

Snowy Valleys Council

ANNUAL FINANCIAL STATEMENTS
for the year ended 30 June 2024



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Snowy Valleys Council

GENERAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2024



Snowy Valleys Council

General Purpose Financial Statements

for the year ended 30 June 2024

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Overview

Snowy Valleys Council is constituted under the Local Government Act 1993 (NSW) and has its principal place of business at:

76 Capper Street, Tumut

Through the use of the internet, we have ensured that our reporting is timely, complete and available at minimum cost. All press releases, financial statements and other information are publicly available on our website: www.svc.nsw.gov.au.

General Purpose Financial Statements

for the year ended 30 June 2024

Statement by Councillors and Management made pursuant to Section 413 (2c) of the *Local Government Act 1993* (NSW)

The attached general purpose financial statements have been prepared in accordance with:

- the *Local Government Act 1993* and the regulations made thereunder,
- the Australian Accounting Standards and other pronouncements of the Australian Accounting Standards Board
- the Local Government Code of Accounting Practice and Financial Reporting.

To the best of our knowledge and belief, these statements:

- present fairly the Council’s operating result and financial position for the year
- accord with Council’s accounting and other records.

We are not aware of any matter that would render these statements false or misleading in any way.

Signed in accordance with a resolution of Council made on 31 October 2024.

Julia Ham
Mayor
31 October 2024

Hugh Packard
Councillor
31 October 2024

Steven Pinnuck
Interim General Manager
31 October 2024

Manna Doshii
Responsible Accounting Officer
31 October 2024

Snowy Valleys Council

Income Statement

for the year ended 30 June 2024

Original unaudited budget 2024	\$ '000	Notes	Actual 2024	Actual 2023
	Income from continuing operations			
22,403	Rates and annual charges	B2-1	22,572	19,860
15,600	User charges and fees	B2-2	19,657	25,456
1,482	Other revenues	B2-3	1,167	4,758
11,356	Grants and contributions provided for operating purposes	B2-4	17,715	20,309
36,690	Grants and contributions provided for capital purposes	B2-4	14,011	14,579
1,292	Interest and investment income	B2-5	2,181	1,159
–	Other income	B2-6	1,681	1,746
–	Reversal of IPPE revaluation decrements previously expensed	B6-1	1,513	4,219
88,823	Total income from continuing operations		80,497	92,086
	Expenses from continuing operations			
20,241	Employee benefits and on-costs	B3-1	20,901	21,155
19,706	Materials and services	B3-2	25,156	38,756
237	Borrowing costs	B3-3	264	282
11,638	Depreciation, amortisation and impairment of non-financial assets	B3-4	12,797	11,949
1,448	Other expenses	B3-5	1,487	1,493
–	Net loss from the disposal of assets	B4-1	4,746	3,685
53,270	Total expenses from continuing operations		65,351	77,320
35,553	Operating result from continuing operations		15,146	14,766
35,553	Net operating result for the year attributable to Council		15,146	14,766
(1,137)	Net operating result for the year before grants and contributions provided for capital purposes		1,135	187

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

Snowy Valleys Council

Statement of Comprehensive Income

for the year ended 30 June 2024

\$ '000	Notes	2024	2023
Net operating result for the year – from Income Statement		15,146	14,766
Other comprehensive income:			
Amounts which will not be reclassified subsequently to the operating result			
Gain on revaluation of infrastructure, property, plant and equipment	C1-7	26,674	47,056
Total items which will not be reclassified subsequently to the operating result		26,674	47,056
Total other comprehensive income for the year		26,674	47,056
Total comprehensive income for the year attributable to Council		41,820	61,822

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

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Snowy Valleys Council

Statement of Financial Position

as at 30 June 2024

\$ '000	Notes	2024	2023
ASSETS			
Current assets			
Cash and cash equivalents	C1-1	19,306	11,016
Investments	C1-2	29,000	31,500
Receivables	C1-4	8,732	10,920
Inventories	C1-5	1,775	51
Contract assets and contract cost assets	C1-6	642	–
Other		585	587
Total current assets		60,040	54,074
Non-current assets			
Investments	C1-2	6,500	1,500
Receivables	C1-4	11	11
Inventories	C1-5	147	147
Infrastructure, property, plant and equipment (IPPE)	C1-7	797,333	769,715
Investment property	C1-8	350	350
Intangible assets	C1-9	1	132
Total non-current assets		804,342	771,855
Total assets		864,382	825,929
LIABILITIES			
Current liabilities			
Payables	C3-1	3,974	5,155
Contract liabilities	C3-2	10,340	10,632
Borrowings	C3-3	492	799
Employee benefit provisions	C3-4	4,484	4,692
Provisions	C3-5	1,389	2,155
Total current liabilities		20,679	23,433
Non-current liabilities			
Borrowings	C3-3	3,792	4,274
Employee benefit provisions	C3-4	375	385
Provisions	C3-5	650	771
Total non-current liabilities		4,817	5,430
Total liabilities		25,496	28,863
Net assets		838,886	797,066
EQUITY			
Accumulated surplus		624,029	608,883
IPPE revaluation reserve		214,857	188,183
Total equity		838,886	797,066

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

Snowy Valleys Council

Statement of Changes in Equity

for the year ended 30 June 2024

	Notes	2024			2023		
		Accumulated surplus	IPPE revaluation reserve	Total equity	Accumulated surplus	IPPE revaluation reserve	Total equity
\$ '000							
Opening balance at 1 July		608,883	188,183	797,066	594,117	141,127	735,244
Net operating result for the year		15,146	–	15,146	14,766	–	14,766
Other comprehensive income							
– Gain on revaluation of infrastructure, property, plant and equipment	C1-7	–	26,674	26,674	–	47,056	47,056
Other comprehensive income		–	26,674	26,674	–	47,056	47,056
Total comprehensive income		15,146	26,674	41,820	14,766	47,056	61,822
Closing balance at 30 June		624,029	214,857	838,886	608,883	188,183	797,066

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

Snowy Valleys Council

Statement of Cash Flows

for the year ended 30 June 2024

Original unaudited budget 2024	\$ '000	Notes	Actual 2024	Actual 2023
Cash flows from operating activities				
Receipts:				
22,302	Rates and annual charges		22,433	19,408
14,878	User charges and fees		22,545	27,442
1,292	Interest received		1,689	868
48,035	Grants and contributions		29,234	32,378
1,483	Other		7,092	10,241
Payments:				
(21,029)	Payments to employees		(21,176)	(20,745)
(19,431)	Payments for materials and services		(29,129)	(44,783)
(236)	Borrowing costs		(286)	(238)
–	Bonds, deposits and retentions refunded		(142)	(31)
(1,448)	Other		(3,539)	(1,758)
45,846	Net cash flows from operating activities	G1-1	28,721	22,782
Cash flows from investing activities				
Receipts:				
–	Redemption of term deposits		38,000	48,253
–	Sale of real estate assets		72	554
–	Proceeds from sale of IPPE		716	1,124
Payments:				
–	Acquisition of term deposits		(40,500)	(40,752)
–	Purchase of investment property		–	41
(50,011)	Payments for IPPE		(16,193)	(24,639)
–	Purchase of real estate assets		(1,737)	–
(50,011)	Net cash flows from investing activities		(19,642)	(15,419)
Cash flows from financing activities				
Payments:				
(1,217)	Repayment of borrowings		(789)	(1,180)
(1,217)	Net cash flows from financing activities		(789)	(1,180)
(5,382)	Net change in cash and cash equivalents		8,290	6,183
51,238	Cash and cash equivalents at beginning of year		11,016	4,833
45,856	Cash and cash equivalents at end of year	C1-1	19,306	11,016
–	plus: Investments on hand at end of year	C1-2	35,500	33,000
45,856	Total cash, cash equivalents and investments		54,806	44,016

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

Snowy Valleys Council

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A About Council and these financial statements

A1-1 Basis of preparation

These financial statements were authorised for issue by Council on 31 October 2024. Council has the power to amend and reissue these financial statements in cases where critical information is received from public submissions or where the OLG directs Council to amend the financial statements.

The material accounting policy information adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Australian Accounting Interpretations, the *Local Government Act 1993 (Act)* and *Local Government (General) 2021 (Regulation)*, and the Local Government Code of Accounting Practice and Financial Reporting.

Council is a not for-profit entity.

The financial statements are presented in Australian dollars and are rounded to the nearest thousand dollars.

Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain infrastructure, property, plant and equipment and investment property.

Significant accounting estimates and judgements

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Council's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Council and that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

Council makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include:

- (i) estimated fair values of infrastructure, property, plant and equipment – refer Note C1-7

Significant judgements in applying the Council's accounting policies

- (i) estimated fair values of investment properties - refer Note C1-8
- (ii) estimated landfill and quarry remediation provisions - refer Note C3-5
- (iii) employee benefit provisions - refer Note C3-4

Monies and other assets received by Council

The Consolidated Fund

In accordance with the provisions of Section 409(1) of the *Local Government Act 1993*, all money and property received by Council is held in the Council's Consolidated Fund unless it is required to be held in the Council's Trust Fund.

Cash and other assets of the following entities have been included as part of the Consolidated Fund:

- General purpose operations
- Water service
- Sewerage service
- Domestic Waste Management

The following Section 355 Committees have been included in the Consolidated Fund:

- Adelong Showground Committee
- Glenroy Heritage Reserve
- Tooma Recreation Reserve

Volunteer services

A1-1 Basis of preparation (continued)

Council has recognised volunteer services which is included in the financial statements based on the average salary and on costs Council would be required to pay if the services had not been donated.

Council has recognised the following volunteer average salary and costs:

2022/2023 - \$142,798.55

2023/2024 - \$128,244.08

New accounting standards and interpretations issued but not yet effective

Certain new accounting standards and interpretations (ie. pronouncements) have been published by the Australian Accounting Standards Board that are not mandatory for the 30 June 2024 reporting period.

Council has elected not to apply any of these pronouncements in these financial statements before their operative dates.

Council's assessment of these new standards and interpretations (where they have been deemed as having a material impact on Council's future financial performance, financial position and cash flows) are set out below:

AASB 2022-10 Amendments to Australian Accounting Standards – Fair Value Measurement of Non-Financial Assets of Not for-Profit Public Sector Entities

This Standard modifies AASB 13 Fair Value Measurement for application by not-for-profit public sector entities such as Council. It includes authoritative implementation guidance when fair valuing non-financial assets, not held primarily for their ability to generate cash inflows and also provides guidance and clarification when valuing assets that are restricted (in their use) at Council.

This includes guidance and clarification regarding the determination of an assets highest and best use, the development and use of internal assumptions for unobservable inputs and allows for greater use of internal judgements when applying the cost approach in the measurement and determination of fair values.

Although Council is yet to fully determine the impact of this standard, the changes will be evaluated in the future assessment of all property and infrastructure assets measured at fair value.

The standard applies prospectively to annual periods beginning on or after 1 January 2024, with earlier application permitted.

As at the date of authorisation of these financial statements Council does not consider that any of these new (and still to be applied) standards and interpretations are likely to have a material impact on the Council's future financial statements, financial position, financial performance or cash flows.

New accounting standards adopted during the year

During the year, Council adopted all accounting standards and interpretations (as issued by the Australian Accounting Standards Board) which were mandatorily effective from the first time at 30 June 2024.

The following new standard is effective for the first time at 30 June 2024:

- AASB 2021-2 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates.

The most significant change introduced by this standard is to remove the requirement to disclose significant accounting policies and instead require disclosure of material accounting policy information.

Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

In applying the new requirements, Council has after taking into account the various specific facts and circumstances applied professional judgement to ensure it discloses only material accounting policies as opposed to significant accounting policies throughout these financial statements.

B Financial Performance

B1 Functions or activities

B1-1 Functions or activities – income, expenses and assets

Income, expenses and assets have been directly attributed to the following functions or activities. Details of those functions or activities are provided in Note B1-2.

\$ '000	Income		Expenses		Operating result		Grants and contributions		Carrying amount of assets	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Functions or activities										
Our Community	7,767	7,675	9,685	11,878	(1,918)	(4,203)	6,152	3,215	29,392	15,767
Our Economy	1,388	4,847	3,517	2,588	(2,129)	2,259	36	3,278	34,584	33,254
Our Environment	19,308	21,279	14,495	14,534	4,813	6,745	1,216	2,451	119,062	128,861
Our Civic Leadership	21,142	19,490	1,927	3,579	19,215	15,911	7,440	7,560	76,652	73,704
Our Infrastructure	30,892	38,795	35,727	44,741	(4,835)	(5,946)	16,882	18,384	604,692	574,343
Total functions and activities	80,497	92,086	65,351	77,320	15,146	14,766	31,726	34,888	864,382	825,929

B1-2 Components of functions or activities

Details relating to the Council's functions or activities as reported in B1-1 are as follows:

- **Our Community**

The Our Community strategic direction encompasses the activities Council delivers and supports to improve community wellbeing, build resilience and to bring the community together. It includes programs, services and community infrastructure that Council delivers for cultural, recreational and lifelong learning activities.

- **Our Economy**

Our Economy strategic direction focuses on providing services that encourage economic growth and support local businesses and industry. It includes the delivery of services, projects and events that make Snowy Valleys a great place to live and visit.

- **Our Environment**

The Our Environment strategic direction contains the delivery of best practice water, waste water and waste services to contribute to the ongoing sustainability of our community. We protect our natural environment by managing and planning for our growth to minimise impact and advocating for climate change awareness and mitigating action.

- **Our Civic Leadership**

Our Civic Leadership strategic direction centres on Council's actions, advocacy and representation in relation to strategic and long term planning, reporting, governance and customer service. It focuses on making Council's processes more efficient and effective and how Council communicates and consults with the community.

- **Our Infrastructure**

Our Infrastructure includes Council services that plan for, manage, maintain and renew our community infrastructure and transport networks.

B2 Sources of income

B2-1 Rates and annual charges

\$ '000	2024	2023
Ordinary rates		
Residential	5,610	4,707
Farmland	5,828	4,968
Mining	10	9
Business	1,086	922
Less: pensioner rebates	(226)	(211)
Rates levied to ratepayers	12,308	10,395
Pensioner rate subsidies received	124	116
Total ordinary rates	12,432	10,511
Annual charges (pursuant to s496, 496A, 496B, 501 & 611)		
Domestic waste management services	3,296	2,887
Stormwater management services	38	38
Water supply services	1,718	1,595
Sewerage services	4,789	4,440
Waste management services (not domestic)	403	534
Liquid Trade Waste - Annual Charge	31	—
Less: pensioner rebates	(306)	(312)
Annual charges levied	9,969	9,182
Pensioner annual charges subsidies received:		
– Water	55	53
– Sewerage	52	50
– Domestic waste management	64	64
Total annual charges	10,140	9,349
Total rates and annual charges	22,572	19,860

Council has used 2022 year valuations provided by the NSW Valuer General in calculating its rates.

Material accounting policy information

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

Pensioner rebates relate to reductions in rates and certain annual charges for eligible pensioners' place of residence in the local government council area.

Pensioner rate subsidies are received from the NSW Government to provide a contribution towards the pensioner rebates and are recognised within the underlying revenue item based on their substance.

B2-2 User charges and fees

\$ '000	Timing	2024	2023
User charges only			
Water supply services	2	3,295	2,956
Sewerage services	2	856	651
Trade waste services	2	28	38
Total user charges		4,179	3,645
Fees			
(i) Fees and charges – statutory and regulatory functions (per s608)			
Inspection services	2	111	11
Planning and building - regulatory	2	765	451
Private works – section 67	2	7,812	11,058
Section 10.7 certificates (EP&A Act)	2	40	44
Section 603 certificates	2	32	31
Total fees and charges – statutory/regulatory		8,760	11,595
(ii) Fees and charges – other (incl. general user charges (per s608))			
Cemeteries	2	243	355
Library and art gallery	2	9	8
Transport for NSW works (state roads not controlled by Council)	2	5,041	8,698
Swimming centres	2	201	59
Aged related services	2	148	126
Gravel sales	2	159	106
Sporting facilities fees	2	39	31
Waste transfer station fees	2	262	154
Childrens services fees	2	412	500
Community transport	2	69	84
Other	2	135	95
Total fees		6,718	10,216
Total other user charges and fees		15,478	21,811
Total user charges and fees		19,657	25,456
Timing of revenue recognition for user charges and fees			
User charges and fees recognised over time (1)		47	–
User charges and fees recognised at a point in time (2)		19,610	25,456
Total user charges and fees		19,657	25,456

Material accounting policy information

Revenue arising from user charges and fees is recognised when or as the performance obligation is completed and the customer receives the benefit of the goods / services being provided.

The performance obligation relates to the specific services which are provided to the customers and generally the payment terms are within 30 days of the provision of the service or in some cases such as caravan parks, the customer is required to pay on arrival. There is no material obligation for Council in relation to refunds or returns.

B2-3 Other revenues

\$ '000	Timing	2024	2023
Assets first time recognition	2	47	–
Diesel rebate	2	163	121
Fines	2	13	5
Insurance claims recoveries	2	133	334
Legal fees recovery – other		95	4
PY disaster management reimbursement	2	70	3,199
Other	2	231	586
Sales – general	2	335	411
Workers compensation rebate	2	80	98
Total other revenue		1,167	4,758
Timing of revenue recognition for other revenue			
Other revenue recognised at a point in time (2)		1,167	4,758
Total other revenue		1,167	4,758

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B2-4 Grants and contributions

\$ '000	Operating 2024	Operating 2023	Capital 2024	Capital 2023
General purpose grants and non-developer contributions (untied)				
General purpose (untied)				
Current year allocation				
Financial assistance – general component	338	1,358	–	–
Financial assistance – local roads component	80	429	–	–
Payment in advance - future year allocation				
Financial assistance – general component	4,989	5,449	–	–
Financial assistance – local roads component	1,548	1,733	–	–
Amount recognised as income during current year	6,955	8,969	–	–
Special purpose grants and non-developer contributions (tied)				
Cash Grants				
Sewerage services	1	8	–	–
Child care	2,096	1,536	–	–
Community care	869	1,747	12	2,749
Heritage and cultural	4	19	–	–
Library	107	101	–	–
Noxious weeds	35	58	–	–
Recreation and culture	–	–	1,568	2,026
Natural disaster	387	5,270	731	2,010
Street lighting	46	46	–	–
Domestic Waste Fund Grant	–	466	–	995
Transport (roads to recovery)	1,811	–	–	805
Transport (other roads and bridges funding)	2,661	410	4,729	1,942
Cash Contributions				
Bushfire services	913	422	–	–
Recreation and culture	–	–	1,415	1,463
Roads and bridges	–	–	3,246	2,304
Transport for NSW contributions (regional roads, block grant)	1,502	1,186	–	–
Other contributions	328	71	81	107
Total special purpose grants and non-developer contributions – cash	10,760	11,340	11,782	14,401
Non-cash contributions				
Other	–	–	1,438	–
Total other contributions – non-cash	–	–	1,438	–
Total special purpose grants and non-developer contributions (tied)	10,760	11,340	13,220	14,401
Total grants and non-developer contributions	17,715	20,309	13,220	14,401
Comprising:				
– Commonwealth funding	10,229	10,410	502	1,162
– State funding	6,474	9,655	11,281	12,974
– Other funding	1,012	244	1,437	265
	17,715	20,309	13,220	14,401

B2-4 Grants and contributions (continued)

Developer contributions

\$ '000	Notes	Operating 2024	Operating 2023	Capital 2024	Capital 2023
Developer contributions:					
(s7.4 & s7.11 - EP&A Act, s64 of the LGA):					
Cash contributions	G4				
S 7.4 – contributions using planning agreements		–	–	101	21
S 64 – water supply contributions		–	–	348	79
S 64 – sewerage service contributions		–	–	342	78
Total developer contributions – cash		–	–	791	178
Total developer contributions		–	–	791	178
Total contributions		–	–	791	178
Total grants and contributions		17,715	20,309	14,011	14,579
Timing of revenue recognition for grants and contributions					
Grants and contributions recognised over time (1)		6,600	8,156	11,663	11,326
Grants and contributions recognised at a point in time (2)		11,115	12,153	2,348	3,253
Total grants and contributions		17,715	20,309	14,011	14,579

B2-4 Grants and contributions (continued)

Unspent grants and contributions

Certain grants and contributions are obtained by Council on the condition they be spent in a specified manner or in a future period but which are not yet spent in accordance with those conditions are as follows:

\$ '000	Operating 2024	Operating 2023	Capital 2024	Capital 2023
Unspent grants and contributions				
Unspent funds at 1 July	492	4,897	10,021	8,597
Add: Funds recognised as revenue in the reporting year but not yet spent in accordance with the conditions	183	—	—	—
Add: Funds received and not recognised as revenue in the current year	1,019	487	2,007	4,470
Less: Funds recognised as revenue in previous years that have been spent during the reporting year	—	—	—	—
Less: Funds received in prior year but revenue recognised and funds spent in current year	(152)	(4,892)	(3,473)	(3,046)
Unspent funds at 30 June	1,542	492	8,555	10,021
Contributions				
Unspent funds at 1 July	—	—	5,244	4,962
Add: contributions recognised as revenue in the reporting year but not yet spent in accordance with the conditions	—	—	791	282
Add: contributions received and not recognised as revenue in the current year	—	—	—	—
Less: contributions recognised as revenue in previous years that have been spent during the reporting year	—	—	(47)	—
Unspent contributions at 30 June	—	—	5,988	5,244

Material accounting policy information

Grants and Contributions - Enforceable agreement with sufficiently specific performance obligations.

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

The performance obligations are varied based on the agreement but include performance obligations within AASB 15 grants such as completion of milestones. Payment terms vary depending on the terms of the grant, cash is received upfront for some grants and on the achievement of certain payment milestones for others.

Each performance obligation is considered to ensure that the revenue recognition reflects the transfer of control and within grant agreements there may be some performance obligations where control transfers at a point in time and others which have continuous transfer of control over the life of the contract.

Where control is transferred over time, generally the input methods being either costs or time incurred are deemed to be the most appropriate methods to reflect the transfer of benefit.

Other Grants and Contributions

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

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

B2-4 Grants and contributions (continued)

Capital grants

Capital grants received to enable Council to acquire or construct an item of infrastructure, property, plant and equipment to identified specifications which will be under Council's control and which is enforceable are recognised as revenue as and when the obligation to construct or purchase is completed.

For construction projects, this is generally as the construction progresses in accordance with costs incurred since this is deemed to be the most appropriate measure of the completeness of the construction project as there is no profit margin.

For acquisitions of assets, the revenue is recognised when the asset is acquired and controlled by the Council.

Developer contributions

Council has obligations to provide facilities from contribution revenues levied on developers under the provisions of sections 7.4, 7.11 and 7.12 of the *Environmental Planning and Assessment Act 1979 (EP&A Act)*.

While Council generally incorporates these amounts as part of a Development Consents Order, such developer contributions are only recognised as income upon receipt by Council, due to the possibility that individual development consents may not be acted upon by the applicant and, accordingly, would not be payable to Council.

Developer contributions may only be expended for the purposes for which the contributions were required, but the Council may apply contributions according to the priorities established in work schedules.

B2-5 Interest and investment income

\$ '000	2024	2023
Interest on financial assets measured at amortised cost		
– Overdue rates and annual charges (incl. special purpose rates)	91	44
– Cash and investments	2,090	1,115
Total interest and investment income (losses)	2,181	1,159

B2-6 Other income

\$ '000	Notes	2024	2023
Other lease income			
Operating Lease Income		1,566	1,640
Leaseback fees - council vehicles		115	106
Total rental income	C2-1	1,681	1,746
Total other income		1,681	1,746

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B3 Costs of providing services

B3-1 Employee benefits and on-costs

\$ '000	2024	2023
Salaries and wages	17,371	16,718
Employee termination costs	20	10
Travel expenses	7	6
Employee leave entitlements	1,784	2,209
Superannuation	1,984	1,863
Workers' compensation insurance	276	659
FBT	82	59
Payroll tax	68	51
Training costs (other than salaries and wages)	272	186
Protective clothing	6	8
Other	310	435
Total employee costs	22,180	22,204
Less: capitalised costs	(1,279)	(1,049)
Total employee costs expensed	20,901	21,155

Material accounting policy information

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

All employees of the Council are entitled to benefits on retirement, disability or death. Council contributes to various defined benefit plans and defined contribution plans on behalf of its employees.

Contributions to defined contribution plans are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Council participates in a defined benefit plan under the Local Government Superannuation Scheme, however, sufficient information to account for the plan as a defined benefit is not available and therefore Council accounts for its obligations to defined benefit plans on the same basis as its obligations to defined contribution plans, i.e. as an expense when it becomes payable – refer to Note E3-1 for more information.

B3-2 Materials and services

\$ '000	Notes	2024	2023
Raw materials and consumables		5,240	7,295
Contractor costs		13,110	25,290
Consultancy costs		1,706	1,740
Audit Fees	F2-1	166	96
Councillor and Mayoral fees and associated expenses	F1-2	215	166
Advertising		128	117
Bank charges		110	133
Electricity and heating		1,225	1,009
Insurance		866	965
Postage		77	48
Printing and stationery		147	159
Repairs and maintenance		574	74
Street lighting		100	85
Subscriptions and publications		225	250
Telephone and communications		207	164
Valuation fees		78	76
Travel expenses		46	37
Other expenses		509	377
Council Grant Programs		72	367
Legal expenses:			
– Legal expenses: debt recovery		–	1
– Legal expenses: other		355	307
Total materials and services		25,156	38,756

B3-3 Borrowing costs

(i) Interest bearing liability costs

Interest on loans	264	282
Total borrowing costs expensed	264	282

B3-4 Depreciation, amortisation and impairment of non-financial assets

\$ '000	Notes	2024	2023
Depreciation and amortisation			
Plant and equipment		1,578	1,672
Office equipment		5	26
Furniture and fittings		1	1
Infrastructure:			
	C1-7		
– Buildings – non-specialised		1,189	1,197
– Buildings – specialised		575	467
– Other structures		474	447
– Roads		4,203	3,674
– Bridges		714	658
– Footpaths		259	240
– Other road assets		313	290
– Stormwater drainage		539	498
– Water supply network		1,028	980
– Sewerage network		1,118	1,039
– Other open space/recreational assets		570	431
Reinstatement, rehabilitation and restoration assets:			
– Tip assets	C3-5, C1-7	37	171
– Quarry assets	C3-5, C1-7	63	–
Intangible assets	C1-9	131	158
Total depreciation and amortisation costs		12,797	11,949
Total depreciation, amortisation and impairment for non-financial assets		12,797	11,949

Material accounting policy information

Depreciation and amortisation

Depreciation and amortisation are calculated using the straight line method to allocate their cost, net of their residual values, over their estimated useful lives. Useful lives are included in Note C1-7 for IPP&E assets and Note C1-9 for intangible assets.

Impairment of non-financial assets

Council assets held at fair value that are not held primarily for their ability to generate net cash flow, and that are deemed to be specialised, are not tested for impairment since these assets are assessed on an annual basis to ensure that the carrying amount is not materially different from fair value and therefore an impairment loss would be captured during this assessment.

Intangible assets not yet available for use, are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired.

Other non-financial assets that do not meet the criteria above are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

Impairment losses for revalued assets are firstly offset against the amount in the revaluation surplus for the class of asset, with only the excess to be recognised in the Income Statement.

B3-5 Other expenses

\$ '000	2024	2023
Other		
Contributions/levies to other levels of government		
– Emergency services levy (includes FRNSW, SES, and RFS levies)	787	746
– Other contributions/levies	385	383
– Donations, contributions and assistance to other organisations	69	131
– Tumut Visitor Centre	246	233
Total other expenses	1,487	1,493

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B4 Gains or losses**B4-1 Gain or loss from the disposal, replacement and de-recognition of assets**

\$ '000	Notes	2024	2023
Gain (or loss) on disposal of property (excl. investment property)			
Proceeds from disposal – property		–	–
Less: carrying amount of property assets sold/written off		(126)	(102)
Gain (or loss) on disposal		(126)	(102)
Gain (or loss) on disposal of plant and equipment			
	C1-7		
Proceeds from disposal – plant and equipment		716	1,124
Less: carrying amount of plant and equipment assets sold/written off		(716)	(959)
Gain (or loss) on disposal		–	165
Gain (or loss) on disposal of infrastructure			
	C1-7		
Proceeds from disposal – infrastructure		–	–
Less: carrying amount of infrastructure assets sold/written off		(4,692)	(4,313)
Gain (or loss) on disposal		(4,692)	(4,313)
Gain (or loss) on disposal of real estate assets held for sale			
	C1-5		
Proceeds from disposal – real estate assets		72	554
Less: carrying amount of real estate assets sold/written off		–	11
Gain (or loss) on disposal		72	565
Gain (or loss) on disposal of term deposits			
	C1-2		
Proceeds from disposal/redemptions/maturities – term deposits		38,000	48,253
Less: carrying amount of term deposits sold/redeemed/matured		(38,000)	(48,253)
Gain (or loss) on disposal		–	–
Net gain (or loss) from disposal of assets		(4,746)	(3,685)

B5 Performance against budget

B5-1 Material budget variations

Council's original budget was adopted by the Council on 29 June 2023 and is not required to be audited. The original projections on which the budget was based have been affected by a number of factors. These include state and federal government decisions, including new grant programs, changing economic activity, environmental factors, and by decisions made by Council.

While these General Purpose Financial Statements include the original budget adopted by Council, the Act requires Council to review its financial budget on a quarterly basis, so it is able to manage the variation between actuals and budget that invariably occur during the year.

Material variations of more than 10% between original budget and actual results or where the variance is considered material by nature are explained below.

Variation Key: **F** = Favourable budget variation, **U** = Unfavourable budget variation.

\$ '000	2024 Budget	2024 Actual	2024 Variance	
Revenues				
Rates and annual charges	22,403	22,572	169	1% F
User charges and fees	15,600	19,657	4,057	26% F
External private works and transport NSW ordered works income greater than expected				
Other revenues	1,482	1,167	(315)	(21)% U
Revenue from sales of Real Estate land (Snow View Estate) did not proceed as originally forecast.				
Operating grants and contributions	11,356	17,715	6,359	56% F
Disaster Recovery Funding Arrangements grant funding received for flood damaged roads has been completed as operational expenditure, this was originally budgeted as Capital grants and contributions. Operational Block grant funding from transport NSW was recognised during the financial year. Additional Bushfire Local Economic Recovery funding for Emergency Evacuation Centre has been received.				
Capital grants and contributions	36,690	14,011	(22,679)	(62)% U
Bushfire Local Economic Recovery grant funding not received as Aerodrome and Emergency Evacuation Centre projects did not progress during the financial year due to approval delays and technical difficulties. Disaster Recovery Funding Arrangements grant funding projects were recognised as operational income.				
Interest and investment revenue	1,292	2,181	889	69% F
Interest earned on investments was higher than original budget due to interest rates rising.				
Other income	–	1,681	1,681	∞ F
Lease income Caravan Park and other buildings budgeted in User Charges and Annual Charges				
Reversal of revaluation decrements / impairment of IPP&E previously expensed	–	1,513	1,513	∞ F

B5-1 Material budget variations (continued)

\$ '000	2024 Budget	2024 Actual	2024 ----- Variance -----	
Expenses				
Employee benefits and on-costs	20,241	20,901	(660)	(3)% U
Materials and services	19,706	25,156	(5,450)	(28)% U
Cost of additional non-budgeted external works including private works and Transport NSW ordered works offset against unbudgeted User Charges and Annual Charges income.				
Borrowing costs	237	264	(27)	(11)% U
Borrowing costs underbudgeted				
Depreciation, amortisation and impairment of non-financial assets	11,638	12,797	(1,159)	(10)% U
Other expenses	1,448	1,487	(39)	(3)% U
Net losses from disposal of assets	–	4,746	(4,746)	∞ U
Disposal of assets is a capital item and not budgeted for unless contained in the operational plan.				

Statement of cash flows

Cash flows from operating activities	45,846	28,721	(17,125)	(37)% U
Actual cash flows from operating activities is lower than budgeted, as receivable grants and contributions are less than forecast as major projects (Aerodrome and Emergency Evacuation Centre) were not commenced during the financial year. Payments for materials and services expenses are underbudgeted due to the additional external works completed, including private works and Transport NSW ordered works.				
Cash flows from investing activities	(50,011)	(19,642)	30,369	(61)% F
Council's total spending on capital projects is less than budgeted due to Council not having enough resources available to complete the budgeted capital works. Emergency works has diverted some of the Council resources.				
Cash flows from financing activities	(1,217)	(789)	428	(35)% F
Council's balance on loan principals lower than budgeted.				

B6 Material Income Statement items

B6-1 Material Income Statement items

Material reversal of revaluation decrements on IPPE previously expensed

\$ '000	2024	2023
Infrastructure:		
– Water supply network	1,513	4,219
Total material reversal of revaluation decrements on IPPE previously expensed	1,513	4,219
Total material reversal of revaluation decrements on IPPE previously expensed	1,513	4,219

C Financial position

C1 Assets we manage

C1-1 Cash and cash equivalents

\$ '000	2024	2023
Cash assets		
Cash on hand and at bank	12,356	1,145
Cash equivalent assets		
– Deposits at call	6,950	9,871
Total cash and cash equivalents	19,306	11,016

Reconciliation of cash and cash equivalents

Total cash and cash equivalents per Statement of Financial Position	19,306	11,016
Balance as per the Statement of Cash Flows	19,306	11,016

C1-2 Financial investments

\$ '000	2024 Current	2024 Non-current	2023 Current	2023 Non-current
Debt securities at amortised cost				
Long term deposits	29,000	6,500	31,500	1,500
Total financial investments	29,000	6,500	31,500	1,500
Total cash assets, cash equivalents and investments	48,306	6,500	42,516	1,500

Material accounting policy information

Financial instruments are recognised initially on the date that the Council becomes party to the contractual provisions of the instrument. On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

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

- amortised cost
- fair value through profit and loss (FVTPL)
- fair value through other comprehensive income – equity instrument (FVOCI-equity)

Financial assets are not reclassified subsequent to their initial recognition.

Amortised cost

Council's financial assets measured at amortised cost comprise trade and other receivables, term deposits and cash and cash equivalents in the Statement of Financial Position. Term deposits with an initial term of more than 3 months are classified as investments rather than cash and cash equivalents.

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

Interest income, impairment and gains or loss on de-recognition are recognised in profit or loss.

C1-3 Restricted and allocated cash, cash equivalents and investments

C1-3 Restricted and allocated cash, cash equivalents and investments (continued)

\$ '000	2024	2023
(a) Externally restricted cash, cash equivalents and investments		
Total cash, cash equivalents and investments	54,806	44,016
Less: Externally restricted cash, cash equivalents and investments	(39,719)	(35,502)
Cash, cash equivalents and investments not subject to external restrictions	15,087	8,514
External restrictions		
External restrictions – included in liabilities		
External restrictions included in cash, cash equivalents and investments above comprise:		
Specific purpose unexpended grants – general fund	9,741	10,509
Specific purpose unexpended grants – water fund	283	–
Specific purpose unexpended grants – sewer fund	73	–
External restrictions – included in liabilities	10,097	10,509
External restrictions – other		
External restrictions included in cash, cash equivalents and investments above comprise:		
Developer contributions – general	573	486
Developer contributions – water fund	2,042	1,723
Developer contributions – sewer fund	3,373	3,036
Water fund	9,265	6,893
Sewer fund	13,264	10,908
Domestic waste management	425	1,250
Retirement village	527	535
Specific purpose contributions	49	49
Urban stormwater	104	113
External restrictions – other	29,622	24,993
Total external restrictions	39,719	35,502

Cash, cash equivalents and investments subject to external restrictions are those which are only available for specific use by Council due to a restriction placed by legislation or third-party contractual agreement.

C1-3 Restricted and allocated cash, cash equivalents and investments (continued)

\$ '000	2024	2023
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(b) Internal allocations**Cash, cash equivalents and investments not subject to external restrictions**

15,087	8,514
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Less: Internally restricted cash, cash equivalents and investments	(10,631)	(8,409)
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Unrestricted and unallocated cash, cash equivalents and investments	4,456	105
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Internal allocations

At 30 June, Council has internally allocated funds to the following:

Aboriginal brungle reserve PW	45	45
Adelong showground reserve	10	10
Batlow literary institute	51	51
Camp hudson	5	73
Caravan park	–	10
Carry over works	577	448
Community services	314	314
Community Transport	1,011	1,123
Contingencies	500	250
Employees leave entitlement	2,303	2,122
Insurance (risk management)	162	100
IT	96	96
Legal	50	50
Life long learner	2	2
Plant and vehicle replacement	3,121	1,547
Project development	480	480
Quarry rehab and capital works	1,365	1,215
Section 355 Committees	70	–
Saleyards	–	8
Scholarship	10	6
Security deposits	72	72
Swimming pools	147	147
Talbingo reserve	120	120
Telecentre	29	29
Television translator/radio	32	32
Third age group	3	3
Tumut boys club	44	44
Youth council	12	12
Total internal allocations	10,631	8,409

Cash, cash equivalents and investments not subject to external restrictions may be internally allocated by resolution or policy of the elected Council.

\$ '000	2024	2023
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(c) Unrestricted and unallocated

Unrestricted and unallocated cash, cash equivalents and investments	4,456	105
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C1-4 Receivables

\$ '000	2024 Current	2024 Non-current	2023 Current	2023 Non-current
Rates and annual charges	1,152	11	933	11
Interest and extra charges	163	–	104	–
User charges and fees	4,442	–	6,001	–
Accrued revenues				
– Interest on investments	870	–	437	–
– Other income accruals	2,034	–	3,445	–
Other debtors	71	–	–	–
Total	8,732	11	10,920	11
Total net receivables	8,732	11	10,920	11

Material accounting policy information

Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Receivables are generally due for settlement within 30 days.

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C1-4 Receivables (continued)

Impairment

Impairment of financial assets measured at amortised cost is recognised on an expected credit loss (ECL) basis.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition, and when estimating ECL, the Council considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on Council's historical experience and informed credit assessment, and including forward-looking information.

When considering the ECL for rates debtors, Council takes into account that unpaid rates represent a charge against the rateable property that will be recovered when the property is next sold. For non-rates debtors, Council uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Council uses the presentation that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Council in full, without recourse by the Council to actions such as realising security (if any is held) or
- the financial assets (for non-rates debtors) are more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the entity in accordance with the contract, and the cash flows expected to be received. This is applied using a probability weighted approach.

On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

Council uses the simplified approach for trade receivables where the expected lifetime credit losses are recognised on day 1.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

The Council writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings.

Where the Council renegotiates the terms of receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Rates and annual charges outstanding are secured against the property.

C1-5 Inventories

\$ '000	2024 Current	2024 Non-current	2023 Current	2023 Non-current
(i) Inventories at cost				
Real estate for resale	1,767	147	30	147
Stores and materials	8	–	21	–
Total inventories	1,775	147	51	147

(i) Other disclosures

\$ '000	Notes	2024 Current	2024 Non-current	2023 Current	2023 Non-current
(a) Details for real estate development					
Residential		1,767	147	30	147
Total real estate for resale		1,767	147	30	147

(Valued at the lower of cost and net realisable value)

Represented by:

Acquisition costs	1,767	147	30	147
Total costs	1,767	147	30	147
Total real estate for resale	1,767	147	30	147

Movements:

Real estate assets at beginning of the year	30	147	19	147
– Purchases and other costs	1,737	–	–	–
– WDV of sales (expense)	–	–	11	–
Total real estate for resale	1,767	147	30	147

Material accounting policy information**Land held for resale**

Land held for resale is stated at the lower of cost and net realisable value. Cost is assigned by specific identification and includes the cost of acquisition, and development and borrowing costs during development. When development is completed, borrowing costs and other holding charges are expensed as incurred.

2023/24 recognised a reclassification of WIP to Real Estate Assets for the Snow View Estate Development Stage 3.

C1-6 Contract assets and Contract cost assets

\$ '000	2024 Current	2024 Non-current	2023 Current	2023 Non-current
Contract assets	642	–	–	–
Total contract assets and contract cost assets	642	–	–	–

C1-7 Infrastructure, property, plant and equipment

By aggregated asset class	At 1 July 2023			Asset movements during the reporting period							At 30 June 2024		
	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount	Additions renewals ¹	Additions new assets	Carrying value of disposals	Depreciation expense	Impairment loss / revaluation decrements (recognised in P/L)	Adjustments and transfers	Revaluation increments to equity (ARR)	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount
\$ '000													
Capital work in progress	20,585	—	20,585	—	—	—	—	—	(12,496)	—	8,089	—	8,089
Plant and equipment	24,357	(10,430)	13,927	—	3,448	(55)	(1,578)	—	(588)	—	26,490	(11,336)	15,154
Office equipment	190	(158)	32	—	—	—	(5)	—	1	—	190	(162)	28
Furniture and fittings	11	(8)	3	—	—	—	(1)	—	1	—	11	(8)	3
Land:													
– Operational land	13,339	—	13,339	—	—	(152)	—	—	532	4,649	18,368	—	18,368
– Community land	15,435	—	15,435	—	—	(126)	—	—	(485)	4,002	18,826	—	18,826
Infrastructure:													
– Buildings – non-specialised	59,102	(28,100)	31,002	510	3,991	(24)	(1,189)	—	118	1,118	65,873	(30,347)	35,526
– Buildings – specialised	22,956	(9,471)	13,485	467	1,745	(45)	(575)	—	444	499	25,998	(9,978)	16,020
– Other structures	15,855	(6,873)	8,982	1,526	124	—	(474)	—	54	313	18,116	(7,591)	10,525
– Roads	227,816	(67,958)	159,858	9,152	523	(2,838)	(4,203)	—	589	3,668	238,140	(71,391)	166,749
– Bridges	83,170	(28,893)	54,277	673	—	(180)	(714)	—	(578)	1,221	85,045	(30,346)	54,699
– Footpaths	20,535	(5,028)	15,507	—	671	(9)	(259)	—	(43)	351	21,620	(5,402)	16,218
– Kerb and gutter	35,526	(11,091)	24,435	158	—	—	(313)	—	93	557	36,598	(11,668)	24,930
– Bulk earthworks (non-depreciable)	245,690	—	245,690	3,951	272	(2,020)	—	—	(175)	5,649	253,367	—	253,367
– Stormwater drainage	56,690	(19,253)	37,437	429	80	—	(539)	—	(1)	849	58,502	(20,247)	38,255
– Water supply network	110,712	(79,069)	31,643	226	—	(3)	(1,028)	1,513	(771)	—	115,657	(84,077)	31,580
– Sewerage network	114,879	(52,088)	62,791	425	—	(24)	(1,118)	—	(1)	3,131	120,989	(55,785)	65,204
– Other open space/recreational assets	24,924	(5,387)	19,537	28	2,618	(8)	(570)	—	725	667	29,151	(6,154)	22,997
Other assets:													
– Library books	25	(23)	2	—	—	—	—	—	—	—	25	(23)	2
Reinstatement, rehabilitation and restoration assets (refer Note 16):													
– Tip assets	742	(246)	496	—	—	(139)	(37)	—	—	—	603	(283)	320
– Quarry assets	1,664	(412)	1,252	—	40	(756)	(63)	—	—	—	948	(475)	473
Total infrastructure, property, plant and equipment	1,094,203	(324,488)	769,715	17,545	13,512	(6,379)	(12,666)	1,513	(12,581)	26,674	1,142,606	(345,273)	797,333

(1) Renewals are defined as the replacement of existing assets (as opposed to the acquisition of new assets).

C1-7 Infrastructure, property, plant and equipment (continued)

By aggregated asset class	At 1 July 2022			Asset movements during the reporting period									At 30 June 2023		
	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount	Additions renewals ¹	Additions new assets	Carrying value of disposals	Depreciati-on expense	Revaluati-on decrements (recogni-sed in P/L)	WIP transfers	Adjustme-nts and transfers	Revaluati-on decrements to equity (ARR)	Revaluati-on increments to equity (ARR)	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount
\$ '000															
Capital work in progress	12,211	–	12,211	8,541	–	–	–	–	(167)	–	–	–	20,585	–	20,585
Plant and equipment	23,564	(10,130)	13,434	150	2,322	(825)	(1,672)	–	946	(428)	–	–	24,357	(10,430)	13,927
Office equipment	182	(126)	56	–	–	–	(26)	–	1	–	–	1	190	(158)	32
Furniture and fittings	9	(7)	2	–	–	–	(1)	–	2	–	–	–	11	(8)	3
Land:															
– Operational land	9,767	–	9,767	–	–	–	–	–	(1)	3,520	–	53	13,339	–	13,339
– Community land	18,873	–	18,873	–	120	(99)	–	–	–	(3,520)	–	61	15,435	–	15,435
Infrastructure:															
– Buildings – non-specialised	57,030	(25,834)	31,196	249	–	(18)	(1,197)	–	(242)	179	–	835	59,102	(28,100)	31,002
– Buildings – specialised	20,999	(7,995)	13,004	454	–	(18)	(467)	–	(146)	(302)	–	960	22,956	(9,471)	13,485
– Other structures	13,797	(5,861)	7,936	379	445	(3)	(447)	–	47	(54)	–	679	15,855	(6,873)	8,982
– Roads	207,008	(59,977)	147,031	5,872	10	(1,129)	(3,674)	–	(436)	114	–	12,070	227,816	(67,958)	159,858
– Bridges	74,716	(26,348)	48,368	2,528	10	(460)	(658)	–	91	394	–	4,004	83,170	(28,893)	54,277
– Footpaths	18,895	(4,396)	14,499	40	–	–	(240)	–	–	–	–	1,208	20,535	(5,028)	15,507
– Bulk earthworks (non-depreciable)	227,321	–	227,321	1,739	–	(2,480)	–	–	–	–	–	19,110	245,690	–	245,690
– Stormwater drainage	52,268	(17,253)	35,015	–	–	(3)	(498)	–	–	–	–	2,923	56,690	(19,253)	37,437
– Water supply network	101,972	(72,485)	29,487	266	–	(97)	(980)	4,219	–	–	(1,252)	–	110,712	(79,069)	31,643
– Sewerage network	106,344	(47,378)	58,966	416	–	(17)	(1,039)	–	–	–	–	4,465	114,879	(52,088)	62,791
– Other open space/recreational assets	24,651	(5,110)	19,541	477	22	(205)	(431)	–	–	97	–	36	24,924	(5,387)	19,537
– Kerb and gutter	32,735	(9,950)	22,785	155	–	(23)	(290)	–	(95)	–	–	1,903	35,526	(11,091)	24,435
Other assets:															
– Library books	25	(23)	2	–	–	–	–	–	–	–	–	–	25	(23)	2
Reinstatement, rehabilitation and restoration assets (refer Note C3-5):															
– Tip assets	726	(190)	536	–	15	–	(55)	–	–	–	–	–	742	(246)	496
– Quarry assets	1,232	(296)	936	–	432	–	(116)	–	–	–	–	–	1,664	(412)	1,252
Total infrastructure, property, plant and equipment	1,004,325	(293,359)	710,966	21,266	3,376	(5,377)	(11,791)	4,219	–	–	(1,252)	48,308	1,094,203	(324,488)	769,715

(1) Renewals are defined as the replacement of existing assets (as opposed to the acquisition of new assets).

C1-7 Infrastructure, property, plant and equipment (continued)

Material accounting policy information

Initial recognition of infrastructure, property, plant and equipment (IPPE)

IPPE is measured initially at cost. Cost includes the fair value of the consideration given to acquire the asset (net of discounts and rebates) and any directly attributable cost of bringing the asset to working condition for its intended use (inclusive of import duties and taxes).

When infrastructure, property, plant and equipment is acquired by Council at significantly below fair value, the assets are initially recognised at their fair value at acquisition date.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to Council and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Income Statement during the financial period in which they are incurred.

Useful Lives of IPPE

Land is not depreciated. The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the Council will obtain ownership at the end of the lease term. Depreciation on other assets is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

Plant and equipment	Years	Other equipment	Years
Office equipment	5 to 10	Playground equipment	5 to 20
Office furniture	10 to 20	Benches, seats etc.	10 to 20
Computer equipment	4		
Vehicles	5 to 8	Buildings	
Heavy plant/road making equipment	5 to 8	Buildings: masonry	50 to 100
Other plant and equipment	5 to 30	Buildings: other	20 to 40
Water and sewer assets		Stormwater assets	
Dams and reservoirs	40 to 100	Drains	50 to 120
Bores	20 to 40	Culverts	80 to 120
Reticulation pipes: PVC	70 to 80	Flood control structures	80 to 100
Reticulation pipes: other	45 to 75		
Pumps and telemetry	15 to 205		
Transportation assets		Other infrastructure assets	
Sealed roads: surface	15 to 40	Bulk earthworks	Infinite
Sealed roads: structure	40 to 110	Swimming pools	40 to 80
Unsealed roads	15 to 30	Unsealed roads	15 to 30
Bridge: concrete	100	Other open space/recreational assets	15 to 80

C1-7 Infrastructure, property, plant and equipment (continued)

Bridge: other	70 to 100	Other infrastructure	50 to 200
Road subbase	200		
Kerb, gutter and footpaths	80 to 120		

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

Revaluation model

Infrastructure, property, plant and equipment are held at fair value. Independent comprehensive valuations are performed at least every five years, however the carrying amount of assets is assessed by Council at each reporting date to confirm that it is not materially different from current fair value.

Water and sewerage network assets are indexed at each reporting period in accordance with the Rates Reference Manual issued by Department of Industry (DoI) – Water.

Increases in the carrying amounts arising on revaluation are credited to the revaluation reserve. To the extent that the increase reverses a decrease previously recognising profit or loss relating to that asset class, the increase is first recognised as profit or loss. Decreases that reverse previous increases of assets in the same class are first charged against revaluation reserves directly in equity to the extent of the remaining reserve attributable to the class; all other decreases are charged to the Income Statement.

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C1-7 Infrastructure, property, plant and equipment (continued)

Land under roads

Land under roads is land under roadways and road reserves including land under footpaths, nature strips and median strips.

Council has elected not to recognise land under roads acquired before 1 July 2008.

Land under roads acquired after 1 July 2008 is recognised in accordance with the IPPE accounting policy.

Crown reserves

Crown reserves under Council's care and control are recognised as assets of the Council. While ownership of the reserves remains with the Crown, Council retains operational control of the reserves and is responsible for their maintenance and use in accordance with the specific purposes to which the reserves are dedicated.

Improvements on Crown reserves are also recorded as assets, while maintenance costs incurred by Council and revenues relating to the reserves are recognised within Council's Income Statement.

Rural Fire Service assets

Under Section 119 (2) of the *Rural Fire Services Act 1997 (NSW)*, "All firefighting equipment purchased or constructed wholly or partly from money to the credit of the Fund is to be vested in the council of the area for or on behalf of which the firefighting equipment has been purchased or constructed".

Notwithstanding this, Council is of the view and had determined that it does not control Rural Fire Service assets including buildings or equipment and therefore does not account for these assets.

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C1-8 Investment properties

\$ '000	2024	2023
Owned investment property		
Investment property on hand at fair value	350	350
Total owned investment property	350	350
Owned investment property		
At fair value		
Opening balance at 1 July	350	391
Other movements	–	(41)
Closing balance at 30 June	350	350

Material accounting policy information

Investment property, principally comprising of residential building, is held for long-term rental yields and is not occupied by the Council. Changes in fair values are recorded in the Income Statement as part of other income.

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C1-9 Intangible assets

Intangible assets are as follows:

\$ '000	2024	2023
Software		
Opening values at 1 July		
Gross book value	1,579	1,579
Accumulated amortisation	(1,378)	(1,220)
Accumulated impairment	(69)	(69)
Net book value – opening balance	132	290
Movements for the year		
Amortisation charges	(131)	(158)
Closing values at 30 June		
Gross book value	1,579	1,579
Accumulated amortisation	(1,509)	(1,378)
Accumulated impairment	(69)	(69)
Total software – net book value	1	132

Material accounting policy information

IT development and software

Software development costs include only those costs directly attributable to the development phase (including external direct costs of materials and services, direct payroll, and payroll-related costs of employees' time spent on the project) and are only recognised following completion of technical feasibility, and where the Council has an intention and ability to use the asset. Amortisation is calculated on a straight-line basis over periods generally ranging from three to five years.

C2 Leasing activities

C2-1 Council as a lessor

Operating leases

Council leases out a number of properties and /or plant and equipment to community groups; these leases have been classified as operating leases for financial reporting purposes and the assets are included as investment property (refer note C1-8) and IPP&E in the Statement of Financial Position.

The amounts recognised in the Income Statement relating to operating leases where Council is a lessor are shown below:

\$ '000	2024	2023
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(i) Assets held as investment property

Investment property operating leases relate to a residential premise at Tumbarumba.

Lease income relating to variable lease payments not dependent on an index or a rate	17	23
Total income relating to operating leases for investment property assets	17	23

Operating lease expenses

Direct operating expenses that generated rental income	2	3
--	---	---

(ii) Assets held as property, plant and equipment

Council provides operating leases on Council buildings for the purpose of emergency services, health services, State Government Organisations and community groups. These leases have been classified as operating leases for financial reporting purposes and the assets are included as IPP&E. They have not been classified under AASB 140 Investment Property as they are held for strategic purposes.

Lease income (excluding variable lease payments not dependent on an index or rate)	1,664	1,723
Total income relating to operating leases for Council assets	1,664	1,723

Material accounting policy information

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

When Council has a sub-lease over an asset and is the intermediate lessor then the head lease and sub-lease are accounted for separately. The classification of the sub-lease is based on the right-of-use asset which arises from the head lease rather than the useful life of the underlying asset.

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

The lease income is recognised on a straight-line basis over the lease term for an operating lease and as finance income using amortised cost basis for finance leases.

C3 Liabilities of Council

C3-1 Payables

\$ '000	2024 Current	2024 Non-current	2023 Current	2023 Non-current
Prepaid rates	534	–	506	–
Goods and services – operating expenditure	–	–	1	–
Accrued expenses:				
– Borrowings	196	–	152	–
– Salaries and wages	563	–	565	–
– Other expenditure accruals	1,977	–	2,950	–
Security bonds, deposits and retentions	625	–	767	–
ATO – net GST payable	47	–	27	–
Other	32	–	187	–
Total payables	3,974	–	5,155	–

Payables

Payables represent liabilities for goods and services provided to Council prior to the end of financial year that are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

C3-2 Contract Liabilities

\$ '000	Notes	2024 Current	2024 Non-current	2023 Current	2023 Non-current
Grants and contributions received in advance:					
Unexpended capital grants (funds to construct Council controlled assets)	(i)	9,845	—	10,283	—
Total grants received in advance		9,845	—	10,283	—
User fees and charges received in advance:					
Other		495	—	349	—
Total user fees and charges received in advance		495	—	349	—
Total contract liabilities		10,340	—	10,632	—

Notes

(i) Council has received funding to construct assets and infrastructure. The funds received are under an enforceable contract which require Council to construct an identified asset which will be under Council's control on completion. The revenue is recognised as Council constructs the asset and the contract liability reflects the funding received which cannot yet be recognised as revenue. The revenue is expected to be recognised in the next 12 months.

(ii) The contract liability relates to grants received prior to the revenue recognition criteria in AASB 15 being satisfied since the performance obligations are ongoing.

C3-3 Borrowings

\$ '000	2024 Current	2024 Non-current	2023 Current	2023 Non-current
Loans – secured ¹	492	3,792	799	4,274
Total borrowings	492	3,792	799	4,274

(1) Loans are secured over the general rating income of Council.
Disclosures on liability interest rate risk exposures and security can be found in Note E1-1.

(a) Changes in liabilities arising from financing activities

\$ '000	2023	Cash flows	Non-cash movements	2024
	Opening Balance		Acquisition	Closing balance
Loans – secured	5,073	(789)	–	4,284
Total liabilities from financing activities	5,073	(789)	–	4,284

\$ '000	2022	Cash flows	Non-cash movements	2023
	Opening Balance		Acquisition	Closing balance
Loans – secured	6,253	(1,180)	–	5,073
Total liabilities from financing activities	6,253	(1,180)	–	5,073

C3-3 Borrowings (continued)

(b) Financing arrangements

\$ '000	2024	2023
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Total facilities

Total financing facilities available to Council at the reporting date are:

Credit cards/purchase cards

	31	39
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Total financing arrangements

Drawn facilities

Financing facilities drawn down at the reporting date are:

– Credit cards/purchase cards

	13	12
--	----	----

Total drawn financing arrangements

Undrawn facilities

Undrawn financing facilities available to Council at the reporting date are:

– Credit cards/purchase cards

	18	27
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Total undrawn financing arrangements

Breaches and defaults

During the current and prior year, there were no defaults or breaches on any of the loans.

C3-4 Employee benefit provisions

\$ '000	2024 Current	2024 Non-current	2023 Current	2023 Non-current
Annual leave	1,563	–	1,598	–
Long service leave	2,579	375	2,657	385
Other leave – TOIL	342	–	437	–
Total employee benefit provisions	4,484	375	4,692	385

Current employee benefit provisions not anticipated to be settled within the next twelve months

\$ '000	2024	2023
The following provisions, even though classified as current, are not expected to be settled in the next 12 months.		
Provisions – employees benefits	2,282	2,331
	2,282	2,331

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C3-4 Employee benefit provisions (continued)

Material accounting policy information

Other long-term employee benefit obligations

The liability for long-service leave and annual leave that is not expected to be wholly settled within 12 months after the end of the period in which the employees render the related service is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

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C3-5 Provisions

\$ '000	2024 Current	2024 Non-Current	2023 Current	2023 Non-Current
Asset remediation/restoration:				
Asset remediation/restoration (future works)	1,389	650	2,155	771
Total provisions	1,389	650	2,155	771

Description of and movements in provisions

\$ '000	Other provisions	
	Asset remediation	Total
2024		
At beginning of year	2,926	2,926
Unwinding of discount	(66)	(66)
Remeasurement effects	66	66
Revised cost recognised as remediation assets in IPPE	(887)	(887)
Total other provisions at end of year	2,039	2,039
2023		
At beginning of year	2,531	2,531
Other	395	395
Revised cost recognised as remediation assets in IPPE	—	—
Total other provisions at end of year	2,926	2,926

Nature and purpose of provisions

Asset remediation

Council has a legal/public obligation to make, restore, rehabilitate and reinstate the council tip and quarry.

Material accounting policy information

Provisions are recognised when Council has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as a borrowing cost.

Asset remediation – tips and quarries

Restoration

Close-down and restoration costs include the dismantling and demolition of infrastructure, and the removal of residual materials and remediation of disturbed areas. Estimated close-down and restoration costs are provided for in the accounting period when the obligation arising from the related disturbance occurs, whether this occurs during the development or during the operation phase, based on the net present value of estimated future costs.

Provisions for close-down and restoration costs do not include any additional obligations which are expected to arise from future disturbance. The costs are estimated on the basis of a closure plan. The cost estimates are calculated annually during the life of the operation to reflect known developments, e.g. updated cost estimates and revisions to the estimated lives of operations, and are subject to formal review at regular intervals.

Rehabilitation

Where rehabilitation is conducted systematically over the life of the operation, rather than at the time of closure, provision is made for the estimated outstanding continuous rehabilitation work at each reporting date, and the cost is charged to the Income Statement.

C3-5 Provisions (continued)

Provision is made for the estimated present value of the costs of environmental clean-up obligations outstanding at the reporting date. These costs are charged to the Income Statement. Movements in the environmental clean-up provisions are presented as an operating cost, except for the unwinding of the discount which is shown as a borrowing cost.

Remediation procedures generally commence soon after the time the damage, remediation process, and estimated remediation costs become known, but may continue for many years depending on the nature of the disturbance and the remediation techniques.

As noted above, the ultimate cost of environmental remediation is uncertain and cost estimates can vary in response to many factors, including changes to the relevant legal requirements, the emergence of new restoration techniques, or experience at other locations. The expected timing of expenditure can also change, for example in response to changes in quarry reserves or production rates. As a result, there could be significant adjustments to the provision for close down and restoration and environmental clean-up, which would affect future financial results.

Other movements in the provisions for close-down and restoration costs, including those resulting from new disturbance, updated cost estimates, changes to the estimated lives of operations, and revisions to discount rates, are capitalised within property, plant and equipment. These costs are then depreciated over the lives of the assets to which they relate.

Close-down and restoration costs are a normal consequence of tip and quarry operations, and the majority of close-down and restoration expenditure is incurred at the end of the life of the operations. Although the ultimate cost to be incurred is uncertain, Council estimates the respective costs based on feasibility and engineering studies using current restoration standards and techniques.

C4 Reserves

C4-1 Nature and purpose of reserves

IPPE Revaluation reserve

The infrastructure, property, plant and equipment (IPPE) revaluation reserve is used to record increments and decrements in the revaluation of infrastructure, property, plant and equipment.

D Council structure

D1 Results by fund

General fund refers to all Council activities other than water and sewer. All amounts disclosed in this note are gross i.e. inclusive of internal charges and recoveries made between the funds. Assets and liabilities shown in the water and sewer columns are restricted for use for these activities.

D1-1 Income Statement by fund

\$ '000	General 2024	Water 2024	Sewer 2024
Income from continuing operations			
Rates and annual charges	15,830	1,795	4,947
User charges and fees	15,278	3,454	925
Interest and investment income	1,080	433	668
Other revenues	1,141	–	26
Grants and contributions provided for operating purposes	17,712	–	3
Grants and contributions provided for capital purposes	13,246	423	342
Reversal of revaluation decrements on IPPE previously expensed	–	1,513	–
Other income	1,681	–	–
Total income from continuing operations	65,968	7,618	6,911
Expenses from continuing operations			
Employee benefits and on-costs	18,920	963	1,018
Materials and services	21,340	1,785	2,031
Borrowing costs	86	94	84
Depreciation, amortisation and impairment of non-financial assets	10,460	1,124	1,213
Other expenses	767	418	302
Net (gain)/losses from the disposal of assets	4,719	3	24
Total expenses from continuing operations	56,292	4,387	4,672
Operating result from continuing operations	9,676	3,231	2,239
Net operating result for the year	9,676	3,231	2,239
Net operating result attributable to each council fund	9,676	3,231	2,239
Net operating result for the year before grants and contributions provided for capital purposes	(3,570)	2,808	1,897

D1-2 Statement of Financial Position by fund

ASSETS

Current assets

Cash and cash equivalents	9,128	3,835	6,343
Investments	10,878	7,755	10,367
Receivables	7,411	977	344
Inventories	1,775	–	–
Contract assets and contract cost assets	642	–	–
Other	585	–	–
Total current assets	30,419	12,567	17,054

Non-current assets

Investments	6,500	–	–
Receivables	11	–	–
Inventories	147	–	–
Infrastructure, property, plant and equipment	693,180	36,144	68,009

D1-2 Statement of Financial Position by fund (continued)

\$ '000	General 2024	Water 2024	Sewer 2024
Investment property	350	–	–
Intangible assets	1	–	–
Total non-current assets	700,189	36,144	68,009
Total assets	730,608	48,711	85,063
LIABILITIES			
Current liabilities			
Payables	3,557	328	89
Contract liabilities	9,984	283	73
Borrowings	271	84	137
Employee benefit provision	4,484	–	–
Provisions	1,389	–	–
Total current liabilities	19,685	695	299
Non-current liabilities			
Borrowings	1,473	657	1,662
Employee benefit provision	375	–	–
Provisions	650	–	–
Total non-current liabilities	2,498	657	1,662
Total liabilities	22,183	1,352	1,961
Net assets	708,425	47,359	83,102
EQUITY			
Accumulated surplus	504,769	46,725	72,535
Revaluation reserves	203,656	634	10,567
Council equity interest	708,425	47,359	83,102
Total equity	708,425	47,359	83,102

E Risks and accounting uncertainties

E1-1 Risks relating to financial instruments held

Council's activities expose it to a variety of financial risks including **(1)** price risk, **(2)** credit risk, **(3)** liquidity risk and **(4)** interest rate risk.

The Council's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Council.

Council does not engage in transactions expressed in foreign currencies and is therefore not subject to foreign currency risk.

Financial risk management is carried out by Council's finance section under policies approved by the Council.

A comparison by category of the carrying amounts and fair values of Council's financial assets and financial liabilities recognised in the financial statements is presented below.

\$ '000	Carrying value 2024	Carrying value 2023	Fair value 2024	Fair value 2023
Financial assets				
Measured at amortised cost				
Cash and cash equivalents	19,306	11,016	19,306	11,016
Receivables	8,743	10,931	8,743	10,931
Investments				
Long Term Deposits	35,500	33,000	35,500	33,000
Total financial assets	63,549	54,947	63,549	54,947
Financial liabilities				
Payables	3,974	5,155	3,974	5,191
Borrowings	4,284	5,073	4,284	5,073
Total financial liabilities	8,258	10,228	8,258	10,264

Fair value is determined as follows:

- **Cash and cash equivalents, receivables, payables** – are estimated to be the carrying value that approximates market value.
- **Borrowings and Investments** – are based upon estimated future cash flows discounted by the current market interest rates applicable to assets and liabilities with similar risk profiles, unless quoted market prices are available.

Council's objective is to maximise its return on cash and investments whilst maintaining an adequate level of liquidity and preserving capital.

Council's finance area manages the cash and Investments portfolio with the assistance of independent advisors.

Council has an investment policy which complies with the *Local Government Act 1993* and Minister's investment order 625. This policy is regularly reviewed by Council and its staff and an investment report is tabled before Council on a monthly basis setting out the portfolio breakup and its performance as required by Local Government regulations.

The risks associated with the instruments held are:

- **Price risk** – the risk that the capital value of Investments may fluctuate due to changes in market prices, whether these changes are caused by factors specific to individual financial instruments or their issuers or are caused by factors affecting similar instruments traded in a market.
- **Interest rate risk** – the risk that movements in interest rates could affect returns.
- **Liquidity risk** – the risk that Council will not be able to pay its debts as and when they fall due.
- **Credit risk** – the risk that the investment counterparty will not complete their obligations particular to a financial instrument, resulting in a financial loss to Council.

Council manages these risks (amongst other measures) by diversifying its portfolio and only purchasing investments with high credit ratings or capital guarantees.

E1-1 Risks relating to financial instruments held (continued)

(a) Market risk – interest rate and price risk

\$ '000	2024	2023
The impact on result for the year and equity of a reasonably possible movement in the price of investments held and interest rates is shown below. The reasonably possible movements were determined based on historical movements and economic conditions in place at the reporting date.		
Impact of a 1% movement in interest rates		
– Equity / Income Statement	474	440
Impact of a 10% movement in price of investments		
– Equity / Income Statement	4,740	4,400

(b) Credit risk

Council's major receivables comprise (i) rates and annual charges and (ii) user charges and fees.

Council manages the credit risk associated with these receivables by monitoring outstanding debt and employing stringent debt recovery procedures. Council also encourages ratepayers to pay their rates by the due date through incentives.

The credit risk for liquid funds and other short-term financial assets is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

There are no significant concentrations of credit risk, whether through exposure to individual customers, specific industry sectors and/or regions.

The level of outstanding receivables is reported to Council monthly and benchmarks are set and monitored for acceptable collection performance.

Council makes suitable provision for doubtful receivables as required and carries out credit checks on most non-rate debtors.

There are no material receivables that have been subjected to a re-negotiation of repayment terms.

Credit risk profile

Receivables – rates and annual charges

Credit risk on rates and annual charges is minimised by the ability of Council to secure a charge over the land relating to the debts – that is, the land can be sold to recover the debt. Council is also able to charge interest on overdue rates and annual charges at higher than market rates which further encourages the payment of debt.

\$ '000	Not yet overdue	overdue rates and annual charges		Total
		< 5 years	≥ 5 years	
2024				
Gross carrying amount	–	1,138	25	1,163
2023				
Gross carrying amount	(50)	844	150	944

Receivables - non-rates and annual charges and contract assets

Council applies the simplified approach for non-rates and annual charges debtors and contract assets to provide for expected credit losses, which permits the use of the lifetime expected loss provision at inception. To measure the expected credit losses, non-rates and annual charges debtors and contract assets have been grouped based on shared credit risk characteristics and the days past due.

The loss allowance provision is determined as follows. The expected credit losses incorporate forward-looking information.

\$ '000	Not yet overdue	Overdue debts				Total
		0 - 30 days	31 - 60 days	61 - 90 days	> 91 days	
2024						
Gross carrying amount	4,731	1,966	381	1,144	–	8,222

continued on next page ...

E1-1 Risks relating to financial instruments held (continued)

\$ '000	Not yet overdue	Overdue debts				Total
		0 - 30 days	31 - 60 days	61 - 90 days	> 91 days	
Expected loss rate (%)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
ECL provision	—	—	—	—	—	—
2023						
Gross carrying amount	8,635	617	61	674	—	9,987
Expected loss rate (%)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
ECL provision	—	—	—	—	—	—

(c) Liquidity risk

Payables and borrowings are both subject to liquidity risk – the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due.

Council manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer.

Payment terms can (in extenuating circumstances) also be extended.

Borrowings are also subject to interest rate risk – the risk that movements in interest rates could adversely affect funding costs and debt servicing requirements. Council manages this risk through diversification of borrowing types, maturities and interest rate structures. The finance team reviews interest rate movements to determine if it would be advantageous to refinance or renegotiate part or all of the loan portfolio.

The timing of cash flows presented in the table below to settle financial liabilities reflects the earliest contractual settlement dates. The timing of expected outflows is not expected to be materially different from contracted cashflows.

The amounts disclosed in the table are the undiscounted contracted cash flows and therefore the balances in the table may not equal the balances in the statement of financial position due to the effect of discounting.

	Weighted average interest rate	Subject to no maturity	≤ 1 Year	payable in: 1 - 5 Years	> 5 Years	Total contractual cash outflows	Actual carrying values
\$ '000							
2024							
Payables	0.00%	625	3,349	—	—	3,974	3,974
Borrowings	5.10%	—	700	2,134	2,829	5,663	4,284
Total financial liabilities		625	4,049	2,134	2,829	9,637	8,258
2023							
Payables	0.00%	767	4,388	—	—	5,155	5,155
Borrowings	5.04%	—	1,037	2,590	3,468	7,095	5,073
Total financial liabilities		767	5,425	2,590	3,468	12,250	10,228

E2-1 Fair value measurement

Council measures the following asset classes at fair value on a recurring basis:

– Infrastructure, property, plant and equipment and investment property

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

Fair value hierarchy

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

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

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

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

		Fair value measurement hierarchy					
		Level 2 Significant observable inputs		Level 3 Significant unobservable inputs		Total	
\$ '000	Notes	2024	2023	2024	2023	2024	2023
Recurring fair value measurements							
Infrastructure, property, plant and equipment							
	C1-7						
Plant and equipment		–	–	15,154	13,927	15,154	13,927
Office equipment		–	–	28	32	28	32
Furniture and fittings		–	–	3	3	3	3
Operational land		–	–	18,368	13,339	18,368	13,339
Community land		–	–	18,826	15,435	18,826	15,435
Buildings – non-specialised		–	–	35,526	31,002	35,526	31,002
Buildings – specialised		–	–	16,020	13,485	16,020	13,485
Other structures		–	–	10,525	8,982	10,525	8,982
Roads		–	–	166,749	159,858	166,749	159,858
Bridges		–	–	54,699	54,277	54,699	54,277
Footpaths		–	–	16,218	15,507	16,218	15,507
Kerb and gutter		–	–	24,930	24,435	24,930	24,435
Bulk earthworks		–	–	253,367	245,690	253,367	245,690
Stormwater drainage		–	–	38,255	37,437	38,255	37,437
Water supply network		–	–	31,580	31,643	31,580	31,643
Sewerage network		–	–	65,204	62,791	65,204	62,791
Other open space/recreational assets		–	–	22,997	19,537	22,997	19,537
Other assets		–	–	2	2	2	2
Tips and quarries		–	–	793	1,748	793	1,748
Total infrastructure, property, plant and equipment		–	–	789,244	749,130	789,244	749,130

Transfers between level 1 and level 2 fair value hierarchies

During the year, there were no transfers between level 1 and level 2 fair value hierarchies for recurring fair value measurements.

Valuation techniques

Where Council is unable to derive fair valuations using quoted market prices of identical assets (ie. level 1 inputs) Council instead utilises a spread of both observable inputs (level 2 inputs) and unobservable inputs (level 3 inputs).

The fair valuation techniques Council has employed while utilising level 2 and level 3 inputs are as follows:

E2-1 Fair value measurement (continued)

Infrastructure, property, plant and equipment (IPPE)

Plant and equipment, office equipment and furniture and fittings

The Carrying amount of Plant and equipment, office equipment and furniture and fittings is assumed to approximate fair value due to the nature of the items (being readily sourced and replaceable). Typical assets within these classes include plant/equipment - trucks, cars, mowers, graders, rollers, loaders, office equipment – computers, printers, furniture/fittings – work desks/chairs. In accordance with council's plant replacement cycle council replaces its fleet regularly to keep the light and heavy plants at their maximum useful lives. There is no strong case identified to carry out revaluation for these assets and Council does not undertake indexation of this asset class.

Stormwater drainage assets

Stormwater drainage assets are valued using the cost approach but are disclosed at fair value in the notes. These assets typically include pipes/conduits, pits, headwalls located in urban areas.

The key unobservable inputs to the valuation are the remaining useful life, condition, and remaining value. Replacement costs are compiled 'in house' by experienced engineers and are calculated by either applying recent actual project costs or by sourcing supplier component costs and then estimating project costs.

Council applied indexation on 30 June 2024 based on a report by independent external valuers. The index movement since the last indexation is 2.30%. The total fair value for Stormwater Assets increased by \$800k as a result.

A comprehensive valuation of Council's drainage assets, by independent, external valuers, is scheduled for the 2025/26 financial year.

Other structure assets

Other structure assets are valued using the cost approach but are disclosed at fair value in the notes. These assets typically include retaining walls, shelters, swimming pools. Where possible larger assets such as swimming pools are componentised into significant parts.

The key unobservable inputs to the valuation are the remaining useful life, condition, and remaining value. Replacement costs are compiled 'in house' by experienced engineers and are calculated by either applying recent actual project costs or by sourcing supplier component costs and then estimating project costs.

A valuation of other structure assets was undertaken by independent external valuers using Level 3 inputs effective 30 June 2023.

Council applied indexation on 30 June 2024 based on a report by independent external valuers. The index movement since the last revaluation is 3.62%. The total fair value for Other Structure Assets increased by \$313k as a result.

A comprehensive valuation of Council's other structure assets by independent, external valuers, is scheduled for the 2027/28 financial year.

Land improvement depreciable assets

These assets are valued using the cost approach but are disclosed at fair value in the notes. These assets typically include playing fields, playground equipment, tables /seats.

The key unobservable inputs to the valuation are the remaining useful life, condition and remaining value. Replacement costs are compiled 'in house' by experienced engineers and are calculated by either applying recent actual project costs or by sourcing supplier component costs and then estimating project costs.

A valuation of land improvement assets was undertaken by independent external valuers using Level 3 inputs effective 30 June 2023. Council applied indexation on 30 June 2024 based on a report by independent external valuers. The index movement since the last revaluation is 3.62%. The total fair value of land improvement assets as at 30 June 2024 increased by \$714k.

The next comprehensive valuation of land improvement assets by independent, external valuers, is in the 2027/28 financial year.

Operational and Community land assets

These assets are valued using the market approach but are disclosed at fair value in the notes. These assets typically include saleable Operational Land such as land associated with works depot, offices and non-saleable Community Land associated with town commons, parks.

A land valuation was undertaken by the NSW Valuer General and independent valueuers effective 30 June 2024. Council aligns its revaluation with the Valuer General cycle and uses the most recent land valuation. The movement since this year is 30.3%. The total fair value for Land Assets increased by \$4 million as a result.

E2-1 Fair value measurement (continued)

Buildings – non-specialised and specialised assets

These assets are valued using the cost approach but are disclosed at fair value in the notes. These assets typically include Council offices (non-specialised) and water/sewer treatment plant buildings (specialised).

The key unobservable inputs to the valuation are the remaining useful life, condition, and remaining value. Replacement costs are compiled 'in house' by experienced engineers and are calculated by either applying recent actual project costs or by sourcing supplier component costs and then estimating project costs. Alternatively, quotations can be sourced from qualified professionals. Buildings are componentised into significant parts to assist in applying appropriate useful lives and replacement costs.

Council applied indexation to this class of assets effective 30 June 2024. The indexation movement is 3.73%. The total fair value for Building Assets increased by \$1.6 million as a result.

The next comprehensive valuation of buildings assets by independent, external valuers is scheduled for the 2027/28 financial year.

Road, bridge and footpath network (Transport assets)

Transport assets are valued using the cost approach but are disclosed at fair value in the notes. Road assets typically include sealed/unsealed pavements, surfaces (bituminous seals, asphaltic concrete), kerb and gutter, safety barriers, culverts. Footpath assets are typically constructed using concrete, gravel, pavers. Bridge assets typically include concrete/steel bridges. Although some timber bridges are still in use, they are being progressively phased out.

The key unobservable inputs to the valuation are the remaining useful life, condition, and remaining value. Replacement costs are compiled 'in house' by experienced engineers and are calculated by either applying recent actual project costs or by sourcing supplier component costs and then estimating project costs. Where applicable contract rates are applied. Transport assets are segmented into manageable lengths and uniform specifications.

A valuation of transport assets was undertaken by independent external valuers effective 30 June 2020. Council applied indexation at 30 June 2024 based on a report by independent external valuers. The index movement during the year is 2.3%. The total fair value for Transport Assets increased by \$5.8 million as a result.

A comprehensive valuation of Council's Transport assets by independent, external valuers is scheduled for the 2024/25 financial year.

Water supply and Sewerage network assets

Water supply and Sewerage network assets are valued using the cost approach but are disclosed at fair value in the notes. These assets typically include mains/conduits, pumping stations, reservoirs.

Mains are segmented into manageable lengths and uniform specifications.

Water supply and sewerage network asset are indexed at each reporting period in accordance with the Rates Reference Manual issued by Crowns Lands and Water. There has been no change to the valuation process during the reporting period.

The key unobservable inputs to the valuation are the remaining useful life, condition, and remaining value.

A valuation of Water supply and Sewerage network assets was undertaken by independent external valuers effective 30 June 2022. The Council applied indexation at 30 June 2024 based on a report by independent external valuers. The index movement for Water and Sewer since the last revaluation is 5.07%. The total fair value for Water supply assets increased by \$1.5 million which was transferred to revenue. Sewerage assets increased by \$3.1 million as a result. The next comprehensive valuation by independent, external valuers is scheduled for the 2026/27 financial year.

E2-1 Fair value measurement (continued)

Fair value measurements using significant unobservable inputs (level 3)

The valuation process for level 3 fair value measurements

Council assesses the expertise required for the valuation of all assets classes in determining who will undertake the valuations. A qualified external valuer is used where required. Operational and Community Land is valued using the Valuer Generals valuation.

Management reviews valuation reports for consistency and accuracy and to ensure all valuation movements are fully explained.

Significant unobservable valuation inputs used (for level 3 asset classes) and their relationship to fair value.

The following table summarises the quantitative information relating to the significant unobservable inputs used in deriving the various level 3 asset class fair values.

	Valuation technique/s	Unobservable inputs
IPPE		
Community Land	Market	Cost per sq metre, VG's Valuation
Buildings	Cost	Cost per unit, pattern of consumption, useful life, asset condition
Road, bridges and footpaths	Cost	Cost per sq metre, dimensions and specification, pattern of consumption, components, useful life, residual value, asset condition
Bulk earthworks	Cost	Cost per cubic metre
Stormwater Drainage	Cost	Cost per unit per metre, pattern of consumption
Water supply network	Cost	Unit rates, pattern of consumption, components, useful life, residual value, asset condition
Sewerage network	Cost	Unit rates, pattern of consumption, components, useful life, residual value, asset condition
Plant and equipment	Cost	Useful life, residual value
Office equipment	Cost	Useful life, residual value
Furniture and fittings	Cost	Useful life, residual value
Other structure assets	Cost	Useful life, condition, residual value
Tips and quarries	Cost	Useful life, condition, residual value, Inflation and Interest rates

E2-1 Fair value measurement (continued)

A reconciliation of the movements in recurring fair value measurements allocated to Level 3 of the hierarchy is provided below:

\$ '000	Plant and equipment		Office equipment		Furniture and fittings		Operational land	
	2024	2023	2024	2023	2024	2023	2024	2023
Balance at 1 July	13,927	13,434	32	56	3	2	13,339	9,767
Total gains or losses for the period								
Other movements								
Transfers from/(to) another asset class	(588)	414	1	1	1	2	–	3,519
Purchases	3,448	2,576	–	–	–	–	–	–
Disposals	(55)	(825)	–	–	–	–	–	–
Depreciation and impairment	(1,578)	(1,672)	(5)	(26)	(1)	(1)	–	–
Revaluation increment/decrement to equity	–	–	–	1	–	–	–	53
Balance at 30 June	15,154	13,927	28	32	3	3	13,339	13,339

\$ '000	Community Land		Land improve-ments		Buildings and other structures		Roads, bridges and footpaths	
	2024	2023	2024	2023	2024	2023	2024	2023
Balance at 1 July	15,435	18,873	19,537	19,541	53,469	52,136	254,077	232,683
Total gains or losses for the period								
Other movements								
Transfers from/(to) another asset class	(485)	(3,520)	725	97	616	(518)	61	68
Purchases	–	120	2,646	499	8,363	1,527	11,174	8,615
Disposals	(126)	(99)	(8)	(205)	(69)	(39)	(3,027)	(1,612)
Depreciation and impairment	–	–	(570)	(431)	(2,238)	(2,111)	(5,486)	(4,862)
Revaluation increment/decrement to equity	4,002	61	667	36	1,930	2,474	5,797	19,185
Balance at 30 June	18,826	15,435	22,997	19,537	62,071	53,469	262,596	254,077

E2-1 Fair value measurement (continued)

\$ '000	Bulk earthworks		Stormwater drainage		Water supply network		Sewerage network	
	2024	2023	2024	2023	2024	2023	2024	2023
Balance at 1 July	245,690	227,321	37,437	35,015	31,643	29,488	62,791	58,966
Total gains or losses for the period								
Other movements								
Transfers from/(to) another asset class	(175)	–	(1)	–	(771)	–	(1)	–
Purchases	4,223	1,739	509	–	226	266	425	416
Disposals	(2,020)	(2,480)	–	(3)	(3)	(98)	(24)	(17)
Depreciation and impairment	–	–	(539)	(498)	(1,028)	(980)	(1,118)	(1,039)
Revaluation increment/decrement to equity	5,649	19,110	849	2,923	1,513	2,967	3,131	4,465
Balance at 30 June	253,367	245,690	38,255	37,437	31,580	31,643	65,204	62,791

\$ '000	Other assets		Tips and quarries		Library books		Total	
	2024	2023	2024	2023	2024	2023	2024	2023
Balance at 1 July	19,537	19,541	1,748	1,472	2	2	768,667	718,297
Transfers from/(to) another asset class	725	97	–	–	–	–	108	160
Purchases	2,646	499	40	447	–	–	33,700	16,704
Disposals	(8)	(205)	(895)	–	–	–	(6,235)	(5,583)
Depreciation and impairment	(570)	(431)	(100)	(171)	–	–	(13,233)	(12,222)
Revaluation increment/decrement to equity	667	36	–	–	–	–	24,205	51,311
Balance at 30 June	22,997	19,537	793	1,748	2	2	807,212	768,667

Highest and best use

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

E3-1 Contingencies

The following assets and liabilities do not qualify for recognition in the Statement of Financial Position, but their knowledge and disclosure is considered relevant to the users of Council's financial report.

1. Guarantees

(i) Defined benefit superannuation contribution plans

Council is party to an Industry Defined Benefit Plan under the Local Government Superannuation Scheme, named The Local Government Superannuation Scheme – Pool B (the Scheme) which is a defined benefit plan that has been deemed to be a 'multi-employer fund' for purposes of AASB119 Employee Benefits for the following reasons:

- Assets are not segregated within the sub-group according to the employees of each sponsoring employer.
- The contribution rates have been the same for all sponsoring employers. That is, contribution rates have not varied for each sponsoring employer according to the experience relating to the employees of that sponsoring employer.
- Benefits for employees of all sponsoring employers are determined according to the same formulae and without regard to the sponsoring employer.
- The same actuarial assumptions are currently used in respect of the employees of each sponsoring employer.

Given the factors above, each sponsoring employer is exposed to the actuarial risks associated with current and former employees of other sponsoring employers, and hence shares in the associated gains and losses (to the extent that they are not borne by members).

Description of the funding arrangements.

Pooled employers are required to pay future service employer contributions and past service employer contributions to the fund.

The future service employer contributions were determined using the new entrant rate method under which a contribution rate sufficient to fund the total benefits over the working life-time of a typical new entrant is calculated. The current future service employer contribution rates are:

Division B	1.9 times member contributions for non-180 Point Members. Nil for 180 Point Members
Division C	2.5% salaries
Division D	1.64 times member contributions

For 180 point members, Employers are required to contribute 8.5% of salaries for the year ending 30 June 2024 (increasing in line with the increase in the Superannuation Guarantee) to these members' accumulation accounts, which are paid in addition to members defined benefits.

The past service contribution for each Pooled Employer is a share of the total past service contributions of \$20.0 million for 1 January 2022 to 31 December 2024, apportioned accordingly to each employer's share of the accrued liabilities as at 30 June 2023. These past services contributions are used to maintain the adequacy of the funding position for the accrued liabilities.

The adequacy of contributions is assessed at each triennial actuarial investigation and monitored annually between triennials.

Description of the extent to which Council can be liable to the plan for other Council's obligations under the terms and conditions of the multi-employer plan.

As stated above, each sponsoring employer (Council) is exposed to the actuarial risks associated with current and former employees of other sponsoring employers and hence shares in the associated gains and losses.

However, there is no relief under the Fund's trust deed for employers to walk away from their defined benefit obligations. Under limited circumstances, an employer may withdraw from the plan when there are no active members, on full payment of outstanding past service contributions. There is no provision for allocation of any surplus which may be present at the date of withdrawal of the Council.

There are no specific provisions under the Fund's trust deed dealing with deficits or surplus on wind-up.

The amount of Council employer contributions to the defined benefit section of the Local Government Superannuation Scheme and recognised as an expense for the year ending 30 June 2024 was \$104,055.53.

The estimated employer reserves financial position for the Pooled Employers at 30 June 2024 is:

E3-1 Contingencies (continued)

Employer reserves only *	\$millions	Asset Coverage
Assets	2,237.5	
Past Service Liabilities	2,141.9	104.5%
Vested Benefits	2,159.8	103.6%

* excluding member accounts and reserves in both assets and liabilities.

The key economic long term assumptions used to calculate the present value of accrued benefits are:

Investment return	6.0% per annum
Salary inflation *	3.5% per annum
Increase in CPI	3.5% for FY 23/24 2.5% per annum thereafter

* Plus promotional increases

The contribution requirements may vary from the current rates if the overall sub-group experience is not in line with the actuarial assumptions in determining the funding program; however, any adjustment to the funding program would be the same for all sponsoring employers in the Pooled Employers group.

Note that the estimated employer reserves financial position above is a preliminary calculation, and once all the relevant information has been received by the Funds Actuary, the final end of year review will be completed around December 2024.

(ii) Statewide Limited

Council is a member of Statewide Mutual, a mutual pool scheme providing liability insurance to local government.

Membership includes the potential to share in either the net assets or liabilities of the fund depending on its past performance. Council's share of the net assets or liabilities reflects Council's contributions to the pool and the result of insurance claims within each of the fund years.

The future realisation and finalisation of claims incurred but not reported to 30 June this year may result in future liabilities or benefits as a result of past events that Council will be required to fund or share in respectively.

(iii) StateCover Limited

Council is a member of StateCover Mutual Limited and holds a partly paid share in the entity.

StateCover is a company providing workers compensation insurance cover to the NSW local government industry and specifically Council.

Council has a contingent liability to contribute further equity in the event of the erosion of the company's capital base as a result of the company's past performance and/or claims experience or as a result of any increased prudential requirements from APRA.

These future equity contributions would be required to maintain the company's minimum level of net assets in accordance with its licence requirements.

(iv) Other guarantees

Council has provided no other guarantees other than those listed above.

2. Other

(i) Third party claims

The Council is involved from time to time in various claims incidental to the ordinary course of business including claims for damages relating to its services.

Council believes that it is appropriately covered for all claims through its insurance coverage and does not expect any material liabilities to eventuate.

E3-1 Contingencies (continued)

(ii) Potential land acquisitions due to planning restrictions imposed by Council

Council has classified a number of privately owned land parcels as local open space or bushland.

As a result, where notified in writing by the various owners, Council will be required to purchase these land parcels.

At reporting date, reliable estimates as to the value of any potential liability (and subsequent land asset) from such potential acquisitions have not been possible.

ASSETS NOT RECOGNISED

(i) Infringement notices/fines

Fines and penalty income, the result of Council issuing infringement notices is followed up and collected by the Infringement Processing Bureau.

Council's revenue recognition policy for such income is to account for it as revenue on receipt.

Accordingly, at year end, there is a potential asset due to Council representing issued but unpaid infringement notices.

Due to the limited information available on the status, value and duration of outstanding notices, Council is unable to determine the value of outstanding income.

(ii) Riverina Regional Library

Snowy Valleys Council is a member of the Riverina Regional Library (RRL). Council has not been able to establish the share of assets for the 2023/2024 financial year and therefore is reporting nil.

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F People and relationships

F1 Related party disclosures

F1-1 Key management personnel (KMP)

Key management personnel (KMP) of the council are those persons having the authority and responsibility for planning, directing and controlling the activities of the council, directly or indirectly. Specifically, KMP of Council are the:

- Mayor;
- Councillors;
- General Manager;
- Directors;
- Public Officer.
- Responsible Accounting Officer

The aggregate amount of KMP compensation included in the Income Statement is:

\$ '000	2024	2023
Compensation:		
Short-term benefits	1,310	1,388
Post-employment benefits	126	131
Other long-term benefits	17	15
Total	1,453	1,534

Other transactions with KMP and their related parties

There were no material transactions with KMP and their related parties during the financial year. All transactions were conducted at normal arm's length terms.

F1-2 Councillor and Mayoral fees and associated expenses

\$ '000	2024	2023
The aggregate amount of Councillor and Mayoral fees and associated expenses included in materials and services expenses in the Income Statement are:		
Mayoral fee	48	39
Councillors' fees	137	101
Councillors (including Mayor) expenses	30	26
Total	215	166

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F1-3 Other related parties

\$ '000	Transactions during the year	Outstanding balances including commitments	Terms and conditions	Impairment provision on outstanding balances	Impairment expense
Fees and Charges Income	2	–	30 day debtor account	–	–
Payment of Goods/Services Received	7	–	30 day creditor payment terms	–	–
Lease/Rental Income	2	–	30 day debtor account	–	–
Council Donations/Sponsorship	2	–	30 day creditor payment terms	–	–
Sale of Land	1	–	External Settlement	–	–

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F2 Other relationships

F2-1 Audit fees

\$ '000	2024	2023
During the year, the following fees were incurred for services provided by the auditor of Council, related practices and non-related audit firms		
Audit and review of financial statements	160	77
Other audit and assurance services	6	19
Total remuneration of non NSW Auditor-General audit firms	6	19
Total audit fees	166	96

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G Other matters

G1-1 Statement of Cash Flows information

Reconciliation of Operating Result

\$ '000	2024	2023
Net operating result from Income Statement	15,146	14,766
Add / (less) non-cash items:		
Depreciation and amortisation	12,797	11,949
(Gain) / loss on disposal of assets	4,746	3,685
Non-cash capital grants and contributions	(1,438)	–
Reversal of prior year IPP&E revaluation decrements / impairment previously costed direct to the P&L	(1,513)	(4,219)
Unwinding of discount rates on reinstatement provisions	(66)	–
Movements in operating assets and liabilities and other cash items:		
(Increase) / decrease of receivables	2,188	(312)
(Increase) / decrease of inventories	13	5
(Increase) / decrease of other current assets	2	(78)
(Increase) / decrease of contract asset	(642)	–
Increase / (decrease) in payables	(1)	2
Increase / (decrease) in accrued interest payable	44	44
Increase / (decrease) in other accrued expenses payable	(975)	(30)
Increase / (decrease) in other liabilities	(249)	(334)
Increase / (decrease) in contract liabilities	(292)	(3,205)
Increase / (decrease) in employee benefit provision	(218)	114
Increase / (decrease) in other provisions	(821)	395
Net cash flows from operating activities	28,721	22,782

G2-1 Commitments

Capital commitments (exclusive of GST)

\$ '000	2024	2023
---------	------	------

Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:

Sewerage and water infrastructure	2,006	284
Buildings	–	1,536
Plant and equipment	32	370
Open Space	196	845
Other Structures	110	746
Land Improvements	–	243
Road infrastructure	262	376
Total commitments	2,606	4,400

These expenditures are payable as follows:

Within the next year	2,606	4,400
Total payable	2,606	4,400

Sources for funding of capital commitments:

Unrestricted general funds	139	591
Externally restricted reserve	2,381	3,669
Internally restricted reserves	86	140
Total sources of funding	2,606	4,400

Details of capital commitments

Significant capital commitments include:

Open Space

- Batlow Pool
- Tumut Pool

Other Structures

- Aerodrome

Roads

- DRFA funded projects

Sewer and Water

- Sewer and Water Projects

G3-1 Events occurring after the reporting date

Council is unaware of any material or significant events that should be disclosed.

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G4 Statement of developer contributions

G4-1 Summary of developer contributions

\$ '000	Opening balance at 1 July 2023	Contributions received during the year				Interest and investment income earned	Amounts expended	Internal borrowings	Held as restricted asset at 30 June 2024
		Cash	Non-cash Land	Non-cash Other					
Other	486	63	–	–	24	–	–	–	574
S7.11 contributions – under a plan	486	63	–	–	24	–	–	–	574
Total S7.11 and S7.12 revenue under plans	486	63	–	–	24	–	–	–	574
S64 contributions	4,759	471	–	–	232	(47)	–	–	5,415
Total contributions	5,245	534	–	–	256	(47)	–	–	5,989

G4-1 Summary of developer contributions (continued)

Under the *Environmental Planning and Assessment Act 1979*, Council has significant obligations to provide Section 7.11 (contributions towards provision or improvement of amenities or services) infrastructure in new release areas. It is possible that the funds contributed may be less than the cost of this infrastructure, requiring Council to borrow or use general revenue to fund the difference.

G4-2 Developer contributions by plan

\$ '000	Opening balance at 1 July 2023	Contributions received during the year			Interest and investment income earned	Amounts expended	Internal borrowings	Held as restricted asset at 30 June 2024
		Cash	Non-cash Land	Non-cash Other				
CONTRIBUTION PLAN NUMBER (former Tumut)								
Other	486	63	–	–	24	–	–	574
Total	486	63	–	–	24	–	–	574

G5 Statement of performance measures

G5-1 Statement of performance measures – consolidated results

\$ '000	Amounts 2024	Indicator 2024	Indicators 2023 2022		Benchmark
1. Operating performance ratio					
Total continuing operating revenue excluding capital grants and contributions less operating expenses ^{1,2}	4,368	6.72%	(0.47)%	(3.88)%	> 0.00%
Total continuing operating revenue excluding capital grants and contributions ¹	64,973				
2. Own source operating revenue ratio					
Total continuing operating revenue excluding all grants and contributions ¹	47,258	59.83%	60.29%	60.80%	> 60.00%
Total continuing operating revenue ¹	78,984				
3. Unrestricted current ratio					
Current assets less all external restrictions	25,500	3.33x	1.95x	1.79x	> 1.50x
Current liabilities less specific purpose liabilities	7,662				
4. Debt service cover ratio					
Operating result before capital excluding interest and depreciation/impairment/amortisation ¹	17,429	16.55x	8.13x	5.71x	> 2.00x
Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)	1,053				
5. Rates and annual charges outstanding percentage					
Rates and annual charges outstanding	1,326	5.59%	5.07%	3.95%	< 10.00%
Rates and annual charges collectable	23,711				
6. Cash expense cover ratio					
Current year's cash and cash equivalents plus all term deposits	54,806	11.94 months	7.68 months	10.46 months	> 3.00 months
Monthly payments from cash flow of operating and financing activities	4,588				

(1) Excludes fair value increments on investment properties, reversal of revaluation decrements, reversal of impairment losses on receivables, net gain on sale of assets and net share of interests in joint ventures and associates using the equity method and includes pensioner rate subsidies

(2) Excludes impairment/revaluation decrements of IPPE, fair value decrements on investment properties, net loss on disposal of assets and net loss on share of interests in joint ventures and associates using the equity method

G5-2 Statement of performance measures by fund

\$ '000	General Indicators ³		Water Indicators		Sewer Indicators		Benchmark
	2024	2023	2024	2023	2024	2023	
1. Operating performance ratio							
Total continuing operating revenue excluding capital grants and contributions less operating expenses ^{1, 2}	(0.66)%	(3.64)%	39.03%	14.85%	28.88%	21.04%	> 0.00%
Total continuing operating revenue excluding capital grants and contributions ¹							
2. Own source operating revenue ratio							
Total continuing operating revenue excluding capital grants and contributions ¹	51.97%	54.92%	94.45%	98.83%	95.01%	98.50%	> 60.00%
Total continuing operating revenue ¹							
3. Unrestricted current ratio							
Current assets less all external restrictions	3.33x	1.80x	18.08x	1.23x	57.04x	1.07x	> 1.50x
Current liabilities less specific purpose liabilities							
4. Debt service cover ratio							
Operating result before capital excluding interest and depreciation/impairment/amortisation ¹	11.67x	24.77x	42.83x	2.47x	38.02x	6.48x	> 2.00x
Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)							
5. Rates and annual charges outstanding percentage							
Rates and annual charges outstanding	7.81%	4.99%	0.00%	4.85%	0.00%	5.40%	< 10.00%
Rates and annual charges collectable							
6. Cash expense cover ratio							
Current year's cash and cash equivalents plus all term deposits	9.73 months	5.87 months	∞	16.20 months	∞	39.47 months	> 3.00 months
Monthly payments from cash flow of operating and financing activities							

(1) - (2) Refer to Notes at Note G4-1 above.

(3) General fund refers to all of Council's activities except for its water and sewer activities which are listed separately.

End of the audited financial statements

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Snowy Valleys Council

General Purpose Financial Statements

for the year ended 30 June 2024

Independent Auditor's Reports:

On the Financial Statements (Sect 417 [2])

Independent Auditor's Report

Please uplift Council's Audit Report PDF (opinion) for inclusion in the GPFS report (via the Home screen).

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Snowy Valleys Council

General Purpose Financial Statements

for the year ended 30 June 2024

Independent Auditor's Reports: (continued)

On the Financial Statements (Sect 417 [3])

Independent Auditor's Report

Please uplift Council's Audit Report PDF (commentary) for inclusion in the GPFS report (via the Home screen).

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Snowy Valleys Council

SPECIAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2024



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Background

- i. These Special Purpose Financial Statements have been prepared for the use by both Council and the Office of Local Government in fulfilling their requirements under National Competition Policy.
- ii. The principle of competitive neutrality is based on the concept of a 'level playing field' between persons/entities competing in a market place, particularly between private and public sector competitors.

Essentially, the principle is that government businesses, whether Commonwealth, state or local, should operate without net competitive advantages over other businesses as a result of their public ownership.
- iii. For Council, the principle of competitive neutrality and public reporting applies only to declared business activities.

These include **(a)** those activities classified by the Australian Bureau of Statistics as business activities being water supply, sewerage services, abattoirs, gas production and reticulation, and **(b)** those activities with a turnover of more than \$2 million that Council has formally declared as a business activity (defined as Category 1 activities).
- iv. In preparing these financial statements for Council's self-classified Category 1 businesses and ABS-defined activities, councils must **(a)** adopt a corporatisation model and **(b)** apply full cost attribution including tax-equivalent regime payments and debt guarantee fees (where the business benefits from Council's borrowing position by comparison with commercial rates).

Special Purpose Financial Statements

for the year ended 30 June 2024

Statement by Councillors and Management made pursuant to the Local Government Code of Accounting Practice and Financial Reporting

The attached special purpose financial statements have been prepared in accordance with:

- NSW Government Policy Statement, *Application of National Competition Policy to Local Government*
- Division of Local Government Guidelines, *Pricing and Costing for Council Businesses: A Guide to Competitive Neutrality*
- The Local Government Code of Accounting Practice and Financial Reporting
- Sections 3 and 4 of the NSW Department of Planning and Environment, Water's *Regulatory and assurance framework for local water utilities*.

To the best of our knowledge and belief, these statements:

- present fairly the operating result and financial position for each of Council's declared business activities for the year,
- accord with Council's accounting and other records; and
- present overhead reallocation charges to the water and sewerage businesses as fair and reasonable.

We are not aware of any matter that would render these statements false or misleading in any way.

Signed in accordance with a resolution of Council made on 31/10/2024.

Julia Ham
Mayor
31/10/2024

Hugh Packard
Councillor
31/10/2024

Steven Pinnuck
Interim General Manager
31/10/2024

Manna Doshii
Responsible Accounting Officer
31/10/2024

Snowy Valleys Council

Income Statement of water supply business activity

for the year ended 30 June 2024

\$ '000	2024	2023
Access charges	1,795	1,669
User charges	3,453	3,107
Fees	1	1
Interest and investment income	433	218
Other income	1,513	4,229
Total income from continuing operations	7,195	9,224
Expenses from continuing operations		
Employee benefits and on-costs	963	668
Borrowing costs	94	130
Materials and services	1,785	1,961
Depreciation, amortisation and impairment	1,124	1,065
Net loss from the disposal of assets	3	93
Calculated taxation equivalents	18	18
Other expenses	418	345
Total expenses from continuing operations	4,405	4,280
Surplus (deficit) from continuing operations before capital amounts	2,790	4,944
Grants and contributions provided for capital purposes	423	59
Surplus (deficit) from continuing operations after capital amounts	3,213	5,003
Surplus (deficit) from all operations before tax	3,213	5,003
Less: corporate taxation equivalent (25%) [based on result before capital]	(698)	(1,236)
Surplus (deficit) after tax	2,515	3,767
Opening accumulated surplus	43,513	38,510
Plus adjustments for amounts unpaid:		
– Taxation equivalent payments	18	18
– Corporate taxation equivalent	697	1,236
Less:		
– Tax equivalent dividend paid	(18)	(18)
– Taxation equivalent payments	–	–
Closing accumulated surplus	46,725	43,513
Return on capital %	8.0%	14.3%
Subsidy from Council	–	–
Calculation of dividend payable:		
Surplus (deficit) after tax	2,516	3,767
Less: capital grants and contributions (excluding developer contributions)	(75)	–
Surplus for dividend calculation purposes	2,441	3,767
Dividend calculated from surplus	1,220	1,884

Snowy Valleys Council

Income Statement of sewerage business activity

for the year ended 30 June 2024

\$ '000	2024	2023
Access charges	4,947	4,572
User charges	925	691
Interest and investment income	668	343
Grants and contributions provided for operating purposes	3	8
Other income	26	41
Total income from continuing operations	6,569	5,655
Expenses from continuing operations		
Employee benefits and on-costs	1,018	739
Borrowing costs	84	103
Materials and services	2,031	2,232
Depreciation, amortisation and impairment	1,213	1,124
Net loss from the disposal of assets	24	17
Calculated taxation equivalents	17	17
Other expenses	302	250
Total expenses from continuing operations	4,689	4,482
Surplus (deficit) from continuing operations before capital amounts	1,880	1,173
Grants and contributions provided for capital purposes	342	78
Surplus (deficit) from continuing operations after capital amounts	2,222	1,251
Surplus (deficit) from all operations before tax	2,222	1,251
Less: corporate taxation equivalent (25%) [based on result before capital]	(470)	(293)
Surplus (deficit) after tax	1,752	958
Opening accumulated surplus	70,312	69,061
Plus adjustments for amounts unpaid:		
– Taxation equivalent payments	17	17
– Corporate taxation equivalent	471	293
Less:		
– Tax equivalent dividend paid	(17)	(17)
– Tax Equivalent payments	–	–
Closing accumulated surplus	72,535	70,312
Return on capital %	2.9%	1.9%
Subsidy from Council	960	1,369
Calculation of dividend payable:		
Surplus (deficit) after tax	1,752	958
Surplus for dividend calculation purposes	1,752	958
Dividend calculated from surplus	876	479

Snowy Valleys Council

Statement of Financial Position of water supply business activity

as at 30 June 2024

\$ '000	2024	2023
ASSETS		
Current assets		
Cash and cash equivalents	3,835	1,861
Investments	7,755	6,755
Receivables	977	800
Total current assets	12,567	9,416
Non-current assets		
Infrastructure, property, plant and equipment	36,144	35,474
Total non-current assets	36,144	35,474
Total assets	48,711	44,890
LIABILITIES		
Current liabilities		
Contract liabilities	283	—
Payables	328	148
Income received in advance	—	79
Borrowings	84	252
Employee benefit provisions	—	18
Total current liabilities	695	497
Non-current liabilities		
Borrowings	657	741
Total non-current liabilities	657	741
Total liabilities	1,352	1,238
Net assets	47,359	43,652
EQUITY		
Accumulated surplus	46,725	43,513
Revaluation reserves	634	139
Total equity	47,359	43,652

Snowy Valleys Council

Statement of Financial Position of sewerage business activity

as at 30 June 2024

\$ '000	2024	2023
ASSETS		
Current assets		
Cash and cash equivalents	6,343	6,577
Investments	10,367	7,367
Receivables	344	272
Total current assets	17,054	14,216
Non-current assets		
Infrastructure, property, plant and equipment	68,009	65,791
Total non-current assets	68,009	65,791
Total assets	85,063	80,007
LIABILITIES		
Current liabilities		
Contract liabilities	73	—
Payables	89	45
Borrowings	137	283
Employee benefit provisions	—	18
Total current liabilities	299	346
Non-current liabilities		
Borrowings	1,662	1,789
Total non-current liabilities	1,662	1,789
Total liabilities	1,961	2,135
Net assets	83,102	77,872
EQUITY		
Accumulated surplus	72,535	70,312
Revaluation reserves	10,567	7,560
Total equity	83,102	77,872

Note – Material accounting policy information

A statement summarising the supplemental accounting policies adopted in the preparation of the special purpose financial statements (SPFS) for National Competition Policy (NCP) reporting purposes follows.

These financial statements are SPFS prepared for use by Council and the Office of Local Government. For the purposes of these statements, the Council is a non-reporting not-for-profit entity.

The figures presented in these special purpose financial statements have been prepared in accordance with the recognition and measurement criteria of relevant Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and Australian Accounting Interpretations.

The disclosures in these special purpose financial statements have been prepared in accordance with the *Local Government Act 1993* (Act), the *Local Government (General) Regulation 2021* (Regulation) and the Local Government Code of Accounting Practice and Financial Reporting.

The statements are prepared on an accruals basis. They are based on historic costs and do not take into account changing money values or, except where specifically stated, fair value of non-current assets. Certain taxes and other costs, appropriately described, have been imputed for the purposes of the National Competition Policy.

The Statement of Financial Position includes notional assets/liabilities receivable from/payable to Council's general fund. These balances reflect a notional intra-entity funding arrangement with the declared business activities.

National Competition Policy

Council has adopted the principle of 'competitive neutrality' in its business activities as part of the National Competition Policy which is being applied throughout Australia at all levels of government. The framework for its application is set out in the June 1996 NSW Government Policy statement titled 'Application of National Competition Policy to Local Government'. *The Pricing and Costing for Council Businesses – A Guide to Competitive Neutrality* issued by the Office of Local Government in July 1997 has also been adopted.

The pricing and costing guidelines outline the process for identifying and allocating costs to activities and provide a standard for disclosure requirements. These disclosures are reflected in Council's pricing and/or financial reporting systems and include taxation equivalents, Council subsidies, and returns on investments (rate of return and dividends paid).

Declared business activities

In accordance with Pricing and Costing for Council Businesses – A Guide to Competitive Neutrality, Council has declared that the following are to be considered as business activities:

Category 1

(where gross operating turnover is over \$2 million)

a. Snowy Valleys Council Sewerage Service

Comprising the whole of the operations and assets of the sewerage reticulation and treatment system, servicing the towns of Adelong, Batlow, Khancoban, Talbingo, Tumbarumba and Tumut.

b. Snowy Valleys Council Water Supply Service

Comprising the whole of the operations and assets of the water supply system servicing the towns of Adelong, Batlow, Khancoban, Talbingo, Tumbarumba and Tumut.

Category 2

(where gross operating turnover is less than \$2 million)

Nil

Taxation equivalent charges

Council is liable to pay various taxes and financial duties. Where this is the case, they are disclosed as a cost of operations just like all other costs.

However, where Council does not pay some taxes which are generally paid by private sector businesses, such as income tax, these equivalent tax payments have been applied to all Council-nominated business activities and are reflected in Special Purpose Financial Statements.

For the purposes of disclosing comparative information relevant to the private sector equivalent, the following taxation equivalents have been applied to all Council-nominated business activities (this does not include Council's non-business activities):

Note – Material accounting policy information (continued)

Notional rate applied (%)

Corporate income tax rate – 25%

Land tax – the first \$969,000 of combined land values attracts **0%**. For the combined land values in excess of \$692,001 up to \$5,925,000 the rate is **1.6% + \$100**. For the remaining combined land value that exceeds \$5,925,000 a premium marginal rate of **2.0%** applies.

Payroll tax – **5.45%** on the value of taxable salaries and wages in excess of \$1,200,000.

In accordance with the Department of Industry (DoI) – Water guidelines, a payment for the amount calculated as the annual tax equivalent charges (excluding income tax) must be paid from water supply and sewerage business activities.

The payment of taxation equivalent charges, referred to in the DoI – Water guidelines as a ‘dividend for taxation equivalent’, may be applied for any purpose allowed under the *Local Government Act, 1993*.

Achievement of substantial compliance to the DoI – Water guidelines is not a prerequisite for the payment of the tax equivalent charges, however the payment must not exceed \$3 per assessment.

Income tax

An income tax equivalent has been applied on the profits of the business activities. Whilst income tax is not a specific cost for the purpose of pricing a good or service, it needs to be taken into account in terms of assessing the rate of return required on capital invested. Accordingly, the return on capital invested is set at a pre-tax level – gain/(loss) from ordinary activities before capital amounts, as would be applied by a private sector competitor. That is, it should include a provision equivalent to the relevant corporate income tax rate, currently 25%.

Income tax is only applied where a gain from ordinary activities before capital amounts has been achieved. Since the taxation equivalent is notional – that is, it is payable to the ‘Council’ as the owner of business operations – it represents an internal payment and has no effect on the operations of the Council.

Accordingly, there is no need for disclosure of internal charges in the SPFS. The rate applied of 25% is the equivalent company tax rate prevalent at reporting date. No adjustments have been made for variations that have occurred during the year.

Local government rates and charges

A calculation of the equivalent rates and charges for all Category 1 businesses has been applied to all assets owned, or exclusively used by the business activity.

Loan and debt guarantee fees

The debt guarantee fee is designed to ensure that Council business activities face ‘true’ commercial borrowing costs in line with private sector competitors. In order to calculate a debt guarantee fee, Council has determined what the differential borrowing rate would have been between the commercial rate and Council’s borrowing rate for its business activities.

(i) Subsidies

Government policy requires that subsidies provided to customers, and the funding of those subsidies, must be explicitly disclosed. Subsidies occur where Council provides services on a less than cost recovery basis. This option is exercised on a range of services in order for Council to meet its community service obligations. The overall effect of subsidies is contained within the Income Statements of business activities.

(ii) Return on investments (rate of return)

The NCP policy statement requires that councils with Category 1 businesses ‘would be expected to generate a return on capital funds employed that is comparable to rates of return for private businesses operating in a similar field’.

Funds are subsequently available for meeting commitments or financing future investment strategies. The rate of return is disclosed for each of Council’s business activities on the Income Statement.

The rate of return is calculated as follows:

Operating result before capital income + interest expense

Written down value of IPPE as at 30 June

Note – Material accounting policy information (continued)

As a minimum, business activities should generate a return equal to the Commonwealth 10 year bond rate which is 4.30% at 30/06/2024.

(iii) Dividends

Council is not required to pay dividends to either itself (as owner of a range of businesses) or to any external entities.

Local government water supply and sewerage businesses are permitted to pay an annual dividend from its water supply or sewerage business surplus.

Each dividend must be calculated and approved in accordance with the Department of Industry – Water guidelines and must not exceed:

- 50% of this surplus in any one year, or
- the number of water supply or sewerage assessments at 30 June 2024 multiplied by \$30 (less the payment for tax equivalent charges, not exceeding \$3 per assessment).

In accordance with the Department of Industry – Water guidelines a Dividend Payment form, Statement of Compliance, Unqualified Independent Financial Audit Report and Compliance Audit Report are required to be submitted to the Department of Industry – Water.

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Snowy Valleys Council

Special Purpose Financial Statements

for the year ended 30 June 2024

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Snowy Valleys Council

SPECIAL SCHEDULES
for the year ended 30 June 2024



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Snowy Valleys Council

Permissible income for general rates

\$ '000	Notes	Calculation 2023/24	Calculation 2024/25
Notional general income calculation ¹			
Last year notional general income yield	a	10,713	12,639
Plus or minus adjustments ²	b	12	38
Notional general income	c = a + b	10,725	12,677
Permissible income calculation			
Percentage increase	d	17.50%	5.00%
Plus percentage increase amount ³	f = d x (c + e)	1,877	634
Sub-total	g = (c + e + f)	12,602	13,311
Plus (or minus) last year's carry forward total	h	2	(35)
Sub-total	j = (h + i)	2	(35)
Total permissible income	k = g + j	12,604	13,276
Less notional general income yield	l	12,639	13,338
Catch-up or (excess) result	m = k - l	(35)	(62)
Carry forward to next year ⁶	p = m + n + o	(35)	(62)

Notes

- (1) The notional general income will not reconcile with rate income in the financial statements in the corresponding year. The statements are reported on an accrual accounting basis which include amounts that relate to prior years' rates income.
- (2) Adjustments account for changes in the number of assessments and any increase or decrease in land value occurring during the year. The adjustments are called 'supplementary valuations' as defined in the *Valuation of Land Act 1916 (NSW)*.
- (3) The 'percentage increase' is inclusive of the rate-peg percentage, and/or special variation and/or Crown land adjustment (where applicable).
- (6) Carry-forward amounts which are in excess (an amount that exceeds the permissible income) require Ministerial approval by order published in the *NSW Government Gazette* in accordance with section 512 of the Act. The OLG will extract these amounts from Council's Permissible income for general rates Statement in the financial data return (FDR) to administer this process.

Snowy Valleys Council

Report on infrastructure assets as at 30 June 2024

Asset Class	Asset Category	Estimated cost to bring assets to satisfactory standard	Estimated cost to bring to the agreed level of service set by Council	2023/24 Required maintenance ^a	2023/24 Actual maintenance	Net carrying amount	Gross replacement cost (GRC)	Assets in condition as a percentage of gross replacement cost				
		\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	1	2	3	4	5
Buildings	Buildings – specialised	–	–	1,099	1,099	15,519	25,405	29.8%	34.1%	24.7%	11.4%	0.0%
	Council Offices/Administration	–	–	450	450	8,394	16,605	9.1%	10.2%	80.7%	0.0%	0.0%
	Council Public Halls	–	–	375	375	2,317	5,571	14.3%	0.3%	85.4%	0.0%	0.0%
	Council Works Depot	–	–	114	114	3,137	6,175	9.9%	37.1%	53.0%	0.0%	0.0%
	Cultural Facilities	–	–	334	334	4,783	108,666	5.2%	18.3%	55.3%	21.2%	0.0%
	Libraries	–	–	914	914	2,492	4,065	25.6%	51.8%	17.3%	5.4%	0.0%
	Sub-total	–	–	4,082	4,082	51,546	189,699	12.6%	22.6%	49.8%	15.1%	0.0%
Other structures	Other structures	–	–	158	158	10,525	18,116	59.3%	12.3%	28.4%	0.0%	0.0%
	Sub-total	–	–	158	158	10,525	18,116	59.3%	12.3%	28.4%	0.0%	0.0%
Roads	Unsealed roads	–	–	604	604	15,557	29,538	67.2%	27.9%	4.9%	0.0%	0.0%
	Bridges	1,258	1,258	684	684	54,793	85,045	86.2%	10.0%	2.3%	1.6%	0.0%
	Footpaths	–	–	48	48	13,349	18,290	65.8%	26.2%	7.9%	0.1%	0.0%
	Other road assets	–	–	24	24	9,375	117,780	99.7%	0.3%	0.0%	0.0%	0.0%
	Bulk earthworks	–	–	–	–	253,367	253,367	100.0%	0.0%	0.0%	0.0%	0.0%
	Cycleways	–	–	84	84	2,870	3,331	86.6%	13.1%	0.3%	0.0%	0.0%
	Kerb & Gutter	–	–	6	6	20,905	36,598	31.3%	39.5%	29.2%	0.0%	0.0%
	Road Culverts	–	–	41	41	20,690	38,513	63.4%	35.3%	1.3%	0.0%	0.0%
	Sealed Road Surface	–	–	821	821	19,734	40,822	68.8%	29.1%	2.0%	0.0%	0.0%
	Sealed Road Structure	–	–	544	544	80,393	117,490	49.8%	46.1%	4.1%	0.0%	0.0%
	Sub-total	1,258	1,258	2,856	2,856	491,033	740,774	81.2%	15.7%	2.9%	0.2%	0.0%
Water supply network	Other	–	–	38	38	341	795	78.7%	21.3%	0.0%	0.0%	0.0%
	Pumping Stations	–	–	68	68	1,592	4,960	12.8%	53.2%	34.0%	0.0%	0.0%
	Reservoirs	–	–	88	88	5,247	16,513	36.0%	40.0%	24.0%	0.0%	0.0%
	Treatment	211	211	429	429	16,304	44,811	33.4%	35.8%	25.9%	5.0%	0.0%
	Mains	–	–	303	303	8,096	48,578	61.8%	34.3%	3.9%	0.0%	0.0%
	Sub-total	211	211	926	926	31,580	115,657	45.1%	36.4%	16.5%	1.9%	0.0%

Snowy Valleys Council

Report on infrastructure assets as at 30 June 2024 (continued)

Asset Class	Asset Category	Estimated cost to bring assets to satisfactory standard	Estimated cost to bring to the agreed level of service set by Council	2023/24 Required maintenance ^a	2023/24 Actual maintenance	Net carrying amount	Gross replacement cost (GRC)	Assets in condition as a percentage of gross replacement cost				
		\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	1	2	3	4	5
Sewerage network	Mains	—	—	212	212	42,221	68,320	31.4%	48.6%	19.3%	0.7%	0.0%
	Other	—	—	—	—	516	1,260	92.1%	7.1%	0.8%	0.0%	0.0%
	Pumping Stations	—	—	246	246	1,714	6,854	63.2%	21.1%	15.7%	0.0%	0.0%
	Treatment	—	—	704	704	20,753	44,555	65.3%	20.5%	14.2%	0.0%	0.0%
	Sub-total	—	—	1,162	1,162	65,204	120,989	46.3%	36.3%	17.0%	0.4%	0.0%
Stormwater drainage	Other	—	—	—	—	90	106	100.0%	0.0%	0.0%	0.0%	0.0%
	Head Walls	—	—	12	12	603	1,074	11.6%	50.3%	36.1%	2.0%	0.0%
	Inlet and Junction Pits	—	—	22	22	6,028	9,741	29.3%	41.2%	29.3%	0.2%	0.0%
	Stormwater Conduits	—	—	2	2	31,531	47,579	32.2%	58.9%	9.0%	0.0%	0.0%
	Stormwater Converters	—	—	—	—	3	3	100.0%	0.0%	0.0%	0.0%	0.0%
	Sub-total	—	—	36	36	38,255	58,503	31.4%	55.6%	12.9%	0.1%	0.0%
Open space / recreational assets	Swimming pools	—	—	—	—	—	—	0.0%	0.0%	0.0%	0.0%	0.0%
	Other	—	—	15	15	59	80	100.0%	0.0%	0.0%	0.0%	0.0%
	Other Open Space/Recreation	—	—	1,608	1,608	16,827	19,308	95.2%	2.3%	2.5%	0.0%	0.0%
	Swimming pools	—	—	984	984	6,111	97,620	54.0%	12.3%	19.2%	14.6%	0.0%
	Sub-total	—	—	2,607	2,607	22,997	117,008	60.8%	10.6%	16.4%	12.2%	0.0%
Total – all assets		1,469	1,469	11,827	11,827	711,140	1,360,746	61.3%	21.5%	13.8%	3.4%	0.0%

(a) Required maintenance is the amount identified in Council's asset management plans.

Infrastructure asset condition assessment 'key'

#	Condition	Integrated planning and reporting (IP&R) description
1	Excellent/very good	No work required (normal maintenance)
2	Good	Only minor maintenance work required
3	Satisfactory	Maintenance work required
4	Poor	Renewal required
5	Very poor	Urgent renewal/upgrading required

Snowy Valleys Council

Report on infrastructure assets as at 30 June 2024

Infrastructure asset performance indicators (consolidated) *

\$ '000	Amounts 2024	Indicator 2024	Indicators 2023 2022		Benchmark
Buildings and infrastructure renewals ratio					
Asset renewals ¹	—	0.00%	126.75%	231.72%	> 100.00%
Depreciation, amortisation and impairment	9,469				
Infrastructure backlog ratio					
Estimated cost to bring assets to a satisfactory standard	1,469	0.20%	0.18%	0.19%	< 2.00%
Net carrying amount of infrastructure assets	719,229				
Asset maintenance ratio					
Actual asset maintenance	11,827	100.00%	100.00%	100.00%	> 100.00%
Required asset maintenance	11,827				
Cost to bring assets to agreed service level					
Estimated cost to bring assets to an agreed service level set by Council	1,469	0.11%	0.12%	0.13%	
Gross replacement cost	1,360,746				

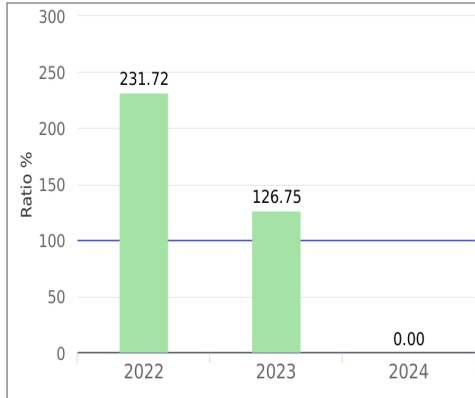
(*) All asset performance indicators are calculated using classes identified in the previous table.

(1) Asset renewals represent the replacement and/or refurbishment of existing assets to an equivalent capacity/performance as opposed to the acquisition of new assets (or the refurbishment of old assets) that increases capacity/performance.

Snowy Valleys Council

Report on infrastructure assets as at 30 June 2024

Buildings and infrastructure renewals ratio



Buildings and infrastructure renewals ratio

To assess the rate at which these assets are being renewed relative to the rate at which they are depreciating.

Commentary on result

23/24 ratio 0.00%

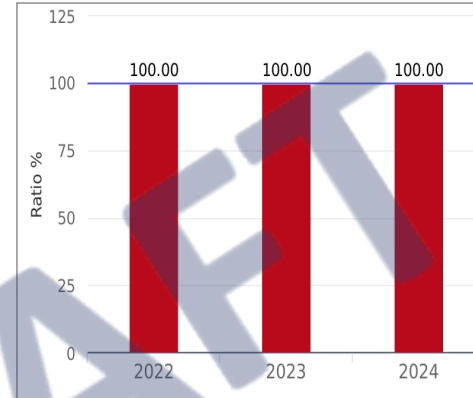
Benchmark: — > 100.00%

Ratio achieves benchmark

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio is outside benchmark

Asset maintenance ratio



Asset maintenance ratio

Compares actual vs. required annual asset maintenance. A ratio above 1.0 indicates Council is investing enough funds to stop the infrastructure backlog growing.

Commentary on result

23/24 ratio 100.00%

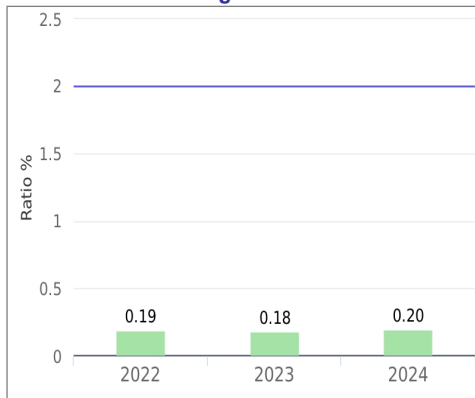
Benchmark: — > 100.00%

Ratio achieves benchmark

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio is outside benchmark

Infrastructure backlog ratio



Infrastructure backlog ratio

This ratio shows what proportion the backlog is against the total value of a Council's infrastructure.

Commentary on result

23/24 ratio 0.20%

Benchmark: — < 2.00%

Ratio achieves benchmark

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio is outside benchmark

Cost to bring assets to agreed service level



Cost to bring assets to agreed service level

This ratio provides a snapshot of the proportion of outstanding renewal works compared to the total value of assets under Council's care and stewardship.

Commentary on result

23/24 ratio 0.11%

Snowy Valleys Council

Report on infrastructure assets as at 30 June 2024

Infrastructure asset performance indicators (by fund)

\$ '000	General fund		Water fund		Sewer fund		Benchmark
	2024	2023	2024	2023	2024	2023	
Buildings and infrastructure renewals ratio							
Asset renewals ¹	0.00%	103.75%	0.00%	0.00%	0.00%	0.00%	> 100.00%
Depreciation, amortisation and impairment							
Infrastructure backlog ratio							
Estimated cost to bring assets to a satisfactory standard	0.20%	0.17%	0.67%	0.59%	0.00%	0.00%	< 2.00%
Net carrying amount of infrastructure assets							
Asset maintenance ratio							
Actual asset maintenance	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	> 100.00%
Required asset maintenance							
Cost to bring assets to agreed service level							
Estimated cost to bring assets to an agreed service level set by Council	0.11%	0.14%	0.18%	0.16%	0.00%	0.00%	
Gross replacement cost							

(1) Asset renewals represent the replacement and/or refurbishment of existing assets to an equivalent capacity/performance as opposed to the acquisition of new assets (or the refurbishment of old assets) that increases capacity/performance.