years of service at Metro, Deb is Launceston's longest-serving female bus driver and a much-respected member of the team. She has trained new recruits, supported her peers, and demonstrated excellence behind the wheel every day. Her national recognition is a source of pride for all of Metro.

Other employee achievements during the year included:

- Damien Arkley – TasBus Achiever of the Year 2025
- Chris Breen – TasBus Achiever of the Year 2024.

We also celebrated major milestones of long-serving employees whose careers exemplify commitment and public service:

- Ivan Cripps – 50 years of service
- Ian Hughes – 47 years of service
- Ken Barker – 40 years of service
- Ricki Fyfe – 38 years of service
- Paul Marshall – 35 years of service.

Their contribution is a reminder of the deep legacy of service that underpins Metro's role in Tasmania.

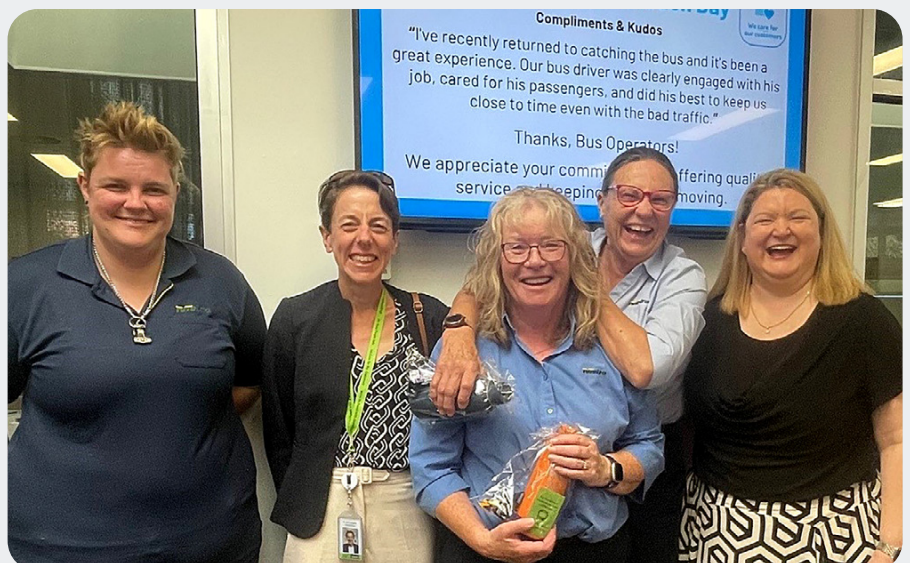
Metro also celebrated *Bus Driver Appreciation Day* to acknowledge the vital role our drivers play in keeping Tasmania moving.

Right, from top to bottom:

Metro nominees and winner Deb Grace from the National Bus Industry Confederation Conference held in Hobart in 2024.

A special moment of connection as Metro staff gathered to celebrate.

Smiles and fun during Metro's Bus Driver Appreciation Day festivities!



Our Performance



Passenger levels

Pleasingly, patronage grew by 2.5% compared with 2023-24, resulting in a 1.6% positive variance to target.

Metro's service adjustments implemented in 2023-24 to restore stability and reliability to the network were the primary cause of not meeting the 99.75% target. In November 2024, following a successful recruitment campaign to bolster its bus driver workforce, Metro was able to reintroduce 15% of affected services to the Hobart network.



79% Hobart
17% Launceston
4% Burnie

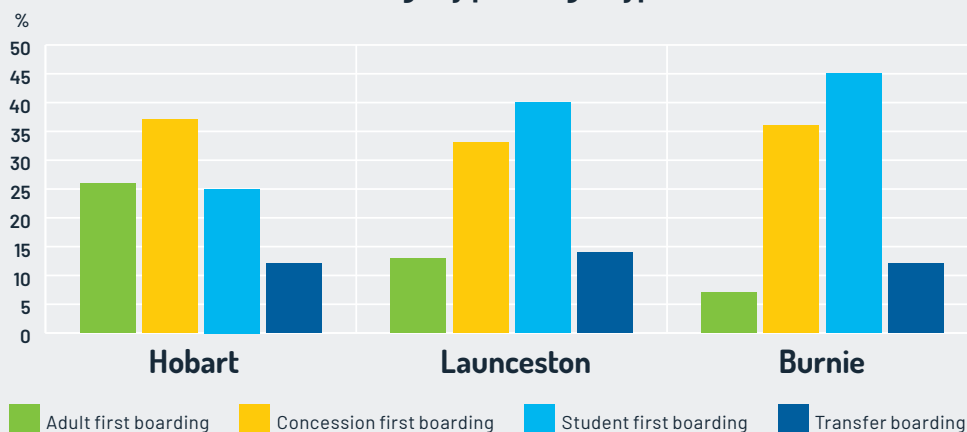


**7.04
million**

passenger journeys

▲1.7% from 2023-24

Boardings by passenger type⁽¹⁾



⁽¹⁾ first boardings means boardings that have not been made within 90 minutes of a previous boarding



Fleet statistics



236

buses in fleet



94%

with air conditioning



100%

with CCTV



100%

DDA compliant buses



Number of buses by age

34 0-4 years

98 5-9 years

27 10-14 years

47 15-19 years

30 20+ years

Board of Directors



Anthony Braxton-Smith (Chair)
MBA, MAICD

Mr Braxton-Smith has over 30 years' executive experience in both senior public service roles and the private sector, and has worked in public transport for the past 20 years. He currently provides independent advisory services in transport and infrastructure.



Dianne Underwood (Deputy Chair)
BSocSc, GAICD

Ms Underwood has more than 25 years' experience specialising in human resources, change management and strategic planning across a diverse range of sectors. Ms Underwood is currently the Chief Executive Officer for Home Base.



Tim Booker
MBA

Mr Booker is the Managing Director of Apex Advisory, a corporate finance, mergers and acquisitions and restructuring business based in Tasmania. He was previously a Director at Deloitte Australia in the Turnaround and Restructuring team and is currently Chair of The District Nurses, as well as High Risk Work Solutions, a training provider owned by Master Builders Tasmania.



Jane Sargison
BE(Hons), DPhil, GAICD, FIEAust, EngExec, CPEng

Ms Sargison is an engineer, consultant and independent director experienced in a range of engineering consultancy, research and commercialisation of technology. A Rhodes Scholar, Ms Sargison is currently Executive Manager Land Development with JAC Group, Director of JSA Engineers and Director of Southern Cross Care (Tasmania).



Ian Vanderbeek
BBus, FAICD

Mr Vanderbeek has over 40 years' experience in operational and senior managerial roles in the transport sector in Australia, Europe, Asia and the USA. He currently provides consultancy services to transport and logistics companies in Australia and the USA and serves as an independent director on several private and public sector boards.

Corporate governance framework

Metro is committed to the principles of good corporate governance. It operates under a framework that is consistent with the ASX Corporate Governance Principles and Recommendations, in line with the Shareholding Minister's expectations under the *Tasmanian Government Businesses Governance Framework Guide*. Our position on the principles and recommendations is summarised below:

Principle 1 – Lay solid foundations for management and oversight

The Board is responsible for the strategic guidance and oversight of Metro. The roles and responsibilities of the Board are set out in a Board Charter, as well as directors' letters of appointment.

Matters reserved for the Board are set out in a Delegations Policy and Manual, and the Board has delegated specific activities to the Chief Executive Officer, Executives and other employees in accordance with the limits outlined in this document.

The Company Secretary is accountable to the Board, through the Chair, on all matters to do with the proper functioning of the Board.

The value of diversity is embedded in organisational policies and practices and Metro's Code of Conduct.

The Board evaluates its performance in accordance with the *Tasmanian Business Guidelines – Assessing Board Performance*. An external independent review is conducted every three years, and at the time of this report, the Board was undertaking an external evaluation.

There is a formal process for reviewing the performance of the Chief Executive Officer and other executives. It includes assessment of performance against key performance indicators and addresses training and development requirements. Performance reviews were undertaken during 2024–25.

Principle 2 – Structure the Board to be effective and add value

The Board consists of five independent non-executive directors, and their details and relevant skills and

experience is outlined in the Directors' Report. Each director is appointed for a specified term.

To facilitate board renewal, the Board establishes a Director Selection Advisory Panel when required and engages an executive search firm to assist the panel to identify potential candidates for upcoming Board vacancies. Directors are selected and appointed by Shareholding Ministers following recommendations from the panel together with probity checks.

The Board maintains a skills matrix which sets out the mix of skills and diversity that the Board has.

Directors are responsible for notifying the Board of any material personal interest in any matter relating to the affairs of Metro and make annual declarations regarding any related party transactions.

The Board has a comprehensive induction program in place for new directors and is managed by the Chair and the Company Secretary. The Board is also committed to ongoing professional development for directors.

Principle 3 – Instil a culture of acting lawfully, ethically and responsibly

Metro has established a set of values and Code of Conduct which outlines the expectations of directors in complying with the spirit and intent of the code, as well as complying with all applicable legislation.

The Code of Conduct is underpinned by other policies and procedures that articulate the expectations to act ethically and responsibly, as well as comply with legislative and regulatory obligations. These include the Right to Information Procedure, Privacy Policy, Protected Disclosures (Whistleblower and Public Interest) Policy, Anti-Fraud and Corruption Procedure and Procurement Procedure.

The Audit and Risk Committee receives compliance reports every six months which detail any breaches of these policies.

Principle 4 – Safeguard the integrity of corporate reports

The Board has established an Audit and Risk Committee which considers and monitors matters relating to financial

integrity, external reporting, risk management, and internal and external audit functions. The Committee comprises three directors and is chaired by an independent director who is not the Chair of the Board. Membership of the Committee and meeting attendances for the year are set out in the Directors' Report.

The Committee reviews the annual financial statements and recommends them to the Board for consideration. As part of the end-of-year processes, the Chief Executive Officer and General Manager Financial Services provide the required declarations under section 295A of the *Corporations Act 2001*.

Metro's external auditor is the Tasmanian Auditor-General and members confirm the appointment at each annual general meeting (AGM). The Auditor-General or their representatives attend meetings of the Audit and Risk Committee from time to time and attend the annual AGM.

Principle 5 – Make timely and balanced disclosure

The Chair and Chief Executive Officer regularly meet with Shareholder Ministers to provide briefings on key strategic issues and developments. Metro also ensures that Shareholder Ministers are kept informed of all matters that may have a material impact on the Company or potential implications for the state.

Details about disclosures made under the *Right to Information Act 2009* and the *Public Interest Disclosures Act 2002* are set out in the following pages.

Principle 6 – Respect the rights of shareholders

Metro's Constitution outlines the rights and powers of Shareholder Ministers. Shareholder Ministers have issued a Members' Statement of Expectation, which is incorporated into the Corporate Plan, and the Board agrees on a Statement of Corporate Intent with Shareholder Ministers each year.

Metro complies with formal reporting obligations under the Constitution, applicable legislation and guidelines and provides regular briefings to Shareholder Ministers. Metro also participates in Government Businesses Scrutiny Committees each year.

Principle 7 – Recognise and manage risk

The Audit and Risk Committee provides support to oversee Metro's Risk Management Framework, which is approved by the Board. The Board also monitors current and emerging risks and the status of plans and controls to manage those risks.

The Committee oversees the internal audit function which is outsourced, including the approval of the audit plan, receiving reports of all audits undertaken and monitoring the implementation of recommendations.

Principle 8 – Remunerate fairly and responsibly

As a state-owned company, Metro is required to comply with the *Guidelines for Tasmanian Government Businesses – Director and Executive Remuneration*. The Remuneration Report details the Board's policy for the remuneration of directors and executives, as outlined in the Directors' Report and the Notes to the Financial Statements. Director fees are set by the Tasmanian Government under the Remuneration Framework for Government Boards.

Legislative compliance

Public interest disclosures

Metro complies with the *Public Interest Disclosures Act 2002* and has implemented procedures for the reporting, receiving and handling of disclosures of improper conduct or detrimental action by Metro or its employees. The Protected Disclosures (Whistleblower and Public Interest) Policy is available on Metro's website.

During the financial year, Metro did not receive any disclosures of public interest.

Right to information

Metro is subject to the *Right to Information Act 2009* and has implemented a Right to Information Policy and Procedure. Information on how to lodge a right to information request is available on Metro's website.

During the year, Metro received six applications for assessed disclosure. Three were treated as active disclosures.

Personal Information Protection Act

Metro is subject to the *Personal Information Protection Act 2004* (PIP Act) and has implemented a Privacy Policy, which is available on Metro's website.

During the year, Metro did not receive any enquiries or complaints in relation to the PIP Act.

Tasmania Government reporting requirements

Buy local

In accordance with the *Guidelines for Tasmanian Government Businesses – Buy Local*, Metro purchased the following goods and services from Tasmanian business during the financial year:

Purchases from Tasmanian businesses	
% of purchases from Tasmanian businesses	78%
Value of purchases from Tasmanian businesses	\$40,367,321

Details of payments made to consultants valued over \$50,000 (ex GST) are detailed below:

Consultancies valued at more than \$50,000 (ex GST)				
Name	Location	Description	Period of engagement	Amount
Adaptable HR	Tasmania	Industrial Relations & Human Resources	July 2024 to December 2024	\$142,649
Urban Transit Solutions Pty Ltd	Victoria	Network Planning	October 2024 to March 2025	\$193,680
Rail Confidence Pty Ltd	New South Wales	Bus Structural Investigation	December 2024 to June 2025	\$84,603
Espirit	Tasmania	ESG Strategy Development	January 2025 to June 2025	\$57,920
Page Seager Pty Ltd	Tasmania	Legal	July 2024 to June 2025	\$141,296
Edge Legal Holdings Pty Ltd	Tasmania	Legal	July 2024 to June 2025	\$221,120
Wise, Lord & Ferguson Accounting and Advisory	Tasmania	Internal Audit	July 2024 to June 2025	\$58,175
Datca Pty Ltd	Tasmania	Marketing, Campaign and Digital Services	July 2024 to June 2025	\$214,881
Total				\$1,114,325
There were 24 consultants engaged for \$50,000 or less totalling				\$485,508
Total Payments to Consultants				\$1,599,834

Overseas travel

During the financial year, there was no overseas travel undertaken by Metro directors, executives or employees.

Payment of accounts

In accordance with the *Guidelines for Tasmanian Government Businesses – Payment of Accounts*, details of accounts paid by Metro during the financial year are set out below:

Payment of accounts	
Creditor days	30
Number of accounts due for payment	8,017
Number of accounts paid on time	6,685
Amounts due for payment	\$50,419,256
Amounts paid on time	\$46,649,508
Number of payments for interest on overdue accounts	0
Interest paid on overdue accounts	\$0

Key performance targets

Financial targets	2024-25 target	2024-25 actual	Status
Profit/(loss) after tax (\$'000)	(3,090)	(4,178)	●
Returns to Government	26	26	●
Fares revenue (\$'000)	11,179	11,179	●
Total cost per service kilometre (\$)	6.62	6.87	●

Non-financial targets	2024-25 target	2024-25 actual	Status
Network effectiveness			
Patronage ('000 first boardings)	6,928,430	7,040,368	●
First boardings per service kilometre	0.76	0.81	●
Operator efficiency			
% trips delivered within Metro's reasonable control	99.75	94.08	●
% trips delivered on time within Metro's reasonable control	90	82	●
% of kilometres that are out of service	20	22	●
% of paid hours that are undertime	0.5	0.4	●
Service quality			
Substantiated complaints / 100,000 service kilometres	8.2	6.6	●
% customers satisfied with Metro	70	68	●
Safety			
At fault collisions/100,000 km	4	4.5	●
Reduction in Lost Time Injury Frequency Rate	48	30.2	●

Performance commentary

For the financial year ended 30 June 2025, Metro incurred a loss after tax of \$4.178 million, which was \$1.008 million behind the budgeted loss of \$3.090 million. This result was by operating costs continuing to outpace revenue growth as Metro implemented three new enterprise agreements during 2024-25, which resulted in a higher than forecast cost per km.

Notwithstanding the initiative to offer half price fares, patronage was materially at the same level as in 2024-25 with a total of 7 million passenger boardings trips in 2024-25. The funding model put in place to support the half-price fares initiative effectively freezes Metro fare box revenue at 2023-2024 levels.

Despite a decline in financial performance, Metro's cash position remains strong with \$19.651 million held in cash reserves, of which \$6.844 million is allocated to specific projects including zero-emission buses, intelligent transport systems, and GreenCard balances.

Non-financial targets commentary

Metro had assumed a 0.9% overall increase in patronage for 2024-25. However, patronage grew by 2.5% compared with 2023-24, resulting in a 1.6% positive variance to target.

Metro's service adjustments implemented in 2023-24 to restore stability and reliability to the network were the primary cause of not meeting the 99.75% target as listed above. In November 2024, following a successful recruitment campaign to bolster its bus driver workforce, Metro was able to reintroduce 15% of affected services to the Hobart network.

Due to data limitations, the 82% result for trips delivered on time includes services that did not run on time due to circumstances beyond Metro's control, such as roadworks, traffic congestion and adverse weather. Metro's services were severely impacted by major roadworks such as the Bridgewater Bridge construction, and traffic congestion more broadly.

Reduction in LTIFR

The reduction in the Lost Time Injury Frequency Rate (LTIFR) is a positive step towards enhancing workplace safety, with a target of 48 set for 2024-25, while currently achieving a year-to-date rate of 30.19. This reflects ongoing efforts over the past 12 months to minimise injuries and promote a safer work environment.

In 2025, Metro developed Work Health and Safety risk registers to align with our safety strategy. These registers systematically identify and assess potential hazards, enabling us to implement effective control measures. This proactive approach minimises risks and protects the health and wellbeing of our employees, ensuring a safe and productive work environment.

Directors' Report

The directors of Metro Tasmania Pty Ltd ('Metro', 'the Company') present the annual financial report for the Company and its controlled entity for the year ended 30 June 2025.

Principal activities

The principal activity of Metro during the financial year was the provision of bus passenger transport services in the Tasmanian urban centres of Hobart, Launceston and Burnie, and to some regional centres around Hobart and Burnie.

Review of operations

For the financial year ended 30 June 2025, Metro achieved a loss before income tax of \$5.963 million (2024: loss of \$4.632 million) and an after-tax loss of \$4.178M (2024: loss of \$3.245 million).

Metro is holding \$19.651 million in cash and cash equivalents as at 30 June 2025, of which \$6.844 million is committed for projects funded by the State Government and ticket fares received in advance from GreenCard customers.

A detailed review of operations for the year is outlined in the Chair and CEO report.

Dividends

The directors do not recommend payment of a dividend this year. No dividend was paid for the year ended 30 June 2024.

Change in state of affairs

There were no significant changes in the state of affairs of Metro that occurred during the year ended 30 June 2025.

Subsequent events

There has not been any matter or circumstance other than that referred to in the Financial Statements or notes that has arisen since the end of the financial year that has significantly affected, or may significantly affect the operation of the Company, or the state of affairs of Metro in future financial years.

Likely financial developments

Metro continues to progress a number of strategic initiatives in support of our vision to make the journey better for all Tasmanians. These include:

- Continuing the zero-emission bus trials based on battery electric and hydrogen fuel cell electric technology in Launceston and Hobart over the course of 2025-26 to 2027-28.
- Delivering technology projects as part of the Intelligent Transport Systems program to enable modernisation of key Metro systems and business processes that will improve our efficiency, service and safety. The projects include the implementation of a new rostering and timetable system HASTUS, a human resource information solution with Elmo Software, and investigating options to enhance on-board safety and security systems, including replacement of CCTV on a portion of Metro's bus fleet as well as new two-way radio communications and updated assisted driver technology.
- Supporting the Department of State Growth to roll out an integrated ticketing system for application across all general access public transport providers, which will replace Metro's GreenCard, and the implementation of the Greater Hobart Network Review.

Environmental regulation

Metro is subject to various environmental regulations under Commonwealth and State legislation. Metro regularly monitors compliance with environmental regulations. No statutory breaches were reported in 2024-25.

Board of Directors

Details of directors of Metro during or since the end of the financial year are:

Anthony Braxton-Smith (Chair)

Appointed director Nov 2022

Appointed Chair Nov 2023

Current term expires Nov 2025

Dianne Underwood (Deputy Chair)

Appointed director Nov 2022

Current term expires Nov 2025

Ian Vanderbeek

Member Audit and Risk Committee

Appointed director Nov 2023

Current term expires Nov 2026

Jane Sargison

Member Audit and Risk Committee

Appointed director Nov 2023

Current term expires Nov 2027

Tim Booker

Chair, Audit and Risk Committee

Appointed director Nov 2024

Current term expires Nov 2027

Yvonne Rundle

Chair, Audit and Risk Committee

Appointed director Dec 2018

Term expired Nov 2024

Board and committee meetings

The number of meetings (Board and Committee) attended by each director during the financial year ended 30 June 2025 are:

Director	Board Meetings		Audit and Risk Committee	
	Held*	Attended**	Held*	Attended**
Anthony Braxton-Smith	10	10	-	4
Dianne Underwood	10	10	2	3
Ian Vanderbeek	10	10	2	5
Jane Sargison	10	10	5	5
Tim Booker	7	7	4	4
Yvonne Rundle	5	5	2	2

* The number of meetings held while the director was a member of the Board or Committee

** The number of meetings attended by the director (either as a member or as an attendee)

Remuneration report

Remuneration levels for key management personnel of Metro are set in accordance with the Guidelines for *Tasmanian Government Businesses – Director and Executive Remuneration*, issued by the Department of Treasury and Finance. In accordance with these guidelines, the remuneration band for the Chief Executive Officer is determined by the Treasurer and reflects the principles outlined in the guidelines. Remuneration for other Metro executives is set with reference to the Chief Executive Officer's band.

The employment terms and conditions of the Chief Executive Officer and other executives is contained in individual employment contracts, which set out the total remuneration, superannuation, vehicle and salary sacrifice provisions. There are no performance-based incentives.

The performance of the Chief Executive Officer and other executives is reviewed annually which includes a review of their remuneration package.

Fees paid to directors are approved by Shareholding Ministers in accordance with the *Remuneration Framework for Government Boards*, also issued by the Department of Treasury and Finance.

Metro has complied with the guidelines noted above for the year ended 30 June 2025.

Details of payments made to directors, the Chief Executive Officer and other executives are set out in the Notes to the Financial Statements.

Indemnification and insurance

Metro has indemnified its directors and executive officers to the extent permitted by law against liabilities and legal costs incurred by them while acting in their capacity as directors and executive officers of the Company.

During the financial year, Metro paid a premium for an insurance policy to insure the directors and officers of the Company against liabilities to the extent permitted by the *Corporations Act 2001*. The contract of insurance does not permit the terms of the policy to be disclosed.

During or since the end of the financial year, Metro has not indemnified or made relevant agreement to indemnify the auditor of the Company against a liability incurred as the auditor. Further, Metro has not paid or agreed to pay a premium in respect of a contract insuring against a liability incurred by the auditor.

Proceedings on behalf of the Company

No person has applied for leave of the court to bring proceedings on behalf of Metro or intervened in any proceedings to which Metro is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

Metro was not party to any such proceedings during the financial year.

Auditor's independence declaration

Metro's financial report is independently audited by the Tasmanian Audit Office. A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on the following pages.

Rounding off amounts

The Company is of a kind referred to in *ASIC Corporations (Rounding in Financials/Directors' Report) Instrument 2016/191*. In accordance with that instrument, amounts in the Directors' Report and the Financial Statements are rounded off to the nearest thousand dollars, unless otherwise indicated.

Signed in accordance with a resolution of the directors



Anthony Braxton-Smith
Chair
6 August 2025



Tim Booker
Chair, Audit and Risk Committee
6 August 2025

Auditor's Independence Declaration



Level 2, 144 Macquarie Street, Hobart, Tasmania, 7000
Postal Address GPO Box 851, Hobart, Tasmania, 7001
Phone: 03 6173 0900
Email: admin@audit.tas.gov.au
Web: www.audit.tas.gov.au

6 August 2025

The Board of Directors
Metro Tasmania Pty Ltd
PO Box 61
MOONAH TAS 7009

Dear Board Members

Auditor's Independence Declaration

In accordance with section 307C of the *Corporations Act 2001*, I provide the following declaration of independence.

As the auditor of the financial statements of Metro Tasmania Pty Ltd for the financial year ended 30 June 2025, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (a) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit
- (b) any applicable code of professional conduct in relation to the audit.

In accordance with the *Corporations Act 2001* a copy of this declaration must be included in the Directors' Report.

Yours sincerely

David Bond
Assistant Auditor-General
Delegate of the Auditor-General

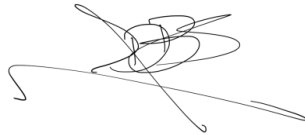
METRO TASMANIA PTY LTD DIRECTORS DECLARATION

The directors declare that:

- (a) in the directors' opinion, the financial statements and notes of the company are in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the company's financial position as at 30 June 2025 and of its performance for the financial year ended on that date; and
 - (ii) complying with Australian Accounting Standards and the *Corporations Act 2001*.
- (b) in the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.
- (c) the directors have been given the declarations from the Chief Financial Officer and the General Manager Financial Services for the financial year.

Signed in accordance with a resolution of the directors made pursuant to section 295(5) of the *Corporations Act 2001*.

On behalf of the directors.



.....
Anthony Braxton-Smith

Chair

6 August 2025



.....
Tim Booker

Director

SUPERANNUATION DECLARATION

I, Laurie Hansen, hereby certify that Metro has met its obligations under the Superannuation Guarantee (Administration) Act 1992 in respect of those employees who are members of a complying superannuation scheme to which Metro contributes.



.....
Laurie Hansen
Interim Chief Executive Officer

August 2025



Independent Auditor's Report

To the Members of Metro Tasmania Pty Ltd

Report on the Audit of the Financial Report

Opinion

I have audited the financial report of Metro Tasmania Pty Ltd (the Company), which comprises the statement of financial position as at 30 June 2025 and statements of profit of loss and comprehensive income, changes in equity and cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies and the directors' declaration.

In my opinion, the accompanying financial report of the Company is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Company's financial position as at 30 June 2025 and of its financial performance for the year then ended
- (b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

I conducted the audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report. I am independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* 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 my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

The *Audit Act 2008* further promotes the independence of the Auditor-General. The Auditor-General is the auditor of all Tasmanian public sector entities and can only be removed by Parliament. The Auditor-General may conduct an audit in any way considered appropriate and is not subject to direction by any person about the way in which audit powers are to be exercised. The Auditor-General has for the purposes of conducting an audit, access to all documents and property and can report to Parliament matters which in the Auditor-General's opinion are significant.

I confirm that the independence declaration required by the *Corporations Act 2001*, provided to the directors of the Company on 6 August 2025 and included in the Directors' Report, would be in the same terms if provided to the directors at the time of this auditor's report.

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

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial report of the current period. These matters were addressed in the context of my audit of the financial report as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Why this matter is considered to be one of the most significant matters in the audit	Audit procedures to address the matter included
Valuation of bus fleet <i>Refer to note C4</i>	
At 30 June 2025, the Company's bus fleet represents the majority of property, plant and equipment and is valued at fair value totalling \$43.71 million. During the financial year, management undertook a full revaluation of their bus fleet. The fair value was based on a depreciated replacement cost approach. The Company undertakes formal revaluations on a regular basis to ensure carrying amount represents fair value. The valuations determined by the expert and are highly dependent upon a range of assumptions and estimated unit rates.	- Assessing the scope, expertise and independence of the expert involved to assist in the valuation. - Evaluating the appropriateness of the valuation methodology applied to determine fair values. - Critically assessing assumptions and other key inputs into the valuation model. - Testing, on a sample basis, the mathematical accuracy of valuation model calculations. - Reviewing the reconciliation of asset balances in the general ledger to the underlying fixed asset register. - Evaluating the adequacy of disclosures made in the financial report, including those regarding key assumptions used.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Company's Directors' Report for the year ended 30 June 2025, but does not include the financial report and my auditor's report thereon.

My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards, and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the 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, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

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

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

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

- Conclude on the appropriateness of the directors' 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 Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusion is based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

I also provide the directors with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, I determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



David Bond
Assistant Auditor-General
Delegate of the Auditor-General

8 August 2025
Hobart



"The driver was extremely friendly and amazing. She was welcoming and helped me find the right bus. I didn't know where to get off, but she pulled over at the right stop without me needing to press the buzzer. She's an asset to the company!"

Financial Statements

for the year ended 30 June 2025



Statement of financial position

Statement of profit or loss and other comprehensive income

Statement of changes in equity

Statement of cash flows

Notes to the financial statements

Section A

- A1 - Reporting entity
- A2 - Statement of compliance
- A3 - Basis of preparation
- A4 - Functional and presentation currency
- A5 - Judgements and assumptions
- A6 - Changes in accounting policies and estimates

Section B

- B1 - Revenue
- B2 - Expenses
- B3 - Income tax
- B4 - Cash and cash equivalents

Section C

- C1 - Trade and other receivables
- C2 - Inventories
- C3 - Other current assets
- C4 - Property, plant and equipment
- C5 - Intangible assets
- C6 - Trade and other payables
- C7 - Borrowings
- C8 - Lease liabilities
- C9 - Contract liabilities

32 Section D

- D1 - Employee benefits 52
- D2 - Related parties 53
- D3 - Superannuation and defined benefits 58

35 Section E

- E1 - Financial instruments 62

Section F

- F1 - Contributed equity 65
- F2 - Asset revaluation reserves 65
- F3 - Retained profits 65
- F4 - Remuneration of auditors 65
- F5 - Commitments for expenditure 66
- F6 - Other accounting policies 66
- F7 - Subsequent events 66
- F8 - Contingent assets/liabilities 66
- F9 - Economic dependency 66

40

42

43

43

43

44

48

48

49

49

51

Statement of Financial Position

As at 30 June 2025



	Note	2025 \$'000	2024 \$'000
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	B4	19,651	20,416
Trade and other receivables	C1	5,577	5,486
Inventories	C2	2,819	2,591
Other current assets	C3	1,241	1,459
TOTAL CURRENT ASSETS		29,288	29,952
NON-CURRENT ASSETS			
Property, plant and equipment	C4	76,731	79,249
Intangible assets	C5	37	59
Deferred tax assets	B3(d)	14,708	13,427
TOTAL NON-CURRENT ASSETS		91,476	92,735
TOTAL ASSETS		120,764	122,687
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	C6	3,993	6,012
Employee benefits	D1	6,795	6,203
Lease liabilities	C8	311	215
Contract liabilities	C9	8,235	12,493
TOTAL CURRENT LIABILITIES		19,334	24,923
NON-CURRENT LIABILITIES			
Employee benefits	D1	16,413	16,940
Borrowings	C7	5,000	5,000
Lease liabilities	C8	886	499
Contract liabilities	C9	4,312	3,035
Deferred tax liabilities	B3(d)	5,378	5,538
TOTAL NON-CURRENT LIABILITIES		31,989	31,012
TOTAL LIABILITIES		51,323	55,935
NET ASSETS		69,441	66,752
EQUITY			
Contributed equity	F1	56,341	50,275
Asset revaluation reserves	F2	19,682	18,824
Retained profits / (losses)	F3	(6,582)	(2,347)
TOTAL EQUITY		69,441	66,752

The Statement of Financial Position is to be read in conjunction with the Notes to the Financial Statements.

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2025



	Note	2025 \$'000	2024 \$'000
REVENUE			
Passenger transport operations	B1(a)	66,723	65,492
Other income	B1(b)	8,967	6,280
Financial income	B1(c)	756	651
		76,446	72,423
EXPENSES			
Passenger transport operations	B2(a)	(59,609)	(56,336)
Engineering and maintenance services	B2(b)	(8,404)	(7,745)
Administration and general	B2(c)	(13,325)	(11,890)
Finance costs	B2(d)	(1,071)	(1,084)
		(82,409)	(77,055)
Profit/(loss) before income tax		(5,963)	(4,632)
Income tax(expense)/benefit	B3(a)	1,785	1,387
Profit/(loss) for the year		(4,178)	(3,245)
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Net asset revaluation increment/(decrement)	F2	1,225	4,137
Actuarial gain/(loss) on defined benefits plan	D3	(81)	(85)
Income tax on other comprehensive income	B3(c)	(343)	(351)
Total other comprehensive income for the year, net of income tax		801	3,701
Total comprehensive income for the year		(3,377)	456

The Statement of Profit or Loss and other Comprehensive Income is to be read in conjunction with the Notes to the Financial Statements.

Statement of Changes in Equity

For the year ended 30 June 2025



	Contributed equity \$'000	Asset revaluation reserves \$'000	Retained profits/ (losses) \$'000	Total \$'000
Balance at 1 July 2024	50,275	18,824	(2,347)	66,752
Profit/(loss) for the year	-	-	(4,178)	(4,178)
Other comprehensive income:				
Net asset revaluation increment/(decrement)	-	1,225	-	1,225
Actuarial gain/(loss) on defined benefits plans	-	-	(81)	(81)
Income tax relating to components of other comprehensive income	-	(367)	24	(343)
Total comprehensive income for the year	-	858	(57)	801
Transfers from reserves to retained earnings	-	-	-	-
Equity contribution	6,066	-	-	6,066
Balance as at 30 June 2025	56,341	19,682	(6,582)	69,441

	Contributed equity \$'000	Asset revaluation reserves \$'000	Retained profits/ (losses) \$'000	Total \$'000
Balance at 1 July 2023	47,007	15,207	814	63,028
Profit/(loss) for the year	-	-	(3,245)	(3,245)
Other comprehensive income:				
Net asset revaluation increment/(decrement)	-	4,137	-	4,137
Actuarial gain/(loss) on defined benefits plans	-	-	(85)	(85)
Income tax relating to components of other comprehensive income	-	(377)	26	(351)
Total comprehensive income for the year	-	3,760	(59)	3,701
Transfers from reserves to retained earnings	-	(143)	143	-
Equity contribution	3,268	-	-	3,268
Balance as at 30 June 2024	50,275	18,824	(2,347)	66,752

The Statement of Changes in Equity is to be read in conjunction with the Notes to the Financial Statements.

Statement of Cash Flows

For the year ended 30 June 2025



	Note	2025 \$'000	2024 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts from sales and service contracts		70,452	71,991
Interest received		777	640
Grant receipts		4,932	11,920
Cash paid to suppliers and employees		(79,202)	(69,787)
Finance costs paid		(118)	(129)
Net cash from operating activities	B4(b)	(3,159)	14,636
CASH FLOWS USED IN INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		39	12
Acquisition of property, plant and equipment		(3,358)	(8,865)
Net cash used in investing activities		(3,319)	(8,853)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of lease liability		(353)	(309)
Equity contribution		6,066	3,268
Net cash from financing activities		5,713	2,959
Net increase/(decrease) in cash and cash equivalents		(765)	8,742
Cash and cash equivalents at the beginning of the financial year		20,416	11,674
Cash and cash equivalents at the end of the financial year	B4	19,651	20,416

The Statement of Cash Flows is to be read in conjunction with the Notes to the Financial Statements.

Section A

Corporate information and basis of preparation

A1 REPORTING ENTITY

Metro Tasmania Pty Ltd ('the Company' or 'Metro') is a Tasmanian State Owned Company domiciled in Australia. The address of the Company's registered office is 212 – 220 Main Road, Moonah, Tasmania.

A2 STATEMENT OF COMPLIANCE

The Financial Statements are general purpose financial statements which have been prepared in accordance with:

- Australian Accounting Standards (AASBs);
- Treasurer's Instructions issued under the *Government Business Enterprises Act 1995* as amended, where applicable to the operations of Metro; and
- Financial disclosure requirements of the *Corporations Act 2001* as amended, where applicable to the operations of Metro, and other requirements of the law.

A3 BASIS OF PREPARATION

These Financial Statements have been prepared on an accrual basis and are based on historical costs and do not take into account changing money values except for land, buildings and buses, which are measured at fair value. The accounting policies have been consistently applied, unless otherwise stated.

A4 FUNCTIONAL AND PRESENTATION CURRENCY

These Financial Statements are presented in Australian dollars, which is Metro's functional currency. Metro is an entity referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, and in accordance with that Instrument, all financial information presented in Australian dollars has been rounded to the nearest thousand unless otherwise stated.

A5 JUDGEMENTS AND ASSUMPTIONS

In the application of AASBs, Metro is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. 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. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by Metro that have significant effects on the Financial Statements are disclosed in the relevant notes to the Financial Statements.

Significant judgements, estimates and assumptions included in the Financial Statements:

- Revenue recognition – Note B1;
- Impairment (Deferred tax assets, Trade and Other Receivables, Inventories, Other current assets and Property, Plant and Equipment) – Notes B3, C1, C2, C3, C4;
- Measurement of defined benefit obligations (Employee Benefits) – Notes D1 and D3;
- Measurement of Right-of-Use Asset and Lease Liability – Notes C4 and C8;
- Valuation of Land and Buildings and Buses (Property, Plant and Equipment) – Note C4;
- Depreciation and Amortisation (Property, Plant and Equipment) – Note C4, C8;
- Provisions for employee benefits – Note D1; and
- Economic Dependency – Note F9.

A6 CHANGES IN ACCOUNTING POLICIES AND ESTIMATES

In the current year, Metro has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board that are relevant to its operations and effective for the current annual reporting period. Metro has reviewed and where relevant adopted the following standards and amendments:

- AASB 2020-1 *Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current*;
- AASB 2022-6 *Amendments to Australian Accounting Standards – Non-current Liabilities with Covenants*;
- AASB 2022-5 *Amendments to Australian Accounting Standards – Lease Liability in a Sale and Leaseback*; and
- AASB 2022-10 *Amendments to Australian Accounting Standards – Fair Value Measurements of Non-Financial Assets of Not-For-Profit Public Sector Entities*.

There has been no material impact on Metro's financial results and only minor amendments to disclosures.

In September 2024 the Australian Accounting Standards Board issued two Australian Sustainability Reporting Standards:

- AASB S1 General Requirements for Disclosure of Sustainability-related Financial Information (voluntary)
- AASB S2 Climate-related Disclosures (mandatory for sustainability reports under the Corporations Act)

This followed Commonwealth legislation establishing Australia's sustainability reporting framework. Relevant entities will be required to undertake mandatory reporting of climate-related disclosures in future financial years. Metro is currently assessing the requirements of these standards and developing a roadmap for implementation.

Metro has also reviewed Australian Accounting Standards and amendments available for early adoption but have not been applied in these financial statements. There is not expected to be any material financial impact from the adoption of those standards/ amendments in future periods.

Section B Detailed information on financial performance

B1 REVENUE

Accounting Policy

Recognition and measurement

Revenue is measured at the fair value of the consideration received or receivable. Metro's primary forms of revenue are a Passenger Service Contract with the Department of State Growth and the collection of fare revenue from passengers on its bus services.

Metro recognises revenue when it transfers control of a product or service to a customer. Revenues received in advance represent a contract liability with the customer and is recognised as a current liability until the performance obligations are met.

Performance obligations and revenue recognition policies

The following table provides information about the nature and timing of the satisfaction of performance obligations and related revenue recognition policies for Metro's material revenue streams:

Revenue Stream	Nature and Timing of Satisfaction of Performance Obligations	Revenue Recognition
Service Contracts	Metro's material service contract is with the Department of State Growth. Metro is contracted to deliver passenger transport services through a network of bus services within Hobart, Launceston, and Burnie. The Department of State Growth is invoiced at the end of each month that services have been delivered. The performance obligation is the delivery of the contracted bus services.	All revenue is recognised during the period in which the services that have been contracted are delivered.
Ticket Fares	Metro collects ticket fares from passengers using its bus services. Passengers can purchase tickets and deposit money into their GreenCard account to purchase tickets at a later date. Ticket fare revenue is recognised at the transaction price when Metro transfers control of the service to the customer. The performance obligation is purchasing a ticket on a bus route which transfers control of that service to the passenger. Deposits in passengers GreenCard accounts are treated as a contract liability (note C9). Revenue is recognised when the passenger makes a boarding or trip.	Ticket fare revenue is recognised when the passenger purchases a trip on a bus route. During June 2024 and the 2024-25 period, Metro's ticket fare revenue was topped up by the Department of State Growth to cover fares not received as a result of the State Government's half price fares initiative. The fare revenue for this top-up is recognised during the period that the bus services were delivered.
Grant Income	Metro receives Government grants for the cost reimbursement of defined projects. The performance obligation is the related cost for which the grant is for.	Government grants are recognised on a systematic basis over the periods in which Metro recognises expenses for the related costs which the grants are intended to compensate.

Metro's other revenue streams include advertising on Metro's buses, cost recoveries and interest income. Advertising is recognised as revenue for the period where the advertising is sold, cost recoveries are recognised as revenue when earned and interest income is recognised as revenue as it accrues.

Notes to the Financial Statements

For the year ended 30 June 2025



B1 REVENUE (continued)

	2025 \$'000	2024 \$'000
(a) Passenger transport operations		
Service contracts	55,438	54,219
Ticket fares	11,285	11,273
	66,723	65,492
(b) Other income		
Advertising income	812	804
Rental income	10	8
Grant income	8,117	3,096
Expense reimbursement	-	2,000
Other income	28	372
	8,967	6,280
(c) Financial income		
Interest income	756	651
	756	651
Total income	76,446	72,423

B2 EXPENSES

	2025 \$'000	2024 \$'000
(a) Passenger transport operations		
Fuel	6,051	6,719
Employee and related expenses	39,689	36,415
Depreciation and amortisation expenses	6,947	7,272
Other expenses	6,922	5,930
	59,609	56,336
(b) Engineering and maintenance services		
Maintenance expenses	5,619	5,161
Employee and related expenses	2,405	2,240
Depreciation and amortisation expenses	380	344
	8,404	7,745
(c) Administration and general		
Employee and related expenses	7,807	6,300
Depreciation and amortisation expenses	544	345
(Gain)/loss on disposal of property, plant and equipment	(39)	13
Other expenses	5,013	5,232
	13,325	11,890
(d) Finance costs		
Interest expense on leases	17	16
Interest expense on borrowings	92	87
Government guarantee fee	26	26
Nominal superannuation interest expense	936	955
	1,071	1,084
Total expenses	82,409	77,055

Notes to the Financial Statements

For the year ended 30 June 2025



B3 INCOME TAX

Accounting Policy

The charge for current tax expense is based on the profit for the year adjusted for any non-assessable or disallowed items. It is calculated using the tax rates that have been enacted or are substantially enacted by the balance date.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Statement of Financial Position. No deferred income tax is recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised, or liability is settled. Deferred tax is recognised in the Statement of Profit or Loss except where it relates to items that may be recognised directly into equity, in which case the deferred tax is adjusted directly against equity. The carrying amounts of tax assets and liabilities have been calculated at the current income tax rate of 30%.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that Metro will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

Metro has a service contract in place with the Department of State Growth until 31 December 2029. Metro's long-term financial projections indicate that it is probable that future tax profits/loss will be achieved. Therefore, it is considered appropriate to continue to recognise deferred income assets.

	2025 \$'000	2024 \$'000
(a) Income tax expense recognised in the Statement of Profit or Loss		
Current tax expense		
Current tax	(783)	995
Deferred tax expense		
Decrease/(increase) in deferred tax asset	(499)	(1,792)
Increase/(decrease) in deferred tax liability	(160)	(239)
Less recognised directly in equity	(343)	(351)
Income tax expense/(benefit)	(1,785)	(1,387)
(b) Numerical reconciliation of income tax expense to prima facie tax payable		
Prima facie tax/(tax benefit) on profit/(loss) from operating activities before income tax at 30% (2023: 30%)	(1,789)	(1,390)
Add tax effect of:		
Entertainment (non-deductible)	4	3
	(1,785)	(1,387)
(c) Income tax expense recognised directly to equity		
Property, plant and equipment (Note C4)	367	377
Superannuation (Note D3)	(24)	(26)
	343	351
(d) Deferred tax balances		
Assets:		
Deferred tax assets	14,708	13,427
Liabilities:		
Deferred tax liability	5,378	5,538
	9,330	7,889

Notes to the Financial Statements

For the year ended 30 June 2025



B3 INCOME TAX (continued)

(d) Deferred tax balances (continued)

2025	Opening balance 1 July 2024	Recognised in the Consolidated Statement of Profit and Loss	Recognised in equity	Balance at 30 June 2025
	\$'000	\$'000	\$'000	\$'000
Superannuation	5,239	(178)	24	5,085
Tax losses	4,052	783	-	4,835
Employee benefits	1,537	160	-	1,697
Accrued costs	17	34	-	51
Contract liabilities	2,211	300	-	2,511
Other	147	15	-	162
Accrued income	(34)	(15)	-	(49)
Prepayments	(76)	(3)	-	(79)
Inventories	(109)	10	-	(99)
Property, plant and equipment	(5,109)	680	(367)	(4,796)
Lease liability	214	145	-	359
Right-of-use asset	(200)	(147)	-	(347)
Total	7,889	1,784	(343)	9,330

2024	Opening balance 1 July 2023	Recognised in the Consolidated Statement of Profit and Loss	Recognised in equity	Balance at 30 June 2024
	\$'000	\$'000	\$'000	\$'000
Superannuation	5,205	8	26	5,239
Tax losses	5,047	(995)	-	4,052
Employee benefits	1,416	121	-	1,537
Accrued costs	55	(38)	-	17
Contract liabilities	683	1,528	-	2,211
Other	198	(51)	-	147
Accrued income	(7)	(27)	-	(34)
Prepayments	(72)	(4)	-	(76)
Inventories	(83)	(26)	-	(109)
Property, plant and equipment	(5,605)	873	(377)	(5,109)
Lease liability	302	(88)	-	214
Right-of-use asset	(286)	86	-	(200)
Total	6,853	1,387	(351)	7,889

Notes to the Financial Statements

For the year ended 30 June 2025



B4 CASH AND CASH EQUIVALENTS

Accounting Policy

For the purpose of the Statement of Cash Flows, cash and cash equivalents comprise cash on hand, cash at bank, term deposits and call deposits with original maturities of three months or less.

	2025 \$'000	2024 \$'000
Cash at bank and on hand	4,068	9,050
Short-term deposits	15,583	11,366
Total cash and cash equivalents	19,651	20,416

Metro's cash and cash equivalents include funds that are subject to external restrictions primarily as a result of grant funding received for government projects and ticket fares received in advance.

	2025 \$'000	2024 \$'000
Unspent grant funds with conditions	4,177	9,760
Ticket fares received in advance	2,667	2,462
Uncommitted cash and cash equivalents	12,807	8,194

(a) Credit and standby facilities

Borrowing limit	18,000	18,000
Credit cards facility limit	20	20
Less used/committed	(5,000)	(5,000)
Balance of credit facility available	13,020	13,020

(b) Reconciliation of profit for the period to net cash provided by operating activities

Profit/(loss) after income tax	(4,178)	(3,245)
Add (less) non-cash items:		
Depreciation	7,871	7,932
Amortisation	23	29
Income tax expense/(benefit)	(1,785)	(1,387)
Loss/(profit) on sale of non-current assets	(39)	13
Changes in assets and liabilities:		
(Increase)/decrease in trade and other receivables	(90)	(216)
(Increase)/decrease in inventories	(228)	(255)
(Increase)/decrease in other current assets	218	(108)
Increase/(decrease) in trade and other payables	(2,019)	2,342
Increase/(decrease) in contract liabilities	(2,997)	9,074
Increase/(decrease) in employee benefits	65	457
Net cash inflow from operating activities	(3,159)	14,636

Section C

Detailed information on Consolidated Statement of Financial Position items

C1 TRADE AND OTHER RECEIVABLES

Trade receivables that do not contain a significant financing component are measured at amortised cost, which represents their transaction value. Impairment is recognised on an expected credit loss (ECL) basis. When determining whether the credit risk has increased significantly since initial recognition, and when estimating ECL, Metro considers reasonable and supportable information that is relevant and available without undue cost or effort. This included both quantitative and qualitative information and analysis based on Metro's historical experience, an informed credit assessment and forward looking information.

There are no expected credit losses as at 30 June 2025 (2024: Nil).

	2025 \$'000	2024 \$'000
Contract revenue receivable	4,341	4,201
Trade receivables	148	377
Other receivables	1,088	908
	5,577	5,486

C2 INVENTORIES

Accounting Policy

Inventories are valued at the lower of cost or net realisable value and consists of fuel and consumable stores.

	2025 \$'000	2024 \$'000
Inventories	2,819	2,591
	2,819	2,591

C3 OTHER CURRENT ASSETS

	2025 \$'000	2024 \$'000
Prepayments	973	1,339
Other current assets	268	120
	1,241	1,459

C4 PROPERTY, PLANT AND EQUIPMENT

Accounting Policy

Recognition and measurement

Items of property, plant and equipment greater than \$10,000 are capitalised and measured at cost less accumulated depreciation and impairment loss with the exception of land, buildings and the bus fleet which are valued at fair value.

Revaluations

The bus fleet, land and buildings are independently revalued on a three yearly basis or as regularly as necessary to ensure the carrying value reflects fair value at balance date. In the subsequent years the bus fleet is assessed against market transactions and an indexation analysis is performed for land and buildings to ensure they reflect fair value at balance date.

Revaluation increments are recognised in other comprehensive income and/or accumulated in equity under asset revaluation reserve. The increment is recognised in profit or loss to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss.

Revaluation decrements are recognised in profit or loss. However, revaluation decrements are recognised in other comprehensive income to the extent of any credit balance existing in the asset revaluation reserve in respect of that asset. The decrease recognised in other comprehensive income reduces the amount accumulated in equity under asset revaluation reserve.

Right-of-use assets

Right-of-use assets are initially measured at the amount of the initial measurement of the lease liability, adjusted for any lease payments made at or before the commencement date and lease incentives, any initial direct costs incurred, and estimated costs of dismantling and removing the asset or restoring the site.

Right-of-use assets are depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to Metro by the end of the lease term. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset.

In addition, the right-of-use asset is subject to revaluation and impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

Depreciation

Depreciation is recognised in the Statement of Profit or Loss on a straight line basis over the estimated useful lives of each part of an item of property, plant and equipment (excluding land and the bus fleet) as follows:

Buildings	40 years
Office equipment	4 years
Electronic ticketing and communication equipment	4-10 years
CCTV equipment	5 years
Plant and equipment	5-10 years
Auxiliary vehicles	4 years
Right-of-use assets	2-5 years

The diesel bus fleet is depreciated using the 'Fleet Depreciation Profile'. For the financial year ended 30 June 2025 this applied an effective life of 25 years for the rigid buses and 30 years for the articulated buses, both of which have a 2.0% residual value.

Electric buses have been depreciated on a straight line basis over the estimated useful life of 25 years. Hydrogen buses have been depreciated on a straight line basis over the estimated useful life of 15 years.

Land is not depreciated.

Notes to the Financial Statements

For the year ended 30 June 2025



C4 PROPERTY, PLANT AND EQUIPMENT (continued)

(a) Carrying amounts	2025 \$'000	2024 \$'000
Land and buildings		
Land		
At fair value	13,650	13,650
Total	13,650	13,650
Buildings		
At fair value	11,371	11,110
Less: accumulated depreciation	(250)	-
Total	11,121	11,110
Total land and buildings	24,771	24,760
Buses		
At cost	43,726	48,993
Less: accumulated depreciation	(20)	(119)
Total	43,706	48,874
Office equipment		
At cost	2,088	1,900
Less: accumulated depreciation	(1,750)	(1,631)
Total	338	269
Electronic ticketing & communication equipment		
At cost	5,228	5,228
Less: accumulated depreciation	(5,132)	(5,112)
Total	96	116
CCTV equipment		
At cost	1,579	1,579
Less: accumulated depreciation	(1,497)	(1,474)
Total	82	105
Plant and equipment		
At cost	9,110	5,258
Less: accumulated depreciation	(3,240)	(2,529)
Total	5,870	2,729
Auxiliary vehicles		
At cost	409	410
Less: accumulated depreciation	(278)	(299)
Total	131	111
Right-of-use assets		
At cost	1,967	1,673
Less: accumulated depreciation	(807)	(1,005)
Total	1,160	668
Work in progress		
At cost	577	1,617
Total	577	1,617
Total property, plant and equipment	76,731	79,249

Notes to the Financial Statements

For the year ended 30 June 2025



C4 PROPERTY, PLANT AND EQUIPMENT (continued)

(b) Reconciliation of movements in carrying amounts

2025	Land at fair value	Buildings at fair value	Buses at fair value	Office equipment at cost	Electronic ticketing and communication equipment at cost	CCTV equipment at cost	Plant and equipment at cost	Auxiliary vehicles at cost	Right- of-use assets at cost	Work in progress at cost	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying amount at 1 July	13,650	11,110	48,874	269	116	105	2,729	111	668	1,617	79,249
Additions	-	15	7	86	-	-	86	71	793	3,077	4,135
Disposals	-	-	-	-	-	-	-	-	-	-	-
Revaluation increments/ (decrements)	-	-	1,225	-	-	-	-	-	-	-	1,225
Impairment losses	-	-	(6)	-	-	-	-	-	-	-	(6)
Net transfers to/from WIP	-	246	-	102	-	-	3,769	-	-	(4,117)	-
Depreciation	-	(250)	(6,394)	(119)	(20)	(22)	(714)	(51)	(301)	-	(7,871)
Carrying amount at 30 June	13,650	11,121	43,706	338	96	83	5,870	131	1,160	577	76,731

2024	Land at fair value	Buildings at fair value	Buses at fair value	Office equipment at cost	Electronic ticketing and communication equipment at cost	CCTV equipment at cost	Plant and equipment at cost	Auxiliary vehicles at cost	Right- of-use assets at cost	Work in progress at cost	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying amount at 1 July	10,769	11,746	46,792	152	137	9	2,034	63	953	1,634	74,289
Additions	-	-	-	8	-	-	2	93	-	10,231	10,334
Disposals	-	-	(25)	-	-	-	-	-	-	-	(25)
Revaluation increments/ (decrements)	2,881	(530)	1,786	-	-	-	-	-	-	-	4,137
Impairment losses	-	194	7,120	165	-	100	1,115	-	-	(8,694)	-
Net transfers to/from WIP	-	-	-	-	-	-	-	-	-	(1,554)	(1,554)
Depreciation	-	(300)	(6,799)	(56)	(21)	(4)	(422)	(45)	(285)	-	(7,932)
Carrying amount at 30 June	13,650	11,110	48,874	269	116	105	2,729	111	668	1,617	79,249

C4 PROPERTY, PLANT AND EQUIPMENT (continued)

(c) Fair value measurement of buses and land and buildings

Buses

Metro's buses and land and buildings are stated at their revalued amounts, being the fair value at the date of revaluation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An independent fair value valuation of 'in service' buses was performed as at 30 June 2025 by Mr R.A van Raay FAPI, CPV, FRICS, CVS, MAICD, Grad Cert (EI) of Assured Valuations.

The valuation was performed on the basis of 'fair value' in accordance with the requirements of AASB 116 (Property, Plant & Equipment) and AASB113 (Fair Value Measurement).

Fair value reflects the intention to determine a value that is equitable to both parties. Fair value is defined as "the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction".

The Metro fleet was valued based on the assumption that the business is a continuing one and on a market value basis. The cost approach to fair value was applied using level three inputs due to the age profile of the bus fleet. Level three unobservable inputs used to value the assets included reference to historical information, discussions with Metro fleet representatives, reference to current supply contracts and valuer's experience.

Land and Buildings

An independent fair value valuation of land and buildings was performed as at 30 June 2024 by Preston Rowe Paterson.

This valuation was performed on a market value basis with the primary method of assessment being the Income Capitalisation Approach and the secondary method of assessment being the Market Approach (Comparable Transactions Method) and the Cost Approach (Depreciated Replacement Cost Method). The main inputs to the valuation approach were level two inputs (observable market prices).

The Income Capitalisation Approach was based upon an estimated net maintainable income receivable from the property, which was capitalised in perpetuity to derive a capitalised value through the use of an adopted capitalisation rate.

When considered relevant to do so, applied adjustments "below the capitalised value line" were made for items such as tenant incentives, letting up fees for vacant areas, under /over rent adjustments, capital expenditure or the value of excess land, before arriving at a value of the subject asset.

As part of the valuation, elements of the Market Approach (Comparable Transactions Method) were drawn upon as input parameters for the valuation. This approach is based upon comparing the subject property to comparable sales and transactions on a building or land rate per square metre. The valuer considered individual characteristics of the subject property relative to the analysis of available market evidence. This included the consideration of sales transactions and information such as the site area, condition, amenity, location, general market conditions and zoning, which were used to determine rate per square metre for each building.

The Metro land and buildings valuation was assessed for reasonableness as at 30 June 2025 against the Office of the Valuer General's adjustment factors and relevant indices. Based upon this assessment Metro's land and building valuation was still considered to be reasonable and no adjustment was required.

Details of Metro's buses and land and buildings and information about the fair value hierarchy as at 30 June 2024 are as follows:

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Fair value as at 30 June 2025 \$'000
Buses	-	-	43,706	43,706
Land and buildings	-	22,515	-	22,515

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Fair value as at 30 June 2024 \$'000
Buses	-	-	46,792	46,792
Land and buildings	-	24,760	-	24,760

There were no transfers between levels during the year.

Notes to the Financial Statements

For the year ended 30 June 2025



C5 INTANGIBLE ASSETS

Accounting Policy

Intangible assets are valued at fair value where an active market exists or recognised at cost where no active market exists.

Amortisation is recognised in the Statement of Profit or Loss on a straight line basis over the estimated useful lives of intangible assets from the date that they are available for use as follows:

Computer software 4 years

	2025 \$'000	2024 \$'000
(a) Carrying amounts		
Computer software		
At cost	1,442	1,442
Less: accumulated amortisation	(1,405)	(1,354)
Total intangible assets	37	59
(b) Reconciliation of movements in carrying amounts		
Carrying amount at 1 July	59	72
Additions	-	16
Disposals	-	-
Amortisation	(22)	(29)
Carrying amount at 30 June	37	59

C6 TRADE AND OTHER PAYABLES

Accounting Policy

Trade and other payables represent liabilities for goods and services provided to Metro prior to the end of the financial year which are unpaid. Measurement is at amortised cost and based on the agreed purchase/contract cost. The amounts are unsecured and are paid in accordance with Creditor terms, which is usually within 30 days of recognition.

Metro has a Workers Compensation Insurance Policy for the year ending 31 March 2026. Metro is liable for up to the maximum of the premium in a given insurance year and insurance years remain open for four years. Metro's accrual for workers compensation as at the 30 June 2025 is based upon the estimated costs for open workers compensation claims.

	2025 \$'000	2024 \$'000
Trade creditors	1,926	3,001
Workers compensation	459	686
Other	1,608	2,325
	3,993	6,012

C7 BORROWINGS

Accounting Policy

All borrowings have been transacted through the Tasmanian Public Finance Corporation (TASCORP). All loans are measured at the principal amount. Interest is charged as an expense as it accrues over the life of the related financial instrument and taken to the Statement of Profit or Loss as part of finance costs. Metro's current borrowings fall due for repayment in January 2030.

Metro holds an external loan facility of \$18 million (2024: \$18 million) with TASCORP. As at 30 June 2025, \$13 million of the facility was unused (2024: \$13 million).

	2025 \$'000	2024 \$'000
Current	-	-
Non-current	5,000	5,000
	5,000	5,000

C8 LEASE LIABILITIES

Accounting Policy

Metro leases properties for various purposes including shopfronts, depots and parking spaces. Lease periods are typically made for fixed periods of two to five years but may have extension options.

Metro 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 identified assets for a period of time in exchange for consideration.

Metro recognises lease liabilities to make lease payments and right-of-use-assets representing the right to use the underlying assets, except for short-term leases (less than 12 months) and leases of low-value assets (less than \$10,000). Recognition occurs at the commencement date of the lease.

Recognition and measurement

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, Metro's incremental borrowing rate. Generally, Metro uses its incremental borrowing rate as the discount rate.

Metro determined its incremental borrowing rate to be the rate that the entity would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset, in a similar economic environment, with similar terms, security and conditions.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or a rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that Metro is reasonably certain to exercise, lease payments in an optional renewal period if Metro is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless Metro is reasonably certain not to terminate early.

After the commencement date the lease liability is remeasured when there is a modification, a change in the lease term, a change in lease payments or a change in the assessment of an option to extend the term of the lease or purchase the underlying asset. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amounts of the right-to-use asset have been reduced to nil.

Metro has elected not to recognise right-of-use assets and lease liabilities of low-value assets and short-term leases, including IT equipment. Lease payments associated with these leases are recognised as an expense on a straight line basis over the lease term.

Notes to the Financial Statements

For the year ended 30 June 2025



C8 LEASE LIABILITIES (continued)

	2025 \$'000	2024 \$'000
Current	311	215
Non-current	886	499
Total	1,197	714
Reconciliation of movement throughout the year:		
Balance at 1 July	714	1,007
Interest expense	17	16
Additions	819	-
Payments	(353)	(309)
Balance as at 30 June	1,197	714
The following amounts were recognised in the Consolidated Statement of Profit or Loss in respect to leases where Metro is the lessee.		
Depreciation expense of right-of-use assets	301	285
Interest expense on lease liabilities	17	16
Total	318	301

Metro had total cash outflows for leases of \$352,934 for 2025 (\$309,106 for 2024).

The following table represents the minimum lease payments payable by Metro over the course of its lease agreements:

	< 1 year	1-5 years	5+ years	Total
As at 30 June 2025				
Lease payments	342	968	105	1,415
Interest expense	(32)	(156)	(30)	(218)
Net present value	310	812	75	1,197
	< 1 year	1-5 years	5+ years	Total
As at 30 June 2024				
Lease payments	235	583	-	818
Interest expense	(20)	(84)	-	(104)
Net present value	215	499	-	714

Notes to the Financial Statements

For the year ended 30 June 2025



C9 CONTRACT LIABILITIES

Accounting Policy

Metro's contract liabilities represent income received for work that is yet to be performed by Metro.

Grant revenue received in advance relate to grant revenue received but the relevant expenditure related to the grant is yet to be incurred by Metro. Grant revenue is recognised over time on a systematic basis over the periods in which Metro recognises as expenses the related costs for which the grants are intended to compensate.

Ticket fares received in advance represent customer GreenCard balances. These balances are recognised as ticket fare revenue at the time the passenger boards the bus and uses their GreenCard balance to pay for a fare.

	2025 \$'000	2024 \$'000
Grant revenue received in advance	9,881	13,066
Ticket fares received in advance	2,666	2,462
Total	12,547	15,528
Reconciliation of movement throughout the year:		
Balance at 1 July	15,528	6,454
Cash receipted during the year	10,018	21,323
Revenue recognised in the reporting period	(12,999)	(12,247)
Balance at 30 June	12,547	15,528
Current	8,235	12,493
Non-current	4,312	3,035
Total	12,547	15,528

Section D Employee benefits

D1 EMPLOYEE BENEFITS

Accounting Policy

Employee benefits expected to be settled within one year have been measured at the amounts expected to be paid. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. Discount rates used reflect corporate bond rates that closely match the terms of maturity of the related liabilities.

Compensated Benefits

Annual leave

The provision for annual leave represents the amount Metro has a present obligation to pay resulting from employees' services provided up to balance date. Those liabilities expected to be realised within 12 months are measured as the amount expected to be paid. Balances expected to be realised after 12 months are discounted. The provision has been calculated at the amounts expected to be paid when the liability is settled and includes superannuation, payroll tax and workers compensation on-costs.

Long service leave

The provision for long service leave represents the present value of the estimated future cash outflow to be made by the employer resulting from employees' services provided up to balance date. In determining the liability for employee benefits, account has been taken of future increases in wage and salary rates, and Metro's experience with staff departures. Related superannuation, payroll tax and workers compensation on-costs also have been included in the liability.

Retirement Benefits

Defined benefit superannuation plan

The State Actuary has provided actuarial calculations of the current benefit of the defined benefit liability under the Retirement Benefits Fund (RBF) for current and former employees of Metro. The defined benefit section of RBF is closed to new members. All new members receive accumulation only benefits.

The RBF is a defined benefit fund which pays lump sum and pension benefits to members upon retirement (most of which are calculated as a multiple of the member's final average salary). The RBF has Contributory members, Compulsory preserved members and Pensioners.

Actuarial gains and losses are recognised in full, directly in retained earnings, in the period in which they occur, and presented in the Statement of Other Comprehensive Income and the Statement of Changes in Equity. Interest costs are recognised in finance costs and service costs are recognised in employee and related expenses in the Statement of Profit or Loss. Details are referred to at Note D3.

Notes to the Financial Statements

For the year ended 30 June 2025



D1 EMPLOYEE BENEFITS (continued)

	2025 \$'000	2024 \$'000
Current:		
Retirement benefits	1,170	1,183
Compensated benefits:		
Accrued salaries and wages	1,470	1,181
Annual leave	2,148	2,010
Long service leave	2,007	1,829
	6,795	6,203
Non-current:		
Retirement benefits	15,785	16,284
Compensated benefits:		
Long service leave	628	656
	16,413	16,940
	23,208	23,143

D2 RELATED PARTIES

Key Management Personnel Compensation

The aggregate compensation to key management personnel of Metro is set out below:

	Director Remuneration		Executive Remuneration		Consolidated	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Short-term employee benefits	171	171	1,301	1,238	1,472	1,409
Post-employment benefits	18	20	145	138	163	158
Other long-term employee benefits	-	-	30	36	30	36
Other non-monetary benefits	-	-	-	7	-	7
Termination benefits	-	-	-	18	-	18
	189	191	1,476	1,437	1,665	1,628

For Director remuneration, short-term employment benefits includes Director fees, Committee fees and other benefits. Post-employment benefits represents superannuation contributions.

For Executive remuneration, short-term employment benefits includes Base salary, vehicles and other monetary benefits. Post-employment benefits represents superannuation contributions.

Notes to the Financial Statements

For the year ended 30 June 2025



D2 RELATED PARTIES (continued)

(a) Director Remuneration

The following tables disclose the remuneration details for each person that acted as a director during the current and previous financial year:

2025 Director Remuneration¹

Name	Position	Period	Directors' Fees \$'000	Committee Fees \$'000	Other Benefits \$'000	Super-annuation ² \$'000	Total \$'000
Non-Executive Directors							
Mr Anthony Braxton-Smith	Chair	Full term	56	-	-	6	62
Ms Yvonne Rundle	Director	01/07/2024 to 27/11/2024	11	-	-	1	12
Mr Tim Booker	Director	From 08/10/2024	20	-	-	2	22
Ms Dianne Underwood	Director	Full term	28	-	-	3	31
Mr Ian Vanderbeek	Director	Full Term	28	-	-	3	31
Ms Jane Sargison	Director	Full Term	28	-	-	3	31
Total			171	-	-	18	189

2024 Director Remuneration¹

Name	Position	Period	Directors' Fees \$'000	Committee Fees \$'000	Other Benefits \$'000	Super-annuation ² \$'000	Total \$'000
Non-Executive Directors							
Mr Anthony Braxton-Smith	Chair/ Director	Full term Chair From 30/11/2023	46	-	-	5	51
Mr Tim Gardner	Chair	01/07/2023 to 30/11/2023	26	-	-	3	29
Ms Yvonne Rundle	Director	Full term	28	-	-	3	31
Mr Greg Wallace	Director	01/07/2023 to 30/11/2023	13	-	-	2	15
Ms Dianne Underwood	Director	Full term	28	-	-	3	31
Mr Ian Vanderbeek	Director	From 30/11/2023	15	-	-	2	17
Ms Jane Sargison	Director	From 30/11/2023	15	-	-	2	17
Total			171	-	-	20	191

Board remuneration notes and statements

¹ Amounts are all forms of consideration paid, payable or provided by the entity, i.e., disclosure is made on an accruals basis as at 30 June.

² Superannuation means the contribution to the superannuation fund of the individual.

Notes to the Financial Statements

For the year ended 30 June 2025



D2 RELATED PARTIES (continued) (b) Executive Remuneration

The following tables disclose the remuneration details for each person that acted as a senior executive during the current and previous financial year:

2025 Executive Remuneration

Name	Position	Period	Base		Other Monetary		Other Non-Monetary		Reported		Long-Term		Termination		Totals
			Salary ¹ \$'000	Benefits ² \$'000	Monetary	Benefits ³ \$'000	Monetary	Benefits ⁴ \$'000	Superannuation ⁵ \$'000	Remuneration ⁶ \$'000	Benefits ⁷ \$'000	Benefits ⁸ \$'000			
Ms Katie Cooper	Chief Executive Officer	Full year	272	-	-	14	-	33	319	13	-	-	332		
Mr Darren Turner	Chief Operating Officer	Full Year	207	-	-	14	-	25	246	9	-	-	255		
Mr Chris Breen	General Manager Commercial and Projects	Full year	182	-	-	14	-	23	219	(7)	-	-	212		
Ms Kellie Dean	General Manager Corporate Services & Company Secretary	Full Year	170	-	-	14	-	21	205	5	-	-	210		
Ms Jacqueline Allen	General Manager People and Safety	Full year	193	-	-	14	-	24	231	12	-	-	243		
Mr Jesse Penfold	General Manager Financial Services	Full year	189	-	-	14	-	23	226	1	-	-	227		
Mr Lorenz Hansen	General Manager Business Improvement	From 24/06/2025	4	-	-	-	-	1	5	-	-	-	5		
Total			1,217	-	-	84	-	150	1,451	33	-	-	1,484		

Executive Remuneration Notes and Statements

- Base salary includes all forms of consideration paid and payable for services rendered, compensated absences during the period and salary sacrifice amounts.
- Other monetary benefits includes all other forms of employment allowances (excludes reimbursements such as travel, accommodation or meals), payments in lieu of leave, and any other compensation paid and payable.
- Includes motor vehicle allowances, the total cost of providing and maintaining vehicles provided for private use, including registration, insurance, fuel and other consumables, maintenance cost and fringe benefits tax.
- Other non-monetary benefits include non-monetary benefits such as housing, subsidised goods or services, relocation costs etc.
- Superannuation means the contribution paid to the superannuation fund of the individual.
- Reported remuneration includes the individual's salary, short-term incentive payments, other monetary benefits, vehicle benefits, other non-monetary benefits and superannuation. For the purposes of assessing compliance with the Guidelines, other long-term employee benefits and termination benefits are not included in the reported remuneration amount.
- Other long-term benefits include annual and long service leave movements.
- Termination benefits include all forms of benefit paid or accrued as a consequence of termination.

Notes to the Financial Statements

For the year ended 30 June 2025



D2 RELATED PARTIES (continued)

(b) Executive Remuneration (Continued)

The following tables disclose the remuneration details for each person that acted as a senior executive during the current and previous financial year:

2024 Executive Remuneration

Name	Position	Period	Base Salary ¹ \$'000	Other Monetary Benefits ² \$'000	Vehicles ³ \$'000	Other Non-Monetary Benefits ⁴ \$'000	Superannuation ⁵ \$'000	Reported Remuneration ⁶ \$'000	Long-Term Benefits ⁷ \$'000	Other Termination Benefits ⁸ \$'000	Totals \$'000
Ms Katie Cooper	Chief Executive Officer	Full year	275	-	14	-	32	321	16	-	337
Mr Darren Turner	Chief Operating Officer	From 16/10/2023	136	-	9	7	16	168	13	-	181
Mr Chris Breen	General Manager Commercial and Projects	Full year	176	-	14	-	21	211	5	-	216
Ms Kim Perkins	General Manager Corporate Services	01/07/2023 to 26/09/2023	42	-	4	-	7	53	(30)	18	41
Ms Kellie Dean	General Manager Corporate Services	From 15/01/2024	73	-	6	-	9	88	7	-	95
Ms Jacqueline Allen	General Manager People and Safety	Full year	188	-	14	-	22	224	9	-	233
Mr Jesse Penfold	General Manager Financial Services Company Secretary	Full year	178	-	14	-	21	213	12	-	225
Sub-total			1,068	-	75	7	128	1,278	32	18	1,328
Acting arrangements											
Mr Damien Arkley	Acting Chief Operating Officer	01/07/2023 to 20/10/2023	48	-	-	-	5	53	5	-	58
Ms Rowena Gilbertson	Acting General Manager Corporate Services	25/09/2023 to 10/01/2024	47	-	-	-	5	52	(1)	-	51
Sub-total			95	-	-	-	10	105	4	-	109
Total			1,163	-	75	7	138	1,383	36	18	1,437

Executive Remuneration Notes and Statements

- Base salary includes all forms of consideration paid and payable for services rendered, compensated absences during the period and salary sacrifice amounts.
- Other monetary benefits includes all other forms of employment allowances (excludes reimbursements such as travel, accommodation or meals), payments in lieu of leave, and any other compensation paid and payable.
- Includes motor vehicle allowances, the total cost of providing and maintaining vehicles provided for private use, including registration, insurance, fuel and other consumables, maintenance cost and fringe benefits tax.
- Other non-monetary benefits include non-monetary benefits such as housing, subsidised goods or services, relocation costs etc.
- Superannuation means the contribution paid to the superannuation fund of the individual.
- Reported remuneration includes the individual's salary, short-term incentive payments, other monetary benefits, vehicle benefits, other non-monetary benefits and superannuation. For the purposes of assessing compliance with the Guidelines, other long-term employee benefits and termination benefits are not included in the reported remuneration amount.
- Other long-term benefits include annual and long service leave movements.
- Termination benefits include all forms of benefit paid or accrued as a consequence of termination.

D2 RELATED PARTIES (continued)

(c) Remuneration Principles

Non-Executive Directors

Non-executive directors are appointed by the Treasurer and Portfolio Minister. Each instrument of appointment is for a maximum period of three years and prescribes the relevant remuneration provisions. Directors can be reappointed in accordance with the relevant *Guidelines for Tasmanian Government Businesses – Board Appointments*. The level of fees paid to non-executive directors is administered by the Department of Premier and Cabinet.

Superannuation is paid at the appropriate rate as prescribed by superannuation guarantee legislation. No other leave, termination or retirement benefits are accrued or paid to directors. Directors are entitled to reimbursement of reasonable expenses incurred while attending to Board business. Non-executive directors' remuneration is reviewed periodically with increases subject to approval by the Treasurer and Portfolio Minister.

Executive Remuneration

Remuneration levels for key management personnel are set in accordance with the Director and Executive Remuneration Guidelines. Under these Guidelines, remuneration bands for Chief Executive Officers (CEOs) are approved by the Treasurer and reflect the principles outlined in the Guidelines and broadly align with State Service Heads of Agency. Positioning within the bands depends on the complexity and size of the business and the environment in which the business operates. Remuneration for other senior executives is set with reference to the CEO's salary band.

The employment terms and conditions of senior executives are contained in individual employment contracts and prescribe total remuneration, superannuation, annual and long service leave, vehicle and salary sacrifice provisions.

The performance of each senior executive, including the CEO, is reviewed annually which includes a review of their remuneration package. The terms of employment of each senior executive, contain a termination clause that requires the senior executive or the Board to provide a minimum notice period of three months prior to termination of the contract.

No key management personnel appointed during the period received a payment as part of his or her consideration for agreeing to hold the position.

Termination Benefits

There were no termination benefits paid during the 2024-25 financial year.

Acting Arrangements

When members of key management personnel are unable to fulfil their duties, consideration is given to appointing other members of senior staff to their position during their period of absence.

Individuals are considered members of key management personnel when acting arrangements are for more than a period of one month.

Related Party Transactions

For all Tasmanian Government businesses, related parties are considered to include:

- a subsidiary or joint venture;
- key management personnel or close family members of key management personnel;
- Ministers or close family members of Ministers;
- any entities controlled or jointly controlled by key management personnel or their close family members; and
- any entities controlled or jointly controlled by Ministers or their close family members.

There were no related party transactions with Key Management Personnel (KMP) (including directors, executives and cabinet ministers) or their Close Family Members (CFM) or entities that are controlled or jointly controlled by KMP or their CFM, during 2024-25.

D3 SUPERANNUATION AND DEFINED BENEFITS

General Information

Due to rounding, some figures may not add exactly to the totals.

Fund Information

Nature of the benefits provided by the Scheme

Members of the Contributory Scheme receive lump sum benefits on resignation and lump sum or pension benefits on retirement, death, invalidity or upon reaching preservation age after resignation. The Contributory Scheme is closed to new members.

Description of the regulatory framework

The Scheme operates under the *Public Sector Superannuation Reform Act 2016* and the *Public Sector Superannuation Reform Regulations 2017*.

Although the Scheme is not formally subject to the Superannuation Industry (Supervision)(SIS) legislation, the Tasmanian Government has undertaken (in a Heads of Government Agreement) to operate the Scheme in accordance with the spirit of the SIS legislation, as far as practicable.

As an exempt public sector superannuation scheme (as defined in the SIS legislation), the Scheme is not subject to any minimum funding requirements.

RBF is a complying superannuation fund within the provisions of the *Income Tax Assessment Act 1997* such that the fund's taxable income is taxed at a concessional rate of 15%. However, RBF is also a public sector superannuation scheme which means that employer contributions may not be subject to the 15% tax (if the Tasmanian Government and RBF elect) up to the amount of "untaxed" benefits paid to members in the year.

Description of other entities' responsibilities for the governance of the Scheme

The Superannuation Commission (the Commission) has fiduciary responsibility for, and oversees the administration of, the Scheme. The day to day running of the Scheme is managed by the Office of the Superannuation Commission, within the Department of Treasury and Finance.

Description of risks

There are a number of risks to which the Scheme exposes Metro. The more significant risks relating to the defined benefits are:

- Investment risk – The risk that investment returns will be lower than assumed and employers will need to increase contributions to offset this shortfall over the long term.
- Salary growth risk – The risk that wages or salaries (on which future benefit amounts will be based) will rise more rapidly than assumed, increasing defined benefit amounts and the associated employer contributions over the long term.
- Inflation risk – The risk that inflation is higher than anticipated, increasing pension payments and the associated employer contributions over the long term.
- Benefit options risk – The risk that a greater proportion of members who joined prior to 1 July 1994 will elect the pension option, which is generally more costly than the alternative lump sum option.
- Pensioner mortality risk – The risk that pensioner mortality will be lighter than expected, resulting in pensions being paid for a longer period.
- Legislative risk – The risk that legislative changes could be made which increase the cost of providing the defined benefits.

Description of significant events

There were no Scheme amendments affecting the defined benefits payable, curtailments or settlements during the year.

Notes to the Financial Statements

For the year ended 30 June 2025



D3 SUPERANNUATION AND DEFINED BENEFITS (continued)

Reconciliation of the net defined benefit liability/(asset)

As at	2025 \$'000	2024 \$'000
Net defined benefit liability/(asset) at start of year	17,466	17,353
(+) Current service cost	71	73
(+) Past service cost/curtailments	-	-
(+) Gain/loss on settlements	-	-
(+) Net interest	936	955
(-) Actuarial return on plan assets less interest income	148	49
(+) Actuarial (gains)/losses arising from changes in demographic assumptions	-	-
(+) Actuarial (gains)/losses arising from changes in financial assumptions	305	321
(+) Actuarial (gains)/losses arising from liability experience	(76)	(187)
(+) Adjustment for effect of asset ceiling	-	-
(-) Employer contributions	1,599	1,000
Net defined benefit liability/(asset)	16,955	17,466
Current net liability	1,170	1,183
Non-current net liability	15,785	16,283

Reconciliation of the fair value of scheme assets

Financial year ending	2025 \$'000	2024 \$'000
Fair value of plan assets at beginning of the year	5,136	5,134
(+) Interest income	274	282
(+) Actual return on plan assets less interest income	148	49
(+) Employer contributions	1,599	1,000
(+) Contributions by plan participants	28	29
(-) Benefits paid	2,163	1,357
(-) Taxes, premiums and expenses paid	1	1
(+) Transfers in	-	-
(-) Contributions to accumulation section	-	-
(+) Settlements	-	-
(+) Exchange rate changes	-	-
Fair value of plan assets at end of the year	5,021	5,136

Notes to the Financial Statements

For the year ended 30 June 2025



D3 SUPERANNUATION AND DEFINED BENEFITS (continued)

Reconciliation of the defined benefit obligation

Financial year ending	2025 \$'000	2024 \$'000
Present value of defined benefit obligations at beginning of the year	22,602	22,487
(+) Current service cost	71	73
(+) Past service cost/curtailments	-	-
(+) Gain/loss on settlements	-	-
(+) Interest cost	1,210	1,237
(+) Contributions by plan participants	28	29
(+) Actuarial (gains)/losses arising from changes in demographic assumptions	-	-
(+) Actuarial (gains)/losses arising from changes in financial assumptions	305	321
(+) Actuarial (gains)/losses arising from liability experience	(76)	(187)
(-) Benefits paid	2,163	1,357
(-) Taxes, premiums and expenses paid	1	1
(+) Transfers in	-	-
(-) Contributions to accumulation section	-	-
(+) Settlements	-	-
(+) Exchange rate changes	-	-
Present value of defined benefit obligations at end of the year	21,976	22,602

Reconciliation of the effect of the asset ceiling

The asset ceiling has no impact on the net defined benefit liability/(asset).

Fair value of Scheme assets

As at 30 June 2025 [^]				
Asset category	Total (\$'000)	Quoted prices in active markets for identical assets - Level 1 (\$'000)	Significant observable inputs - Level 2 (\$'000)	Unobservable inputs - Level 3 (\$'000)
Cash deposits	166		166	-
Australian equities	1,125		1,125	-
International equities	1,240		1,240	-
Infrastructure	613		-	613
Diversified fixed interest	1,310		1,310	-
Property	567		-	567
Alternative investments	-		-	-
Total	5,021	-	3,841	1,180

[^] Estimated based on assets allocated to Metro as at 30 June 2025 and asset allocation of the RBF Schemes as at 30 June 2024. We are not aware of any significant changes in asset allocation since 30 June 2024.

Fair value of entities' own financial instruments

The fair value of Scheme assets includes no amounts relating to:

- any of Metro's own financial instruments
- any property occupied by, or other assets used by Metro.

Assets are not held separately for each reporting entity but are held for the Fund as a whole. The fair value of Scheme assets for each reporting entity was estimated by allocating the total Fund assets in proportion to the value of each reporting entity's funded liabilities, calculated using the assumptions outlined in this report, with the exception of the discount rate. For the purposes of allocating assets to each reporting entity, we have used the Government Bond yield of 4.55%, in order to be consistent with the allocation of assets reported to the Department of Treasury and Finance.

Notes to the Financial Statements

For the year ended 30 June 2025



D3 SUPERANNUATION AND DEFINED BENEFITS (continued)

Significant actuarial assumptions at the reporting date

Financial year ending	2025	2024
Assumptions to determine defined benefit cost and start of year defined benefit obligation		
Discount rate (active members)	5.55%	5.70%
Discount rate (pensioners)	5.55%	5.70%
Expected rate of increase of compulsory preserved amounts	3.50%	3.50%
Expected salary increase rate	3.50%	3.50%
Expected pension increase rate	3.5% for 2024/25, 3.0% for 2025/26; and then 2.5% pa	3.5% for 2023/24, 3.5% for 2024/25, 3.0% for 2025/26 and then 2.5% p.a

Financial year ending	2025	2024
Assumptions to determine year end defined benefit obligation		
Discount rate (active members)	5.40%	5.55%
Discount rate (pensioners)	5.40%	5.55%
Expected rate of increase of compulsory preserved amounts	3.50%	3.50%
Expected salary increase rate	3.50%	3.50%
Expected pension increase rate	3.0% for 2025/26; and then 2.5% pa	3.5% for 2024/25, 3.0% for 2025/26 and then 2.5% p.a

Sensitivity Analysis

The defined benefit obligation as at 30 June 2025 under several scenarios is presented below.

Scenario A and B relate to discount rate sensitivity. Scenario C and D relate to expected pension increase rate sensitivity.

	Base Case	Scenario A	Scenario B	Scenario C	Scenario D
		-1.0% pa discount rate	+1.0% pa discount rate	-1.0% pa pension increase rate	+1.0% pa pension increase rate
Discount rate	5.40%	4.40%	6.40%	5.40%	5.40%
Pension increase rate	2.50%	2.50%	2.50%	1.50%	3.50%
Defined benefit obligation (\$'000)	21,976	24,216	20,073	20,137	24,110

The defined benefit obligation has been recalculated by changing the assumptions as outlined above, whilst retaining all other assumptions.

The pension increase assumptions in the above table are long-term pension increase assumptions. A higher rate is assumed for the next year before reversion to the long-term assumption. In Scenarios C & D, both the short-term and long-term assumptions have been adjusted.

Asset-liability matching strategies

Metro is not aware of any asset and liability matching strategies adopted by the Fund.

Funding arrangements

The employer contributes a percentage of each lump sum or pension benefit payment. This percentage may be amended by the Minister on the advice of the Actuary.

Expected contributions

Financial year ending	2026 \$'000
Expected employer contributions	1,170

Maturity profile of defined benefit obligation

The weighted average duration of the defined benefit obligation for Metro is 10.2 years.

Section E Financial instruments

E1 FINANCIAL INSTRUMENTS

Financial risk exposures and management

(a) Credit risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the Statement of Financial Position and Notes to the Financial Statements.

There are no material amounts of collateral held as security in either financial year for accounts receivable.

Metro has a material credit risk exposure relating to its passenger service contract receivable, however, Metro considers this exposure to be low risk as the receivable is held with the Department of State Growth. Metro manages its exposure to any single receivable or group of receivables under financial instruments entered into with appropriate credit checks, regular review of balances and structured payment options. Metro limits its exposure to credit risk by establishing a payment period of 30 days.

Metro's remaining trade receivables are of low value with low risk entities, composed primarily of government agencies, entities funded by government and agents. The majority of Metro's debtors have been transacting with Metro for over 2 years.

Based on the factors noted above and a review identifying nil bad debt write offs by Metro over the past 4 years, the expected credit loss has been calculated as 0%.

There were no impairment losses on financial assets recognised in the profit and loss during the period ending 30 June 2025 or 30 June 2024.

The following table analyses financial assets that are past due but not impaired.

Analysis of financial assets that are past due but not impaired:

	CONSOLIDATED							
	0 days Past due		1-30 days Past due		31-120 days Past due		Total	
	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Financial assets:								
Receivables	5,570	5,240	3	2	4	244	5,577	5,486

(b) Liquidity risk

Liquidity risk arises from the possibility that Metro might encounter difficulty in settling its debts or otherwise meeting its obligation related to financial liabilities.

Metro manages this risk through the following mechanisms:

- Monthly reporting of Metro's liquidity position and operating cash flows to the Board;
- Regularly reviewing short-term cash flow forecasts to ensure Metro has sufficient cash to meet day-to-day operations. Rolling 12-month cash flow projections are reviewed monthly and reported to the Board;
- Annual review of medium to long-term cash flow forecasts as part of the preparation of the annual Corporate Plan (4 years) and revision of Long-Term Financial Plan (10 years);
- Only investing short-term surplus cash with reputable organisations, including TASCORP and the approved financial institutions;
- Monitoring undrawn credit facilities; and
- The Treasurer has provided explicit ongoing support for Metro to ensure the Company will continue to operate as a going concern as detailed at F9.

Notes to the Financial Statements

For the year ended 30 June 2025



E1 FINANCIAL INSTRUMENTS (continued)

(b) Liquidity risk (continued)

Financial liability and financial asset maturity analysis:

	Weighted Average Effective Interest Rate		Floating Interest Rate		Fixed Interest Rate		Non-interest Bearing		Total	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	%	%	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets:										
Cash at bank	3.33	3.95	4,068	9,035	-	-	15	15	4,083	9,050
Call deposit at TASCORP	4.00	4.50	2,331	2,238	-	-	-	-	2,331	2,238
Call deposit at CBA	0.25	0.25	-	-	-	-	-	-	0	-
Term deposit at CBA	4.17	4.35	-	-	5,057	6,108	-	-	5,057	6,108
Term deposit at WBC	4.14	3.99	-	-	8,187	3,020	-	-	8,187	3,020
Receivables	-	-	-	-	-	-	5,577	5,486	5,577	5,486
			6,399	11,273	13,244	9,128	5,592	5,501	25,235	25,902
Financial liabilities:										
Trade and other payables	-	-	-	-	-	-	3,993	6,012	3,993	6,012
Borrowings	1.75	1.75	-	-	5,000	5,000	-	-	5,000	5,000
			-	-	5,000	5,000	3,993	6,012	8,993	11,012

Trade and other payables are expected to be paid as follows:

	2025 \$'000	2024 \$'000
Less than 6 months	3,993	6,012
6 months to 1 year	-	-
1 - 5 years	-	-

E1 FINANCIAL INSTRUMENTS (continued)

(c) Market risk

(i) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes to interest rates.

The primary source of interest rate risk for Metro is borrowings, however other sources of interest rate risk include interest bearing investments, finance and operating leases and credit accounts charging interest for late payments.

Metro manages interest rate risk by:

- Monitoring and reviewing performance of Metro's debt portfolio and interest-bearing investments against approved interest expense and income budgets;
- Considering interest rate risk and the maturity profile of the debt portfolio when developing Metro's Corporate Plan and Long-Term Financial Plans. This will ensure a spread of debt maturity utilising the maximum term offered by the Tasmanian Public Finance Corporation of ten years with no more than 40% of the available facility maturing in a given financial year;
- Prompt payment of creditor invoices on time to ensure no interest is charged for late payment;
- Monitoring of debtors accounts and charging interest for overdue accounts (where appropriate); and
- Reviewing interest rate risks on any finance or operating lease.

Metro's borrowings are held in fixed rate contracts with TASCORP, with the fixed rate period ending on 24 January 2030. Metro has assessed there to be no interest rate risk and has not performed a sensitivity analysis as at 30 June 2025.

(d) Financial instruments by categories

	2025 \$'000	2024 \$'000
Financial assets at amortised cost:		
Cash and cash equivalents	19,651	20,416
Receivables	5,577	5,486
	25,228	25,902
Financial liabilities at amortised cost:		
Trade and other payables	3,993	6,012
Borrowings	5,000	5,000
	8,993	11,012

(e) Capital risk management

Metro manages its capital tightly to ensure funds are available to implement planned capital expenditure strategies. Metro's long-term capital expenditure program is reviewed annually and key financial ratios are monitored to ensure an appropriate capital structure is maintained.

Metro holds the following bank guarantees:

- Security for the contract performance of the bus supply contract by BusTech (via the Bank of South Australia). These guarantees are valued \$7 million (expiring 2042);
- Security for the supply and installation of a hydrogen refuelling station with H2H Energy (via NAB). These are two bank guarantees, each valued at \$79,326 (expiring 2026); and
- Security for the supply and delivery of three Hydrogen Low Floor Buses with Foton Mobility Distribution Pty Ltd. These are two bank guarantees, each valued at \$80,625 (expiring 2027).

Section F Other information

F1 CONTRIBUTED EQUITY

AASB Interpretation 1038 *Contributions by Owners Made to Wholly-Owned Public Sector Entities* requires transfers in the nature of equity contributions, other than as a result of a restructure of administrative arrangements, to be designated by the Government (the owner) as contributions by owners (at the time of, or prior to, transfer) before such transfers can be recognised as equity contributions.

	2025 \$'000	2024 \$'000
Balance at beginning of financial year	50,275	47,007
Equity contribution	6,066	3,268
Balance at end of financial year	56,341	50,275

F2 ASSET REVALUATION RESERVES

2025	Land and buildings \$'000	Buses \$'000	Total \$'000
Balance at beginning of financial year	13,863	4,961	18,824
Revaluation increments/(decrements)	-	1,225	1,225
Deferred tax asset/(liability)	-	(367)	(367)
Balance at end of financial year	13,863	5,819	19,682
2024			
Balance at beginning of financial year	11,353	3,854	15,207
Revaluation increments/(decrements)	2,351	1,786	4,137
Disposal of revalued buses	-	(143)	(143)
Deferred tax asset/(liability)	159	(536)	(377)
Balance at end of financial year	13,863	4,961	18,824

The asset revaluation reserves are used to record increments and decrements on the revaluation of non-current assets. Where a revalued asset is sold that portion of the asset revaluation reserve which relates to that asset is transferred to retained profits.

F3 RETAINED PROFITS

	2025 \$'000	2024 \$'000
Balance at beginning of financial year	(2,347)	814
Net profit/(loss)	(4,178)	(3,245)
Revaluation increments (decrements) attributable to assets disposed of during the year	-	143
Defined benefit plan actuarial gains/(losses)	(81)	(85)
Related income tax	24	26
Balance at end of financial year	(6,582)	(2,347)

F4 REMUNERATION OF AUDITORS

	2025 \$'000	2024 \$'000
External audit services	85	80
	85	80

As at 30 June 2025 Metro has paid \$42,000 (ex GST) to the Tasmanian Audit Office for the audit of the 2024-25 financial statements.

Notes to the Financial Statements

For the year ended 30 June 2025



F5 COMMITMENTS FOR EXPENDITURE

Capital commitments:	2025 \$'000	2024 \$'000
Payments within 1 year	580	1,889
Payments 1-5 years	-	-
	580	1,889

Capital commitments for 2024-25 financial year comprise contracts for capital works relating to the bus hardstand at the Springfield Depot and installation of security screens on buses.

Operational commitments:	2025 \$'000	2024 \$'000
Payments within 1 year	3,118	3,986
Payments 1-5 years	3,432	2,354
	6,550	6,340

Operational commitments disclosed are operating contracts Metro has entered into that have a fixed fee over a set term. These include Metro's cleaning and refuelling contract and licence and support contracts for critical systems.

In addition, Metro has also entered into contracts that are based upon variable fee structures that are not included in the note above. These include Metro's maintenance contracts for both infrastructure and bus fleet, and electricity contracts.

F6 OTHER ACCOUNTING POLICIES

(a) Impairment of assets

The carrying values of tangible and intangible assets are reviewed at each reporting date for impairment when events or changes in circumstances indicate that the carrying value may exceed the recoverable amount. The asset is then written down to the recoverable amount. Recoverable amount is the greater of fair value less costs to sell and value in use.

(b) Goods and services tax

Revenue, expenses, assets and liabilities are recognised net of the amount of GST, except for receivables and payables that are recognised inclusive of GST or where GST is not recoverable.

The net amount of GST recoverable from, or payable to, the Australian Taxation Office (ATO) is included as a current asset or liability in the Statement of Financial Position.

Cash flows are included in the Statement of Cash Flows on a gross basis. The GST components of cash flows arising from investing and financing activities, which are recoverable from the ATO, are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to the ATO.

F7 SUBSEQUENT EVENTS

At the time of signing these financial statements there have been no material subsequent events.

F8 CONTINGENT ASSETS/LIABILITIES

After due investigation Metro has identified no material contingent assets or liabilities.

F9 ECONOMIC DEPENDENCY

A significant volume of Metro's operations is performed under contract to the State Government. Metro's passenger service contract with Department of State Growth commenced from 1 September 2022. The contract term expires on 31 December 2029.

The Treasurer has provided explicit ongoing support for Metro to ensure the Company will continue to operate as a going concern.

On 15 June 2020 Metro established an \$18 million borrowing facility with the Tasmanian Public Finance Corporation with explicit support from the Treasurer. Metro has a drawdown program in place for the borrowing facility that ensures capacity to meet all capital commitments. As at 30 June 2025 Metro has drawn down \$5 million of this borrowing facility.

Metro has developed a draft four-year Corporate Plan, which is based upon the funding model in the new service contract. The Corporate Plan represents management's best estimate of future financial performance.

Based on these factors the Board is satisfied that Metro will continue to operate on a going concern basis.

